

Unified Government of Wyandotte County and Kansas City, Kansas



Board of Commissioners

Commission Chambers

701 N. 7th Street Trafficway, Kansas City, KS 66101

Mayor Tyrone Garner

*Commissioner At-Large Dist. 1 Melissa Bynum – Commissioner At-Large Dist. 2 Tom Burroughs –
Commissioner Dist. 1 Gayle E. Townsend – Commissioner Dist. 2 Bill Burns – Commissioner Dist. 3 Christian
Ramirez – Commissioner Dist. 4 Evelyn Hill – Commissioner Dist. 5 Mike Kane – Commissioner Dist. 6 Phil
Lopez – Commissioner Dist. 7 Chuck Stites – Commissioner Dist. 8 Andrew Davis*

UPDATED AGENDA

Thursday, April 24, 2025

7:00 PM

1. CALL TO ORDER/ROLL CALL

2. INVOCATION

3. PLEDGE OF ALLEGIANCE

4. REVISIONS TO AGENDA

**4.1 AGENDA UPDATE: ADDING APPOINTMENT TO ITEM NO. 6.1;
SUBSTITUTING DOCUMENTS TO ITEM 9.5**

Tracking #: 21372

5. MAYOR'S AGENDA

5.1 PRESENTATION: KANSAS STATE LEGISLATIVE SESSION UPDATE

Synopsis: Unified Government Lobbyist, Paul Davis, will provide an update and wrap up of this year's Kansas Legislative session.

Tracking #: 21281

**5.2 PROCLAMATION: THE KANSAS CITY GOLDEN GLOVES 90TH
WEEKEND**

Synopsis: Proclamation proclaiming April 10-12, 2025, as The Kansas City Golden Gloves 90th Weekend.

Tracking #: 21305

5.3 PROCLAMATION: ARBOR DAY

Synopsis: Proclamation proclaiming April 25, 2025 as Arbor Day.

Tracking #: 21305

5.4 PROCLAMATION: FIRST AFRICAN METHODIST EPISCOPAL DAY

Synopsis: Proclamation proclaiming April 27, 2025, as First African Methodist Episcopal Day.

Tracking #: 21305

6. REGULAR CONSENT AGENDA

6.1 NOMINATIONS: BOARDS AND COMMISSIONS (ADDING ITEM PER AGENDA UPDATE)

Synopsis:

Law Enforcement Advisory Board:

Appointment of John Dressler - Term 4/24/25 to 03/10/25, submitted by Mayor Garner.

TURF Committee

Appointment of Tom Burroughs - Term 4/16/25 to 12/2025, submitted by Mayor Garner.

Tracking #: 21306

6.2 MINUTES

Synopsis: Minutes from the Special Session meeting on March 13, 2025.

Tracking #: MINUTES

6.3 WEEKLY BUSINESS

Synopsis: Weekly business materials dated March 20, 2025, and March 27, 2025.

Tracking #: WEEKLY BUSINESS

7. PUBLIC HEARING AGENDA

8. STANDING COMMITTEES' AGENDA

8.1 RESOLUTION: KANSAS STATE HISTORIC PRESERVATION OFFICE HISTORIC PRESERVATION FUND GRANT

Synopsis: Approve the resolution to apply for the no-match, Historic Preservation Fund Grant.

*This item was scheduled to appear before the **Administration & Human Services Committee**, chaired by Commissioner Bynum, on April 21, 2025. It was requested, and approved unanimously by the committee, to fast track this item to the April 24, 2025, Board of Commissioners meeting.*

Tracking #: 21283

9. ADMINISTRATOR’S AGENDA

9.1 RESOLUTION: MEMORANDUM OF UNDERSTANDING WITH PLUMBERS LOCAL #8

Synopsis: Adoption of a resolution authorizing the County Administrator to execute the following Memorandums of Understanding (MOU) between the UG and the United Brotherhood of Carpenters and Joiners of America, St. Louis – Kansas City Carpenters Regional Council.

Tracking #: 21127

9.2 RESOLUTION: MEMORANDUM OF UNDERSTANDING WITH INTERNATIONAL UNION OF PAINTERS AND ALLIED TRADES DISTRICT COUNCIL #3

Synopsis: Adoption of a resolution authorizing the County Administrator to execute the following Memorandums of Understanding (MOU) between the UG and the United Brotherhood of Carpenters and Joiners of America, St. Louis – Kansas City Carpenters Regional Council.

Tracking #: 21129

9.3 ORDINANCE: APPROVING EXECUTION OF SECOND AMENDED & RESTATED STAR BOND PROJECT PLAN (AMERICAN ROYAL)

Synopsis: A public hearing and approval of an ordinance authorizing the execution of the Second Amended & Restated Northwest Speedway STAR Bond District STAR Bond Financing Project Plan.

Tracking #: 21641

9.4 RESOLUTION: SETTING PUBLIC HEARING AND GIVING NOTICE OF CREATING A COMMUNITY IMPROVEMENT DISTRICT (AMERICAN ROYAL COMMUNITY IMPROVEMENT DISTRICT)

Synopsis: A resolution calling and providing for the giving of notice of a public hearing on the advisability of creating a community improvement district to be known as the American Royal Community Improvement District and intent to levy a sales tax within the district. The hearing is scheduled for May 29, 2025 at 7:00 p.m.

Tracking #: 21642

9.5 RESOLUTION: APPROVING AMENDED & RESTATED DEVELOPMENT AGREEMENT (AMERICAN ROYAL) (SUBSTITUTING DOCUMENTS PER AGENDA UPDATE)

Synopsis: A public hearing and adoption of a resolution approving the Amended and Restated Development Agreement.

Tracking #: 21167

10. COMMISSIONERS’ AGENDA

11. LAND BANK BOARD OF TRUSTEES' CONSENT AGENDA

11.1 LAND BANK OPTIONS

Synopsis: The attached option application(s) was presented at the 03/31/2025 meeting. Please visit the new site to review the applications below
<https://gisapp.wycokck.org/Landbank.html>

Single Family Homes – 2 Homes
Tracking #: 21307

11.2 RESOLUTION: LAND BANK HOLD FOR QUINDARO RUINS

Synopsis: A resolution authorizing the Wyandotte County Land Bank to hold specified properties for Quindaro Ruins.

*On March 31, 2025, the **Neighborhood and Community Development Standing Committee**, chaired by Commissioner Davis, voted unanimously to approve and forward to full commission.*

Tracking #: 21225

11.3 RESOLUTION: LAND BANK HOLD-61ST AND I-70

Synopsis: A resolution authorizing the Wyandotte County Land Bank to hold specified properties for targeted development located at 61st & I-70.

*On March 31, 2025, the **Neighborhood and Community Development Standing Committee**, chaired by Commissioner Davis, voted unanimously to approve and forward to full commission.*

Tracking #: 21226

12. ADJOURN

The Unified Government of Wyandotte County and Kansas City, Kansas will provide necessary, reasonable auxiliary aids and services, such as ASL translators, machine-readable copies of meeting materials, or on-site language interpretation. Individuals requiring any auxiliary aids or services should contact the Unified Government Office of the Clerk by emailing or calling UGclerkrequest@wycokck.org or 913-573-5260 at least 48 hours in advance of the meeting.

Persons may address the Commission during the time set aside for Public Comment on each item scheduled or at any time by suspension of the rules. All persons must address the commission and state their name and address for the record. Comments shall be limited to three (3) minutes for each participant. Per the Commission Rules of Procedure, comments should not include any rude or derogatory remarks, reflections as to integrity, abusive comments, and statements as to motives and personalities.

Some commissioners, staff, and the public may attend remotely via Zoom or by phone. All participants joining by phone should mute their phones when not speaking to avoid background noise. During the meeting, all speakers are asked to please announce yourself by name and title every time you speak so the public that is observing knows who is speaking. This is critical given the number of remote participants and is current guidance from the Kansas Attorney General.

El Gobierno Unificado del Condado de Wyandotte y Kansas City, Kansas, proporcionará ayudas y servicios auxiliares necesarios y razonables, como traductores de ASL, copias legibles por máquina de los materiales de la reunión o interpretación de idiomas en el lugar. Las personas que requieran ayuda o servicios auxiliares deben

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**AGENDA UPDATE
UNIFIED GOVERNMENT COMMISSION MEETING
THURSDAY, APRIL 24, 2025**

ADDING ITEM

6 CONSENT AGENDA

Item No. 6.1 – BOARDS AND COMMISSIONS

Adding a Notice of Pending Appointment

Appointment of Tom Burroughs to TURF Committee – Term 04/16/25 to 12/2025, submitted by Mayor Garner.

Tracking #: 21306

SUBSTITUTING DOCUMENTS

9. ADMINISTRATOR’S AGENDA

Item No. 9.5 – RESOLUTION: APPROVING AMENDED & RESTATED DEVELOPMENT AGREEMENT (AMERICAN ROYAL)

Substituting Resolution authorizing the UG to enter into the American Royal Amended and Restated Development Agreement:

Clean and redline comparison versions of the updated resolution, which includes the changes listed below:

- Completed blank for amended IRB resolution number in 5th whereas clause on second page;
- Revised date of public hearing in 6th whereas clause on second page; and
- Completed date blank for approval tomorrow on signature page.

Tracking #: 21167



Report to Board of Commissioners

MEETING DATE	PRESENTER	DEPARTMENT
	Alan Howze, Assistant County Administrator Irene Caudillo, Chief of Staff ahowze@wycokck.org, icaudillo@wycokck.org x8951, x5010	Mayor's Office
AGENDA ITEM #5.1.		
PRESENTATION: KANSAS STATE LEGISLATIVE SESSION UPDATE		
BACKGROUND		
An update from the UG Legislative Liaison, Paul Davis, regarding the current legislative session.		
RECOMMENDATION		
For information only		
BUDGET IMPACTS / FINANCIAL CONSIDERATIONS		
None		
LEGAL CONSIDERATIONS		
None		
ATTACHMENTS		
2025-04-17 Legislative Update Memo		

Approved by Administrator to add to agenda.



**Unified Government of
Wyandotte County and Kansas City, Kansas**

701 North Seventh Street
Kansas City, Kansas 66101
(913) 573-5311 • info@wycokck.org

MEMORANDUM

April 20, 2025

TO: Mayor Tyrone Garner and Members of the Board of Commissioners

FROM: Paul Davis, UG Lobbyist

RE: State Legislative Update

I appreciate the opportunity to update you on the 2025 session of the Kansas Legislature. The Legislature traditionally does not adjourn until late April or early May. However, the legislative leadership moved to an expedited schedule this year and the Legislature adjourned *sine die* on April 11th.

Additionally, the Legislature has changed how it goes about the budgeting and appropriations process. In past years the Legislature considers the governor's proposed budget and both the House and Senate work simultaneously through the appropriations process. This year the Legislature proposed its own budget framework in addition to considering the governor's proposed budget. Then the House of Representatives went through the appropriations process first before shifting over to the Senate. This led to Governor Kelly issuing a record 31 line-item budget vetoes. 15 of these were overridden by the Legislature when they convened for the veto session.

This was another busy session for the UG as we tracked over 40 bills and testified on 10 bills during the session. I want to thank those of you who were able to come to Topeka and either testify before legislative committees or speak with our delegation. Your presence in Topeka makes a big difference.

Following is a report on a number of issues related to the UG's legislative priorities as well as other issues of interest.

I. 2025 Legislative Agenda

World Cup

There were several hearings on the World Cup preparations. The Legislature also approved the second phase of **\$28 million** in support of the World Cup. We have advocated that this money needs to be expended for transportation and security in conjunction with the UG and other affected communities.

Medicaid Expansion

Multiple amendments were proposed in committee and in the Chambers to provide Medicaid expansion, but none were successful.

Flexibility in Revenue Sources

We had a hearing on the UG's **earnings tax proposal**. Despite the two bills that were introduced not moving forward, we did create a greater interest in the issue and may have some additional advocates in the Legislature.

Infrastructure Funding

The Legislature continues to be very supportive of the IKE transportation plan. There were several efforts to reappropriate funding from the transportation plan that were not successful (including one veto from Governor Kelly). There was also an effort to repurpose the **Build Kansas fund** that was unsuccessful. This fund can help the UG with local match requirements for federal transportation grants so it is very important.

Expand access to childcare

Governor Kelly signed into law a significant child care bill that establishes an Office of Early Childhood Education and relaxes some requirements on child care facilities in an effort to create more child care slots.

Protect STAR bonds

The current **STAR bonds program is set to sunset in late 2026**. There was an effort to push the sunset to 2031, but the bill did not advance because of some amendments that were added to the bill during the process. Legislative leaders plan to seek extension of the program next session.

Public education funding

Governor Kelly was not successful getting the special education dollars that she wanted from the Legislature. The Legislature will be looking at changes to the school finance formula next session. This is an issue the UG will want to carefully watch as some of the changes being discussed will not be beneficial to Wyandotte County schools.

Legalize cannabis

There were several proposals introduced, but none of them advanced. There is strong support for this issue in the Legislature, but leadership has not wanted this issue to advance.

Protect SNAP

Senator Renee Erickson (R-Wichita) introduced Senate Bill 79, requiring the Secretary for Children and Families to seek a waiver to allow the state to restrict the purchase of candy and soft drinks with SNAP benefits. Heavily debated, the bill passed the Senate 29-11 and the House 65-58 before being vetoed by the Governor. While the Senate voted to override the veto, the House did not bring it up for vote, and the **veto was sustained**.

Riverfront authority

There were several hearings Senator Haley's bill to create a Port Authority. The issue did not advance. I would recommend that we re-evaluate this issue before next session and determine whether it is still necessary.

Support Housing Programs

The House voted 85-36 to approve HB2119, a bill that would eliminate the affordable housing state tax credit. House members believed the program to be overly expensive and worried it would leave the state liable for hundreds of millions of dollars. The Senate attempted to protect the tax credits by capping the state's financial commitment to the program. A conference committee was unsuccessful in resolving the disagreements between the two chambers, so **the tax credits remain in place** for another year.

Quindaro Ruins

Two bills were introduced that would appropriate monies for a master plan for the Quindaro Ruins. The Legislature ended up not moving forward on the proposed appropriation, but instead put together a **task force**. The UG will have several appointments to the task force.

II. Other Local Government Issues

SB8: The governor signed a bill into law that broadens the state's **move-over law**. Under current law, drivers must move over or slow down when approaching stationary emergency vehicles, tow trucks, utility trucks, and garbage trucks. The new bill extends this requirement to all vehicles displaying hazard lights or using flares and other warning signals. The bill also introduces a \$75 fine for violations.

SB35: The governor signed into law a bill that eliminates the state's **1.5-mill property tax** levy, which funds the maintenance and renovation of certain state buildings. The bill eliminates one mill of the tax allocated to state universities and half a mill designated for state hospitals, veterans' homes, and schools for the deaf and blind. The loss of revenue is being made up with appropriations from the state general fund.

HB2152: The Legislature approved a "**bankers' bill**" designed to reinvest tax dollars into the state's economy by updating investment policies for local governments, promoting deposits in Kansas banks instead of out-of-state investments. The bill introduces a single bank collateral pool program, enhances oversight and security for public funds, and offers more flexibility in setting bank CD program rates to encourage local lending and economic growth. It passed the House with a 117-5 vote, was unanimously approved in the Senate, and was signed into law by the governor.

HB2304: The governor signed a bill into law that mandates that local governments report specific **local economic development incentive** information to the Secretary of Commerce.

HB2134: The governor signed a **KORA** bill into law. This bill amends the Open Records Act to clarify what constitutes the actual costs a public agency can charge a requester for fulfilling a records request. It also requires public agencies to collaborate with requesters on larger requests to explore ways to refine the request and help reduce costs. The Senate added a provision requiring public agencies provide an itemized billing statement upon request.

HB2160: The governor signed a bill into law that allows for a cause of action if a **municipal employer** prevents an employee from sharing certain information or disciplines an employee for doing so. As written, the bill closely mirrors the protections provided to state employees under state law. The house committee and senate committee both made amendments, including the addition of an administrative process for cities and counties with a civil service body and introducing an intent element which aligns with the common law understanding of **whistleblowing**.

HB2022: The governor signed a bill into law that restricts **special elections** to being held only in March, August, or November.

HB2088: This governor signed a bill into law that introduces **fast-track permitting**, mandating that local governments meet specified deadlines for issuing building permits. The original bill was amended to narrow its focus to single-family residential homes, requiring all building permits for single-family homes be issued within 60 days.

SB195: The Legislature approved a state general fund **budget** of \$10.637 billion for FY26, including a 1.5% spending cut across the board. Despite this budget being over \$200 million less than the budget approved from FY25, projections show the state's ending balance could be nearly \$800 billion dollars in the red by 2028. As mentioned above, the Governor made 31 line-item vetoes, 15 of these were overridden.

SB29: The Legislature passed a bill that prohibits counties, joint boards of health, or local health officers from **banning public gatherings** to control the spread of infectious diseases. The House expanded the bill to require the state health secretary establish probable cause before taking any action to prevent the introduction or spread of an infectious disease. The bill passed both Chambers before being vetoed by the Governor, and a veto override prevailed 88-36 in the House and 28-12 in the Senate.

SB269: The Legislature approved a bill that transitions the state to a **single tax rate** as income tax revenues outpace inflation. The bill passed both Chambers before being vetoed by the Governor, and a veto override prevailed 87-37 in the House and 30-10 in the Senate. The bill gradually reduces individual income taxes to 4% once the state generates \$5.96 billion from income taxes (adjusted for inflation). The bill also prevents tax cuts if the state's rainy-day fund (currently around \$1.7 billion) falls below 15% of SGF tax receipts. Individual income tax rates would be lowered first, followed by reductions for corporations, banks, and credit unions.

HB2228: The Legislature granted Attorney General Kris Kobach authority over local governments filing **class-action lawsuits**. The bill mandates that the attorney general must approve any contingency fee contracts for legal services made by local governments. The bill passed both Chambers before being vetoed by the Governor. That veto was sustained.

SB51 & SB98: A bill providing tax incentives for **data centers** passed the Senate 34-6 but didn't get a vote in the House. The language from this bill was inserted into a wiped-out SB98, which passed the Senate and House and now awaits the governor's approval.

SB35 and HCR5011: In a battle of property tax methods, the Senate's proposal **capping property appraisals** at 4% for tax purposes passed 27-13 but died in the House. The House's constitutional amendment proposal limiting appraisal increases for residential and commercial properties to the lower of either a **rolling average** of statewide property values or the current fair market value passed 117-4, but the Senate gutted the bill to insert their cap proposal, which ultimately failed.

HB2343: A bill aimed at restricting local governments' power to regulate "**no-impact**" **home-based businesses** was rejected by the Senate Commerce Committee. The Committee voted against the bill, which had previously passed the House 74-49. The bill would have banned municipalities from requiring home-based businesses to apply, register, or obtain any permits or licenses to operate, and opponents argued the bill could prevent cities from addressing safety concerns and disruptions in neighborhoods.

HB2099: The House passed a bill that would allow cities or counties to conduct periodic **inspections** of housing units for code violations when the property owner receives government rental subsidies. The bill had a hearing in the Senate Local Government Committee, passed the committee, and was approved by the House but did not receive a vote in the Senate. As written, the bill applies only to Topeka, though other municipalities have the option to participate.

SB196: A proposal to mandate that all Kansas employers, including cities, use a federal internet-based system (**E-verify**) to verify their employees' eligibility to work in the United States was rejected by the Senate Federal and State Affairs Committee.

SB66: This bill would require local government officials to disclose **substantial interests** and prevent them from voting on specific projects. The bill had a hearing in the Senate Local Government Committee. The Committee significantly amended the bill to align with the provisions of last year's SB 301, which slightly expands the scope of the substantial interest form and mandates it be updated annually. The committee approved the bill, but it did not proceed to a vote on the Senate floor.

SB254: This bill seeks to bar **undocumented individuals** from receiving any state or local **public benefits**. While much of this is already covered by federal law, with cities complying accordingly, the bill expands the scope of reporting responsibilities and verification. The bill passed the Senate Federal and State Affairs Committee but never went to a vote on the Senate floor.

III. Summary of All UG Tracked Bills

Did not get a hearing

SB11: 911 training

SB12: Eminent domain

SB95: Port authority

SB100: Housing, past evictions

SB103: Earnings tax

SB112: Issuance of building permits

SB124: Unilateral annexation

HB2001: Clerk printing & postage costs

HB2080: Homestead tax cap for seniors

HB2115: Firearms

HB2127: Firearms

HB2187: Eminent domain

HB2191: Legal notices

HB2373: Immigration

HB2385: Earnings Tax

Died in committee after hearing

SB108: Earnings tax

SB120: Municipal employee whistleblower

SB19: Anti-vax anti-discrimination

SB37: Repealing 3-mile rule

SB73: Tax statement deadlines

HB2074: Homestead renters

HB2398: Quindaro Ruins

No Movement after Committee Recommendation

SB254: Immigration

SCR1606: Port authority

Died in Chambers

SB51: Data centers – no House vote (language added to SB 98)

HB2099: Topeka rental inspections

HB2119 – Affordable housing tax credit

HB2378: Squatters Act – no Senate vote

HB2396 – Revenue neutral

Vetoed by Governor & Sustained

SB79: SNAP candy & soft drinks

Signed Into Law or Passed Without Signature

SB104: Shawnee County citizens commission

SB227: Historic structure tax credits

SB29: Anti-quarantine (veto overridden)

HB2029: Highway memorial for Marvin Robinson

HB2088: Fast track permitting

HB2101: Prohibiting guaranteed incomes

HB2110: 911 Act

HB2116: Municipal contracts

HB2134: KORA fees

HB2160: Municipal employee whistleblower

HB2166: KORA exceptions

Awaiting Governor's Approval

SB98 – Data centers (originally Route 66 Assoc. license plates)



PROCLAMATION

- WHEREAS,** The Kansas City Golden Gloves will celebrate 90 years serving as host of a 3-day Olympic-style amateur boxing tournament beginning Thursday, April 10, Friday, April 11, and Saturday, April 12, at 7 p.m. bell time, at Memorial Hall, 600 N. 75th Street, KCK 66101; and
- WHEREAS,** the regional tournament is three nights of Olympic-style amateur boxing featuring the very best of local and regional boxing talent ages 8 through 40, nationally ranked male and female bouts that are sanctioned under USA Boxing will advance to the Golden Gloves National Championships May 11-17, 2025, in Tulsa, OK.; and
- WHEREAS,** the Kansas City Golden Gloves Regional Tournament is the longest-running sporting event in Kansas City history. They are an all-volunteer, non-profit dedicated to serving youth in the Kansas City area through the exciting sport of amateur boxing. They have opened or supported six new boxing gyms in Kansas City that provide an environment that fosters physical fitness, self-discipline, and confidence for young athletes; and
- WHEREAS,** the Kansas City Golden Gloves have supported over 35,000 young men and women with equipment, coaching, travel, and education. The Kansas City Golden Gloves have awarded over \$150,000.00 in scholarships to the boxers. It is a concentrated and ongoing effort to help build future leaders for our communities; and
- WHEREAS,** the Kansas City Golden Gloves have a rich history that has produced notable figures in both amateur and professional boxing who have become citizens of the community.

Tony Chiaverini - Kansas City Pro Boxing Legend.

Craig Cummings - Kansas City Boxing's own Craig "Kidfire" Cummings.

Cam F. Awesome - The most decorated amateur boxer in history.

Greg Suttington – 1990 Golden Gloves National

Eric Priest – Undefeated professional boxer

Jorge Carlos – Up-and-comer, 9-0-0, out of Olathe Blue Corner Promotions.

Marco Romero – 23-time National Golden Glove Champion, 2025 Golden Boy Award

Legendary Golden Gloves – Hall of Fame Boxing Coaches:

Arrington "Bubble Klice"

John Brown

Robert Nix

NOW, THEREFORE, I, Tyrone Garner, Mayor/CEO of the Unified Government of Wyandotte County/Kansas City, Kansas, do hereby proclaim April 10-12, 2025, as:

“THE KANSAS CITY GOLDEN GLOVES 90TH WEEKEND”

in Wyandotte County/Kansas City, Kansas. In witness whereof, I have hereunto set my hand and the seal of the Unified Government of Wyandotte County/Kansas City, Kansas.

TYRONE GARNER, MAYOR/CEO



PROCLAMATION

WHEREAS, in 1872, J. Sterling Morton proposed to the Nebraska Board of Agriculture that a special day be set aside for the planting of trees; and

WHEREAS, this holiday, called Arbor Day, was first observed with the planting of more than a million trees in Nebraska; and

WHEREAS, Arbor Day is now observed throughout the nation and the world; and

WHEREAS, trees can reduce the erosion of our precious topsoil by wind and water, cut heating and cooling costs, moderate the temperature, clean the air, produce life-giving oxygen, and provide habitats for wildlife; and

WHEREAS, trees are a renewable resource giving us paper, wood for our homes, fuel for our fires, and countless other wood products; and

WHEREAS, trees in our city increase property values, enhance the economic vitality of business areas, and beautify our community; and

WHEREAS, trees, wherever they are planted, are a source of joy and spiritual renewal.

NOW, THEREFORE, I, Tyrone Garner, Mayor/CEO of the Unified Government of Wyandotte County/Kansas City, Kansas, do hereby proclaim April 25, 2025, as:

“Arbor Day”

in Wyandotte County/Kansas City, Kansas. In witness whereof, I have hereunto set my hand and the seal of the Unified Government of Wyandotte County/Kansas City, Kansas.

TYRONE GARNER, MAYOR/CEO



PROCLAMATION

WHEREAS, in 1859, families from surrounding Baptist and African Episcopal churches met at the home of Dinah Smith with Rev. J. Strater and Rev. Buchanan at 5th & State Avenue in Kansas City, Kansas, where the congregation was a blend of Methodism and Baptist practices; and

WHEREAS, by 1863, the original congregation joined the AME association and was originally named St. James, AME Church; and

WHEREAS, in the early 1900's an African Methodist Mission was organized in the Northeastern part of Kansas City, Kansas when at that time St. James AME Church became known as the First African Methodist Episcopal Church, "the church with the friendly hand."; and

WHEREAS, the current edifice of First A.M.E. Church at 1111 N. 8th Street began construction in 1903 and was completed in 1906, by African-American men, after working their daily jobs and on the weekends; and

WHEREAS, First African Methodist Episcopal Church of Kansas City, Kansas has served this community as the oldest and continuous African American congregation in the state of Kansas for 166 years; and

WHEREAS, in November 2024, First African Methodist Episcopal Church was added to the Kansas State Historic Registry; and

WHEREAS, in December 2024, First African Methodist Episcopal Church was added to the National Registry of Historic Sites.

NOW, THEREFORE, I, Tyrone Garner, Mayor/CEO of the Unified Government of Wyandotte County/Kansas City, Kansas, do hereby proclaim April 27, 2025, as:

"First African Methodist Episcopal Day"

in Wyandotte County/Kansas City, Kansas. In witness whereof, I have hereunto set my hand and the seal of the Unified Government of Wyandotte County/Kansas City, Kansas.

TYRONE GARNER, MAYOR/CEO



Unified Government of Wyandotte
County/Kansas City, Kansas
Tyrone A. Garner, Mayor/CEO
701 North Seventh Street, Ste. 926
Kansas City, Kansas 66101
(913) 573-5010

NOTICE OF PENDING APPOINTMENT

Date: April 8, 2025

BOARD POSITION: Law Enforcement Advisory Board

INCUMBENT REPLACED: Joe Ward

TERM EXPIRATION DATE: March 10, 2025

APPOINTING COMMISSION MEMBER: Mayor Garner

REQUEST FOR APPOINTMENT

NAME OF NEW APPOINTMENT: John Dressler

TERM OF OFFICE: December 2025



SIGNATURE OF APPOINTING COMMISSION MEMBER

NOTICE: IF THERE ARE NO CONCERNS RAISED WITHIN THE INITIAL 7 BUSINESS DAY REVIEW PROCESS DATE, THEN THE NOMINATION WILL BE AUTOMATICALLY PROCESSED AS AN ITEM FOR THE NEXT AGENDA REVIEW PROVIDED NO OTHER APPLICATIONS WERE SUBMITTED.



Unified Government of Wyandotte

County/Kansas City, Kansas

Tyrone A. Garner, Mayor/CEO

701 North Seventh Street, Ste. 926

Kansas City, Kansas 66101

(913) 573-5010

NOTICE OF PENDING APPOINTMENT

Date: April 17, 2024

BOARD POSITION: TURF Committee

INCUMBENT REPLACED: Andrew Davis

TERM EXPIRATION DATE: 4-16-2025

APPOINTING COMMISSION MEMBER: Mayor Garner

REQUEST FOR APPOINTMENT

NAME OF NEW APPOINTMENT: Tom Burroughs

TERM OF OFFICE: December 2025



SIGNATURE OF APPOINTING COMMISSION MEMBER

NOTICE: IF THERE ARE NO CONCERNS RAISED WITHIN THE INITIAL 7 BUSINESS DAY REVIEW PROCESS DATE, THEN THE NOMINATION WILL BE AUTOMATICALLY PROCESSED AS AN ITEM FOR THE NEXT AGENDA REVIEW PROVIDED NO OTHER APPLICATIONS WERE SUBMITTED.

STATE OF KANSAS)
WYANDOTTE COUNTY)) SS
CITY OF KANSAS CITY, KS)

SPECIAL MEETING, THURSDAY, MARCH 13, 2025

The Unified Government Commission of Wyandotte County/Kansas City, Kansas, met in Special Meeting, Thursday, March 13, 2025, with ten members present: Bynum, Commissioner At-Large First District; Townsend, Commissioner First District (arrived at 5:38 p.m.); Burns, Commissioner Second District; Ramirez, Commissioner Third District; Hill, Commissioner Fourth District; Kane, Commissioner Fifth District; Lopez, Commissioner Sixth District; Stites, Commissioner Seventh District; Davis, Commissioner Eighth District; and Burroughs, Commissioner At-Large Second District and Mayor Pro Tem; presiding. Garner, Mayor/CEO, was absent. The following officials were also in attendance: David Johnston, County Administrator; Angela Lawson, Interim Chief Counsel; Bridgette Cobbins, Assistant County Administrator; Shelley Kneuvean, Chief Financial Officer; Reginald Lindsey, Budget Director; Michael Peterson, Assistant Budget Director; and Monica L. Sparks, Unified Government Clerk.

Mayor Pro Tem Burroughs said before I call the meeting to order I want to announce that we have individuals attending remotely as well as on-site. All participants joining by phone should mute their phones when not speaking to avoid background noise. During the meeting, please make sure you announce yourself by name and title every time you speak so the public that is participating knows who is speaking. This is critical given the number of remote participants and is current guidance from the Kansas Attorney General's Office and please be sure to speak directly into the microphone to ensure your comments are heard and an accurate record can be made of this meeting.

Mayor Pro Tem Burroughs called the meeting to order.

NOTICE OF SPECIAL MEETING of the Unified Government of Wyandotte County/Kansas City, Kansas, is scheduled to be conducted in a hybrid format on Thursday, March 13, 2025, at 5:00 p.m. for a Budget Workshop in the fifth floor conference room of the Municipal Office Building. Roll call was taken and there were nine "Ayes," Kane, Lopez, Stites, Davis, Bynum, Burroughs, Burns, Ramirez, Hill.

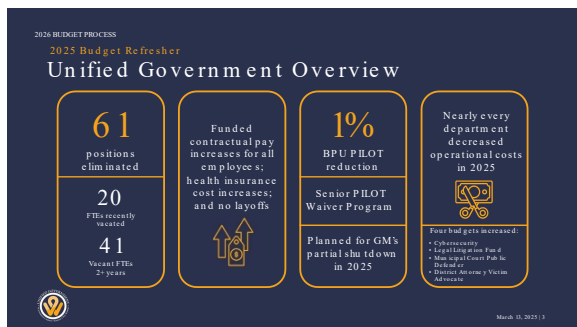
CONSENT TO MEETING of the governing body of Wyandotte County/Kansas City, Kansas, accepting service of the foregoing notice, waiving all and any irregularities in such service and in such notice, and consent and agree that we, the governing body, shall meet at the time and place therein specified and for the purpose therein stated.

Mayor Pro Tem Burroughs said tonight we are scheduled for the first of a series of Budget Workshops. I'm to understand that there may be nine of them scheduled. It depends on how many we need, so I advise us to please pay attention. If you have questions, bring them forward to provide the guidance necessary. I will turn the meeting over to Bridgette Cobbins, Assistant County Administrator, for remarks and introductions.

Bridgette Cobbins, Assistant County Administrator, said tonight is the first of our kickoff for the 2026 Budget Workshops. I'll turn it over to Reggie Lindsey and Dr. Kneuvean to start the presentation.

Reginald Lindsey, Budget Director, said this is our first Budget Workshop. What we plan to do tonight is we're here to discuss what was done during our last budget season, which we're operating our 2025 Approved Budget and kind of talk about some of the changes that were made in that budget. Then we're going to talk about long-range forecast for all our Tax Levy Funds and then we're going to discuss the impacts to the budget like departmental wise for the 2025 Budget that you all approved last summer. Then Dr. Kneuvean is going to introduce you all to our new Debt Budget or our new Debt Strategy.

As part of kicking all this off, what we're wanting to do is give you all a starting point before we really get into the budget process in this first Budget Workshop to kind of let you all know where we stand with the funds going into this budget process, familiarize you with where we are with our debt and familiarize you where we are with our different Tax Levy Funds because that's where we adjusted levies and everything last year. I just want to fill you in on those.



Some of the things that happened in the 2025 Budget was we eliminated 61 positions, 20 of them were FTEs that were vacated and then over the past years we got rid of 41, which is a total of 61 FTEs. Just kind of an interesting fact, since 2019—in 2019 we had 2,337 FTEs and in 2025 we're down to 2,177 FTEs, so we've cut definitely like 260 FTEs over time, which is a pretty good reduction for us.

Mayor Pro Tem Burroughs asked, are those vacated positions including those that haven't been filled when you say we're down to 2,177 FTEs from the 2,337, is that the number you gave in '99? **Mr. Lindsey** said 2,337 in 2019. **Mayor Pro Tem Burroughs** said the question I ask is the 61 positions, were those hard bodies or were they positions that weren't filled? **Mr. Lindsey** said they were positions that were not filled. **Mayor Pro Tem Burroughs** said that's where we're eliminating. **Mr. Lindsey** said one of the things that we've been doing since 2019 is slowly taking fulltime equivalents off the books.

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Michael Peterson, Assistant Budget Director, said just to be clear, 20 of those positions were positions that were filled within, they were recently vacated so those would have been ones that would have been part of our personnel trend and 40 positions were vacant for longer than that period and wouldn't have necessarily had an impact on the budget unless they were filled. **Mayor Pro Tem Burroughs** said I just wanted to make sure for those that are listening, there wasn't anyone terminated or released. Thank you for that clarification.

Mr. Lindsey said we also funded all our contractual pay increases in this 2025 Approved Budget that we're operating in now including we have all health insurance increases in there and, again, there were no layoffs.

We also reduced the BPU PILOT by 1%. We also have a PILOT Waiver Program for senior citizens and also those people that have disabilities and the people that make under \$45,000. Also in this budget we have the planned GM shutdown as far as how that impacts our PILOT collections.

Nearly every department had a decreased budget in 2025 besides four departments and that included IT because cybersecurity we're spending more money on and then our Legal Litigation Fund had more funding and then you have to spend more money within Municipal Court for our Public Defender. Then the District Attorney had additional victim advocates.

2026 BUDGET PROCESS
2025 Revenue Neutral Budget Summary
Kansas City

Impact	Amount
Structural Imbalance	(\$1,482,000)
Additional Revenues	\$1,810,000
Additional Expenses	(\$8,690,000)
Target Gap to Close	(\$8,362,000)
CIP Reductions	\$2,060,000
Operating Reductions	\$6,305,000
Balanced Budget	\$3,000

- Initial Structural Imbalance – 0.8% of Expenditures
- 1% Growth in Revenues from 2024 to 2025
- 4.8% Initial Growth in Projected Expenditures
- 48% Reduction from Original CIP Forecast Deferring Capital Expenses
- 3.5% Reduction in General Operating Expenses from Initial Projections

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Some of the adjustments that we made within the 2025 Budget for the City General Fund was when we first started out we had almost a \$1.5M structural imbalance. We only had additional revenues of \$1.8M, but we had additional expenses of about \$8.7M, so our target gap we had to

close ended up being almost \$8.4M. To close that gap, what we ended up doing was reducing our CIP, which is our Capital Improvement Plan, by \$2M. Then we reduced budgets just across the board within all our 40 plus departments by \$6.3M, so we ended up having a balanced budget and there was no imbalance. We actually were \$3,000 to the positive as far as bringing in \$3,000 more in revenue than expenses going out for the 2025 Budget within the City General Fund.

2026 BUDGET PROCESS
2025 Revenue Neutral Budget Summary
Wyandotte County

Impact	Amount
Structural Imbalance	(\$2,034,000)
Additional Revenues	(\$2,411,000)
Additional Expenses	(\$6,610,000)
Target Gap to Close	(\$11,055,000)
CIP Reductions	\$3,258,000
Operating Reductions	\$4,239,000
Mill Levy Realignment	\$3,577,000
Balanced Budget	\$19,000

- Initial Structural Imbalance – 2.4% of Expenditures
- 3% Loss in Revenues from 2024 to 2025
- 7.9% Initial Growth in Projected Expenditures
- 95% Reduction from Original CIP Forecast
- 5% Reduction in General Operating Expenses from Initial Projections
- 4.8% Realignment of Mills from Other Levy Funds

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Over in the County Fund we started out with an imbalance of \$2M. We ended up having additional revenues of \$2.4M less than the prior year. Then additional expenses ended up being \$6.6M, so a total gap that we had to close of \$11M. So, again, we had to cut Capital Improvement. We cut that by almost \$3.3M. We had operational reductions within our departments of about \$4.3M and then the \$3.5M we ended up adjusting mill levy's in some of our other County Levy Funds to come up with about \$3.6M and ended up having a balanced budget of \$19,000.

I want you to pay attention to the mill levy realignment, the \$3.6M, because on this next slide we'll break that down.

2025 Budget Refresher
County Mill Realignment

LEVY	2025 ORIGINAL Estimated MILL RATES (RNR)	2025 REALIGNED MILL RATES	CHANGE	% of LEVY	IMPACT (\$)
County	24.81	26.39	1.59	79.23%	3,576,444.93
Elections	0.79	0.69	(0.09)	2.08%	(207,700.23)
Parks	1.47	1.34	(0.13)	4.03%	(300,002.52)
Aging	0.92	0.80	(0.12)	2.40%	(280,700.00)
Mental Health	0.38	0.36	(0.03)	1.07%	(56,800.00)
Health	1.40	1.40	-	4.21%	0
Dev. Disabilities	0.31	0.28	(0.03)	0.84%	(71,000.00)
CIFI	0.89	-	(0.89)	0.00%	(2,012,242.18)
County Bond	2.33	2.05	(0.29)	6.14%	(648,000.00)
TOTAL COUNTY MILL RATE RNR	33.31	33.31	0.00	100.00%	0

Increases revenue for the County General Fund (while keeping total county mill rate revenue neutral)

We see we got the \$3.6M, the top line in the County General Fund, so all these other lines below are our other Tax Levy Funds on the county side. We've got the Elections Fund, Parks & Rec Tax Levy Fund, Aging Tax Levy Fund, Mental Health, Health Department, Development Disabilities and then we did have the CIFI budget in 2024, which we don't have in 2025 and then our County Bond & Interest. What we did was adjust the mill levies for those funds and we actually moved some of those mill levies to the County General Fund so we could get \$3.6M. We can kind of see the county levy was 24.81 with going revenue neutral and we ended up getting it up to 26 and four tenths and that was because we made those realignments to those other mill rates.

Mayor Pro Tem Burroughs said before we move on, we have a commissioner that has a question.

Commissioner Ramirez said to clarify, when we did the realignment, to clarify what you said, we took the mills that we realigned and we put them to the General Fund, correct? **Mr. Lindsey** said, yes, to the County General Fund. **Commissioner Ramirez** said I just want to make sure that the clarification was there for me, but also for the community. It wasn't we took the mills and they didn't go anywhere, we just shifted them to the General Fund. **Mr. Lindsey** said yes.

Mr. Lindsey said there's one more thing to pay attention to down at the bottom, total County Mill Levy RNR. You can see it's 33.31, and you see the original was 33.31 and then with the realigned mill rates, which is the third column, it's equal, so what you're showing there's a control to show that the County Mill Rate didn't go up as a total for all the mill levies on the county side.

2026 BUDGET PROCESS

2025 Budget Refresher

County Fund Balance Realignments

- Strategic realignment of resources to meet 25% fund balance reserve policy across county tax levy funds and build fund balance for the County General Fund

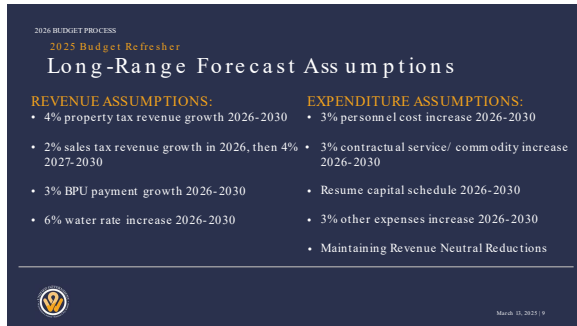
FUND Balance	Fund Balance TRANSFER OUT	Fund Balance TRANSFER IN	POST TRANSFER BALANCE
Elections	525,357		25%
Aging	1,023,709		25%
Mental Health	10,356		25%
Developmental Disability	482,828		25%
County General		1,775,015	7.5% (would have been 3% before these transfers)
Health		267,235	25%
TOTALS	\$2,042,250	\$2,042,250	

One of the things we did, we were just discussing, we moved mill levies from other county funds so one of the things—some of those funds had fund balances and we ended up taking some of their fund balance and transferring it to the County General Fund to help get it balanced. We ended up taking almost \$1.8M from other funds and at the time we did this during the budget season last year we had a post transfer balance of those funds of like 25%. That's kind of like what our policy state is that we want to keep a 25% fund balance, so one thing Michael—he's going to cover some of these funds, kind of look at their long-range forecast and you'll notice that the funds have a little bit different fund balance and that's because we updated estimates and everything. Again, this is what we approved last year.



I'm going to turn it over to Michael now and he's going to talk about the City's Tax Levy Funds and the County's Tax Levy Funds, kind of talk about the Long-Range Forecasts in those.

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Mr. Peterson said we thought it would be helpful at the start of the budget process to review the Long-Range Forecast that we ended the budget cycle with last year. We're still in the process of updating our revenue and expenditure forecasts for the next budget cycle, so at some point in one of these budget workshops you will see updated long-range forecasts coming from us. This is based on the information that we put together during last year's budget cycle. So, revenue assumptions similar to what we should be familiar, so 4% property tax growth is what we assumed for 2026 through 2030. That's about average. That's roughly what our average was before COVID and the pandemic and the property tax growth significantly increased. 2% sales tax growth is what we programmed out for 2026 and then we have it going up to 4% after that, which is still slightly below our average. I think our average is closer to 6%, but the economic forecast at the time we did the budget, revenue forecasts last year did estimate roughly 2% for 2026 and then we're trying to be conservative especially with the volatility that's going on in the federal government. We don't know what the economy is going to do, so we'll be looking to update that number as well. 3% BPU PILOT, Payment in Lieu of Taxes growth for 2026 through 2030. Then 6% water increase rate for 2026 through 2030 and then other revenue sources we had growing at the rate of inflation, so that would assume that we're either generating more charges by more customers or that we're adjusting our fee schedule to be in line with inflation each year.

Expenditure forecasts for all of our forecasts we're assuming 3% cost-of-living adjustments for labor groups and non-union groups, 3% contractual services and commodities increase. Basically we assumed that our expenditures were going to grow similar to what an inflationary rate would do, status quo expenses. We did build in our resumed Capital schedule for 2026. As you've seen in some of the previous slides, one of the ways that we balanced the budget in '25 was

to make substantial reductions to our cash funded Capital, so we built that back in for our 2026 through 2030 forecast. Then, 3% on our other expenditures.

I will note that any of the changes that we made to go revenue neutral we have not built back into these forecasts and the exception to that is Capital. So, for instance, overtime reductions, those would not be built in unless we make the conscious decision to do.

2026 BUDGET PROCESS
2025 Budget Refresher

City General Fund Long-Range Forecast

City General Fund	2024 Budget	2025 Budget	2026 Forecast	2027 Forecast	2028 Forecast	2029 Forecast	2030 Forecast
TOTAL REVENUES	\$ 179,195,628	\$ 181,005,753	\$ 186,575,933	\$ 193,761,950	\$ 201,247,886	\$ 209,048,011	\$ 217,177,402
TOTAL EXPENSES	\$ 180,678,147	\$ 181,002,850	\$ 190,067,289	\$ 197,127,098	\$ 204,451,760	\$ 212,051,295	\$ 219,936,103
Net Change in Fund Balance	\$ (1,482,519)	\$ 2,903	\$ (3,491,355)	\$ (3,365,148)	\$ (3,203,874)	\$ (3,003,284)	\$ (2,758,702)
Cash Basis Ending Fund Balance	\$ 26,734,011	\$ 26,736,914	\$ 23,245,559	\$ 19,880,410	\$ 16,676,536	\$ 13,673,252	\$ 10,914,550
ACFR Ending Fund Balance	\$ 41,581,750	\$ 41,584,633	\$ 38,093,298	\$ 34,728,149	\$ 31,524,275	\$ 28,520,991	\$ 25,762,289
Reserve % of Expenditures	23.01%	22.97%	20.04%	17.82%	15.42%	13.43%	11.71%
Fund Balance 25% Target	\$45,169,337	\$45,230,713	\$47,536,822	\$49,281,774	\$51,112,940	\$53,012,824	\$54,984,026

KEYNOTES:

- Revenue Neutral Mills Establish New Base Revenue Level in Future Years
- Doesn't Build back in Police / Fire OT (\$4.7 Million) for 2026 forward
- Resumes CIP Schedule as Presented in Budget Document (\$2.5 Million 2026 impact)
- Assumes current level of vacancies going forward and continuing to budget personnel on payroll trend

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Here's a look at what our City General Fund Long-Range Forecast looks like, so you can see we are balanced at about \$3,000 in the 2025 Budget. This again assumes that we have a new property tax base due to revenue neutral, so that assumes that the growth is based on going revenue neutral in 2025. Without building in the cuts that we made to the operating budgets, which when we say operating, we mean both personnel and contractual and commodity services, so that's basically the total budget without including Capital. So, without building that back in and resuming the Capital schedule, we're looking at to start off with about \$3.5M deficit starting out 2026 and this does assume—all of these forecasts assume that we maintain our staffing levels similar to what we had active at the beginning of 2025 when we did the forecast for personnel. We're not fully funding personnel and we're also—well, with the exception of the reductions that we made of the 60 positions.

Commissioner Ramirez said I know we went over this last year. Dr. Kneuvean, to remind, just as a quick refresher and reminder since this is our first budget workshop, cash basis and the ACFR ending fund balance, which one had the encumbrances? **Shelley Kneuvean, Chief Financial Officer**, said the one that has the encumbrances included, which is what like on Council looks at is the ACFR, which is basically saying if we had something catastrophic, we could cancel existing contracts and use that money for other projects. In a normal course of business, the Budget Office looks at what is truly unrestricted cash that would be available and so they parse out the ACFR and the cash basis and calculate that as to what would be available.

Mr. Lindsey said I might add that when we do state forms for the state, they go back by cash basis, so like if a cash basis is in the negative, we couldn't approve a budget.

Mayor Pro Tem Burroughs said, Reggie, if I understand correctly, and if I'm wrong, please correct me, that you are all—that it's already being forecast that we are going to be \$2M—I want to make sure I'm looking at the right one, I apologize I'm not, I'm looking at the city, I was looking at the county, but you're predicting in 2026 we're going to be underwater \$3.5M. **Mr. Peterson** said that is the forecast that we had done last year. Again, we're updating our forecast for this budget cycle, but that's the most recent information. **Mayor Pro Tem Burroughs** said I can't hear you. **Mr. Peterson** said that is the most recent information that we have, that's correct. That's the most up-to-date forecast that we currently have.

Mr. Lindsey said what that 2026 forecast is saying, the \$3.5M that we have \$3.5M more of expenses going out in revenues that we had—than we have, but we ended up—we would have a fund balance still of \$23M, but we would just have more expenses going out than revenues coming in. That's what that \$3.5M is saying, but we could still approve a budget at that point in time, but it's just we're structurally imbalanced.

Mayor Pro Tem Burroughs said I just want to ensure moving forward, and I don't want to prolong this meeting tonight because I know we have a lot to go on, but right at the very beginning when we talked about 2% or 4% growth in property tax revenue, is that county and city combined? **Mr. Peterson** said that's across all of our tax levy statements. That's what we're assuming. **Mayor Pro Tem Burroughs** said and that's commercial also, that's everything. **Mr. Peterson** said that's overall value. **Mayor Pro Tem Burroughs** said okay, and you're only predicting a 4% growth. That's a pretty conservative number considering—**Mr. Peterson** said

we're predicting that we choose to accept 4% growth. Whether or not the property tax value grows, we don't have to accept the full growth if we do not choose to do so as an organization. We chose to show 4% growth. **Mayor Pro Tem Burroughs** said I just wanted to know the reasoning behind what I would consider a very conservative number on growth when we've seen high single digit and double-digit growth in property valuations over the last three or four years, not only in the community, but statewide.

That's what kind of has me at 4% and then the 2% sales tax growth, what was the state's sales tax growth. Do we know what it was this last year? **Mr. Peterson** said I do not know what it was this last year. **Mayor Pro Tem Burroughs** said I think it was close to 6%. I don't want to misspeak, somebody double-check that number, but I know every year we've done budgets the sales tax has been pretty conservative and this is one of the first years in probably 30 years that I can recall that sales tax outperformed property tax. That tells me that we are a robust community in sales, another revenue stream that this community did not have for decades and now we have it and it's a pretty conservative number and when I see a proposed budget that's already underwater, I get a little concerned about that initially.

I just want you to know what I'm seeing when you present this number so as we go forward, the questions that will come forward, you'll be able to respond and I appreciate that you want to stay with the 4%, but I just might disagree with that a little bit.

Ms. Kneuvean said if I can jump in for a quick second. We have not done the revenue forecast for the '26 Budget yet. I think what the Budget Office is showing you is the model as it stood last year. Kind of, again, a starting point but we will update our revenues based on actuals and then we'll also be getting the assessed valuations from the Appraiser's Office, which is information that will all be coming to you and then you all will have to make a decision as to what we set the property tax at and then what's a reasonable based on actuals for sales tax. So these are just projections and they are fairly conservative, but it's also just information to digest for now. **Mayor Pro Tem Burroughs** said great. I just didn't want it to set the tone that we're broke, we're not going to be able to do anything because I don't think that's what these numbers are trying to tell us. We're just trying to craft a budget, I understand.

Mr. Lindsey said one of the things as you say, Commissioner Burroughs, that these numbers are telling us is when you're looking at 2026 to 2030, we're able to make adjustments, so we're forecasting out and so we can reduce expenses as we need to and if we see a place to

increase revenue, we can do that as we need to also. This is merely a forecast and Budget and Finance can work with the Commission to make some adjustments as we did last budget season when we went revenue neutral.

Commissioner Davis said two questions and I know you are still kind of working on your forecast formula. Are we including just the impact of tariffs and just what that could possibly do to our contracts, to supplies, to all of those things, are we taking that into account or do we plan to take that into account? **Mr. Lindsey** said yes, we definitely do. I mean there's a lot of things going on like micro economically where we are just kind of sticking with what we forecasted last year conservatively like Michael has talked about. As we dive deeper into the budget we will make more adjustments, but right now we feel like this is a safe place to stay is like real conservative until we get a better handle on what's going on micro economically. **Commissioner Davis** said gotcha, because I know if it sticks, I know it's been kind of an off and on deal, but that will undoubtedly have an impact.

The other question, I just want to get clarification, when it says in the keynotes revenue neutral mills established, new base revenue level in future years, I just want to make sure I understand what that's saying. Are you saying that the expectation is that the mill levy that we adopted, the mill levies plural, that we adopted in the previous budget will hold and that's what your forecast is based on or you're assuming that we will go revenue neutral again and that is impacting the current forecast? **Mr. Peterson** said we are assuming that the mill rate stays fairly consistent. Again, if we did get more than 4% property tax growth, we would assume that we would adjust the mills to be at that 4% level with at this point. **Commissioner Davis** said gotcha and the other side of it—right, if we go revenue neutral again, that we're going to see the impact of less revenue, is that correct as well? Okay, so these are—the forecast is based on the mill levies from the 2025 adopted budget. Do I have that correct? **Mr. Peterson** said that is correct.

Commissioner Stites said does this projection include—where is the Plaza at the Speedway TIF. Where is that penciled in or has it been penciled in because that's additional—when we're talking about the 2% sales tax, if that is a factor that comes online. I mean that's a pretty large significant increase into our—**Mr. Peterson** said we are definitely aware of that project. Since this was done

during last year's budget cycle and we were not aware of what the status of that project would be, that revenue is not built into this forecast.

Ms. Kneuvean said just a reminder based on the resolution that the Commission passed, in future budget workshops we'll bring forward the current status of what the agreements are and how that shakes out, yet to be seen, but we will tell you what will have an impact, a positive one either way on the budget. Then the resolution that was passed was for you all to consider 50% of that money then to help either address debt or address tax property tax, so we'll bring all of that information forward as this evolves.

Commissioner Stites said the TIF dollars right now are not included into any projections or anything, so at our next meeting will those numbers—when will we see those reflections of those numbers? I mean regardless of which way that project goes—I mean I think that we need to be prepared one way or the other. **Ms. Kneuvean** said I would say that I would expect April or May would be when we bring all revenue forecasts forward because at this point we've got basically February numbers, we've got two months' worth of numbers. We've got what happened over the course of the last year, but like we noted, there's an awful lot going on nationally that could affect things too, but we'll be bringing forward all the revenue projections. That would include Economic Development incentives because that's one, but there's a couple others as well, so that's all placed on the table for consideration, but I would say April-May time period and then we'd finalize it. We don't get the final assessed values from the Appraiser's Office until June so we have a good estimate, but then we would bring in the final numbers as they're certified in June.

Commissioner Stites said could you remind me, Shelley, and if you don't have it right now I understand, but what that looked like, and I know that they're not specific numbers right now, but what did that look like on the county side for that TIF and then what did it look like on the city side roughly? **Ms. Kneuvean** said \$500,000 on the county side and a million five on the city. **Commissioner Stites** said per year. **Ms. Kneuvean** said yes. Mostly because the state statutes have a proration of the county sales tax that then goes to the cities, a portion go to the cities and then a portion stays with the county.

Commissioner Lopez said I don't want to sound too harsh, but do you think we're kind of flying blind right now until we have everything we need when our audit comes out as well because that sounds like it's going to change up the whole playing field all the way around. **Ms. Kneuvean**

said I would say it's just early in a year to be forecasting revenues because we're talking about budget year that would start January of '26. We are back on schedule and our audit is already underway. We will have a final audit done in June, so really the thick of, a lot of this information starts coming forward with revenue projections, with final audited numbers for prior year. At the next ED&F though you will have a preliminary yearend report with the fourth quarter for 2024 and we put a lot of effort into that and it should be very close to what ends up being in the audit because we know we need these numbers sooner than we have been getting them the last few years. So it's just early in the process right now. We're only a couple months into '25, but by the time we start hitting in that kind of April, May, June time period, we'll have a lot better information.

Commissioner Lopez said so you're saying in the next ED&F meeting we'll have that, but do you have that right now? **Ms. Kneuvean** said yeah. I've got the report done. **Commissioner Lopez** said but it's not in this, though, right? **Ms. Kneuvean** said it's not. It's in the system for the ED&F meeting. **Commissioner Lopez** said but that would be great to have with this. I'm just asking, do you think it would be great to have it like right now too because that probably change up the forecast a little bit, wouldn't it? **Ms. Kneuvean** said yeah and that's what I think Michael was saying is that this is a recap. We're trying to give you a recap of what happened last year because it's been a few months, it was a pretty quick process once the decision was made to be RNR, so we're trying to kind of revisit what we did last year and where it ended up. These are the assumptions for now. These aren't the decisions that have been made, but this is how it would look, what it should—really the bottom line is what this should tell you is that we have some decisions to make, that's all. We need more information in terms of what our sales tax projection should be, what is our property tax valuation. We will be looking for direction from the Commission about RNR or a modified number mill levy rate, maybe not go RNR, but maybe have a little bit of offset, but that's to be done. We wanted to make sure that we started out with a recap of here's where we were and this should really just tell you that you got decisions to make. **Commissioner Lopez** said okay, so just a recap. There we go because that kind of helps me.

Mr. Peterson said I will just say I guess I didn't mention on the slide we are projecting to be over our 17% target for our fund balance in 2026 even with that deficit and we wouldn't see that drop until 2028 with our current forecast. We would not be at our 25% target for having the extra

months cushion for emergencies and I will say with the volatility of tariffs and everything, that would be a reason why we would be conservative on our sales tax estimates because that would have the most immediate impact and that is something that is completely—that's very difficult to forecast what sales taxes are going to do.

The City General Fund has a very substantial portion of sales taxes so that would be one of the funds that would be the most impacted by those changes.

2026 BUDGET PROCESS

2025 Budget Refresher

County General Fund Long-Range Forecast

County General Fund	2024 Amended	2025 Budget	2026 Forecast	2027 Forecast	2028 Forecast	2029 Forecast	2030 Forecast
TOTAL REVENUES	\$ 80,947,527	\$ 84,915,779	\$ 86,091,328	\$ 89,334,321	\$ 92,701,015	\$ 96,196,175	\$ 99,824,756
TOTAL EXPENSES	\$ 88,241,352	\$ 83,122,622	\$ 88,964,301	\$ 91,520,452	\$ 94,266,065	\$ 97,094,047	\$ 100,006,869
Net Change in Fund Balance	\$ (7,293,825)	\$ 1,793,157	\$ (2,872,973)	\$ (2,186,130)	\$ (1,565,050)	\$ (897,872)	\$ (182,113)
Cash Basis Ending Fund Balance	\$ 4,447,256	\$ 6,240,413	\$ 3,367,440	\$ 1,181,310	\$ (383,741)	\$ (1,281,613)	\$ (1,463,725)
ACFR Ending Fund Balance	\$ 8,296,201	\$ 10,089,358	\$ 7,216,385	\$ 5,030,255	\$ 3,465,204	\$ 2,567,332	\$ 2,385,220
Reserve % of Expenditures	9.40%	12.14%	8.11%	5.50%	3.68%	2.64%	2.30%
Fund Balance 25% Target	\$22,060,338	\$20,780,656	\$22,241,075	\$22,880,113	\$23,566,516	\$24,273,512	\$25,001,717

KEY NOTES:

- Revenue Neutral Mills Establish New Base Revenue Level in Future Years
- Doesn't Build back in Sheriff OT (\$1.2 Million) or Unfunded Inmate Costs (\$1 Million) for 2026 forward
- Resumes CIP Schedule as Presented in Budget Document (\$3.3 Million 2026 impact)
- Assumes current level of vacancies going forward and continuing to budget personnel on payroll trend
- Maintains Mills Shifted to Support County General Fund into Future Years (4.8% County Shift from other funds)

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We did want to go through all the different county levies because those are the levies that we struggled with the most during revenue neutral. Property taxes make up more than 60% of the revenues that go into the County General Fund and they make up a substantially even more of that revenue in some of the other tax levy funds.

This is the County General Fund, so right now we do have a positive change in fund balance programmed for 2025 of about \$1.8M. That is what the transfer in to shore up fund balances from excess fund balance that we saw on the earlier slide from some of our other Tax Levy Funds, so that's trying to realign our fund balances to the targets of being at about 25% to each fund. In order to achieve this we did add about 1.6 mills to this fund from our various taxing funds and that equates to about \$3.6M in revenue.

Just so you are aware, we did take out the additional \$1.8M in revenue out of '26 in the future, so the only year that's showing up on this forecast is in the 2025 budget because that's a one-time transfer.

Commissioner Burns said when you're speaking to the County General Fund and you had to infuse dollars in it to get it balanced, when did it happen on the county end of the budget that it got so low. Was it a few years ago, was it whenever? Can you need to tell us? **Mr. Lindsey** said it's something that had been generally happening over time and also we did have some contractual obligations that did go up within the County General Fund, which had an impact on it. It wasn't like it's something that happened in just one year, but also the fact of going revenue neutral that definitely was an impact to it also last year.

Commissioner Burns said this is just a little piece of history but the former Legislative Auditor told me that at consolidation the county gave to the city \$16.M in cash reserve and his estimation it was spent in two years on the city end. So, maybe there's a lot of history going way back.

Mayor Pro Tem Burroughs said I remember we as a body took some expenses from the county—or from the city and put it into the county fund because we felt—it was presented to us that some of the contractual issues out of the city budget was going for county business or it was just vice-versa, one of them, so we flipped those monies over to—the mills over to the city I believe it was and that's why the city is in a better position today than what it was three or four years ago. I think that was under the prior Administrator, two Administrator's back, that made that position to us and maybe some of my colleagues that have been here remember that discussion. **Mr. Lindsey** said I can't say exactly I remember moving any mills from the city side to the county side or the county side to the city side. There were some workforce related expenses that were moved to the county from the city. It was because we did a Workforce Study and we realized we were paying some employees that were over in the city that should have been getting paid from the county, but we never like switched—I don't recall switching mills between the city and the county.

Mayor Pro Tem Burroughs said thank you for that correction. I didn't mean mills. I meant expenses and/or there was something that wasn't aligned up and it was brought to us collectively as a body to determine if we should switch this over and make it—take it out of I believe it was the county fund and put it into the city fund because the city was—it was the other way around—**Commissioner Ramirez** said it was some employees were being paid out of the city budget but they were doing county work. I remember when we made that realignment with

Administrator Bach at the time when he presented that to us and that's what it was, realigning the payroll expense to the county budget instead of the city budget.

Mr. Peterson said we make a strong effort to try to allocate the cost for county services to our county funds and our city services to our city funds. So one of the things—that was actually something that I was involved in in prior years in the budget process, so sometime around 2019, 2020 we were looking at our budgets and you'll see slides on here for shared expenses, so basically those are a lot of our administrative functions. Those would be Buildings & Logistics, Human Resources, Technology, the Commissioners, the Mayor, the County Administrator's Office, so what we found when we were looking through those expenses was that the majority of those expenses were being charged for years to the City General Fund. So what we did is we for our general administrative expenses estimated how much of our budget was county, how much of our budget was city as the Unified Government and split those positions roughly 70% city funded, 30% county funded. For the positions that were specifically in operations like Human Resources and Payroll, that are specifically personnel related, about 60% of our FTEs on the county side of the budget and—or 60% of our FTEs on the city side of the budget and 40% of our FTEs on the county side of the budget, so we allocated them that way. That is something we try to watch and we definitely try to make sure that city expenses are not being charged to county funds and county expenses are not being charged to city funds. I know that Budget is not alone in that. I know Finance keeps a close eye on that as well.

Mayor Pro Tem Burroughs said thank you for that explanation. I think it's important that we know some of the challenges and why it happened. Commissioner Burns, I know I stepped on all your question. Did you have any other questions or comments? **Commissioner Burns** said no, other than nobody can answer when the county had the problem about getting the fund up. **Mr. Peterson** said so I can definitely say, I can't give you facts right now necessarily like specific numbers, but it has fluctuated which fund has done better in my time in Budget. For instance, after the recession, the recession in 2008 that was primarily property tax related so that definitely had more of an impact on the county side of the budget because the county side is primarily property tax funded. City side having more sales tax, it recovered quicker than the county side did and then after a while, especially with COVID, the county side of the budget actually started performing better because of property tax valuation increases that we've seen recently and the city side has struggled more. It kind of has flipped back and forth depending on what the economy is doing and

depending on which revenue stream is functioning healthier. **Commissioner Burns** said so what you're saying your goal now is to keep them where they need to be. **Mr. Peterson** said yeah, we need to keep the county expenses where the county is and the city expenses where the city is. **Commissioner Burns** said you answered the question for now.

Mr. Peterson said one of the things that we can point out on the County General Fund is that we did only approve a Capital Budget of roughly \$200K in 2025, so building back in a Capital Budget in 2026 will have a substantial impact on our forecast. Again, this is conservative, 60% of our revenues are property taxes so we already know that we're forecasting to be higher than that. If we go with the 4% number, we'll have a challenge building Capital back into our budget in 2026. I'll also state that this does not build back in Sheriff overtime or unfunded inmate costs that we did not fully fund during the 2025 Budget cycle and that is roughly \$2M as well and then it also assumes that any of the mills that we shifted in 2025 stays constant and we do not revert any of the mills back to the funds where we took the mills from. That was about a 4.8% shift of mills on the county side from other funds into the county to support county services and on this forecast we would be negative on our cash basis in 2028 and we would have to make adjustments before then. We also are not at our 17% reserve target in any of the years.

2026 BUDGET PROCESS

2025 Budget Refresher

County Aging Fund Long-Range Forecast

County Aging Fund	2024 Amended	2025 Budget	2026 Forecast	2027 Forecast	2028 Forecast	2029 Forecast	2030 Forecast
TOTAL REVENUES	\$ 2,206,936	\$ 1,929,541	\$ 2,003,993	\$ 2,081,341	\$ 2,161,699	\$ 2,245,185	\$ 2,331,920
TOTAL EXPENSES	\$ 1,876,013	\$ 2,944,281	\$ 1,978,189	\$ 2,037,535	\$ 2,098,601	\$ 2,161,621	\$ 2,226,469
Net Change in Fund Balance	\$ 330,923	\$ (1,014,740)	\$ 25,804	\$ 43,807	\$ 63,038	\$ 83,564	\$ 105,451
Cash Basis Ending Fund Balance	\$ 1,488,934	\$ 474,194	\$ 499,998	\$ 543,805	\$ 606,843	\$ 690,407	\$ 795,857
ACFR Ending Fund Balance	\$ 1,603,347	\$ 588,607	\$ 614,411	\$ 658,218	\$ 721,256	\$ 804,820	\$ 910,270
Reserve % of Expenditures	85.47%	30.65%	31.06%	32.30%	34.37%	37.23%	40.88%
Fund Balance 25% Target	\$469,003	\$736,070	\$494,547	\$509,384	\$524,665	\$540,405	\$556,617

KEY NOTES:

- Revenue Neutral Mills Establish New Base Revenue Level in Future Years
- Maintains Mills Shifted to Support County General Fund into Future Years (13% reduction in mill shifted to support County General Fund)
- Senior Meal Programs in flux, unidentified future cost of program

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The Aging Fund was reduced by .12 mills during the budget process. It was about a 13% reduction in the mill dedicated to Aging that was shifted to the City General Fund and then we had a transfer of about \$1M in fund balance that was built up to the County General Fund to support the county as well. So, ongoing you can see that this fund is balanced. We will note that we're currently going through some significant changes to our Senior Meal Programs. Some of the vendors are in the process of changing over so we don't quite know what the impact of that's going to be and we're going to have to evaluate that as we find out more information. So that could be an additional expense that needs to hit this fund.

Commissioner Bynum said on the meals program, is that partly federally funded? **Mr. Peterson** said I know we receive some funding from the state. I don't know where the state gets their funding from. **Commissioner Bynum** said and then I take it from this some of it is county funding. **Mr. Peterson** said yes.

Mr. Peterson said we are above our 17% and 25% targets for the Aging fund going out status quo budget.

Commissioner Stites said why if we are targeting a number of our reserved fund balance and it's clearly above, as a matter of fact you get to 2030 and it's 40% and we're comfortable with saying we want to be in that somewhere between 20 and 25, why are we not reducing these reserve numbers down to reflect—I mean it's kind of confusing to me because if you look at 2025 we're 1.014 in the red, but yet we have reserves of 30.65. Why did we not draw down those reserves to make up that gap? **Mr. Peterson** said we did project out to set the final reserves for each of these funds at 25% and that's what we saw on an earlier slide. These numbers are based on the final budget numbers that were approved and when we did the calculations again we didn't quite get there. Going forward we could either readjust the mill again, we could do some one-time projects to get the reserve down to 25% if we wanted to. There's a variety of things that we could do to keep the reserves at 25%.

Commissioner Stites said can you give me an idea of what the number is between 25 and 30.65. What does that amount look like, how many dollars are we talking? **Ms. Kneuvean** said I'll jump in for a quick second. There's a little bit of disconnect on this slide because the 30% was how things were going to look before we did the million dollar transfer, but that's exactly what we

did is we brought—that fund balance had overgrown so when you all adopted the budget last year that was moving the excess quote fund balance from that fund over to the county since it was originally county property tax that was in there and that’s what we did. Now, every year we should evaluate that. To your point, if that fund balance on any of these funds gets above the 25%, which is what our written policy adopted by the Commission is, at minimum 17, the goal is 25, then we should make additional adjustments. But, again, at this point these are conversations. They’re not final decisions, but we will be looking at that in terms of yearend actuals and see if we need to do additional transfer at that point.

Mr. Peterson said to answer your question too, we were at 85% fund balance if you look in 2024, so that million dollar deficit, that is the transfer. We transferred it out when we did the projections. When we were going through the budget process we thought that we were going to be at 25%. When we finally got—when we approved the budget we were slightly different than the 25%, so we were 5% over. If you look at the difference, you can see the fund balance 25% target, the bottom row, so we’re roughly about 100K different on 2026 from where the target would be.

Commissioner Ramirez said, Dr. Kneuvean, to what you had said towards the end—because I know that the fund balance policy does dictate that if a fund is over the 25%, it’s up to the Commission to bring that down back to 25%, is that correct? **Ms. Kneuvean** said that is our understanding. There has been a question brought forward by one of the funds, so we are taking a look at that to make sure that we’re correct in that. The important thing about that is that the fund balances for any fund are not appropriated fund dollars. They’re not appropriated, so the operating department cost—okay, we do feel like there’s pretty clear direction that once you approve a budget, then for the Aging Fund those dollars are approved for Aging that we can’t call that back for example. The fund balances are not appropriated, but we’re taking a look at that to make sure that we’re correct in that, but the goal and there would be different ways to achieve the same outcome, frankly mathematically, but the goal was to—when those fund balances just grow too big is to then do something about that and there’s a plethora of choices that could be done that Michael was articulating. We chose because the County General Fund was in such bad shape with their fund balance to move those fund balance dollars that were—like when it’s on your bill you

see county property taxes, that's what you see, so we took those dollars and moved them over to the fund balance in the county.

To answer the other question, I mean for any of these you would look at your total expenses and it's 25%, so divide by four, so it's a little misleading here because in the expenses is that million dollar transfer. So, let's just round to \$2M is the Aging Fund Operating Account. That's our operating budget from the County General Fund, so 25% would be roughly 500K, that would be their 25% fund balance. As Michael said, you can see that it had grown to a million four, so it had just overgrown over time so we made that transfer. Does that help? **Commissioner Ramirez** said yes, that does help because then just to give an example, so it's currently at 30.65 so that's about five and some change that we're over the target, so going to what Michael said about different ways that we could do that, we could shift that extra 5% and change to the County General Fund or as Commissioner Stites said, we can find a project or something to spend down that five and change. Is that correct? Those are some ways that just to give an example of—since the fund balance is over, we can bring that down to the target, correct? **Ms. Kneuvean** said yes. The discretion would be whatever the numbers are, whatever fund we're talking about is that our policy adopted is 25%. Now, you can choose to go above that. That's a great luxury to have or if you want to keep it at the 25%, then there's choices to be made.

Commissioner Stites said if you're asking for a suggestion for a project, CIFI sure fits the bill.

Commissioner Lopez said wouldn't it be a good idea if maybe we just waited on moving any numbers around till we have all the numbers in play. **Ms. Kneuvean** said yes. We're not asking you for any direction or details yet, but we wanted to start the process, start the conversation because we're going to be bringing forward an awful lot of information, so we wanted to revisit kind of where we were, remind you that we did, for example, the mill levy transfers. We did that and we did the fund balance transfers, we did that, but we don't look for any kind of decision on any of this because it's still preliminary. It's just the very start. Now, when we get to debt here in a little bit, I am going to be asking you guys for some consensus decisions because it will help drive what we put together to bring forward to you. But on this part of the presentation, it's information right now.

Commissioner Lopez said well, I mean just like when you said we get to debt, you're going to need decisions. Well, we can't make decisions if we don't have all the numbers especially for debt. **Ms. Kneuvean** said that's a little different. We'll get there—**Commissioner Lopez** said it's still numbers we don't have that are going to be coming in is what I'm trying to say. **Ms. Kneuvean** said we'll talk through that. **Commissioner Lopez** said okay.

Commissioner Burns said I don't know why we have to have eight or nine budget hearings. I really don't. I don't think the federal government has that many on their end. I think you can get the information. The information you need from us you can combine that in one real good meeting and we would have to give answers to you at that point, so we could cut a couple of these out. After a while—I'm not quarreling the good work you all do, but it gets repetitious and that's my recommendation.

Commissioner Kane said I agree 100%. I would rather get to the part where you're wanting questions because like what Commissioner Lopez says, this is kind of redundant and we don't have the numbers and Commissioner Stites asked the same thing. I would rather get to the point where you want us to answer questions instead of going through this stuff. That's how I feel about it.

Ms. Kneuvean said would it be helpful, you have in the packet, you all have them, you've got the long-range forecast for the other county related funds, so that's again just information, just a reminder. It'll be good to have on hand when we bring forward updated recommendations and so forth and numbers, we could skip through those, but we do think it's important we revisit a little bit about when we did RNR what the operational impacts were. We know, for example, Commissioner Stites said CIFI lost funding. We want to make sure we highlight those other impacts because those will be decisions in the future that have to be made if we build those back in and some of those we feel like there's some discretion, but I mean we did a lot that we could do for a year and in particular on the county side it's in a tougher spot financially frankly. So we could skip these slides if you would like, and then move to slide 19 on the revenue neutral impacts.

Bridgette Cobbins, Assistant County Administrator, said before we jump in—the forecasting it is a lot of information and it gets a little confusing at times, but we just wanted to provide an overview. These budget workshops, they're your workshops, so whatever direction you want to give to staff, that's the charge that we would go forward and we identified nine dates just throughout the summer so that we can put them on calendars just as placeholders. We're not tied to that, that we have to have nine budget workshops and we heard you at the Strategic Retreat indicating that we need to try to narrow those down. But just from a planning and from a scheduling standpoint, that's why we went and built out all those days throughout the summer because we know that it gets a little confusing to try to get the group together as a quorum. So we have those dates out just as placeholders and we can maneuver and adjust throughout the summer.

So what we can do, because I think we all understand the forecasting and we appreciate everything that Budget has done to give us some good insight, but one of the things the Commission requested of us during our retreat was to just get some insight from internal departments as to how RNR has impacted them thus far. So, if we can start with that if that's okay with the Commission, we can go over some of the impacts of what RNR is doing operationally within the organization and then transition to debt or once we're done with the RNR impacts, if you choose, we can use the debt for our next workshop and start that off fresh and just go through the debt holistically.

We'll take your guidance on what we need to do for the remaining of the session today, but I think it's important that we do share with you we did a survey from our department heads to see what were some of the impacts from RNR. I think if we can move to that arena, that will give you more insight as to what staff is looking at today as it relates to RNR and the impact from January to present. So with that, if we can skip to that area, Reggie, we'll do that. If you guys want to jump into that and then after the conclusion of this, if you guys want to continue with the debt, we can or we can do that at our next budget workshop.

Commissioner Burns said you're telling us some of these functions after two months into the year, how it's impacting. Is that a good forecast? **Ms. Cobbins** said it's not a good forecast, but the question was asked during the retreat how is it impacting some of the departments thus far and so that's what we did in the survey. We sent it out to the departments because they can clearly see what's happening in their budgets right now and you can kind of get engaged as to what's going

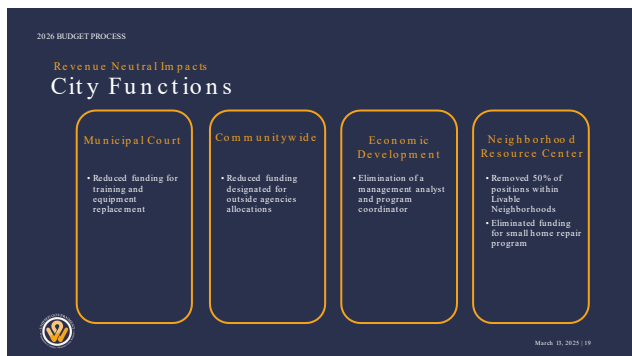
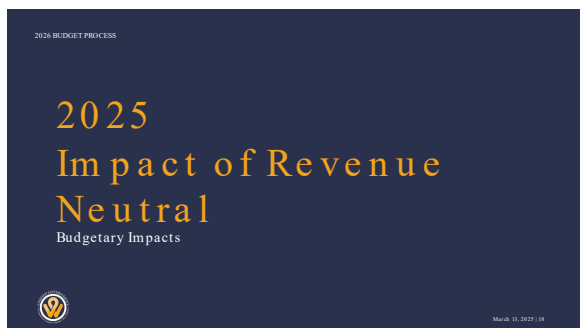
to happen come summer and where you're going to be at throughout the year. That was the question that was asked. **Commissioner Burns** said I thought we did that after five months. **Ms. Cobbins** said did what after five months? **Commissioner Burns** said what you're doing now after two months. I thought we recommended that you tell us after five months of operations how it's doing or not.

Ms. Cobbins said, Commissioner Davis, do you remember the timeline of what the request was at the retreat? **Commissioner Davis** said yeah, I mean I think I was the one that made the request that we look at the impact of revenue neutral and we adopted the budget September so I would—**Mr. Lindsey** said I think August 28th. **Commissioner Davis** said so this would be—I mean we are within that, well beyond that five month window or just about for that impact since we are in March. I'll also ask, I do agree that we do have quite a bit of budget workshops and some of them I know for a fact I won't be able to attend, but I would ask that meeting information come closer to the decision making because one of the things just over the years that I've observed is the really, really important stuff will be said in April, but then we have to vote on it at the end of June. I know our community right now isn't here, but there will be more and more folks that will start paying attention and I feel like there was a missed opportunity to really present the impact of revenue neutral, the impact of the budget to the community prior to that vote taking place. I think as we get closer to it, that would be very helpful as well as these impacts and these impacts are not forecast per se, these things happened. These positions are not in place, there's not a hey we think it's going to be, this is what it is. I know particularly for our Public Safety Departments it's very real. They are working very hard to make sure they are meeting the overtime threshold or really the mandate that we put on them as well as other departments. We're not necessarily looking at a forecast here, we're looking at an impact of decisions that we decided and that our community wanted us to make.

Commissioner Stites said when we voted on it, when did it take effect, January, right. So it don't matter if we voted on it in June, July, August, September, October, November or December, so the five months the clock didn't start until January 1, so we're really only three months in like Commissioner Burns said. We're two months in, so we're not at that five month period.

Commissioner Townsend said just a suggestion, Madame ACA mentioned the dates on the calendars now as kind of placeholders. Do we know specifically on those dates what the particular subject matter regarding the budget will be discussed. I'm just cautioning before we start slashing dates that we don't slash something that's going to be substantive to the decisions we actually have to make, revenue neutral or not, what stays, what goes. I'm a bit cautious about just trying to decide right now to reduce the schedule. **Ms. Cobbins** said no, those topics have not been determined. That was the purpose of having the budget workshops on the preliminary side so that we can get direction as to where we need to go from a staff's perspective to prepare for future budget workshops. We have not identified what those topics are.

Commissioner Bynum said I would appreciate seeing these implications. **Mr. Lindsey** said are we ready to jump into them.



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Mr. Lindsey said what I'm going to go through is give you a summary of the impact and adjustments that were made to some of the departments during last year's budget process and what were in place right now in the 2025 Approved Budget.

So, Municipal Court, some of the things they lost they had reduced funding for training and equipment replacement, which involved—they had issues replacing computer equipment and iPads for translators within the courts. Also, communitywide we reduced funding for designated outside agencies. Those include our NBRs. Economic Development we eliminated two positions, a Management Analyst and a Program Coordinator. Over in Neighborhood Resource Center we cut Livable Neighborhoods in half as far as FTEs so they went from two employees to one employee and we also eliminated funding for small home repair program.

2026 BUDGET PROCESS

Revenue Neutral Impacts

City Functions

Transit	Parks & Recreation
Eliminated public transit routes 118 (18th Street) and 113 (Leavenworth Road), impacting 56,000 rides annually.	- Reduced abatement team to one team from two, increasing workload on remaining team - Eliminated two horticulturalists and one groundskeeper positions with an impact on World Cup preparations - Cut two program aide positions which will impact community center operations - Cut diesel/ gasoline budget and vehicle maintenance for one abatement team - Contracted community center staffing cut - Adult Athletics commodities cut - Capital cuts will have the following impacts: - Fall further behind on shelter, community center, playground, aquatic facility maintenance - Halt or significantly reduce parks and trail improvements

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In Transit we did eliminate transit routes, so we eliminated Transit Route 118 and 113, which impacted 56,000 rides annually. In Parks & Recreation there was a bigger impact where we went from two abatement teams down to one abatement team, so workload definitely impacted here. We're getting the things slower throughout the year. We eliminated two Horticulturalist and one Groundskeeper over in the Parks & Rec fund and then we cut a Program Aide position in Community Centers. We also had to cut fuel, also contracted employees within the Community Centers we cut back on those. So there's less services and less time that those centers are open

now and then Adult Athletic League we had to cut some of the commodity budgets out and that includes things like the balls and things that we have to buy like softball and so just the equipment needed for the sports.

2026 BUDGET PROCESS

Revenue Neutral Impacts
City Functions

Public Works	Fire	Police
- Eliminated 3.75 full-time positions (engineer, streets, office manager, & intern) - Cut annual Pavement Preservation Debt Program by \$4M (\$5.5M cash remains) - Reduced annual Neighborhood ADA Program by \$800K in debt (\$200 K cash remains) - Alley improvement program cut by \$300 K in debt	- Annual concrete repair program cut by \$2M in debt - Cut \$800K from the priority traffic signal replacement debt - Cut \$900K in debt for the annual bridge repair - Eliminated the \$200K Fleet transfer	- Fire overtime reduction of \$3M has impacted coverage of fire companies and ambulances (in lieu of closing a station) - Design for Fire Station 20 replacement paused
- Eliminated sworn officer in Municipal Court - Police overtime reductions have impact proactive crime reduction - Software, travel and training cuts for KCKPD		

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In Public Works we eliminated almost four full-time FTEs being an Engineer, Intern, and an Office Manager. We also cut Pavement Preservation. We actually cut the debt piece of it and we're paying for all of it with cash now, but we cut \$4M in debt and we still have like \$5.5M that we're paying in cash. We reduced the ADA. We had \$800K in debt and now we have \$200K in cash.

Jumping over to the Fire Department, there was like \$3M in overtime that was going on, so we did reduce overtime in lieu of closing a fire station. We did have to pause design on Fire Station 20. In the Police Department we eliminated a sworn officer in Municipal Court, Police overtime reduction definitely an impact on crime reduction within the community. Then just training to help crime to keep going down. The Police Department isn't able to go out for training.

Commissioner Stites said I'm curious on the Police Department slide how police overtime reduction has impacted proactivity and crime reduction because an officer is there eight hours. They don't know if they're going to have overtime whether they're being productive or not. I'm just curious how you could project that. **Mr. Lindsey** said one of the things, it definitely impacts

Detectives also, so just overtime that is happening on the force. **Commissioner Stites** said I still don't understand what you're saying, overtime happening on the force.

Mr. Peterson said one of the things that they have communicated to us is that it's going to impact their ability to participate in community events like just normal activities where they're not necessarily doing their patrol function. Where they might be interacting with the community and they did it kind of more on their—outside their normal shift schedule. **Commissioner Stites** said well we have a Community Policing Unit and that's what they do. That is their full-time job, so I'm not—I'm just curious as to how they come about that. **Mr. Lindsey** said we'll find out and let you know for sure.

Ms. Cobbins said also in the Police and Fire you have to be cognizant that a lot of the reductions is for dispatch as well and so that's a lot of the overtime and that's a lot of the expenses that's going out that we had to really try to reduce our overtime. When it comes to dispatch, that's one of the challenging areas that we can't really eliminate the overtime, but that's a struggle that's been one of the budget constraints for the Police and the Fire Department, that portion of it. **Commissioner Stites** said and I appreciate that and I understand that, but when you use words like it impacts the ability to reduce crime, that's kind of like a fear monitoring tactic that going revenue neutral made us unsafe and that's not the case.

Commissioner Kane said one of the weird things about the Fire Department, it hadn't happened yet, but there's a potential of a brownout. If X amount of people aren't working, then they close the fire station and one, I hope it doesn't happen and two, I hope nothing seriously happens like down in Fairfax or whatever where the calvary has to show up and they're late. That's some of the things that happens when we're working on these budgets, so when we're working on next year's budget, we need to figure out like what Chuck was talking about and we need to figure out a way to prevent to cause a brownout.

Commissioner Davis said I've said this before and I'll kind of say it again, if we're going to be talking about department by department, you all are Budgeting and Finance team and so I assume you all know enough as kind of generalist given the nature of your job about each department and some of the details. Obviously, there's a limitation in your knowledge because you all are not the Police Chief, you're not the Fire Chief, you're not necessarily working in Public Works and things

that have you—nothing against them and nothing against you all, but for future budget sessions we need representatives from these departments present in some capacity. That way when we do see certain things that may not make sense to us, we are hearing it from the folks that are on the ground that can actually tell us what they're seeing as opposed to a summary and then you all are having to answer for a department that you don't necessarily oversee.

I made that request before and I'll make it again that when we have these budget conversations if we're talking about money, we should see the folks that are department heads. They should be present during the conversation. That could be virtual or that can be in person, but I would have liked to have seen more of our department heads present at this meeting.

Ms. Cobbins said we can certainly make that happen and that's why it's important for us to have topics so that once we do drill down and have an agenda, we can make sure that we do have those representatives in the audience.

Mayor Pro Tem Burroughs said in looking through some of these and I want to follow up off my colleagues comments, Commissioner Stites, in reference to the impact revenue neutral has had, I count more than \$13-\$14M of impact here and that's what the new revenue forecast was for this year coming in. That's what we—when we went revenue neutral is basically about \$14M and I'm counting a heck of a lot more than \$14M here, so it sounds to me like a wish list that went into play and not all the wish lists got passed and so they're falling back and they're giving this scenario. I think some of it is maybe misplaced in this presentation and I agree with Commissioner Davis that we should have somebody here to answer those questions specifically because it's not fair of us to ask you those questions. Please don't take them from us as being personal, but some of this stuff is already added up over \$14M and that's all we had to work with from last year.

I don't know that revenue neutral—the discussion has really been the gloom and doom everybody says it is, but they want to make it sound like it has been. When you're given so much money per year, you find a way to make it work. You know you're not going to get an increase so you don't come asking for an increase. Just because you don't get the increase doesn't mean you have to go back and make cuts unless there were issues that arose that you were borrowing money and that money was frozen or you had a tremendous amount of debt out there that you can't cover with the new money. So there is a whole different way to look at this and I think some of us just want to ensure that we're getting the answers we need because revenue neutral is being

attacked here when your Commission passed revenue neutral and that's how I interpret it and that's just me. But it's added up a lot more than the \$14M that we didn't approve for this next year's— for the new budget year.

Commissioner Townsend said I just wanted to remind my fellow commissioners that when we started off with kind of an overview as we do every year a lot of the department heads weren't present; however, the more specific we became and had certain topics identify, those department heads were here, which leads me to recall a conversation I had after one of those meeting with our Police Chief and every department had to take a cut of some type and they identified it. I remember Chief Oakman saying we're not going to be able to do some things we did before and when I asked what does that mean more specifically, it went to this. The kind of outreach that he has been big on. It didn't affect everything but it did not have a negative impact on what our police have done and to their credit, the percentage of crime has gone down over the last two years so that has not been something that hurt us, so I just wanted to make mention of that.

Given an example, because I specifically asked him about this upcoming event, which is a proactive technique that he's used successfully for the last, I guess, three years now and that's the Peace March. This year it's going to be in April, so this is one of the proactive crime reduction measures that Chief Oakman and the rest of the department have employed. But to their credit and the community's credit our crime percentage the rates have continued to reduce year after year, so revenue neutral did not have an impact on that. I'm hopeful there won't be any brownouts with the Fire Department and I haven't heard anything about that. I know our department heads have been in the past and I would expect they will be when we give them adequate notice about the subject matter that will come before us later.

Mr. Lindsey said also I would like to add Commissioner Burroughs this is not a list we put together to attack revenue neutral. It's pretty much a list we put together just to kind of let you all know the adjustments that were needed for us to go revenue neutral, but there's actually some things in here that made the organization run more efficient also. It's definitely not an attack on revenue neutral and some of these adjustments in here are some positives. **Mayor Pro Tem Burroughs** said I understand that Reggie and please, as I stated, don't take it as a attack on the budget. It's just revenue neutral is new to us and new to many and if you're allocated the same

amount of money as you were the year before, services and stuff will only be impacted by the growth, CPI, unless there's external factors affecting that. I'm not going to belabor this with the discussion about the revenue neutral, but a lot of this stuff is pretty sensationalizing that we eliminated a vacant for surveillance officer. That was in the vacated positions, then it's still in here making it sound like we went in and told that person you're done, you're out of here. It's the way it's presented I think.

Another one is the replacement—I want to get to—there was a few in here that I thought were very anti-commission towards revenue neutral. I want to ensure that when we look at the budget we're not looking at it politically. We're looking at it financially and to ensure that we have the fiscal stability that this Commission set out to do and the sensationalism that comes from, as Commissioner Stites said, I remember being told that if we didn't reapprove the 3/8 cents sales tax, that we were going to have to let go of 25 firefighters and 25 police officers. That creates a hostile work environment when that kind of stuff goes around the city and we don't need that. We're not in control of the 3/8 cents sales tax, the public makes that statement, but why would we have Police Officers tied to a tax initiative. Their salaries, their livelihood, are tied to a tax initiative. That to me is not—it's not understandable. Those fees, if they're personnel of the city, they should be in the personnel budget and we find another way to address that 3/8 cents sales tax. It's just a budget switch, kind of like what you did earlier on with the revenue for the sweeping of the revenues in the certain accounts that we had. You moved to 1.3 or 1.7 over to the county side, that spreads it out across the entire county and takes it out of one agency so you can utilize the revenue to backfill their budget. Those are things that had we not gone revenue neutral that would not have occurred to be a cost savings moving forward.

I do appreciate Commissioner Stites bringing it up because eliminated funding for Volunteer Program and Human Resources, I don't know how that affects—why we did that. We don't fund—we shouldn't be funding anything unless it's statutorily required, mandated by resolution or ordinance and mandated by personnel costs that we take upon ourselves. All the other stuff are wants—I mean are needs. We have what we have to fund and so the wants and the needs have to be separated a little bit and I think that's what the Commission wanted to get to when we went revenue neutral.

So cutting the 114 out of the Loring Road Program, I don't know how much was in that program to begin with. There's a number of things in here but I'm not going to belabor.

Ms. Kneuvean said one thing I wanted to also offer and it's back on slides 4 and 5 is that we were tackling a couple of different financial issues. RNR was only one of them, so to attribute these changes to all RNRs is not really an accurate depiction because we had a structurally unbalanced budget in '24, so we were trying to correct that which meant more money needed to be put into the budget to just keep status quo. Then we also had the additional expenses such as union contract raises that we had to absorb because the money wasn't there to fully fund, which is fine, but it was a variety of things. RNR is one of those, so those charts that Budget showed you earlier helped to articulate that and I just didn't want that to get lost is that we had to make reductions for a number of reasons to realign our budget to what we can afford. **Mayor Pro Tem Burroughs** said thank you and I wouldn't disagree with that statement.

Commissioner Davis said thank you, Dr. Kneuvean, and then I would say when we do have future budget discussions that we kind of decipher because that does say revenue neutral impacts, so that we decipher what is the impact of revenue neutral because we know that there were impacts. By impacts I mean certain positions that do not exist, certain funding that does not exist, certain programs, transit routes that no longer exist. If we can decipher what that is from what is us trying to balance the budget, what is us trying to reduce our debt because I see some of that, but I will say it does seem like it is all included in kind of one particular narrative that may not be completely—is not accurate. I do think that we do need a little bit more work here on just what we are labeling and what narrative is at play because there have been and there are impacts. CIFI does not exist right now or at least it's unfunded, so that would be very helpful. The Land Bank mowing, those are real tangible impacts of revenue neutral.

2026 BUDGET PROCESS

Revenue Neutral Impacts

County Functions

Community Corrections Eliminated vacant surveillance officer position which can impact arrest response times and jail capacity along with employee burnout	Emergency Management - Cuts to equipment budget will impact replacement from flood - No capital funding for maintenance and replacement of equipment, including mobile command center - Stopped work on upgrades to EOC, emergency power generators, and other	911 Dispatch Reduction in overtime could impact response time	District Courts Needed upgrades to courtroom equipment and technology cannot be completed
		Sheriff's Office Reduced overtime by \$1.4M which is approximately 40% of 2024 overtime	Area Agency on Aging \$280K in property tax revenue was transferred to the County General Fund

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Mr. Lindsey said some of the county functions that were impacted was in 911 Dispatch there was a reduction in overtime, which at some point in time could impact response times. In District Court there was needed upgrades that were going on in courtrooms that could not be completed. Sheriff's Office, we did have to cut overtime by \$1.4M.

2026 BUDGET PROCESS

Revenue Neutral Impacts

County Functions

Health - Lost 4.2 full-time positions funded by the Health Levy - Cuts to commodities and contractual services - No capital funds for ongoing building upgrades needed	Human Services Transfer of the equivalent of \$71K in property tax revenue (0.03 mills transferred to County General Fund)	Economic Development Reduced funding for land bank lot maintenance	Election - Reduced 20 unfilled temporary election worker positions - Reduced overall operating budget by \$48,500 \$525,357 Election Fund Balance transfer out impacted future capital equipment funding 0.09 mills transferred to County General Fund - 2025 equivalent of \$207K in property tax revenue
		Register of Deeds Request for \$7,500 microfilm storage increase denied	

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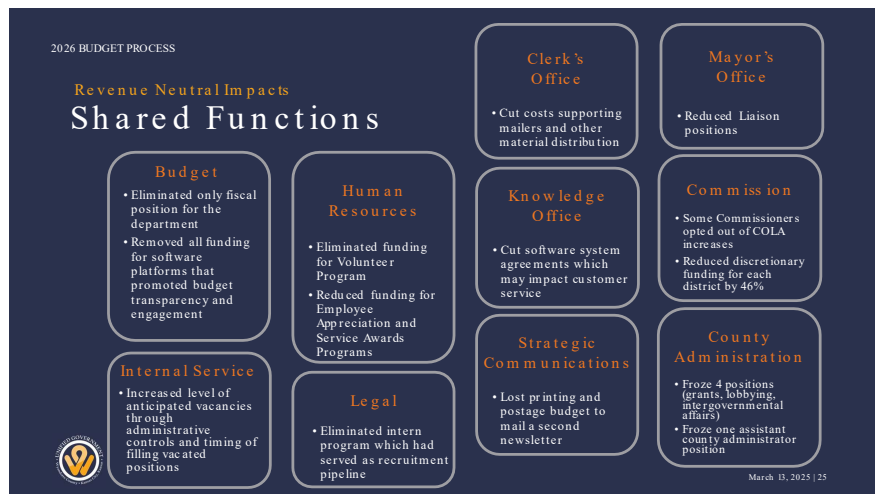
In the Health Department we lost a little over four FTEs. We did have to cut commodities and contractual services over there and Capital funding for ongoing building upgrades that are needed.

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On the county side with economic development, Land Bank is part of that, we did have to reduce mowing there. In the Election Office we did do away with 20 unfilled temporary election workers, reduce their overall budget by \$48K. We did remove some of their fund balance. Some of that fund balance was going to be used to purchase Capital Equipment for upcoming election equipment.



Buildings & Logistics, we did cut \$100K from annual hardscaping and landscaping and then another \$100K from Capital Project reserve and that was done on both the city and the county side. That is definitely a great impact on things that we have going on in our older buildings. We also have \$80K—just another \$80K as a contingency that was removed.



There are shared functions that are both city and county and so within the Clerk's Office we had to cut cost on mailers. In the Mayor's Office reducing Liaison positions. Knowledge Office we did have to cut some of the software systems back. In Legal we eliminated an Intern. The Budget Office we did lose a position. County Administrator's Office lost four positions. Strategic Communications was not able to do a second newsletter within the year.

I'll turn it over to Michael Peterson, our Deputy Budget Director.

Commissioner Stites said on the Health Department if you want to go back to that slide or if you remember it, the loss of the 4.2 full-time positions funded by the Health Levy, were those grant dollars—that's not the positions that were funded by a grant, right? **Mr. Lindsey** said they were funded by the Health Levy. **Commissioner Stites** said okay. I just wanted to make sure that I was right on that.

2026 BUDGET PROCESS

2026 Budget Starting Point (All Funds)

- Estimated Anticipated Cost Increases:

Union Negotiated Pay Increases	\$4.4 million
Non-Union Cost of Living Adjustments	\$2.0 million
Health Insurance 7% increase	\$1.9 million
IT software agreements	To Be Determined
Insurance Premium Increases (20%)	\$700,000
Transit (loss of remaining COVID funding)	\$2.3 million
Overtime RNR Reductions	\$6.2 million
Additional Funding for Personnel Trend	\$1.9 million
Restoration of 2024 Base CIP Cash Funding	\$3.8 million
New Debt for Capital Projects (to be discussed under debt strategy)	To Be Determined

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Mr. Peterson said we did want to go through the last thing that we had for tonight on the budget side before we go to the Debt Strategy we wanted to kind of bring forward some of the estimated cost increases that we're already seeing for 2026 Budget, so this is across multiple funding sources. This is not just city and county, but preliminary estimates we already are anticipating 3% contractual increases for unions. That's something a lot of contracts have already been through the negotiating process for 2026 and that amounts to about \$4.4M in the budget. Non-Union Cost of Living adjustments, if we're going to match the 3% COLA for non-union, that would be another \$2M. Health Insurance, that's something that we're looking at, but in prior years the Employee Health Committee they've recommended a 7% increase annually to our health insurance contribution to our Employee Health Fund to make sure that we have adequate funding to fund our policy, so that's about \$1.9M increase. We know that there's contractual agreements to multiple systems that we use. That usually ends up being a substantial amount. We do not have a dollar for that yet, but that will be coming. Insurance premium increases, we've seen substantial increases in our property insurance and auto insurance policies as the Unified Government, so we're anticipating close to a 20% increase in our policy premiums for 2026, that's \$700K transit. We lost half of our COVID money in 2025, so that funding will not be available in 2026. That's a further \$2.3M that will be unavailable for our transit operations.

If we were going to look at building back in overtime reductions that we made due to revenue neutral, that would be about a \$6M impact and that's primarily Police, Fire and Sheriff overtime. Additional funding for the personnel trend, so basically through revenue neutral we said that we were going to control vacancies and hold more positions vacant, that was about \$1.9M that we took from the City and the County General Funds.

If we're going to restore our Capital funding back to our base cash level, that's about \$3.8M that we would have to build back into the budget for 2026 and then, of course, the subject frequently comes up of not necessarily debt, but if we're going to fund debt, that would come through the funding, the Debt Strategy. Sorry, this bullet changed and I didn't catch it, so what I had on here initially is if we're going to fund Unfunded Capital needs, like if we want to add more funding to Pavement Preservation or if we want to add more funding for Bridge Maintenance, that is something—a number that we would just have to add to the budget beyond our base level of cash.

Now, unless you have any questions...

Commissioner Stites said under Health Insurance I just want to know for my own good, why are we different than BPU, why does BPU have different insurance than we have? If it's a department of the UG, why are we all not on the same, and you may have a really good answer, I don't know what it is, but why do we have a department that is under the umbrella of the Unified Government that has an insurance that's different than every other employee of the UG? **Mr. Lindsey** said I don't really have an answer to it, but it is not a department of the UG. I mean it's—I can tell you that. I mean we don't treat it as a department like one of our other departments or anything. **Commissioner Stites** said I don't care anybody. Anybody that feels like they have an answer, I'm okay with listening.

Angela Lawson, Interim Chief Legal Counsel, said it is an administrative agency. It is not a separate legal entity, you're right, but it is an administrative agency with its own governing board. The employees—I don't know the history but they've always been separate. They are BPU employees, they have a different workers comp rating and so then the health insurance is part of those union negotiations. They've always just had separate plans. There's a separate pension as well as you probably know.

Commissioner Stites said the reason I asked that is most insurance is the more you have into it, the better your rates are and all the things that come with it, so I was just trying to think of why we wouldn't all be under that same umbrella and I guess I'm really kind of a little bit confused as to—is BPU not a department of the Unified Government. That's the first I kind of really heard of that. **Ms. Lawson** said it's an administrative agency of the Unified Government.

Ms. Cobbins said that's the conclusion of the 2025 Budget refresher and the budget history portion of the workshop, so just want to get consensus from the Commission, do we want to proceed into debt tonight or do we want to schedule it for the April 3rd or the April 10th Budget Workshop meeting? **Mayor Pro Tem Burroughs** said, Bridgette, how soon do you need to know that because I'm sure some of the commissioners want to go back and look at their calendars and see what dates are available for them. **Ms. Cobbins** said we have those dates already. They should be blocked off on the calendars for the commissioners. We've put them out throughout the summer. Those are our next upcoming workshops, so I guess the direction that we're wanting from tonight, do you want to proceed with the Debt Strategy for tonight or do we want to halt the meeting for tonight for the Budget Work Session and then start it with our next Budget Work Sessions that's starts April 3rd.

Mayor Pro Tem Burroughs said I'm willing to do whatever the committee wants. I think an hour and a half of going through budgets it's a lot of—this is a big apple to eat in one bite. We've gone through the challenges that we have within the budget putting revenue neutral. I think a lot of us have a focus on some of that. Would it be okay to do the debt one separately so that we can dive into it a little deeper kind of like what we've done with the budget side. I think it would help us collectively to be a good partner and giving you clear guidance as to what we as a Commission would be able to guide and put our input forward if that works with the Commission. **Someone** said motion. **Mayor Pro Tem Burroughs** said what date do you want it? Do you want the next meeting April 3rd or April 10th. **Someone** was inaudible. **Mayor Pro Tem Burroughs** said April 3rd, you've got it.

Commissioner Stites said I know that we had asked this a couple different times. What is our strategy with having conversations with the other taxing entities, the college, all the other taxing entities, school board. I know that three years ago we had talked about even having a meeting that

brought us all together so we can talk about directions and plans and what's going on. Is that something that we're still able to have happen. I mean I don't want to get so far down in our budget process that we aren't taking those into consideration. It was frustrating to me that we went revenue neutral and then you find other places aren't going revenue neutral. If we're all going to pull this in the right direction, I'd like for everybody to be on the same page, so if anybody knows that, I would sure...

Ms. Cobbins said we do have April 24th slated. The Mayor's Office has been working with the other Mayors and the City Administrator's and we do have an April 24th meeting set for a Special Session with those jurisdictions. **Commissioner Stites** said okay, so that's Bonner and Edwardsville. What about the college, what about school boards, the water districts. **Ms. Cobbins** said that meeting is scheduled for May 1st. They're going to have the school system budget discussion on May 1st.

Mayor Pro Tem Burroughs said I think what you're asking for is all taxing entities besides just the Unified Government.

Commissioner Kane said I agree except Piper is asking for a school bond issue, so I don't know how that would work and it's on the ballot here pretty quick. We might ask them to come, but if I'm a school board member and I'm trying to get a bond passed, I don't know if I want to come here and have teeth marks in my behind when I walk out the door. But I agree with you as far as some of the others, specifically the college and other folks that we really can't control and although they went revenue neutral last year, look at what they've done the last several years that they got us and it's disappointing.

Commissioner Townsend said slight change in subject. Whenever we have the sessions and we're asking for department heads to come based on what we're talking about, I appreciate what has been brought forward tonight that's been identified as revenue neutral impacts and as I look at these this is really a recount of what actually happened, what a good primer, a good review of what we did under revenue neutral. The impacts though I think we have yet to hear as we decide if we're going to do revenue neutral again or not. For instance, this is an easy one under the county functions, Health lost 4.2 full-time positions funded by the Health Levy. What did that result in,

did that spread disease, did something happen or not happen because we did that. Is it at all possible for the department heads to say. That to me is really the impact of what we did.

Not being able to mow as many Land Bank lots. You may take a look and say well the city looks worse or got more calls. We're accustomed to getting in the Commission Office call about cut this lot, cut that lot. Normally it was like we were on a two week schedule. Now, really we haven't entered the mowing season for 2025 yet, so we probably won't know until June, July, August what that real impact is, how many more calls or complaints we have about unmowed lots because there's a longer period of time. So, that's the type of information that when the department heads come before us, I would appreciate having because that will be what the real impacts are and if it really matter to our constituents because the whole goal of this was trying to reduce their property taxes and maybe that was more important than the lot that didn't get cut, I don't know. Those are the real type of impacts I hope to hear later in the process, but I appreciate what you have done tonight because this is a good reminder of what we did step-by-step and the dollars that were not added back in, so I appreciate that.

Commissioner Davis said I'm just looking at my calendar and I just spoke with Commissioner Ramirez, we don't see an April 3rd Special Session on there and so if we can just make sure that they're on our calendars because this is very, very important. I just want to make sure that communication was out there because this is very important.

Commissioner Burns said would it be more productive when we're bringing back department heads, not to bring all of them at one time, but maybe split it in two different sessions so it doesn't get all confusing. Just a recommendation.

Mayor Pro Tem Burroughs said thanks. This was something the Commission has been requesting the deep dive and we see the work that goes into the deep dive because we see the work ethic that you put forward. We sincerely appreciate you handling the tough questions and comments when some of its not directed at you. As stated, the department heads should be here to answer those questions for us.

I know that revenue neutral was talked about this evening, but I think what some of us may have lost in the discussion was that we worked on—we had an unbalanced budget the year before

that had to be backfilled, so we are paying this year for an unbalanced, out of whack budget, that was the year before. We've taken the position as a Commission to be forward thinking and eliminate those and get back to doing business as business should be done and I think that is a little difficult for some people to get used to but we'll get there. It's just patience with us.

Commissioner Ramirez said you know as we go through this all, go through the budget process I also think another thing we should think about and was kind of briefly brought up is our budget process and how we go through that. Other cities, I've done my own research of KCMO and other cities in the region and around the country—you know we're asking department heads, some major cities including KCMO the Mayor or the City Manager presents their budget and then the budget for each department goes to the Standing Committee, but the department director gives a presentation on what their specific budget is to the Standing Committee and then from there if anything needs to change, it goes to the full commission. It's more streamlined, it's less meetings, it's we have, you know, as our Administrator said as soon as he gives a presentation, it's our budget. It's our budget to deal with and so that just gives, I think, again not do it for this year, but maybe for next year looking to changing the process a little bit making it more streamlined and more efficient of how we move forward.

Commissioner Hill said thank you for the presentation this evening. I certainly appreciate it. One of the things that we heard constantly was the waste that was going on in the Unified Government and one of the things Commissioner Townsend highlighted was how has this impacted the budget, so at one meeting we were at you presented—somebody said there were several buildings that we were renting that had been empty for several months. To me that was great because it identified something that had been wasted and so as the department heads come, if they could just share some more information similar to that. It would be helpful to me at least.

Commissioner Stites said, Reggie, I don't know if it was at our first Budget Workshop or Retreat, I'm sorry, Commission Retreat or the second one, I think you had said that you were going to bring to us a breakdown of what Commissioner Burroughs alluded to earlier. **Mr. Lindsey** said mandated—**Commissioner Stites** said about what we—our bottom line, what we absolutely have to fund and what other things that are add-ons. I kind of compare this to if you went to buy a

pickup truck. I need a pickup truck, so I go into the dealership and really all I need is something that starts, it's dependable, it gets me from A to B and that's a certain price. Then I say man I sure would like to have air-conditioning, I sure would like to have power windows, those are all those add-ons that I think are the niceties that we can talk about. I want to know what it is that we are statutorily mandated that our budget—this is the number, this is the number and the items that we have to pay for every year. **Mr. Lindsey** said we definitely will be bringing that list to one of the Budget Workshops and we will definitely have exercises around that. **Commissioner Stites** said do you know when we will have that? I mean I'm not being critical of you, but I've asked it for a couple of years—if we saw it last year, it shouldn't be hard to produce again this year. **Mr. Lindsey** said it will be the April or May timeframe. **Commissioner Stites** said perfect.

Commissioner Lopez said shouldn't we just push this off until May. I mean that's our five months and that's really going to put a lot in play as far as what we're going to have, wouldn't you agree CFO? **Ms. Kneuvean** said tonight I've heard a lot of conversation about topics that people want to bring forward. We can take a look definitely at some of the conversations and scheduling some of that out, but we just heard about the Special Session with Bonner and Edwardsville, then another with (inaudible), so let us take a look at that calendar so we get everybody's needs met. When we get down to kind of the brass tacks on the budget, it is going to be in that timeframe, but there's good preliminary work we can do. I'm perfectly good with having debt be a future discussion. **Commissioner Lopez** said I hear you loud and clear. I'm just saying reschedule with them boys over at Edwardsville and Bonner as well to be here in May instead of April because it seems like April still might be just a little bit premature. **Ms. Kneuvean** said we can certainly look at that.

Mayor Pro Tem Burroughs said I'm to understand that I know next week I have my exit audit from the audit that's we've been waiting on, so it'll address some of the questions that were raised here this evening moving forward with projections. **Ms. Kneuvean** said, Commissioner, that's going to be your intro audit because we started with the '24 audit and we're in process of that and so you have a meeting at the beginning as the Mayor Pro Tem and then you have one at the end for your exit. Just to make sure we manage expectations. **Mayor Pro Tem Burroughs** said I just want the Commission to know that the audit is still ongoing, that we're starting to get the—we're

going to have the answers moving forward to address what we had to deal with in 2024 and 2025, so we're moving forward.

Thank you for the presentation.

Mayor Pro Tem Burroughs said if there are no other comments, I will entertain a motion to adjourn.

Action: **Commissioner Kane made a motion, seconded by Commissioner Davis, to adjourn.** Roll call was taken and there were ten "Ayes," Kane, Lopez, Stites, Davis, Bynum, Burroughs, Townsend, Burns, Ramirez, Hill.

**MAYOR PRO TEM BURROUGHS ADJOURNED
THE MEETING AT 6:46 p.m.**

Monica L. Sparks
Unified Government Clerk

dt

March 13, 2025



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Phone: 913-573-5260
Fax: 913-573-5299
<http://www.wycokck.org>

Memorandum

To: David Johnston
County Administrator

From: Monica L. Sparks
UG Clerk

Date: March 20, 2025

Re: Weekly Business Material

Attached is a listing of weekly business items presented to the Unified Government of Wyandotte County/Kansas City, Kansas, for informational purposes.

In addition to the listing of the items, we have indicated the action taken by the Unified Government Clerk.

Attachments

BM

Weekly Business Material for March 14, 2025 – March 20, 2025

1. PUBLIC NOTICE:

- All City Tow Service, 1015 S Bethany St., Kansas City, KS 66105, held a public auto auction on December 12, 2024, at All City Tow Service.

Action: Received and filed.

2. CLAIM FOR DAMAGES:

- Lucretia Henderson, Kansas City, KS, by and through her attorney Marissa Yates, DM Injury Law Firm, alleging personal injury on 8/19/2024.
- Adam Jones, Kansas City, KS, alleging damage to personal vehicle on 6/24/2024.
- Darrin Karley, Lake Quivira, KS, alleging damage to personal vehicle on 2/5/2025.
- Greg Lawson, Kansas City, KS, alleging damage to personal property in May 2024.
- Dustin Rheuport, Kansas City, KS, alleging damage to personal property on 2/19/2025.
- Kaemee Portillo-Reyes, Kansas City, KS, alleging damage to personal vehicle on 3/14/2025.

Action: Received and filed. Copies previously forwarded to Legal.

3. TRAVEL REQUESTS:

- Toni Lazarovski and Marco Sanchez-Gonzalez, Fleet Department, travel to Junction City, KS, from 4/14/2025 through 4/17/2025, to attend 24 Hour Household Hazardous Waste Training, Employee Training & Travel.
- Karl Oakman, KCKPD, travel to Vienna, VA, from 3/26/2025 through 3/28/2025, to attend PERF Meeting Current State of Traffic Enforcement, Employee Training & Travel.
- Ernesto Terrazas, Sheriff Department, travel to Lenexa, KS, from 4/28/2025 through 5/1/2025, to attend Performance Meets Law Enforcement Course, Employee Training & Travel.

Action: Approved by Administrator's Office and received and filed.

4. APPLICATIONS FOR CMB LINCENSE (OP):

- Scout's BBQ & More LLC, Daniel Wing, d/b/a Scouts BBQ, 1501 N 90th St., Kansas City, KS 66112.

Action: Referred to License.

5. APPLICATIONS FOR DRINK EST./PUBLIC VENUE:

- Dewey's LLC, Shannon Earnshaw, d/b/a Dewey's, 612 N 5th St., Kansas City, KS 66101.

Action: Referred to License.

6. APPLICATIONS FOR CATERER/DRINK EST/HOTEL:

- Nereidas Co., Miriam Rivera, d/b/a Club Nereidas, 48 Kansas Ave., Kansas City, KS 66105.

Action: Referred to License.

7. APPLICATIONS FOR PRIVATE SECURITY BUSINESS:

- BKI Services, LLC D/B/A BKI Services, LLC, 315 S Baker, PO Box 547, Carthage, Mo 64836.
- Daniels Security Services, Inc D/B/A Daniels Security Services, Inc, PO Box 12354, Kansas City, KS 66112.
- United States Protective Service, Inc D/B/A United States Protective Service, Inc, 2734 N 82nd St., Kansas City, KS 66109.
- GardaWorld Security Services, Inc D/B/A GardaWorld Security Services, Inc., 6700 Antioch Rd., Ste 140, Merriam, KS 66204.
- St. Moritz Security Services, Inc D/B/A St. Moritz Security Services, Inc., 2900 Southwest Wanamaker Dr., Ste 204, Topeka, KS 66614.

Action: Referred to License.



Unified Government Clerk's Office

Monica L. Sparks
Unified Government Clerk

701 North 7th Street, Suite 323
Kansas City, Kansas 66101-3070

Phone: 913-573-5260
Fax: 913-573-5299
<http://www.wycokck.org>

Memorandum

To: David Johnston
County Administrator

From: Monica L. Sparks
UG Clerk

Date: March 27, 2025

Re: Weekly Business Material

Attached is a listing of weekly business items presented to the Unified Government of Wyandotte County/Kansas City, Kansas, for informational purposes.

In addition to the listing of the items, we have indicated the action taken by the Unified Government Clerk.

Attachments

JG

Weekly Business Material for March 21, 2025 – March 27, 2025

1. PROTEST PETITION:

- Protest Petition for COZ2024-016, 12024 R. Leavenworth Rd., Kansas City, KS 66109.
- Protest Petition for SP2025-003, 11525 Parkview Avenue, Kansas City, KS 66109.

Action: Received and filed. Original was previously forwarded to Planning.

2. COMMUNICATION:

- Water District No. 1 of Johnson County, Kansas Financial Statements ending December 31, 2024.

Action: Received and filed.

3. NOTICE OF CLAIM:

- Leo K. Faulk, by and through attorney Monsees & Mayer, alleging personal injury on November 14, 2024.

Action: Received and filed. Copies previously forwarded to Legal.

4. CLAIM FOR DAMAGES:

- Harley Grady Sr., Kansas City, KS, alleging damage to personal vehicle on 03/11/2025.
- Lucretia Henderson, Kansas City, KS, alleging damage to persons on 08/19/2024.

Action: Received and filed. Copies previously forwarded to Legal.

5. SUMMONS:

- Bank Midwest, vs. Jorge Ramirez Cubias, et al., Case No. WY-2024-CV-000633.

Action: Received and filed. Copy previously forward to Legal.

6. TRAVEL REQUESTS:

- John Cota, KCKFD, travel to Indianapolis, IN, from 10/20/2025 through 10/25/2025, to attend EMS World Expo, Employee Training & Travel.
- Kevin Fithian, KCKPD, Online, from 04/03/2025, 4/4/2024, 4/17/2025 & 04/18/2025, to attend Genetec Security Center Training, Employee Training & Travel.

- Amanda Hamon, WYCO Historical Museum, travel to St. Louis, MO, from 03/20/2025 through 03/22/2025, to attend National Counsel for History Education, Employee Training & Travel.
- Anthony Lee, Jr. and Jennifer Stewart, Health Department, travel to New Orleans, LA, from 04/07/2025 through 04/10/2025, to attend HUD Program Manager Conference, Employee Training & Travel.
- Damon Mitchell, DA Office, travel to Portland, OR, from 04/07/2025 through 04/10/2025, to attend NDAA's 2025 Office Administration Course, Employee Training & Travel.
- Omar Quintero, 311 Operations, travel to Phoenix, AZ, from 05/06/2025 through 05/09/2025 to attend Engage311, Employee Training & Travel.
- , Health Department/Environmental Health, travel to New Orleans, LA, from 04/07/2025 through 04/10/2025, to attend HUD Program Manager Conference, Employee Training & Travel.
- Erica D. Warrior, KCKFD, travel to Clearwater, FL, from 05/31/2025 through 06/06/2025, to attend XI/ abc360 Conference, Employee Training & Travel.

Action: Approved by Administrator's Office and received and filed.



Report to Board of Commissioners

MEETING DATE	PRESENTER	DEPARTMENT
	Gunnar Hand, Director ghand@wycokck.org 5751	Planning and Urban Design
AGENDA ITEM #8.1.		
RESOLUTION: KANSAS STATE HISTORIC PRESERVATION OFFICE HISTORIC PRESERVATION FUND GRANT		
BACKGROUND		
- Each year the Kansas State Historic Preservation Office (SHPO) releases a grant to fund preservation-focused projects in Kansas cities. This year Planning + Urban Design would like to apply for \$50,000 (no-match required) to create Design Guidelines for our Downtown Kansas City, Kansas Historic District to highlight how to protect and enhance important historic architectural features. - These guidelines will make it easier for building owners to create a design that will rehabilitate their building while meeting the required standards set by the Secretary of the Interiors Standards for Historic Preservation. Rehabilitation Plans that meet these standards qualify for letters of exemption under our ordinance and allow building owners to begin their projects with less review from the Unified Government. - This will also help to ensure that buildings retain their historic status, which enables building owners to apply for Historic Tax Credits to help offset the costs of repairs. - These Design Guidelines are the continuation of the last five years of Historic Preservation work focused on Downtown Kansas City, Kansas with the creation of the Historic District, the Main Street program and the Kansas City, Kansas Historic Preservation plan.		
RECOMMENDATION		
Fast Track Approve Approve the resolution to apply for the no-match, Historic Preservation Fund Grant and fast track to the April 24, 2025 Board of Commissioners agenda. <i>It is requested that this item be fast tracked to the (date) full commission meeting.</i>		
BUDGET IMPACTS / FINANCIAL CONSIDERATIONS		
This grant does not require a match.		
LEGAL CONSIDERATIONS		
There are no legal considerations.		
ATTACHMENTS		

Approved by Administrator to add to agenda.

RESOLUTION NO. _____

A RESOLUTION directing the Department of Planning and Urban Design to apply for a Kansas State Historic Preservation Office (SHPO) preservation grant for hiring a consultant to create the Downtown Kansas City, Kansas Historic District Design Guidelines.

WHEREAS, the Downtown Kansas City, Kansas Historic District was added to the Register of Historic Kansas Places by the Kansas State Historic Sites Board of Review on February 3, 2024, representing a culmination of years of effort towards historic preservation and revitalization of downtown Kansas City, which also includes the adoption of the Main Street America and Kansas Main Street programs and the PlanKCK Citywide Historic Preservation Plan;

WHEREAS, the Downtown Kansas City, Kansas Historic District does not yet have Design Guidelines to highlight important historic architectural features in the District and to instruct the proper methods for protecting and enhancing said features;

WHEREAS, the benefits of Design Guidelines accompanying the Downtown Kansas City, Kansas Historic District include allowing building owners to create an appropriate rehabilitation plan that properly preserves the historic building, making the historic rehabilitation process more efficient, keeping historic buildings eligible for historic tax credits, and providing a template for infill development to fit the aesthetic of the Downtown Kansas City, Kansas Historic District without creating a false sense of historic significance;

WHEREAS, the Kansas State Historic Preservation Office (SHPO) annually releases a grant to fund preservation-focused projects in Kansas cities; therefore,

**BE IT RESOLVED BY THE GOVERNING BODY OF THE UNIFIED GOVERNMENT
WYANDOTTE COUNTY/KANSAS CITY, KANSAS:**

Section 1. The Board of Commissioners directs the Department of Planning and Urban Design to apply for a preservation grant from SHPO for the 2025-2026 grant year in order to hire a consultant to create the Downtown Kansas City, Kansas Historic District Design Guidelines. The Department shall apply for a grant of no less than \$50,000 in order to sufficiently accomplish this goal.

Section 2. This Resolution shall take effect and be in full force immediately upon its adoption.

**ADOPTED BY THE BOARD OF COMMISSIONERS OF THE UNIFIED
GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS, THIS ____
DAY OF ____, 2025.**

Approved:

Tyrone A. Garner, Mayor/CEO

Attest:

Unified Government Clerk

Approved as to Form:

Acting Chief Counsel

APRIL 21, 2025

Grant Application: Historic Preservation Fund Grant

RANDY GREEVES, HISTORIC PRESERVATIONIST
DEPARTMENT OF PLANNING + URBAN DESIGN



APRIL 21, 2025

Background

DOWNTOWN HISTORIC DISTRICT

On **February 3, 2024**, the Kansas State Historic Sites Board of Review added the **Downtown Kansas City, Kansas Historic District** to the **Register of Kansas Historic Places**.

This represented a culmination of years of effort towards historic preservation and revitalization of downtown Kansas City, Kansas (KCK), which also includes the adoption of:

- Main Street America
- Kansas Main Street Programs
- Citywide Historic Preservation Plan

This opened up significant funding opportunities for redevelopment of downtown buildings.



APRIL 21, 2025

Background

Historic Preservation Fund Grant

Each year the Kansas State Historic Preservation Office (SHPO) releases a grant to fund preservation focused projects in Kansas cities.

This year we are applying for **\$50,000** to create **Design Guidelines** for our Downtown Kansas City, Kansas Historic District.

The Design Guidelines will highlight how to protect and enhance important historic architectural features of the Downtown Kansas City, Kansas Historic District.

This document will make it easier for building owners to create a design that will rehabilitate their building while meeting the requirements set by the Secretary of the Interiors Standards for Historic Preservation.



NO MATCH



PRESERVE OUR HISTORY



INCREASE ACCESS TO HISTORIC TAX CREDITS FOR REDEVELOPMENT



PROVIDE CLEAR GUIDELINES FOR REHABILITATION



APRIL 21, 2025

Background

Historic Preservation Fund Grant

Grant Submission Deadline: April 30, 2025

Grant Request: \$50,000

Grant Match: None



Ask

- ☐ Approve resolution to apply for the Historic Preservation Fund Grant
- ☐ Expedite the resolution to the April 24, 2025 Board of Commissioners Planning Agenda



QUESTIONS OR ADDITIONAL FEEDBACK?

Reach out to Randy Greeves
Historic Preservationist
rlgreeves@wycokck.org



Report to Board of Commissioners

MEETING DATE	PRESENTER	DEPARTMENT
	J. Renee Ramirez, Director rramirez@wycokck.org x5665	Human Resources
AGENDA ITEM #9.1.		
RESOLUTION: MEMORANDUM OF UNDERSTANDING WITH PLUMBERS LOCAL #8		
BACKGROUND		
Adoption of a resolution authorizing the County Administrator to execute the Memorandum of Understanding (MOU) between the UG and Plumbers Local #8.		
RECOMMENDATION		
Approve Approve resolution.		
BUDGET IMPACTS / FINANCIAL CONSIDERATIONS		
18% for one incumbent per CAO approval for market adjustment.		
LEGAL CONSIDERATIONS		
Legal has approved this agreement.		
ATTACHMENTS		
plumbers union resolution, Plumbers MOU_2025 - 2027 - fully signed		

Approved by Administrator to add to agenda.

RESOLUTION NO. _____

**BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE UNIFIED
GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS:**

That the County Administrator of the Unified Government of Wyandotte
County/Kansas City, Kansas, is hereby authorized and directed to execute in the name of
the Unified Government of Wyandotte County/Kansas City, Kansas, and the Unified
Government Clerk is hereby authorized and directed to attest the signature of said
County Administrator and to attach the seal of the Unified Government thereto as the
voluntary act of the Unified Government to the Memorandum of Understanding between
the Unified Government of Wyandotte County/Kansas City, Kansas, and the Plumbers
Local Union No. 8, for the period from January 1, 2025 through December 31, 2027.

**ADOPTED BY THE BOARD OF COMMISSIONERS OF THE UNIFIED
GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS
THIS ___ DAY OF _____, 2025.**

Tyrone Garner, Mayor/CEO

ATTEST:

Unified Government Clerk

Approved as to Form:

**Angela Lawson
Acting Chief Counsel**

MEMORANDUM OF UNDERSTANDING

BETWEEN

THE UNIFIED GOVERNMENT OF

WYANDOTTE COUNTY,

KANSAS CITY, KANSAS

AND

PLUMBERS LOCAL UNION NO. 8

JANUARY 1, 2025 – December 31, 2027

MEMORANDUM OF UNDERSTANDING

ARTICLE I – INTENT AND PURPOSE.

This **MEMORANDUM OF UNDERSTANDING**, by and between the Unified Government, Wyandotte County, Kansas City, Kansas, and the Plumbers and Gas Fitters Local No. 8, Kansas City and Vicinity, is entered into for the purpose of establishing rates of wages and specified working conditions. The Local Union Working Agreement or "Agreement" (Joint Agreement between Mechanical Contractors Association and Plumbers Local Union No. 8, marked exhibit A and attached hereto) shall be recognized except as amended, deleted, modified or supplemented by the provisions of this Memorandum.

ARTICLE II – RECOGNITION.

The Unified Government of Wyandotte County, Kansas City, Kansas, (hereunto the U.G.) recognizes and acknowledges the above stated Plumbers and Gas Fitters Local No. 8, Kansas City and Vicinity, (hereunto the "Union") as the exclusive bargaining representative pursuant to the Public Employee Relations Act for all Plumbers employed by the Building and Logistics Department of said U.G.

ARTICLE III – EMPLOYER'S RESPONSIBILITY.

Section 1. Except as specifically set out herein, nothing in this Memorandum shall be construed as divesting the U.G. of any of its management rights vested by the Kansas Public Employee Relations Act or as delegating to others the authority conferred by law on the U. G. or in any way abridging or reducing such authority.

Section 2. The right to hire, promote, layoff, assign, transfer, discharge or discipline for cause and to maintain discipline and efficiency of employees is the sole responsibility of the U.G., except the Union member shall not be discriminated against due to their Union membership. Persons subject to this agreement shall be considered as employees of the U.G. and subject to all policies, orders, and directives, written or oral, of the Unified Government, Wyandotte County, Kansas City, Kansas, the Commissioners, the County Administrator and such other persons designated as supervisors of said employees except as modified or provided elsewhere herein. In the case of promotion, the U.G. agrees to recognize qualifications (including training, education, experience, ability and past performance) of the affected employee and then recognize standard seniority rules and practices. In the case of layoff, the U.G. shall use seniority as the determining factor in selecting the employees to be laid off.

Section 3. The U.G. may adopt additional reasonable rules and regulations and amend the Human Resources Guide and other policies, orders and directives from time to time, and the U.G. and the Union will agree that any such changes, additions or amendments not in conflict with this Memorandum of Understanding shall be in full force and effect. Disputes

concerning the application or interpretation of any changes, additions or amendments as provided in this section may be submitted by the Union to arbitration as provided hereunder. To the extent practical, the U.G. will give prior notification of such rules and regulations to the Union.

Section 4. This memorandum shall be construed as requiring the employees to follow the provisions herein in the exercise of the authority conferred upon the U.G. by law.

ARTICLE IV – FILLING OF VACANT POSITIONS.

When a permanent job vacancy exists in a bargaining unit position, the U.G. may determine within forty-five (45) days from the declaration of the vacancy by the U.G., whether such position shall be filled. If it is determined that the position is to be filled, it shall be posted within sixty (60) working days from the determination to fill it or within a reasonable time thereafter. However, even if the U.G. initially determines not to fill a position, the U.G. expressly reserves the right, at any time, to determine that such a position should be permanently filled and then post the same for bid.

If the U.G. determines that a position is to be filled, the following procedure shall govern:

- (a) Such job vacancies shall be posted for ten (10) working days along with the information related to the qualifications required for the position is assigned. The affected bargaining unit local will be sent a copy of the job vacancy posting.
- (b) Applicants desiring to apply for a job vacancy may do so by being qualified and/or certified. In order for an applicant to be considered, a U.G. employment application and related application materials must be submitted to Human Resources within the specified guidelines.
- (c) Such vacancies shall be awarded to the best qualified applicant considering the applicants training, education, experience, ability and past performance as long as such selection does not contravene any affirmative legal responsibility place upon the U.G. and the applicant's successful completion of a drug screen and physical examination.

ARTICLE V – WAGES.

Section 1. The basic rate of pay for the Plumbers as enumerated in the Agreement shall be:

	1/1/25	1/1/26	1/1/27
--	--------	--------	--------

Plumber	\$45.30	\$46.66	\$48.06
Lead Foreman	\$47.57	\$49.00	\$50.47
Apprentice	*	*	*

** Apprentice Plumbers will be paid at the same percentage of the regional rates stated in the as Plumbers and any Lead Foreman receive, relative to the regional rates stated in the plumbers regional agreement. The apprentice years of service scale in the regional agreement will also apply.*

Section 2. Employer shall be responsible to pay the full cost of fringe benefits and supplementary dues in accordance with the current Master Agreement entered into by the Local Union and Mechanical Contractors Association of Greater Kansas City. The parties agree that in the event the two current bargaining unit members of the union are no longer employed by the Employer as bargaining unit members, the contract will be reopened. In the event that a current bargaining unit member is no longer employed as a bargaining unit member for disciplinary reasons, the contract will not be reopened until any grievance is resolved. If the grievance results in the current bargaining unit member being reinstated, then the contract remains in effect. If not, then the contract will be reopened.

Section 3. As fringe benefits change under the Agreement, the craft shall obtain from the Plumbers Union Local #8 a written statement of the changes and the effective date thereof, and upon written notice sent by registered mail, to the Director of Building and Logistics and the Human Resources Department, the U.G. will adjust the fringe benefits to conform to the changes in the Agreement provided the notice of the change is received within forty-five (45) days of the effective date of the pay and fringe benefit change.

Section 4. Bargaining unit members shall be permitted to contribute up to \$10.00 per hour to the defined contribution plan of the Union.

Section 5. No person subject to this Memorandum shall be eligible to purchase, receive or participate in any health insurance contract, program or benefit provided to other U.G. employees, including all preferred provider organizations, health maintenance organizations or indemnity policies and coverage unless said person bears the cost of said insurance or coverage without any U.G. contribution. All such persons shall be eligible to participate, receive or purchase any dental insurance provided by the U.G.

ARTICLE VI – WORKING CONDITIONS.

All working conditions including vacations, paid holidays, sick leave, jury duty, maternity leave, injury leave, discharge, discipline and all other matters constituting working conditions shall be subject to and regulated by the policies of the U.G. as expressed in the Human Resources Guide, and amendments thereof except as may be inconsistent with the terms of this Memorandum of Understanding.

ARTICLE VII – STRIKES AND LOCKOUTS.

Section 1. There shall be no stoppage of work either by strike or lock out because of any dispute over matters relating to this Memorandum.

Section 2. There shall be no work stoppage in the event of any construction industry strike or problems or lockouts.

ARTICLE VIII – UNION SECURITY.

Notwithstanding any provisions of the attached Agreement and specifically Article IV of said Agreement, to the contrary, the Union recognizes and acknowledges that the Kansas Constitution at Article 15, Section 12 and K.S.A. 75-4324 provide and guarantee an employee the right to work regardless of union membership or affiliation and the parties hereto are bound thereby. Under the provisions of said law, the Union recognizes that the U.G. cannot require as a condition of employment that all employees of the U.G. covered by the attached Agreement will be members of the Union in good standing while so employed by the U.G.

Article IX – FRINGE BENEFIT PROGRAM.

If it is held by a Court of competent jurisdiction that the U.G. is prohibited from entering into or becoming a party to the provided trust agreements or funds set out in the Agreement at Article V, then the U.G.'s obligation to continue its commitment hereunder shall cease.

Article X – HOURS OF WORK, OVERTIME, AND SHIFTWORK.

Sections 1-10 of Article IX of the Agreement were previously deleted and the subjects expressed therein shall be governed by the provisions of the U.G.'s Human Resources Guide.

Eight hours constitute a day's work. Any time worked in excess of eight (8) hours per day or any work performed on a Saturday or Sunday shall be paid at the rate of one and one-half (1 1/2) times the actual hourly rate.

An employee called in to perform services related to the job shall be paid in accordance with the Agreement. In no event shall an employee receive less than two (2) hours compensation at the overtime rate of pay for every call-in on days off, furlough days, holidays or other scheduled leave time. Management retains the right to schedule the employees in accordance with the best interest of the Unified Government. Employees designated to be "on-call" on a weekend day (Saturday or Sunday) or on a holiday shall receive two hours "on-call" pay at the overtime rate in addition to any hours actually worked.

No foreman shall be required on any project unless three (3) or more full-time plumbers are employed by the Unified Government. If three (3) full-time plumbers are so employed, the Unified Government shall designate one (1) person as a full-time foreman.

Article XI – PAYDAY AND PAYROLL CHECKS.

The U.G. has adopted a bi-weekly payroll system. Represented employees are paid each two weeks, as opposed to weekly. This practice shall in no way modify the amount of compensation to be received by the represented employees as provided herein.

Article XII – GRIEVANCE AND ARBITRATION PROCEDURE.

In the event of any dispute or grievance arising under the terms and provisions of the Memorandum or of any difference between the parties as to the interpretation or application of this Memorandum, it shall be processed through the grievance procedure. The parties shall make sincere and determined efforts to settle meritorious grievances at the voluntary steps of the grievance procedure and to keep the procedure free from any unmeritorious grievances. A union representative may be present during any step of the grievance procedure.

Step 1: Within ten (10) days of the occurrence or events giving rise to the grievance or dispute, or within ten (10) days of when the affected employee or employees became aware of such occurrences or event, whichever is longer, the matter must be taken up between the involved employee or employees and their supervisor. First, the employee shall verbally explain to his supervisor the nature of the grievance. The supervisor must communicate his decision to the grievant verbally within five (5) days of the Step 1 meeting.

Step 2: If the grievance is not satisfactorily adjusted under step 1, a written grievance shall be submitted to employee's supervisor within five (5) days after the supervisor has provided his verbal decision pursuant to Step 1. Within five (5) days thereafter, the supervisor must submit a written answer to the grievance.

Step 3: If the supervisor's written answer does not resolve the matter, a written appeal shall be made to the division head within five (5) days after the U.G. receives the supervisor's written report pursuant to step 2. The division head shall attempt to resolve the matter and shall give a written answer within five (5) days after receiving the written appeal.

Step 4: If the division head's written answer does not resolve the grievance, a written appeal shall be taken to the department head within five (5) days after the receipt of the division head's written response. The department head shall attempt to resolve the matter in a meeting of the concerned parties and shall give a written answer within five (5) days after the receipt of the written appeal of the division head's decision.

Step 5: If the matter has not been resolved in Steps 1-4, it may be submitted to the County Administrator within five (5) working days after receipt of the department head's written decision. The County Administrator shall render a decision in writing within ten (10) days thereafter.

Step 6: If the County Administrator's decision is not satisfactory to the Union, or if the parties are otherwise unable to satisfactorily resolve the dispute, arbitration may be requested by the U.G. or the Union, in the following manner:

- (a) Notice in writing of intent to arbitrate shall be delivered by the party seeking arbitration to the opposing party within fifteen (15) calendar days following the decision of Step 5.
- (b) Within fifteen (15) calendar days after the notice is delivered, the parties will mutually agree upon an arbitrator or jointly obtain a list of seven (7) arbitrators from the Federal Mediation and Conciliation Service (FMCS), and the parties will alternately and independently strike unacceptable arbitrators from such a list with the last remaining arbitrator being selected. If the party upon whom a properly executed FMCS panel request is served fails to execute and send such request within fifteen (15) calendar days of service thereof, then the grievance shall be found in favor of the non-defaulting party.
- (c) The arbitrator shall have the authority to determine the procedural rules of arbitration and shall have the ability to make such binding orders as necessary to enable him to act effectively. He shall observe the rules of evidence, and his decision shall be final and binding on all parties.
- (d) Once an arbitrator has been selected by the parties, the parties shall act with all deliberate speed to schedule a hearing for the arbitration.
- (e) The arbitrator shall have no power to add to, subtract from or modify any of the terms of this Memorandum.
- (f) The cost of the arbitrator shall be shared equally by the U.G. and the Union.

Article XIII – SUBCONTRACTING.

Article XVI of the Agreement related to subcontracting was previously deleted.

Article XIV – DURATION.

Article XV of the Agreement was previously deleted. This Memorandum shall be in full force and effect from January 1, 2025, (effective date), to and including December 31, 2027, (expiration date), and shall continue from year to year thereafter unless written notice of desire to cancel or terminate the Memorandum is served by either party upon the other not less than thirty (30) and not more than ninety (90) days prior to the expiration date. The attached agreement shall be deemed a part of this Agreement.

When no such cancellation or termination notice is served and the parties desire to continue said Memorandum, but also desire to negotiate changes or revisions in this Memorandum, either party may serve the other a written notice not less than thirty (30) and not more than ninety (90) days prior to the expiration date advising that such party desires to revise or change terms or conditions of such Memorandum.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals below.

EMPLOYER

UNION

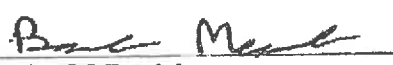
THE UNIFIED GOVERNMENT OF
WYANDOTTE COUNTY, KANSAS
CITY, KANSAS

PLUMBER'S LOCAL UNION NO. 8

By:


David Johnston
County Administrator

By:


Brian McDaniel
Business Representative

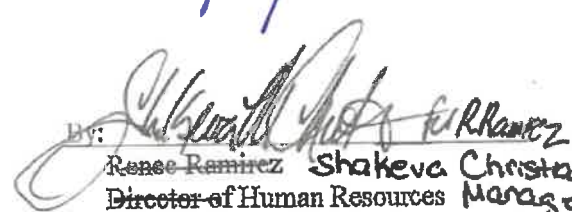
Date:

2/5/2025

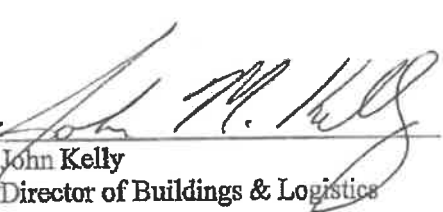
Date:

12/16/2024

By:


Renee Ramirez
Director of Human Resources

By:


John Kelly
Director of Buildings & Logistics

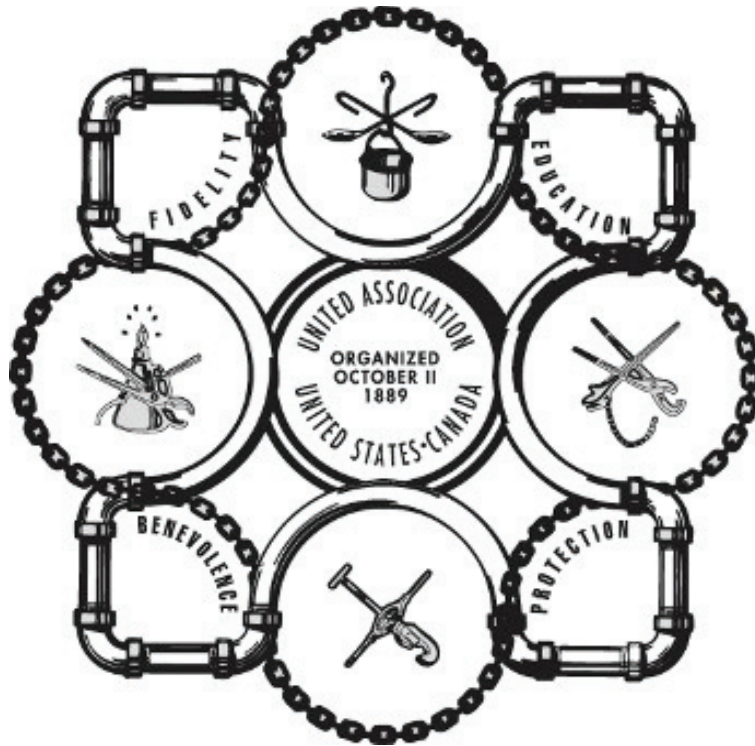
Approved as to form:


Angela Lawson
Interim Chief Counsel


Wendy Green
Deputy Chief Counsel

ATTEST:

Unified Government Clerk



AGREEMENT AND CONTRACT

June 1, 2023, through May 31, 2029

By and Between Members of

Mechanical Contractors Association of Kansas City

and

Plumbers & Gas Fitters Local Union No. 8

of the

**UNITED ASSOCIATION OF JOURNEYMEN AND APPRENTICES OF THE PLUMBING AND
PIPEFITTING INDUSTRY OF THE UNITED STATES AND CANADA**

EXHIBIT A

EXHIBIT A

INDEX OF AGREEMENT BETWEEN MECHANICAL CONTRACTORS ASSOCIATION OF KANSAS CITY and

Plumbers & Gas Fitters Local Union No. 8

The following index is not a part of the Agreement but is provided for information only.

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Preamble

This agreement is made and entered into the 1st day of June 2023, between the Mechanical Contractors Association, acting as bargaining agent for and on behalf of its members, who accept and sign this Agreement, and the Plumbers Local Number 8 of the United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada, A.F.L.-C.I.O.

WITNESSETH:

The purpose and intent of this Agreement, which is entered into by and between the parties specified above by mutual consent of both parties, is to:

- (a) Establish and set forth in this Agreement rules and regulations to govern employment wage scale, craftsmanship qualifications and working conditions of Journeymen Plumbers and Apprentices.
- (b) To encourage closer cooperation and better understanding between Contractor and employee members of this particular craft to the end that a satisfactory, continuous and harmonious labor relationship will exist between both parties to this Agreement.
- (c) To prevent strikes and lockouts and facilitate peaceful adjustments of all disputes and grievances which may arise between Contractor and Union.
- (d) The **United Association Standard for Excellence** is incorporated and adopted by the parties to this Agreement as follows:
 - i. **MEMBER AND LOCAL UNION RESPONSIBILITIES:** To ensure the **UA Standard for Excellence** platform meets and maintains its goals, the Local Union Business Manager, in partnership with his implementation team, including shop stewards and the local membership, shall ensure all members:
 - Meet their responsibilities to the employer and their fellow workers by arriving on the job ready to work, every day on time (Absenteeism and tardiness will not be tolerated.)
 - Adhere to the contractual starting and quitting times, including lunch and break periods (Personal cell phones will not be used during the workday with the exception of lunch and break periods.)
 - Meet their responsibility as highly skilled craftworkers by providing the required tools as stipulated under the local Collective Bargaining Agreement while respecting those tools and equipment supplied by the employer
 - Use and promote the local union and international training and certification systems to the membership so they may continue on the road of lifelong learning, thus ensuring UA craftworkers are the most highly trained and sought after workers
 - Meet their responsibility to be fit for duty, ensuring a zero-tolerance policy for substance abuse is strictly met
 - Be productive and keep inactive time to a minimum
 - Meet their contractual responsibility to eliminate disruptions on the job and safely work towards the on-time completion of the project in an auspicious manner
 - Respect the customers' property (Waste and property destruction, such as graffiti, will not be tolerated.)
 - Respect the UA, the customer, client and contractor by dressing in a manner appropriate for our highly skilled and professional craft (Offensive words and symbols on clothing and buttons are not acceptable.)
 - Respect and obey employer and customer rules and policies
 - Follow safe, reasonable and legitimate management directives

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ii. EMPLOYER AND MANAGEMENT RESPONSIBILITIES: MCAA/MSCA, PFI, MCPWB, PCA, UAC and NFSA and their signatory contractors have the responsibility to manage their jobs effectively, and as such have the following responsibilities under the **UA Standard for Excellence**.

- Replace and return to the referral hall ineffective superintendents, general foremen, foremen, journey workers and apprentices
- Provide worker recognition for a job well done
- Ensure that all necessary tools and equipment are readily available to employees
- Minimize workers' downtime by ensuring blueprints, specifications, job layout instructions and material are readily available in a timely manner
- Provide proper storage for contractor and employee tools
- Provide the necessary leadership and problem-solving skills to jobsite supervision
- Ensure jobsite leadership takes the necessary ownership of mistakes created by management decisions
- Encourage employees, but if necessary, be fair and consistent with discipline
- Create and maintain a safe work environment by providing site specific training, proper equipment and following occupational health and safety guidelines
- Promote and support continued education and training for employees while encouraging career building skills
- Employ an adequate number of properly trained employees to efficiently perform the work in a safe manner, while limiting the number of employees to the work at hand, thereby providing the customer with a key performance indicator of the value of the **UA Standard for Excellence**
- Treat all employees in a respectful and dignified manner, acknowledging their contributions to a successful project
- Cooperate and communicate with the job steward

iii. PROBLEM RESOLUTION THROUGH THE **UA STANDARD FOR EXCELLENCE** POLICY: Under the **UA Standard for Excellence** it is understood that members through the local union, and management through the signatory contractors, have duties and are accountable in achieving successful resolutions.

1) MEMBER AND LOCAL UNION RESPONSIBILITIES:

- The local union and the steward will work with members to correct and solve problems related to job performance.
- Job stewards shall be provided with steward training and receive specialized training with regard to the **UA Standard for Excellence**.
- Regular meetings will be held where the job steward along with UA supervision will communicate with the management team regarding job progress, work schedules, and other issues affecting work processes.
- The job steward shall communicate with the members about issues affecting work progress.
- The business manager or his delegate will conduct regularly scheduled meetings to discuss and resolve issues affecting compliance of the **UA Standard for Excellence** policy.
- The steward and management will attempt to correct such problems with individual members in the workplace.

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- Individual members not complying with membership responsibility shall be brought before the Local Union Executive Board, which will address such members' failure to meet their obligation to the local and the UA, up to and including filing charges. The local union's role is to use all available means to correct the compliance problem.
- 2) EMPLOYER AND MANAGEMENT RESPONSIBILITIES:
- Regular meetings will be held where the management team and UA supervision will communicate with the job steward regarding job progress, work schedules, and other issues affecting the work process.
 - Management will address concerns brought forth by the steward or UA supervision in a professional and timely manner.
 - A course of action shall be established to allow the job steward and/or UA supervision to communicate with higher levels of management in the event there is a breakdown with the responsible manager.
 - In the event that the employee is unwilling or unable to make the necessary changes, management must make the decision whether the employee is detrimental to the **UA Standard for Excellence** platform and make a decision regarding his/her further employment.
- 3) ADDITIONAL JOINTLY SUPPORTED METHODS OF PROBLEM RESOLUTION:
- In the event an issue is irresolvable at this level, the local or the contractor may call for a contractually established labor management meeting to resolve the issues.
 - Weekly job progress meetings should be conducted with job stewards, UA supervision and management.
 - The local or the contractor may involve the customer when their input is prudent in finding a solution.
 - Foremen, general foremen, superintendents, and other management should be educated and certified as leaders in the **UA Standard for Excellence** policy.
- iv. POLICY COMMITTEE:
- 1) A Policy Committee consisting of one member appointed by the Union and one member appointed by the Mechanical Contractors Association and a Public Member who shall be a neutral party appointed by both these members shall be formed to consider any complaint from the Union, any employee, member, or any signatory employer arising from or relating to the **UA Standard for Excellence**.
 - 2) The Policy Committee shall have the power to make a final and binding decision on any matter referred to it which shall be complied with by the Local Union, signatory employers and the Mechanical Contractors Association, as the case may be, and employees covered by the Collective Bargaining Agreement. The Committee is not authorized to add to, or subtract from, or modify any of the provisions of the Collective Bargaining Agreement, and its decision shall be in accord with the Agreement.
 - 3) The Union will institute a Three-Strike Policy, wherein a member may be discharged for cause. Upon discharge for cause, the employer will provide written notification to the Union, stating the reason for member's discharge. Any member who is discharged for cause two (2) times during a twelve-month period or who has engaged in egregious conduct in violation of the **UA Standard for Excellence** shall result in member appearing before Local 8's Executive Board. A third (3rd) instance within a twelve-month period shall be referred to the neutral member of the Committee to determine the member's continued eligibility to seek referral or continue to work for signatory contractors. The neutral

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member of the Committee shall, within five (5) business days, review the qualifications of the member, the reason for the discharges or other evidence relating to violation with the **UA Standard for Excellence**.

- 4) The neutral member of the Committee, may, in his/her sole discretion, issue a final and binding decision providing: (1) that the member obtain further training from the JATC; (2) disqualify the member for referral or continued employment for any or all signatory contractors for a period of two weeks, or longer, depending on the seriousness of the conduct and/or repetitive nature of the conduct; (3) refer the member to an employee assistance program, if available, for evaluation, treatment, or recommended action; or (4) declare the member eligible for continued referral or employment, pursuant to the Collective Bargaining Agreement, including restoration of the member to his/her appropriate place on the referral list.
- 5) The Committee shall have the power to establish rules concerning persons referred to the Committee, including the use of transcripts, lawyers, and the like, in keeping with the need to maintain an orderly and efficient process unencumbered by excessive formality and delay.
- 6) Nothing in the process described herein shall prevent a member from filing a grievance relating to the underlying termination for cause, or other employer action, in a timely manner after that action occurs. The process shall also not negate any established agreed upon drug policy, including the penalties contained in that policy.
- 7) The costs of the Neutral Party, if any, shall be borne equally by the Local Union and the Mechanical Contractors Association.

ARTICLE 1 RECOGNITION

Section 1.1 The Contractor recognizes the Union as the sole and exclusive bargaining representative for all Journeymen Plumbers and Apprentices employed by the Companies covered by the scope of this Agreement in the area described in Article 2, with respect to wages, hours, and other terms and conditions of employment. The Union recognizes the Mechanical Contractors Association of Kansas City as the sole and exclusive bargaining agent for all its members and for those non-members that have furnished the Association with their collective bargaining authority, subject to the terms and conditions of this Agreement.

ARTICLE 2 GEOGRAPHICAL JURISDICTION

Section 2.1 The full force and effect of this Agreement shall prevail within the following geographical limits: The Missouri counties of Platte, Clay, Ray, Carroll, Jackson, Cass, Bates, Vernon, Lafayette, Johnson, Henry, Saline, St. Clair, Pettis, Benton, Morgan; and the Kansas counties of Leavenworth, Wyandotte, Johnson, Miami and all other territory that may be allotted from time to time by the United Association. The Union will notify the Mechanical Contractors Association in writing when the Union is given additional jurisdiction.

**ARTICLE 3
TRADE OR WORK JURISDICTION**

- Section 3.1** The hours of labor and working conditions set forth hereunder will apply on all work contracted for by the Contractors signatory to this Agreement coming within the recognized jurisdiction of the Union.
- Section 3.2** In recognition of the above work jurisdictional claims, it is understood that the assignment of work and the settlement of jurisdictional disputes with other Building Trades organizations shall be adjusted in accordance with the procedure established by the Impartial Jurisdictional Disputes Board or any successor agency of the Building Trades Department. In order to avoid jurisdictional controversies with other crafts, the Contractors will endeavor wherever practical to procure and embrace in his contracts all phases of the piping industry as set forth in the statement of jurisdiction in the International Constitution of the United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada.
- Section 3.3** There shall be no work stoppage because of jurisdictional disputes.
- Section 3.4** The Contractor agrees to have a pre-job conference with the Union in advance of the start of any job, in order to minimize any jurisdictional dispute before the job starts, if requested by either party.
- Section 3.5** When any temporary heat is provided by means of any gas appliance over which the Plumber has jurisdiction, it shall be assigned to the Plumber.
- (a) All temporary heating and cooling, including gas and oil-fired unit heaters, refrigeration, and air conditioning, is recognized as the work of the plumbing, heating, and air conditioning contractor, with maintenance by United Association member rather than some other craft.
 - (b) It is optional with the owner or Contractor to provide temporary heat, and to decide the number of hours it shall be in operation, so long as all phases of maintenance are recognized as work of the United Association, a member of which shall be in attendance during optional periods until the general tests are completed and the mechanical installation is accepted by the owner. The classification of buildings that require temporary heat shall be left to the adjudication of the Joint Conference Board.
 - (c) When such maintenance is desired by the owner or Contractor, the work shall be paid at straight-time rates, without shift differential, except for premium rates to be paid for holiday work as established herein. Where the Federal Fair Labor Standards Act applies to employment, one and one-half times the regular straight-time wages shall be paid for all hours worked in excess of forty (40) hours and it is to be understood that the choice of one (1), two (2) or three (3) shifts is the prerogative of the owner or the Contractor.
- Section 3.6** This Agreement covers the rates of pay, hours and working conditions of all employees engaged in the installation of all plumbing systems and component parts thereof, including field layout of all such work. The taking of field or plan measurements for field layout work for pipe fabrication, sleeving and installation shall be the work of the Plumbers and it is understood that all lead work shall be done on the job site or in the Contractor's shop by Plumbers and Apprentices. The cutting of holes for the reception of such pipe, fabrication, assembling, erection, installation, testing, balancing, dismantling, repairing, reconditioning, adjusting, altering, serving and handling, unloading, distributing, tying on and hoisting of all piping materials, by any method, including all hangers and supports of every description, and all other work included in the trade jurisdiction of the United Association, as defined in the 2021 Constitution of the United Association. Where

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contractors have historically assigned work on a mixed or shared basis, inclusive of Virtual Design process, they shall retain the right to do so.

ARTICLE 4 UNION SECURITY

- Section 4.1** It shall be a condition of continued employment that all employees of a Contractor signatory to this Agreement, who are performing work covered by this Agreement who are members of the Union in good standing on the effective date of this Agreement, shall remain members in good standing during the term of this Agreement. Those who are not members on the effective date of this Agreement shall, on or after the seventh day if engaged in bargaining unit work following the effective date of this Agreement, become and remain members in good standing in the Union through the payment of the regular initiation fees and periodic dues uniformly required as a condition of acquiring and retaining such membership on the earliest date provided by applicable Federal Law.
- Section 4.2** Union members not in good standing in respect to paying initiation fees and dues of the union, as required in the first paragraph of this clause, shall be discharged from their employment within 48 hours after the Contractor has received written notification of the fact from the Union. The Union shall, if requested, provide information in writing substantiating that the employee has failed to comply with the requirements of this Article. Union determination is final.
- Section 4.3** Either party to this Agreement shall have the right to reopen the negotiations pertaining to Union Security when the Federal Laws applicable thereto have been changed by giving the other party thirty (30) days written notice.
- Section 4.4** The Union may appoint one steward for each shop or job. The Union will appoint a steward on the basis of such an employee's tact, diplomacy, and capabilities. A steward shall be a working employee. The Union agrees that such duties shall be performed as expeditiously as possible and the Contractor agrees to allow steward a reasonable amount of time for the performance of such duties. The Union shall notify the Contractor of the appointment of each steward, and the Contractor, prior to terminating a steward, shall notify the Union of such termination.
- (a) The steward is to receive grievances or disputes from members of his craft and report them to his Business Representatives who shall then attempt to adjust grievances or disputes with the Contractor or his representative performing the work. In addition, the steward may, with the consent of the Contractor, attempt to adjust amicably minor differences or misunderstandings arising out of the interpretation or application of this Agreement. These duties shall be performed as expeditiously as possible during regular working hours.
- Section 4.5** Authorized representatives of the Union shall have unrestricted access to jobs or fab shops, providing they do not unnecessarily interfere with the employees or cause them to neglect their work, and further provided such Union Representative complies with customer rules.

ARTICLE 5 REFERRAL AND HIRING PROCEDURE

- Section 5.1** The Union shall be the source of referral of applicants for employment with the Contractor. Selection by the Union of applicants for referral to jobs shall be on a legal and non-discriminatory basis. Local Contractors may request the union for men or women by name and/or qualification and if said men or women are unemployed, the union will dispatch the

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named or qualified member at once. The union agrees to furnish competent available Journeymen at all times. The Contractor retains the right to reject any job applicant referred by the Union. The Contractor will notify the Union office within twenty-four (24) hours the reason for the rejection. Nothing in this Article shall prohibit the Contractor from hiring from any other available source, if the Union is unable to supply the requested manpower within twenty-four (24) hours of the request, or 48 hours for supplying manpower when travelers are required, and provided the Contractor complies with Article 4 of this Agreement.

Section 5.2 Apprentices and the administration of the Local Apprenticeship System shall be governed by the terms and procedures established by the Joint Apprenticeship Committee. The Joint Apprenticeship Committee shall determine the number and placement of apprentices to be selected each year. The Employer may employ Apprentices in accordance with the following company-wide ratios:

1 apprentice for 2 Journeymen

2 apprentices for 6 Journeymen

Continues on a 1 apprentice for 3 Journeymen ratio thereafter. Jobsite ratio will be 1 apprentice to 1 Journeyman.

Section 5.3 Pre-Apprenticeship Program

- Pre-apprentices must have a current completed application on file with the Plumbers Local Union 8 apprenticeship program.
- The pre-apprenticeship program is open to all qualified applicants.
- Pre-apprentices who successfully complete 12 months of employment will be placed in apprenticeship program or terminated from the program.
- Contractors caught violating the program lose the right to have pre-apprentices for up to a 12-month period.
- At times of low employment, pre-apprentices shall be laid off in accordance with established ratios.
- Ratio will be 1 pre-apprentice to 3 Building Trades apprentices per established JATC guidelines.

*Pre-apprentices: 40% of journeyman rate

Section 5.4 The Contractor agrees to hire only qualified Journeymen and Apprentices for work coming within the scope of this Agreement. Journeyman is defined as those who have served as Apprentices and/or worked at the trade five (5) years or more, who have passed the applicable examination and hold applicable current plumbing license.

- (a) As the Contractor and the Union have a mutual interest in maintaining the competency and skill of Journeyman employed in the industry and a corresponding high degree of quality work, sixteen (16) hours of trade-related continuing education is required annually for all journeymen. Contractor Association and Training Center will jointly maintain educational hours. Upon request, the Union shall provide the contractors with a list of their members training completed in the last twelve (12) months. Contractor may request members that maintain continuing education.

ARTICLE 6 MANAGEMENT RIGHTS

Section 6.1 Management shall be the sole determiner of the size of the work force. Management shall have the prerogative of controlling its operations, introducing new or improved methods or facilities and changing methods or facilities, subject to the limitation set forth in this

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Agreement and Article 10.1.

Section 6.2 The Union shall not sanction any employee performing any work covered by this Agreement after his regular hours for other than his current employer.

Section 6.3 There shall be no restriction on efficient use of manpower other than as may be required by safety regulations.

ARTICLE 7 EMPLOYEE BENEFIT FUNDS

Section 7.1 On all work performed during the term of this Agreement, the Contractors agree to pay for (or, to deduct and transmit) the sums set forth in this Agreement to the Educational Fund, the local Welfare Fund, the local Pension Fund, the National Pension Fund, the Saving Fund, the Defined Contribution Fund, the International Training Fund pursuant to the Agreements and Declarations of Trust applicable to each such fund.

(a) The Trust Agreements for Plumbers Local Number 8 Health and Welfare Fund, Plumbers Local Number 8 Pension Fund, and Plumbers and Gasfitters Local Number 8 Defined Contribution Plan dated June 1, 2005, March 6, 2005, and March 8, 2005 respectively as amended from time to time, are hereby incorporated by this reference into this Agreement. The Trust Agreements are to be included in this Agreement as if they were fully set forth herein.

(b) The employer agrees to make contributions to the Plumbers and Pipefitters National Pension Fund in accordance with the Standard Form of Participation Agreement, attached to and made part of this agreement.

(c) Remittances shall be submitted electronically or as directed by the Benefit Office.

Section 7.2 It is agreed that the Pension Plan adopted by the Trustees of the said Pension Funds shall at all times conform with requirements of the Internal Revenue code so as to enable the Employer at all times to treat contributions to the Pension Fund as a deduction for income tax purposes.

Section 7.3 It is agreed that all contributions shall be made at such time and in such manner as the Trustees require; and the Trustees shall have the authority to have an independent Certified Public Accountant audit the payroll and wage records of the employer for the purpose of determining the accuracy of contributions to all fringe funds. After initial notification of payroll audit by fringe benefit auditing agency, employer may reschedule audit one time, excluding emergencies. Any further delay by the employer will be subject to additional penalty of two hundred fifty dollars (\$250.00) per postponement.

Section 7.4 Contributions to the funds described in Article 7.1, under this Agreement, shall be payable on or before the 10th day of the month following the month in which the contributions were accumulated. If the contributions are not paid by the 15th of the month, the Union shall be relieved of its no- strike obligation with respect to the Contractor involved and shall be free to strike or take other action against such Contractor. The employer shall be liable for all costs for collecting the payments due, including attorney's fees and such late payment fees which may be assessed by the Trustees.

(a) Should a determination be made that there exists or will exist an accumulated funding deficiency for a particular trust under the provisions of the Pension Reform Act of 1974 and The Pension Protection Act of 2006, the parties agree to request the trustees of that particular trust to reduce the benefits in order to correct such underfunding, providing, however, that if such reduction is not accepted by the trustees of such trust within thirty (30) days, would be inadequate to correct the underfunding, or is not approved by the

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Secretary of Labor, the parties hereto shall meet and arrive at an agreement for an immediate adjustment of the hourly wage rates in this Agreement in order to correct such funding deficiency in such trust fund. In no event shall the total wage and benefit package be increased.

- (b) The Contractors agree to be bound by all of the terms and conditions of the Agreement and Declaration of Trust (Section 7.3), a copy of which has been or will be signed by the Association. Any Contractor so adopting and becoming a party to said Agreement and Declaration of Trust thereby ratifies, accepts and designates as its representatives the Employer Trustees then serving as such and authorize said Employer Trustees to designate additional Employer Trustees and successor Employer Trustees in accordance with the terms and condition hereof.
- (c) Employers who are 30 days or more delinquent, upon receiving delinquency notification from Fund Office, may have their manpower pulled from all projects covered under the Local CBA at the discretion of the Business Manager. However, Employers who are 60 day or more delinquent, upon receiving delinquency notification from Fund Office, will have their manpower pulled from all projects covered under the Local CBA, unless they can post a fringe bond ten (10) times the amount of their delinquency.

Section 7.5 The Contractors agree to pay the amount stated on the respective wage grid per hour on each hour worked on work coming within the provisions of this Agreement to an Industry Development Fund to be administered in accordance with an Agreement and Declaration of Trust which shall be used for the purpose of promoting the good and welfare of the industry in accordance with the purpose set forth in the Declaration.

Section 7.6 SURETY BONDS

(a) Any Contractor who is delinquent on Fringe Benefits and Savings payments as set forth in Article 11 of this Agreement for a period of two months in any one quarter or for a period of two consecutive months shall be required to post a cash or surety bond in an amount equal to the amount of the delinquency multiplied by six, but not less than \$10,000. Said bond shall run to the benefit of the Trustees of the affected Fringe Benefit Fund and shall be payable when the total delinquency equals or exceeds the amount of the bond, at which time the Contractor shall post another bond calculated pursuant to Schedule A.

The bond shall be released when the Contractor remains non-delinquent for a period of twelve consecutive months. If the Contractor fails to post bond within five calendar days of receipt of the written demand or refuses to post such bond, the Union shall immediately be released from its no- strike obligation to such Contractor and shall be free to take such economic action, including strikes, as it deems appropriate against such Contractor until such time as the Contractor becomes non-delinquent and the required bond is posted.

A Surety Bond will also be required of any new Signatory Contractor to this Agreement and/or from any Contractor working in the Union's jurisdiction under a National Agreement, but which is not signatory to this Agreement. Surety bonds for new signatory contractors shall be in effect for the remainder of the current contract period, or for a period of two (2) years, whichever is longer. Surety bonds for Contractors working in the Union's jurisdiction under a National Agreement shall remain in effect for six (6) months after the completion of the job upon which it is working. All such bonds shall be in accordance with Schedule A.

The bond shall be made payable to the Plumbers Association Local Union No. 8 Fringe Benefit Funds. The bond shall contain the provisions set forth below with regard to the time period of the bond. As evidence a bond has been obtained, a copy of the bond shall be delivered to the Plumbers Local Union No. 8 Fringe Benefit Funds Office.

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The amount of the Surety Bond is different for every Employer and is listed below in Schedule A. The Employer's bond amount within Schedule A shall be adjusted to comply with the Surety Bond requirement.

Surety Bonds required by this Section shall be for not less than the following sums in Schedule A:

SCHEDULE A

An Employer employing 1 to 5 Employee(s):	\$10,000 Surety Bond
An Employer employing 6 to 10 Employees:	\$25,000 Surety Bond
An Employer employing 11 to 20 Employees:	\$50,000 Surety Bond
An Employer employing 21 to 40 Employees:	\$100,000 Surety Bond
An Employer employing 41 to 60 Employees:	\$150,000 Surety Bond
An Employer employing 61 or more Employees:	\$200,000 Surety Bond

The number of employees listed on Schedule A shall be based on the average number of employees that the Employer recorded on reports submitted to the Health & Welfare Fund during the previous calendar year.

For New Signatory Employers and Out-of-Town Employers, the number of employees for purposes of Schedule A shall be projected manpower for the year. The projected manpower estimate is subject to adjustment by Local 8 should the actual manpower utilized exceed the projected manpower.

The Surety Bond shall be issued by a corporate surety whose name appears on the U.S. Department of the Treasury's Circular 570, or a current supplement thereto, as an approved surety licensed in one or more of the following States: Missouri, Kansas, or the State of the Employer's domicile. The penal sum of the Surety Bond must not exceed the surety's underwriting limit stated in the circular. If the penal sum exceeds the underwriting limit, the Surety Bond is acceptable only if: (1) the amount that exceeds the specified limit is coinsured or reinsured; and (2) the amount of coinsurance or reinsurance does not exceed the underwriting limits of the respective coinsurers or reinsurers.

The cost of said Surety Bond will be assumed by the Employer, and the Employer shall take all necessary action to ensure the continued effectiveness of its Surety Bond. The Surety Bond shall be conditioned upon payment by the Employer of all fringe benefits and expenses in their proper amounts as specified in this Agreement. The Surety Bond shall contain a thirty (30) day notification clause to the Union before it can be cancelled or terminated, with a provision for a claim being filed for a one (1) year period following the cancellation or termination. If, or when, such notification is given to the Union, the Union may take any action it may deem necessary within the terms and provisions of this Agreement. The Union shall provide to the Trustees of such Joint Trust Fund(s) (of the parties of this Agreement) copies of the individual Employer submitted bonding evidence as referenced above.

(b) In lieu of the Surety Bond required under Section 7.6(a) of this Article, the Employer, may, at his option, furnish a Certificate of Deposit in the same amount as required in Schedule A. The Certificate of Deposit must be in a Financial Institution that is insured by FDIC or its equivalent. The said Certificate of Deposit shall be held in escrow by the Trust Department of the Financial Institution. The interest which accrues on the Certificate of Deposit shall be payable to the Employer. The escrow agreement shall provide that the escrow agent (Trust Department of the Financial Institution) shall maintain possession of the Certificate of Deposit until the conditions of the escrow agreement are met.

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- (c) In lieu of the Surety Bond required under Section 7.6(a) of this Article, the Employer may, at his option, provide an irrevocable line of credit, which shall be for a sum not less than that prescribed in Schedule A of this Article.
- (d) Proper payments under this Article shall be dispersed in the following order:
 - (i) Full Amount due and owing to the Employee's Individual Savings Account;
 - (ii) Full Amount due and owing to the Plumbers Local Union No. 8 Defined Contribution Plan;
 - (iii) Full Amount due and owing to the Plumbers Local Union No. 8 Health and Welfare Fund;
 - (iv) Any remaining amounts shall be distributed pro rata to the Plumbers Local Union No. 8 Pension Fund; the Plumbers Local Union No. 8 Training Fund; Plumbers Local Union No. 8 Industry Fund; the Plumbers & Pipe Fitters National Pension Fund, the United Association International Training Fund; Plumbers Local Union No. 8 Local Fund, PIAP Fund, Supplemental Fund and Political Action Committee.
- (e) The Contractor agrees to furnish the Trustees of each such fund with all records pertaining to the names, classifications, Social Security numbers, wages, and other information concerning the employees as shall be required for proper and efficient administration.

Section 7.7 International Training Fund:

- (a) Commencing on June 1, 1999, and continuing for the duration of this Collective Bargaining Agreement and during any negotiations for a successor to this Collective Bargaining Agreement, the Employer agrees to contribute to the International Training Fund ten cents (\$.10) for each hour, or portion thereof, for which an Employee works. (Each overtime hour shall be counted as one regular hour for which contributions are payable.)
- (b) Contributions set forth in subparagraph (a) shall be paid starting with the Employee's first day of employment in a job classification covered by this Collective Bargaining Agreement.
- (c) The payments required by subparagraph (a) shall be made to the "International Training Fund" maintained under a Restated Agreement and Declaration of Trust ("Trust"). The Employer agrees to be bound by all terms and conditions of the Trust and the terms of the Trust are incorporated into this Collective Bargaining Agreement by reference. The Employer ratifies, accepts and designates as its representative the Employer Trustees serving under the terms of the Trust as well as such future Employer Trustees who may be appointed pursuant to the terms of the Trust. The Employer hereby acknowledges receipt of a copy of the Trust.
- (d) It is agreed that all contributions shall be made at such time and in such manner as the Trustees require, and the Trustees shall have authority to retain an accountant or accounting firm to perform payroll audits of the Employer to determine whether the correct amount of contributions have been made or to determine whether contributions have been made on behalf of all Employees covered by the Collective Bargaining Agreement.
- (e) If an Employer fails to make contributions as set forth in subparagraph (a) within 15 days of the end of the month during which the work was performed, the Union shall have the right to take whatever steps are necessary to secure compliance, any provision of this Collective Bargaining Agreement to the contrary notwithstanding. In addition, the Employer shall be liable for interest and liquidated damages as provided in the

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Trust. If a lawsuit is filed, the Employer shall also be liable for all costs and expenses of collecting payments due, together with attorneys' fees, audit costs and court costs. The Employer's liability for payment hereunder shall not be subject to the grievance or arbitration procedure or the "no-strike" clause provided under the Collective Bargaining Agreement.

Section 7.8 Optional Defined Contribution Plan

- Each member may elect to make additional contributions to their account in whole dollar increments up to the IRS maximum allowable amount. The default contribution rates for the entirety of the agreement are as follows: (2023=\$1.00, 2024=\$1.25, 2025=\$1.50, 2026=\$1.50, 2027=\$2.00, 2028=\$2.00)
- Election dollar amount may be changed twice annually in the months of June and December with changes effective July 1st or January 1st or upon change of contractor.
- Member will be required to complete such forms as may be required by the trustees and provided by employer on new hire.
- Member may elect to change contribution rate upon due notice from Local Union No. 8's Benefit Office that the employer is delinquent in making contributions.

Section 7.9 Optional Vacation/Savings Fund:

- Beginning on July 1, 2023, each member, at his option can elect to have the current 10% vacation savings withdrawn from their check.
- Election may be changed twice annually in the months of June and December with changes effective July 1st or January 1st, or upon change of contractor.
- Election may be changed upon due notice to member from Local Union No. 8's Benefit Office that the employer is delinquent in making contributions.

ARTICLE 8 MISCELLANEOUS PROVISIONS

Section 8.1 It is agreed that no demand for any increase in any wage rate above that specified in the said schedule will be made on any job or for any work performed unless mutually agreed upon by the Contractor and the Union.

Section 8.2 The Contractor agrees to furnish (a) protective equipment for employees engaged in welding, including goggles and welding gloves, hoods and sleeves, and (b) protective clothing for employees handling or exposed to acids or chemicals and (c) safety equipment that is specified by the customer or contractor.

Section 8.3 Foremen shall report to the Contractor or his designated representative all unsafe or hazardous conditions in, on or about the job.

Section 8.4 Plumbers covered by this Agreement will not be permitted to furnish any type of vehicle for the use of the Contractor. Plumbers reporting for work on any job and then required by the Contractor to move to another job during the same day (a) will be paid the standard mileage allowance which shall automatically change throughout this contract to match the standard mileage allowance approved and published by the Internal Revenue Service plus his hourly rate, and (b) will be reimbursed for all parking and toll bridge charges related to such move.

Section 8.5 It is mutually agreed that the Apprentice Program which has been approved by the United States Department of Labor will be put into effect immediately upon the signing of this Agreement without interference from either of the parties.

Section 8.6 The Contractor and employees agree to comply with all safety, sanitary and health

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regulations prescribed by law on all jobs coming within the jurisdiction of the local union. The Contractor will furnish adequate potable water and toilet facilities where they are not otherwise available within adjacent area. If in the reasonable judgment of the Contractor and Business Manager or representative an adequate place is not available and weather conditions so require, the Contractor shall furnish a heated area for use of employees during non-working hours if the number of employees and the length of the job so warrant.

- Section 8.7** Any person who is or becomes an owner, partner or stockholder shall not work with the tools on work covered by this contract except for the following. A person shall be considered an owner, partner or stockholder if he/she has a 10% or more interest in the business. Any person who is an owner or stockholder of a corporation performing plumbing work pursuant to the terms of this contract, and who spends 50% or more of his/her time performing bargaining unit work as an employee of such corporation, shall be a member of the collective bargaining unit covered by this contract; provided, however, that all employees of the corporation are members of a bargaining unit defined by this contract. The corporation employing such persons shall pay on their behalf one hundred sixty (160) hours of contributions per month into the Health and Welfare Fund covered by this contract for the duration of this contract.
- Section 8.8** In view of the mobile and transitory nature of the employees covered by this Agreement and to facilitate an orderly procedure, the contractor shall send to Local 8 a copy of their authorization card affecting a dues check-off for employees who have authorized such deduction. The Association as agent for the employers shall operate and maintain a central file and account of all employees who have authorized employers to make such deduction as payment for their dues.
- Section 8.9** The selection of the foreman shall be entirely the responsibility of the employer. It being understood that any job with two or more Plumbers employed, one shall be a Local 8 member, and he/she shall receive foreman's wage.
- Section 8.10** Any employee covered by this Agreement who, as a result of injuries received on the employers job, is required to leave the job site on which he is working in order to obtain medical examination, aid or treatment for such injuries, shall not have deducted from his wages such time spent in traveling to or from, or in waiting to receive necessary attention. If requested, a slip relating to the treatment must be presented.
- Section 8.11** The Contractor agrees, whether or not required by law, that his employee or employees shall be covered by workmen's compensation and unemployment insurance laws, and that he will procure and maintain such insurance to provide protection for employees as is necessary.
- Section 8.12** It is our policy to provide a safe and healthy workplace for all employees. We recognize the problems and hazards associated with the use of drugs, alcohol, and controlled substances. The purpose of this policy and program is to establish and promote a safe, efficient, and productive working environment for all employees by providing a workplace and workforce free from illegal drug use, as well as misuse of alcohol or any controlled substance. The Substance Abuse Policy will apply to all workers covered under this agreement and all Signatory Contractors. The Substance Abuse Policy may be amended by mutual agreement at any time, with at least fourteen days' notice to each covered employer and to the Union. The Substance Abuse Policy shall include provisions for post-accident and reasonable suspicion drug and alcohol testing, pre-hire, random, and periodic testing. Employers may have the option to offer rehabilitation in lieu of discharge for positive tests but shall not be required to do so.

**ARTICLE 9
HOURS OF WORK, OVERTIME AND SHIFT WORK**

Section 9.1 Hours Worked in a Day – Rate of Pay

- (a) Eight (8) hours shall constitute a day's work. All hours worked over eight (8) in a single day shall be paid at the overtime rate. The workweek shall begin on Monday at 8:00 a.m. and end on Friday at 4:30 p.m. When the majority of plumbers on a project, the Union and the Employer agree, and when necessitated by traffic, parking or other circumstances, the hours of work on any project may be any continuous eight and one half (8 ½) hour period (eight hours plus thirty minutes for lunch) between 6:00 a.m. and 4:30 p.m. Approval of such a work schedule shall not be unreasonably withheld.
- (b) Four, Ten Hour Days: When circumstances warrant and it is mutually agreed to by both the employer and the Union, the employer may institute a work week consisting of four (4) consecutive ten (10) hour days. Where a four (4) day workweek is instituted, all hours worked over ten (10) in any day shall be paid at the overtime rate. Where a four day workweek is instituted, the employer shall notify all affected workers at least one week in advance of the start of the four (4) day workweek. Where a four-day workweek is instituted, the employer must actually work four, ten hour days. Friday may be used as a make-up day, and, if such a make-up day is utilized, a minimum of eight (8) hours work must be scheduled and worked. The make-up day will be voluntary, and a decision not to work may not be held against the employee.
- (c) Shift Work: Shift work may be performed at the option of the Contractor. Whenever shift work is performed it must cover a period not less than five (5) consecutive eight (8) hour working days. The day shift shall work a regular eight (8) hour shift. All day shift hours worked over eight (8) hours shall be paid at the overtime rate. The hourly rate for second shift shall be paid at a rate of eight percent (8%) above the hourly rate for actual hours worked. The hourly rate for third shift shall be paid at a rate of thirteen percent (13%) above the hourly rate for actual hours worked. If no first shift is worked, second and third shift shall be fifteen percent (15%) above the hourly rate for actual hours worked.

Section 9.2 The employer agrees to provide the Union with the number of hours worked by Plumbers employed by the Contractor, both Construction and Service, on a monthly basis. The hours reported by the Contractor shall be listed on the report and shall be on a county-by-county basis, both Missouri and Kansas. The hours reported will reflect the county in which the work was actually performed. The hourly reports are to be sent to the Union Business Office on or before the 15th day of the following month. Any Contractors refusing to comply with this provision of the Section shall be considered to be in violation of this Agreement and shall not be subject to the grievance, arbitration procedure or the "No-Strike" clause provided under the Collective Bargaining Agreement.

Section 9.3 Overtime Rates. All overtime commencing with the beginning of the established workday Monday thru Saturday, shall be paid at the rate of one and one half times the regular rate of pay. All work commencing with the beginning of the established workday on Sunday and Holidays shall be paid at double time. Labor Day shall be triple time. When overtime is worked and employees are required to work more than six (6) hours past their last lunch period, a thirty (30) minute paid meal period will be provided.

Section 9.4 Holidays. All classifications will receive double time for work on the following designated National Holidays: New Year's Day, Memorial Day, Fourth of July, Thanksgiving Day and Christmas Day. If the holiday falls on Sunday, the following Monday will be observed; if the holiday falls on Saturday, the preceding Friday will be observed.

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- Section 9.5** Insofar as is practical, when overtime work is necessary it shall be equally and impartially divided among the members on the job. Men not working on a particular job during regular working hours shall not be brought from other jobs and placed on overtime work while any of the regular crew is available.
- Section 9.6** An employee reporting for work will receive two (2) hours show-up pay unless notified before leaving home not to report for work. If work is commenced the employee shall be paid for two hours or actual time worked whichever is greater.
- Section 9.7** When Journeymen or Apprentices are requested to report for work any time before or after working hours, as set forth in Section 9.1 of this Agreement, or on days recognized as holidays, as set forth in Section 9.4, they shall be paid show-up time at the overtime rates.
- Section 9.8** The Contractor shall allow the employees a reasonable amount of working time to put away all of the Contractor's tools and equipment prior to quitting time at the end of the day. Employees leaving their job prior to quitting time shall be docked. Workmen shall be at their place of work at the starting time and shall remain at their place of work performing their assigned functions under the supervision of the employer until the quitting time. The parties reaffirm the policy of a fair day's work for a fair day's wages.
- Section 9.9** Contractor will provide a \$10.00 per day parking fee reimbursement for employees working in the downtown loop, when no free parking is available within 1/2 mile of the job site. If a second or third shift is worked, the reimbursement rate will be \$14.00 per day. If the contractor provides parking accommodations, no reimbursement will be made.
- Section 9.10** **On Call Pay:** When a member is required by the Contractor to be "on call" weekends and holidays, the member shall be paid two (2) hours of time and one-half wages pay for each day or actual hours worked at the rate stated per the Collective Bargaining Agreement, whichever is greater.

ARTICLE 10 CONSTRUCTION AND INSTALLATION

- Section 10.1** The first plumber on the job shall receive a minimum of lead foreman's rate of pay. The following shall be the minimum ratio of lead foremen, foremen, area foremen, and the general foremen to plumbers on any job where employees work under the terms of this Agreement:

NUMBER OF PLUMBERS on JOB	THE NUMBER to the LEFT SHALL INCLUDE
1 to 2	1 LEAD FOREMAN
3 to 6	1 FOREMAN
7 to 10	1 FOREMAN, 1 LEAD FOREMAN
11 to 14	2 FOREMEN
15 to 22	1 AREA FOREMAN, 1 FOREMAN
23 to 30	1 AREA FOREMAN, 2 FOREMEN
31 to 40	1 GENERAL, 2 AREA, 3 FOREMEN
41 to 50	1 GENERAL, 2 AREA, 4 FOREMEN
51 to 60	1 GENERAL, 2 AREA, 5 FOREMEN
61 to 70	1 GENERAL, 3 AREA, 6 FOREMEN
71 to 80	1 GENERAL, 3 AREA, 7 FOREMEN
81 to 90	1 GENERAL, 3 AREA, 8 FOREMEN
91 to 100	1 GENERAL, 4 AREA, 9 FOREMEN

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Above 100, the number of foremen and area foremen shall be increased in accordance with the formula set forth above.

Lead Foreman	add 5%
Foreman	add 8%
Area Foreman	add 12%
General Foreman	add 16%

- Section 10.2** If the Contractor requires special uniforms to be worn by Journeymen, the uniform shall be furnished by the Contractor.
- Section 10.3** The Contractor shall not permit any employees to perform work on a piece-work basis, lump sum basis or on any type of subcontract basis whatsoever. The Contractor shall not enter into any separate agreement with employees covered by this Agreement which is inconsistent with, or in order to defeat the terms of this provision.
- Section 10.4** No employee shall be required to furnish any tools or safety equipment.
- Section 10.5** Apprentices shall not work without direct supervision unless sanctioned by the Joint Apprenticeship Committee.
- Section 10.6** On jobs having a foreman, Journeymen shall not take directions or orders or accept the layout for any work from anyone except the foreman or direct supervisor.
- Section 10.7** **Hightime.** All hours of work performed by an employee while (a) in a bosun's chair, (b) on a swinging scaffold, (c) on a scaffold less than three boards wide or approximately thirty-six (36) inches without a handrail, or on a material hoist, shall be paid at the double time rate if work under such conditions could involve a free fall of forty (40) feet or more. The above provisions do not apply to scaffolding built up from the ground, such as Patent, Safeway, etc. No employee shall be required to work on scaffolding which has been found unsafe or hazardous by the Contractor's insurance carrier's safety engineer.
- Section 10.8** All tools furnished by the Contractor to the workman will be charged to him and he will be responsible for accounting for any loss, provided that he is also equipped with a toolbox and lock, the key to which shall be the sole possession of the workman. If the Contractor deems any such loss of tools as willful, negligent, or careless, he may request that the workman appear before the Joint Conference Board, who shall determine the responsibility for the loss, and order payment.
- Section 10.9** Employees will furnish their own transportation to and from all projects. Plumbers reporting to work on any job and then required by Contractor to move to another job during the same day, (i) will be paid the standard mileage approved by the Internal Revenue Service, plus the hourly rate of pay and (ii) will be reimbursed for all toll charges related to such move.
- Section 10.10** **Confined Space:** Individuals shall be paid a rate of one and a half times the hourly wage when working in a confined space with the following conditions: An enclosed work area that has limited access via manhole or man-way, work areas may include underground vaults, tanks, storage bins, vessels, silos and other similar areas and two of the following.
- A work area that requires the use of a SCBA (self-contained breathing apparatus).
 - A work area that requires the use of a SAR (supplied air respirator).

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ARTICLE 11
ECONOMIC PACKAGE AND OTHER CONTRIBUTION

Section 11.1 Hourly rates of wages and benefits for each classification of labor are set forth in Section 11.2, A & B, appearing hereafter.

Section 11.2 Building Trades - Schedule A

Effective June 1, 2023, through May 31, 2024

Building Trades Journeyman		Wages	NPF	ITF	H & W Fund	Local Pension	DC	Training Fund	Industry Fund	Total Package
Plumber		\$ 54.28	\$ 4.74	\$ 0.10	\$ 8.60	\$ 8.00	\$ 1.00	\$ 1.35	\$ 0.48	\$ 78.55
Lead Foreman	Add 5%	\$ 56.99	\$ 4.74	\$ 0.10	\$ 8.60	\$ 8.00	\$ 1.00	\$ 1.35	\$ 0.48	\$ 81.26
Foreman	Add 8%	\$ 58.62	\$ 4.74	\$ 0.10	\$ 8.60	\$ 8.00	\$ 1.00	\$ 1.35	\$ 0.48	\$ 82.89
Area Foreman	Add 12%	\$ 60.79	\$ 4.74	\$ 0.10	\$ 8.60	\$ 8.00	\$ 1.00	\$ 1.35	\$ 0.48	\$ 85.06
General Foreman	Add 16%	\$ 62.96	\$ 4.74	\$ 0.10	\$ 8.60	\$ 8.00	\$ 1.00	\$ 1.35	\$ 0.48	\$ 87.23
Apprentices										
1st Year	50%	\$ 27.14	\$ -	\$ 0.10	\$ 4.45	\$ -	\$ -	\$ 1.35	\$ 0.48	\$ 33.52
2nd Year	55%	\$ 29.85	\$ 4.74	\$ 0.10	\$ 8.60	\$ 8.00	\$ 0.50	\$ 1.35	\$ 0.48	\$ 53.62
3rd Year	60%	\$ 32.57	\$ 4.74	\$ 0.10	\$ 8.60	\$ 8.00	\$ 0.50	\$ 1.35	\$ 0.48	\$ 56.34
4th Year	70%	\$ 38.00	\$ 4.74	\$ 0.10	\$ 8.60	\$ 8.00	\$ 0.50	\$ 1.35	\$ 0.48	\$ 61.77
5th Year	80%	\$ 43.42	\$ 4.74	\$ 0.10	\$ 8.60	\$ 8.00	\$ 0.50	\$ 1.35	\$ 0.48	\$ 67.19

1. Per CBA - Employee may elect to participate in Vacation Savings, if so, deduct 10% of initial base wage
2. Deduct \$1.31 per hour from initial base wage for Supplemental Dues.
3. Deduct 2% of initial base wage for Local Dues (1.5% for all apprentices)
4. Deduct 2% of initial base wage for PIAP Fund
- 5) This wage schedule shall apply to the following counties: Jackson, Cass, Platte, Johnson and Clay in MO; Johnson, Wyandotte and Leavenworth in KS

The attached wage grid for June 1, 2023 – May 31, 2024, and their associated notes are accepted by LU8. There will be a \$3.10 increase on June 1, 2024, \$2.50 increase on June 1, 2025, \$2.15 increase on June 1, 2026, \$2.15 increase on June 1, 2027, and \$2.15 increase on June 1, 2028.

Wages to be allocated by members of Local 8; changes in allocations to the Funds will be based on the recommendations from each Fund's Trustees.

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Building Trades Outstate Work – Schedule B, Effective June 1, 2023

Building Trade Journeyman - Schedule B	
Outstate 90%	June 1, 2023
Base Wage	\$ 48.85
National Pension	\$ 4.74
ITF	\$ 0.10
Health & Welfare	\$ 8.60
Local Pension	\$ 8.00
DC	\$ 1.00
Training	\$ 1.35
Industry	\$ 0.48
Total Benefits	\$ 24.27
Total Package	\$ 73.12

Lead Foreman	Add 5%
Foreman	Add 8%
Area Foreman	Add 12%
General Foreman	Add 16%

1. Per CBA - Employee may elect to participate in Vacation Savings, if so, deduct 10% of initial base wage
2. Deduct \$1.31 per hour from initial base wage for Supplemental Dues.
3. Deduct 2% of initial base wage for Local Dues (1.5% for all apprentices)
4. Deduct 2% of initial base wage for PIAP Fund
5. To work under this classification Residential Journeyman shall be certified in and have passed: Welding and Medical Gas
6. This wage schedule shall apply to the following counties: Ray, Carroll, Bates, Vernon, Lafayette, Henry, Saline, St. Clair, Pettis, Benton, and Morgan in MO and Miami in KS

Section 11.3 Subsistence is reasonable and actual lodging costs to be agreed to by Contractors and Employees, plus meals. This will be paid on out-of-town work when the plumber is required by the contractor to stay out of town overnight. Effective June 1, 2011, the meal amount shall be \$42.00 per day. Effective February 1, 2012, the meal amount shall be paid based on the U.S. General Services Administration Rate for meals (calculated as the Meal and Incidental Expenses Rate less Incidental Expenses). This rate shall automatically adjust every February 1st annually, thereafter. One round trip at the current IRS rate, as provided in Section 8.4, will be paid on each job and on weekends the contractor shall pay either subsistence for the weekend or round-trip mileage to Kansas City whichever is less. Any employer taking employees of this bargaining unit outside the area covered by this Agreement shall be obligated to apply the terms and provisions of this Agreement to such employment. Further, the employer shall, in such instances reimburse employees for fees and expenses incurred, such as bridge tolls, highway tolls, etc., but excluding any expense customarily included in the daily subsistence rate provided in this Article.

Section 11.4 Only hours worked with actual labor shall be counted as hours for which contributions are payable.

Section 11.5 When employees are recovering from any workplace injury and have been released by treating physician to work with medical restrictions that will not permit them to perform their regular job, the Employer shall have the option of assigning the employee to temporary light duty work that is consistent with the employee's medical restrictions. When employees are performing light duty work, their hourly rate of pay shall be adjusted to 65% of their wage rate classification plus full benefits. Light duty is not intended to become permanent, and no light duty work assignment shall last for longer than three months.

ARTICLE 12
TERMINATION, PAY DAY AND ACCOUNTABILITY

- Section 12.1** Wages due shall be paid in cash or check to the employee weekly on the Contractor's pay day, which shall be not later than three (3) days after the close of the Contractor's payroll period, unless approval of payrolls by government agencies prevents payments within such time. Except in emergencies, any time spent by an employee on such pay day after the end of his shift, or after his return to the shop, waiting for payment of wages due him will be paid for at the applicable rate of pay. Any disputes as to an "emergency" shall be resolved by the Contractor and the Union's Business Representative or Manager.
- Section 12.2** Any Contractor who issues checks to his employees within the bargaining unit which are returned because of no funds or insufficient funds or which may be fraudulent, shall be required at the request of the Union to thereafter make payments in cash or cashier's check while working on said job unless extenuating circumstances are shown to exist to the satisfaction of the Joint Conference Board. A Contractor shall be released from the requirements of this clause after three months of satisfactory payment, or sooner if permitted by the Joint Conference Board.
- Section 12.3** Any employee who is discharged shall be paid in full immediately, and if termination is for cause, a Separation Notice shall be sent to the Business Office. If separation is due to reduction in force, the employee shall be given future consideration for rehire by same employer. Any employee who is not paid in full at the time of discharge shall receive an additional two hours pay except in extenuating circumstances.
- Section 12.4** If a workman quits on his own accord, he shall be paid at the next regular pay day.
- Section 12.5** Direct deposit shall be at employer's discretion.

ARTICLE 13
NO STRIKE, NO LOCKOUT

- Section 13.1** During the term of this Agreement, each of the signatory parties agrees that there will be no strikes, work stoppage, or lockouts by members of the Union or by the employer over disputes regarding the terms and conditions of this Agreement, provided, however, the Union may strike where an employer fails to pay wages in full and on time or the Union has been advised by the Administrative Officer of the Fringe Benefit Funds in accordance with section 7.4 that an employer is delinquent in the payments of fringe benefits. It shall not be a violation of the Agreement or of the no-strike clause if members of the Union refuse to cross any lawful picket line. The Union shall have no financial liability for any such action of its members and agents or employees covered by this Agreement if such action is unauthorized and cannot be controlled by the Union; provided, however, that in the event of any such unauthorized action, (a) the Union shall, immediately upon receiving notice thereof, attempt by all reasonable means to terminate such unauthorized action and shall furnish replacements if requested by the Contractor, and (b) the Union's Business Manager shall, by delivery of a letter or telegram to the Contractor, immediately notify the Contractor that such actions by the members or agents of the Union or employers covered by this agreement is unauthorized by the Union, or in his absence, the acting Business Manager of the Union, has the power of authority to authorize any such action or to give orders or directions necessary to carry out any such action which would result in violation hereof by the Union. The Union shall not be held responsible for any such action except upon legal proof of its violation hereof.

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Section 13.2 This no strike, no lockout commitment is based upon agreement of both parties to be bound by the Joint Conference Board provisions of this Agreement.

ARTICLE 14 JOINT CONFERENCE BOARD PROCEDURE

- Section 14.1** The parties hereto agree that, in order to resolve grievances and handle problems of mutual interest, a Joint Conference Board shall be established, composed of ten (10) members with their alternates; five (5) members and their alternates selected by and representing the Association, and five (5) members and their alternates selected by and representing the Union. Three (3) Association and three (3) Union representatives, members of the Board, shall constitute a quorum and all matters shall be decided by a vote of equal number of representatives of each party. A Chairman and a Secretary shall be elected by the Board from its members, one officer to be selected for the Association and the other from the Union members. The Joint Conference Board shall meet once a month, or as often as required, to handle the work involved.
- Section 14.2** All controversies between the Union or an employee and the Association or a member thereof, or any party to this Agreement, relating to the interpretation or application of this Agreement, or to any incidental legal right or duty resulting from this Agreement, shall be settled in accordance with the provisions of this Article. Such a controversy is a grievance within the meaning of this Article.
- Section 14.3** When any controversy or grievance referred in Section 2 of this Article arises, the Union, on behalf of an employee or the Association, on behalf of a member, shall file with the other a claim, in writing, setting forth the claimed grievance within sixty (60) days from the date that the claimed grievance took place. Unless such claim in writing is so filed within sixty (60) days of the date that it is claimed to have taken place, such claim shall be barred.
- Section 14.4** Employee grievances may be filed within five (5) calendar days after the grievance has first arisen and processed through the grievance procedure of this Article.
- Section 14.5** Whenever a claim is filed in accordance with Section 14.3 hereof, the Union and the member concerned shall meet and attempt to adjust amicably the grievance.
- Section 14.6** Where the grievance has not been adjusted in accordance with Section 14.5 hereof within ten (10) days, then the grievance shall be referred to a Joint Conference Board.
- Section 14.7** In the event the Joint Conference Board cannot agree within ten (10) days on matters in dispute referred to it for decision, then it shall select a disinterested party who shall sit as Chairman of the Joint Conference Board to reconsider and decide the disputed matter and shall reach a decision in not to exceed five (5) days' time. Should the Joint Conference Board not be able to agree upon a disinterested party within the five (5) day period, then the matter in controversy shall be arbitrated in accordance with the rules and procedures of the Industrial Relations Council for the Plumbing and the Pipe Fitting Industry. All decisions of the Joint Conference Board or of the arbitrator, as the case may be, shall be final and binding upon both parties of this Agreement, and may be enforced in accordance with the Missouri Law relating to arbitration awards.
- Section 14.8** There shall be no slowdown or cessation of work by strike or lockout with relation to any grievance pending final settlement of the grievance as provided by this Article.

EXHIBIT A

ARTICLE 15 OTHER AGREEMENTS

- Section 15.1** Each signer to this Agreement is to be furnished with the names of all signers to this Agreement.
- Section 15.2** It is understood and agreed that if Local Union Number 8 enters into any agreement with any Contractor governing work in the area covered by this Agreement upon more favorable terms to such other Contractor than are embodied in this Agreement, and if such more favorable terms are allowed to remain in effect, such more favorable terms shall be made immediately available to the Contractors signatory to this Agreement.

ARTICLE 16 SUBCONTRACTING

- Section 16.1** The employer agrees not to sublet or contract out any work covered herein to be performed, unless the Contractor to whom the work is sublet has an agreement with the Union, excluding standard prefabricated factory manufactured items.

ARTICLE 17 LENGTH AND PURPOSE OF AGREEMENT

- Section 17.1** Either party may give written notice to open contract for the purpose of combating conditions detrimental to the industry.
- Section 17.2** It is not the intention of the parties of this Agreement to violate any existing federal or state law or regulation, however, should any Article, Section, Paragraph, Sentence or Clause within this Agreement be judged to be illegal or in contravention or violation of any existing law by court of competent jurisdiction, such part or parts shall be held to be inoperative under this Agreement, and shall be renegotiated immediately. All other provisions hereof shall continue to remain in full force and effect to the duration of this Agreement.
- Section 17.3** This Agreement contains the entire understanding of the parties and there are no other oral or written understandings supplementary hereto.

**ARTICLE 18
CLASSIFICATION DEFINITIONS**

Classification Definitions:

Classification I – Pre-Apprentice (Refer to Section 5.3 for definition)

Rates of Pay for Special Classifications

(A) The following pay schedule shall apply to the corresponding Classification Definitions described above.

CLASSIFICATION I: Pre-Apprentice Wage Grid Effective June 1, 2023

		June 1, 2023
Pre-Apprentice	40%	\$ 21.71
ITF		\$ 0.10
Health & Welfare		\$ 4.45
Training		\$ 0.80
Industry		\$ 0.16
Total Package		\$ 27.22

1. Deduct 1.5% of initial base wage for Local Working Assessment

ARTICLE 19
DURATION, DETERMINATION AND RENEWAL OF AGREEMENT

Section 19.1 This Agreement shall become effective on the 1st of June, 2023, and shall remain in effect until May 31, 2029, and shall continue in effect from year to year thereafter unless a written notice of intent to terminate or modify is given by one party or the other sixty (60) days prior to the termination date of this Agreement. On any opening of this Agreement, the parties shall meet as soon as practicable to negotiate concerning the terms and conditions of this Agreement.

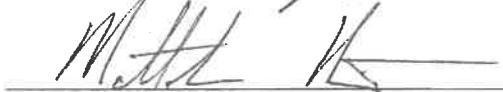
IN WITNESS WHEREOF, the parties hereto have set their hands at the 1st day of June 2023.

Plumbers Local Union No. 8:

Charles B. Tarpley



Matthew D. Harris



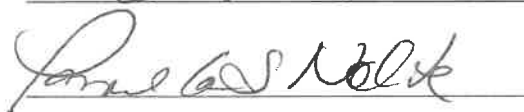
Patrick A. Wiese



Eric J. Keller

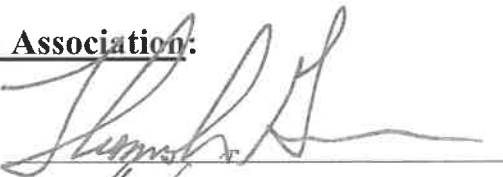


Pamela S. Nolte



Mechanical Contractors Association:

Tom Gann



Kollin Knox



Susan Remington



Louis Saladino



Greg Stanger



EXHIBIT A

FOR NON-MCA CONTRACTORS: This Agreement has been reviewed in full by the undersigned Employer who hereby agrees to accept and abide by its terms in their entirety.

EMPLOYER

PLUMBERS LOCAL NO. 8

Shop	_____	_____
Address	_____	_____
City	_____	_____
State and Zip	_____	_____
Phone	_____	_____
Fax	_____	_____
Owner	_____	_____

BUSINESS IDENTIFICATION

Name of Business Organization: _____

This Organization is a: _____ Corporation
 _____ Partnership
 _____ Individual Proprietorship

Federal ID # _____

The Names of its Principal Officers or Partners are:

1. _____
2. _____
3. _____

The Names of All Holders of Master Plumbers Licenses and Location of Licenses are:

1. _____
2. _____
3. _____

Dated: _____

Signed: _____

Title: _____



Report to Board of Commissioners

MEETING DATE	PRESENTER	DEPARTMENT
	J. Renee Ramirez, Director rramirez@wycokck.org x5665	Human Resources
AGENDA ITEM #9.2.		
RESOLUTION: MEMORANDUM OF UNDERSTANDING WITH INTERNATIONAL UNION OF PAINTERS AND ALLIED TRADES DISTRICT COUNCIL #3		
BACKGROUND		
Adoption of a resolution authorizing the County Administrator to execute the Memorandum of Understanding (MOU) between the UG and		
RECOMMENDATION		
Approve		
BUDGET IMPACTS / FINANCIAL CONSIDERATIONS		
3% increase per authorized in budget process		
LEGAL CONSIDERATIONS		
Agreement reviewed by legal.		
ATTACHMENTS		
painters union resolution, Painters MOU 01-01-2025_12-31-2027		

Approved by Administrator to add to agenda.

RESOLUTION NO. _____

**BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE UNIFIED
GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS:**

That the County Administrator of the Unified Government of Wyandotte County/Kansas City, Kansas, is hereby authorized and directed to execute in the name of the Unified Government of Wyandotte County/Kansas City, Kansas, and the Unified Government Clerk is hereby authorized and directed to attest the signature of said County Administrator and to attach the seal of the Unified Government thereto as the voluntary act of the Unified Government to the Memorandum of Understanding between the Unified Government of Wyandotte County/Kansas City, Kansas, and the Painters District Council No. 3, International Brotherhood of Painters and Allied Trades, for the period from January 1, 2025 through December 31, 2027.

**ADOPTED BY THE BOARD OF COMMISSIONERS OF THE UNIFIED
GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS
THIS ____ DAY OF _____, 2025.**

Tyrone Garner, Mayor/CEO

ATTEST:

Unified Government Clerk

Approved as to Form:

**Angela Lawson
Acting Chief Counsel**

MEMORANDUM OF UNDERSTANDING

BETWEEN

**THE UNIFIED GOVERNMENT OF
WYANDOTTE COUNTY/KANSAS CITY, KANSAS**

AND

**PAINTERS DISTRICT COUNCIL NO. 3
INTERNATIONAL BROTHERHOOD OF PAINTERS
AND ALLIED TRADES**

JANUARY 1, 2025 – DECEMBER 31, 2027

MEMORANDUM OF UNDERSTANDING

ARTICLE I – INTENT AND PURPOSE.

This **MEMORANDUM OF UNDERSTANDING**, dated this ____ day of _____, 2025 by and between the Unified Government, Wyandotte County, Kansas City, Kansas, and the Painters District Council No. 3, International Brotherhood of Painters and Allied Trades, and vicinity, is entered into for the purpose of establishing rates of wages and specified working conditions. The Local Union Working Agreement or “Agreement” (Joint Agreement between Builder’s Association of Missouri and the Union, marked Exhibit A and attached hereto) shall be recognized except as amended, deleted, modified or supplemented by the provisions of this Memorandum.

ARTICLE II – RECOGNITION.

The Unified Government of Wyandotte County, Kansas City, Kansas, (hereunto the U.G.) recognizes and acknowledges the above-stated Painters District Council (hereunto the “Union”) as the exclusive bargaining representative pursuant to the Public Employee Relations Act for all Painters employed by the Building and Logistics Department of said U.G.

ARTICLE III – EMPLOYER’S RESPONSIBILITY.

Section 1. Except as specifically set out herein, nothing in this Memorandum shall be construed as divesting the U.G. of any of its management rights vested by the Kansas Public Employee Relations Act or as delegating to others the authority conferred by law on the U. G. or in any way abridging or reducing such authority.

Section 2. The right to hire, promote, layoff, assign, transfer, discharge or discipline for cause and to maintain discipline and efficiency of employees is the sole responsibility of the U.G., except the Union member shall not be discriminated against due to their Union membership. Persons subject to this agreement shall be considered as employees of the U.G. and subject to all policies, orders, and directives, written or oral, of the Unified Government, Wyandotte County, Kansas City, Kansas, the Commissioners, the County Administrator and such other persons designated as supervisors of said employees except as modified or provided elsewhere herein. In the case of promotion, the U.G. agrees to recognize qualifications (including training, education, experience, ability and past performance) of the affected employee and then recognize standard seniority rules and practices. In the case of layoff, the U.G. shall use seniority as the determining factor in selecting the employees to be laid off.

Section 3. The U.G. may adopt additional reasonable rules and regulations and amend the Human Resources Guide and other policies, orders and directives from time to time, and the U.G. and the Union will agree that any such changes, additions or amendments not in conflict with this Memorandum of Understanding shall be in full force and effect. Disputes concerning the application or interpretation of any changes, additions or amendments as provided in this section may be submitted by the Union to arbitration as provided hereunder. To

the extent practical, the U.G. will give prior notification of such rules and regulations to the Union.

Section 4. This memorandum shall be construed as requiring the employees to follow the provisions herein in the exercise of the authority conferred upon the U.G. by law.

ARTICLE IV – FILLING OF VACANT POSITIONS.

When a permanent job vacancy exists in a bargaining unit position, the U.G. may determine within forty-five (45) days from the declaration of the vacancy by the U.G., whether such position shall be filled. If it is determined that the position is to be filled, it shall be posted within sixty (60) working days from the determination to fill it or within a reasonable time thereafter. However, even if the U.G. initially determines not to fill a position, the U.G. expressly reserves the right, at any time, to determine that such a position should be permanently filled and then post the same for bid.

If the U.G. determines that a position is to be filled, the following procedure shall govern:

- (a) Such job vacancies shall be posted for ten (10) working days along with the information related to the qualifications required for the position and the department to which the position is assigned. The affected bargaining unit local will be sent a copy of the job vacancy posting.
- (b) Applicants desiring to apply for a job vacancy may do so by being qualified and/or certified. In order for an applicant to be considered, a U.G. employment application and related application materials must be submitted to Human Resources within the specified guidelines.
- (c) Such vacancies shall be awarded to the best qualified applicant considering the applicants training, education, experience, ability and past performance as long as such selection does not contravene any affirmative legal responsibility placed upon the U.G. and the applicants successful completion of a drug screen and physical examination.

ARTICLE V – WAGES.

Section 1. During the term of this Memorandum of Understanding, the employees covered by this MOU shall receive the following wages: 3% increase January 1, 2025, 3% increase January 1, 2026, and 3% increase January 2027, as reflected in the table below.

Job Title	1/1/25	1/1/26	1/1/27
Painter	\$31.13	\$32.06	\$33.03
Finisher	\$32.66	\$33.64	\$34.65

Section 2. In addition to the wage rate above, the U.G. will pay for the entire term of this Memorandum of Understanding one hundred percent (100%) of the following fringe benefits specified in the Agreement (see Section 2A below) with the exception of the following: STAR and Market Dues. Employer shall not be required to obtain a surety bond under Article VI of the Agreement.

Section 2A.

Effective Rates January 1, 2025

1. Health and Welfare Fund	\$6.97
2. Painter's DC#3 Pension Fund	\$10.95/hr.
3. DC#3 Training Fund	\$0.61/hr.
4. Labor Management Cooperative Initiative (LMCI)	\$0.10/hr.
5. Finishing Trades Institute (FTI)	\$0.10/hr.
6. Painter Administration Dues	\$0.25/hr.

Section 3. As wage rates change under the Agreement, the craft shall obtain from the contracting association a written statement of changes and the effective date thereof, and shall provide by registered mail, to the Director of Buildings and Logistics and the Human Resources Department a copy thereof.

Section 4. No person subject to this Memorandum shall be eligible to purchase, receive or participate in any health, vision and/or dental insurance contract, program or benefit provided to other U.G. employees, including all preferred provider organizations, health maintenance organizations or indemnity policies and coverage unless said person bears the cost of said insurance or coverage without any U.G. contribution.

ARTICLE VII – WORKING CONDITIONS.

All working conditions including vacations, paid holidays, sick leave, jury duty, maternity leave, injury leave, discharge, discipline and all other matters constituting working conditions shall be subject to and regulated by the policies of the U.G. as expressed in the Human Resources Guide, and amendments thereof except as may be inconsistent with the terms of this Memorandum of Understanding.

ARTICLE VIII – STRIKES AND LOCKOUTS.

Section 1. There shall be no stoppage of work either by strike or lock out because of any dispute over matters relating to this Memorandum.

Section 2. There shall be no work stoppage in the event of any construction industry strike or problems or lockouts.

ARTICLE IX – UNION SECURITY.

Notwithstanding any provisions of the attached Agreement and specifically Article IV of said agreement, to the contrary, the Union recognizes and acknowledges that the Kansas Constitution at Article 15, Section 12 and K.S.A. 75-4324 provide and guarantee and employee the right to work regardless of union membership or affiliation and the parties hereto are bound thereby. Under the provisions of said law, the Union recognizes that the U.G. cannot require as a condition of employment that all employees of the U.G. covered by the attached Agreement will be members of the Union in good standing while so employed by the U.G.

Article X – FRINGE BENEFIT PROGRAM.

If it is held by a Court of competent jurisdiction that the U.G. is prohibited from entering into or becoming a party to the provided trust agreements or funds set out in the Agreement at Article V, then the U.G.'s obligation to continue its commitment hereunder shall cease.

Article XI – WORKING RULES.

All conditions of employment that are not outlined in this Memorandum shall be governed by the provisions of the U.G.'s Human Resources Guide.

Article XII – PAYDAY AND PAYROLL CHECKS.

The U.G. has adopted a bi-weekly payroll system. Represented employees are paid each two weeks, as opposed to weekly. This practice shall in no way modify the amount of compensation to be received by the represented employees as provided herein.

Article XIII – GRIEVANCE AND ARBITRATION PROCEDURE.

In the event of any dispute or grievance arising under the terms and provisions of the Memorandum or of any difference between the parties as to the interpretation or application of this Memorandum, it shall be processed through the grievance procedure. The parties shall make sincere and determined efforts to settle meritorious grievances at the voluntary steps of the grievance procedure and to keep the procedure free from any unmeritorious grievances. A union representative may be present during any step of the grievance procedure.

Step 1: Within ten (10) days of the occurrence or events giving rise to the grievance or dispute, or within ten (10) days of when the affected employee or employees became aware of such occurrences or event, whichever is longer, the matter must be taken up between the involved employee or employees and their supervisor. First, the employee shall verbally explain to his supervisor the nature of the grievance. The supervisor must communicate his decision to the grievant verbally within five (5) days of the Step 1 meeting.

Step 2: If the grievance is not satisfactorily adjusted under step 1, a written grievance shall be submitted to employee's supervisor within five (5) days after the supervisor has provided his verbal decision pursuant to Step 1. Within five (5) days thereafter, the supervisor must submit a written answer to the grievance.

Step 3: If the supervisor's written answer does not resolve the matter, a written appeal shall be made to the division head within five (5) days after the U.G. receives the supervisor's written report pursuant to step 2. The division head shall attempt to resolve the matter, and shall give a written answer within five (5) days after receiving the written appeal.

Step 4: If the division head's written answer does not resolve the grievance, a written appeal shall be taken to the department head within five (5) days after the receipt of the division head's written response. The department head shall attempt to resolve the matter in a meeting of the concerned parties, and shall give a written answer within five (5) days after the receipt of the written appeal of the division head's decision.

Step 5: If the matter has not been resolved in Steps 1-4, it may be submitted to the County Administrator within five (5) working days after receipt of the department head's written decision. The County Administrator shall render a decision in writing within ten (10) days thereafter.

Step 6: If the County Administrator's decision is not satisfactorily to the Union, or if the parties are otherwise unable to satisfactorily resolve the dispute, arbitration may be requested by the U.G. or the Union, in the following manner:

- (a) Notice in writing of intent to arbitrate shall be delivered by the party seeking arbitration to the opposing party within fifteen (15) calendar days following the decision of Step 5.
- (b) Within fifteen (15) calendar days after the notice is delivered, the parties will mutually agree upon an arbitrator or jointly obtain a list of seven (7) arbitrators from the Federal Mediation and Conciliation Service (FMCS), and the parties will alternately and independently strike unacceptable arbitrators from such a list with the last remaining arbitrator being selected. If the party upon whom a properly executed FMCS panel request is served fails to execute and send such request within fifteen (15) calendar days of service thereof, then the grievance shall be found in favor of the non-defaulting party.
- (c) The arbitrator shall have the authority to determine the procedural rules of arbitration and shall have the ability to make such binding orders as necessary to enable him to act effectively. He shall observe the rules of evidence, and his decision shall be final and binding on all parties.
- (d) Once an arbitrator has been selected by the parties, the parties shall act with all deliberate speed to schedule a hearing for the arbitration.

- (e) The arbitrator shall have no power to add to, subtract from or modify any of the terms of this Memorandum.
- (f) The cost of the arbitrator shall be shared equally by the U.G. and the Union.

Article XIV – SUBCONTRACTING.

Article XV of the Agreement related to subcontracting was previously deleted.

Article XV - NEW EMPLOYEES.

The parties agree that in the event a current bargaining unit member of District Council 3 is no longer employed by the Employer as a bargaining unit member, the contract will be reopened. In the event that the current bargaining unit member is no longer employed as a bargaining unit member for disciplinary reasons, the contract will not be reopened until any grievance is resolved. If the grievance results in the current bargaining unit member being reinstated, then the contract remains in effect. If not, then the contract will be reopened.

Article XVI – DURATION.

This Memorandum shall be in full force and effect from January 1, 2025, (effective date), to and including December 31, 2027, (expiration date), and shall continue from year to year thereafter unless written notice of desire to cancel or terminate the Memorandum is served by either party upon the other not less than thirty (30) and not more than ninety (90) days prior to December 31, 2027, (expiration date) or January 1 of any subsequent contract year. This Agreement shall replace the Memorandum previously executed by the parties set to expire on December 31, 2024, which shall be of no further legal effect. The attached agreement shall be deemed a part of this Agreement.

When no such cancellation or termination notice is served and the parties desire to continue said Memorandum, but also desire to negotiate changes or revisions in this Memorandum, either party may serve the other a written notice not less than thirty (30) and not more than ninety (90) days prior to December 31, 2027, (expiration date) or January 1 of any subsequent contract year, advising that such party desires to revise or change terms or conditions of such Memorandum.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals this _____ day of _____, 2025.

EMPLOYER

UNION

THE UNIFIED GOVERNMENT OF
WYANDOTTE COUNTY/KANSAS
CITY, KANSAS

DISTRICT COUNCIL NO. 3
INTERNATIONAL UNION OF
PAINTERS AND ALLIED TRADES,
AFL-CIO

By:

R. P. Sette y Curo
David Johnston
County Administrator
3.14.25

By:

Clay Rogers
Clay Rogers
Special Trustee

By:

Joey Flickner
Joey Flickner
Director of Services

By:

Joey Taylor
Joey Taylor
Business Representative

D. Renee Ramirez
Rehee Ramirez

Director of Human Resources

ATTEST:

[Signature]
Unified Government Clerk

Approved as to form:

[Signature]
Angela Lawson
Interim Chief Counsel





Report to Board of Commissioners

MEETING DATE	PRESENTER	DEPARTMENT
	Chelsee Chism, Director cchism@wycokck.org X8046	Economic Development
AGENDA ITEM #9.3.		
ORDINANCE: APPROVING EXECUTION OF SECOND AMENDED & RESTATED STAR BOND PROJECT PLAN (AMERICAN ROYAL)		
BACKGROUND		
RECOMMENDATION		
Approve		
Approve Ordinance		
BUDGET IMPACTS / FINANCIAL CONSIDERATIONS		
The original development agreement would have repaid the STAR bonds with the sales tax generated by the project plus State sales taxes from Plaza at the Speedway (but not local). The revised agreement increasing the amount of the STAR bonds will include the sales tax generated from the development as well as the State and local sales tax from Plaza at the Speedway. The \$155M in bonds will be used for various project costs including land, sitework, infrastructure, and construction and will continue 20 years from the effective date of the STAR project plan (2045) or payoff of the bonds, whichever is earlier. This existing Plaza at the Speedway TIF district will be terminated as it has been fully repaid; and the sales tax will then be utilized to repay these bonds. The property taxes at Plaza at the Speedway will no longer be captured upon termination of the TIF, which is estimated to generate approximately \$515,000 annually for the City of Kansas City, Kansas.		
LEGAL CONSIDERATIONS		
Ordinances and agreements related to this item have been prepared by outside legal counsel and bond counsel.		
ATTACHMENTS		
Ordinance - 2nd Amended STAR Plan - American Royal (UG), Second Amended and Restated STAR Bond Project Plan - American Royal (2.17.25) (101959215v2)-c (2)		

Approved by Administrator to add to agenda.

**EXCERPT OF MINUTES OF A MEETING
OF THE GOVERNING BODY OF
THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS
HELD ON APRIL 24, 2025**

The governing body of the Unified Government of Wyandotte County/Kansas City, Kansas met in regular session at the Board of Commissioners Chambers in Kansas City, Kansas at 7:00 p.m. on April 24, 2025, the following members being present and participating:

<u>Name</u>	<u>Title</u>	<u>Present/Absent</u>
Tyrone Garner	Mayor/CEO	
Melissa Bynum	Commissioner	
Tom Burroughs	Commissioner	
Bill Burns	Commissioner	
Mike Kane	Commissioner	
Christian Ramirez	Commissioner	
Dr. Evelyn Hill	Commissioner	
Philip J. Lopez	Commissioner	
Chuck Stites	Commissioner	
Gayle E. Townsend	Commissioner	
Andrew Davis	Commissioner	

The Mayor/CEO declared that a quorum was present and called the meeting to order.

* * * * *

(Other Proceedings)

After due published notice the Mayor/CEO opened the public hearing on the Second Amended and Restated Northwest Speedway STAR Bond District STAR Bond Financing Project Plan (the “Plan”). A presentation was made by staff to the governing body on the Plan, and the public hearing was opened for public comment. After all members of the public wishing to speak were permitted to speak, the public hearing was closed by the Mayor/CEO.

There was presented an Ordinance entitled:

**AN ORDINANCE APPROVING THE SECOND AMENDED AND RESTATED
NORTHWEST SPEEDWAY STAR BOND DISTRICT STAR BOND FINANCING
PROJECT PLAN.**

Commissioner _____ moved that said Ordinance be passed. The motion was seconded by Commissioner _____. Said Ordinance was duly read and considered, and upon being put, the motion for the passage of said Ordinance was carried by the vote of the governing body, the vote being as follows:

Yea: _____

Nay: _____

The Mayor/CEO declared said Ordinance to be duly passed by a 2/3 vote of the governing body, and the Ordinance was then duly numbered Ordinance No. O-____-25, was signed by the Mayor/CEO and attested by the Unified Government Clerk, and the Ordinance or a summary thereof was directed to be published one time in the official newspaper of the Unified Government.

* * * * *

(Other Proceedings)

On motion duly made, seconded and carried, the meeting thereupon adjourned.

CERTIFICATE

I hereby certify that the foregoing Excerpt of Minutes is a true and correct excerpt of the proceedings of the governing body of the Unified Government of Wyandotte County/Kansas City, Kansas, held on the date stated therein, and that the official minutes of such proceedings are on file in my office.

(SEAL)

Monica Sparks
Unified Government Clerk

**AN ORDINANCE APPROVING THE SECOND AMENDED AND RESTATED
NORTHWEST SPEEDWAY STAR BOND DISTRICT STAR BOND FINANCING
PROJECT PLAN.**

WHEREAS, the Unified Government of Wyandotte County/Kansas City, Kansas (the “Issuer”) is a municipal corporation and political subdivision duly organized and validly existing under the laws of the State of Kansas as a consolidated city-county having all the powers, functions and duties of a county and a city of the first class; and

WHEREAS, the Issuer desires to promote, stimulate and develop the general and economic welfare of the Issuer and the State of Kansas (the “State”) and to assist in the development and redevelopment of eligible areas within the Issuer, thereby promoting the general welfare of the citizens of the State and the Issuer, by acquiring property and providing for the development and redevelopment thereof and the financing relating thereto; and

WHEREAS, on October 27, 2016, the governing body of the Issuer adopted Resolution No. R-78-16 establishing its intent to create a STAR bond district within the Issuer (the “STAR Bond District”) and setting a date for a public hearing with respect thereto; and

WHEREAS, on December 14, 2016, the Secretary of Commerce of the State of Kansas (the “Secretary”) determined that the STAR Bond District is an “eligible area” under provisions of K.S.A. 12-17,160 *et seq.*, as amended (the “Act”); and

WHEREAS, a public hearing was held on December 15, 2016, after proper notice was published in accordance with the Act, regarding the creation of the STAR Bond District; and

WHEREAS, the governing body of the Issuer passed Ordinance No. O-75-16 on December 15, 2016 and published on December 22, 2016, which created the STAR Bond District and approved the STAR Bond District Plan (the “STAR Bond District Plan”), which contains one project area known as the “STAR Bond Project Area”; and

WHEREAS, the Issuer prepared the Northwest Speedway STAR Bond District Project Plan for the STAR Bond Project Area dated March 31, 2017 and filed with the clerk of the Issuer on April 5, 2017 (the “Original Project Plan”) in consultation with the Issuer’s Planning Commission, which Original Project Plan provided for the redevelopment of the STAR Bond Project Area as described therein; and

WHEREAS, on April 11, 2017, the Issuer’s Planning Commission adopted Resolution No. 1 finding that the Original Project Plan is consistent with the intent of the comprehensive plan for the development of the Issuer; and

WHEREAS, on April 27, 2017, the governing body of the Issuer adopted Resolution No. R-18-17 setting a date for a public hearing with respect to the Original Project Plan; and

WHEREAS, a public hearing was held on June 15, 2017, after proper notice was published in accordance with the Act, regarding the Original Project Plan; and

WHEREAS, on October 26, 2017, the governing body of the Issuer adopted Ordinance No. O-62-17 approving the Original Project Plan; and

WHEREAS, in connection with the Original Project Plan, the Issuer and the American Royal Association, a Missouri not-for-profit corporation (the “Developer”) entered into that certain American Royal Development Agreement dated as of November 2, 2017 (the “Original Agreement”); and

WHEREAS, the Issuer prepared the Northwest Speedway STAR Bond District Amended STAR Bond Financing Project Plan dated October 19, 2018, which was further amended by the Northwest Speedway STAR Bond District Amended STAR Bond Financing Project Plan dated November 28, 2018 and filed with the clerk of the Issuer on November 28, 2018 (collectively, the “First Amended Project Plan”), which constituted a substantial change under the Act; and

WHEREAS, the Issuer held a public hearing on November 29, 2018, and continued to and closed such public hearing on December 6, 2018, after due published notice in accordance with the Act, regarding the First Amended Project Plan; and

WHEREAS, following such public hearing, the governing body of the Issuer passed Ordinance No. O-52-18 approving the First Amended Project Plan (the “First Amended Project Plan”) repealing and replacing the Original Project Plan in its entirety; and

WHEREAS, the Issuer has prepared the Second Amended and Restated Northwest Speedway STAR Bond District STAR Bond Financing Project Plan dated December 1, 2024 (the “Second Amended Project Plan”), which constitutes a substantial change to the First Amended Project Plan under the Act; and

WHEREAS, a notice of public hearing, indicating that the governing body is considering approval of the Second Amended Project Plan, was published twice in *The Wyandotte Echo*, the official newspaper of the Issuer, in accordance with the provisions of the Act, particularly K.S.A. 12-17,166(k); and

WHEREAS, following such published notice, the Issuer held a public hearing on April 24, 2025, regarding the Second Amended Project Plan; and

WHEREAS, the governing body of the Issuer hereby finds and determines that the adoption of the Second Amended Project Plan will repeal and replace the First Amended Project Plan in its entirety, will serve one or more of the public purposes set forth in the Act, and will promote, stimulate, and develop the general and economic welfare of the Issuer; and

WHEREAS, the governing body of the Issuer, in connection with the adoption of the Second Amended Project Plan, will consider the entering into that certain American Royal Amended and Restated Development Agreement (the “Amended and Restated Agreement”) between the Issuer and the Developer, which would supersede and replace the Original Agreement.

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE ISSUER, AS FOLLOWS:

Section 1. Approval of Second Amended Project Plan. The governing body hereby finds that due notice of the public hearing conducted on this date was made in accordance with the provisions of the Act and that the Second Amended Project Plan is a valid STAR bond project plan as defined in the Act. The governing body hereby adopts and approves the Second Amended Project Plan in the form on file with Unified Government Clerk, which governs redevelopment of the real property in the STAR Bond

Project Area, such STAR Bond Project Area and the STAR Bond District as shown on **Exhibit A** and legally described on **Exhibit B** attached hereto.

Section 2. Further Authority. The Issuer shall, and the officers, employees, and agents of the Issuer are hereby authorized and directed to, take such action, expend such funds and execute such other documents, certificates, and instruments, documents necessary to obtain approvals of the Secretary as required by law, as may be necessary or desirable to carry out and comply with the intent of this Ordinance.

Section 3. Effective Date. This Ordinance shall take effect and be in full force after its adoption by a 2/3 vote of the governing body of the Issuer, publication once as provided by law in the official newspaper of the Issuer, and the Issuer's approval and execution of the Amended and Restated Agreement.

PASSED by a two-thirds vote of the governing body of the Issuer this 24th day of April, 2025.

Tyrone Garner, Mayor/CEO

(Seal)

ATTEST:

Monica Sparks, Unified Government Clerk

Approved at to form:

Office of Chief Counsel

EXHIBIT A
MAP OF STAR BOND DISTRICT AND STAR BOND PROJECT AREA

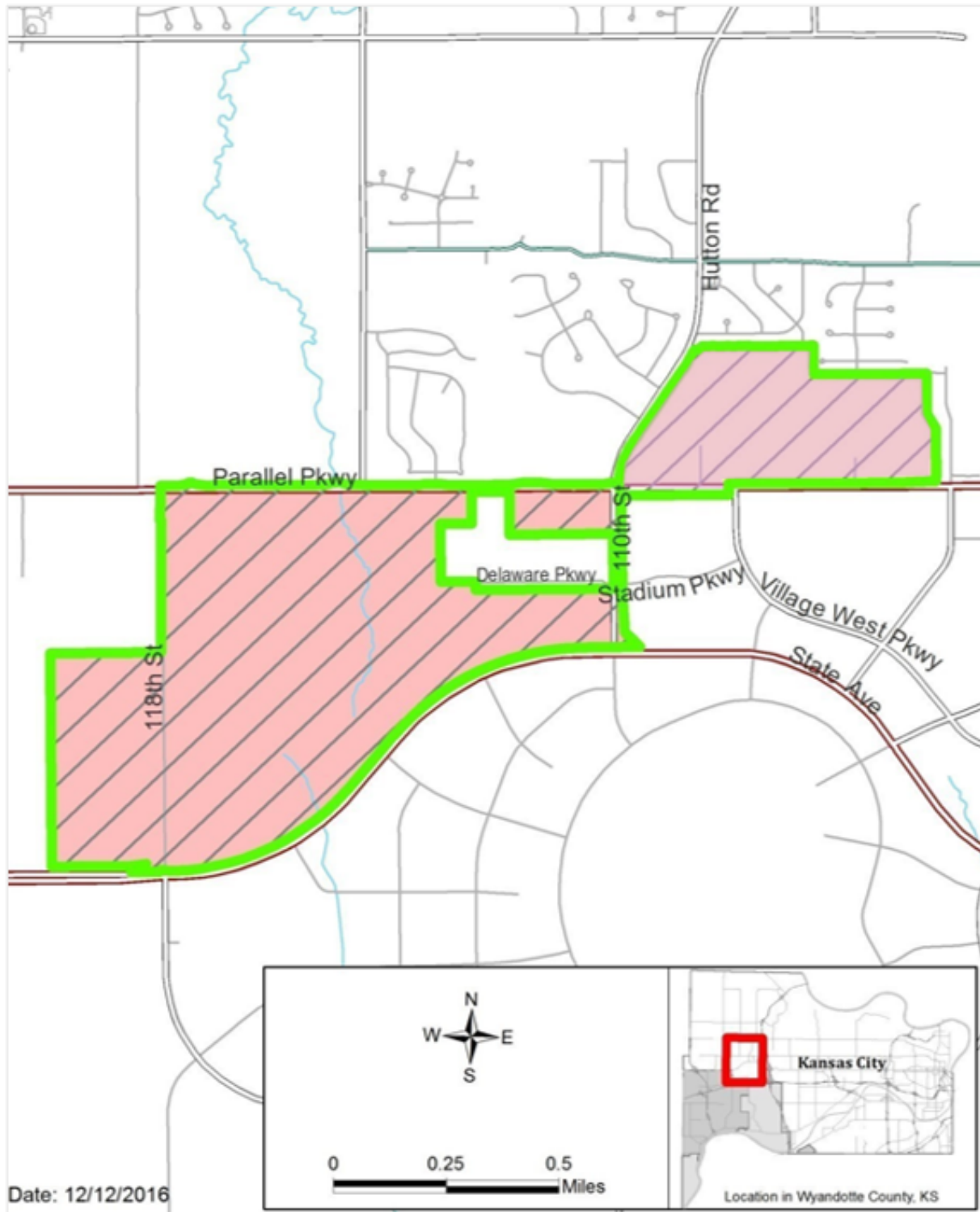


EXHIBIT B
LEGAL DESCRIPTION OF STAR BOND DISTRICT AND STAR BOND PROJECT AREA

All that part of the Northeast Quarter and Southeast Quarter of Section 4, and all that part of Section 3, and all that part of the north half of Section 2, all in Township 11 South, Range 23 East, all that part of Lot 1, PIPER PLAZA, all that part of Lots 1, 2, 3, 4, and 5 of PIPER PLAZA SECOND PLAT, all that part of Lots 1 and 2 SECURITY BANK, all that part of Lots 14, 24, 25 and Tract C of PLAZA AT THE SPEEDWAY, and all that part of Tract D and Lot 53, PLAZA AT THE SPEEDWAY SECOND PLAT, and all that part of Lots 38, 39, 40, 41, and 42, PLAZA AT THE SPEEDWAY THIRD PLAT, and all that part of Lots 43, 44, 45, 46, 47, 48, 49, 50, 51, and 52, PLAZA AT THE SPEEDWAY FOURTH PLAT, and all that part of Lots 53, 54, and 55, PLAZA AT THE SPEEDWAY FIFTH PLAT, and all that part of Lots 56, 57, Tract E1, and Tract E2, PLAZA AT THE SPEEDWAY SIXTH PLAT, and all that part of the Southeast Quarter and Southwest Quarter of Section 34, and all that part of the Southeast Quarter of Section 33, both in Township 10 South, Range 23 East, all being in the City of Kansas City, Wyandotte County, Kansas being generally described as follows: Beginning at the intersection of the south right-of-way line of Parallel Parkway and the west right-of-way line of N. 118th Street, thence southerly, with the west right-of-way line of N. 118th Street to the north line of Tract I, American Royal, thence Westerly along the Northerly line of said Tract I to the Northwest corner of said Tract I; thence Southerly, along the Westerly line of said American Royal and its prolongation thereof to the northerly right-of-way line of State Avenue; thence easterly, with the north right-of-way line of State Avenue to the east right-of-way line of N. 110th Street; thence northerly, with the east right-of-way line of N. 110th Street, to the south right-of-way line of Parallel Parkway; thence easterly, with the south right-of-way line of Parallel Parkway, to the west right-of-way line of Village West Parkway; thence northerly, with the west right-of-way line of Village West Parkway, to the north right-of-way line of Parallel Parkway; thence easterly, with the north right-of-way line of Parallel Parkway, to the easterly line of PLAZA AT THE SPEEDWAY SIXTH PLAT; thence northerly, with the east line of PLAZA AT THE SPEEDWAY SIXTH PLAT to the northeast corner thereof; thence westerly, with the north line of PLAZA AT THE SPEEDWAY SIXTH PLAT, to the northwest corner thereof, said point also being on the easterly line of PLAZA AT THE SPEEDWAY FIFTH PLAT; thence westerly and northerly, with the easterly line of PLAZA AT THE SPEEDWAY FIFTH PLAT, to the northeast corner thereof; thence westerly, with the north line of PLAZA AT THE SPEEDWAY FIFTH PLAT, and with the north line of PLAZA AT THE SPEEDWAY, to the northwest corner thereof, said point being on the east right-of-way line of Hutton Road; thence southwestly, with the easterly right-of-way line of Hutton Road to the north right-of-way line of Parallel Parkway; thence westerly, with the north right-of-way line of Parallel Parkway, to the intersection of the north right-of-way line Parallel Parkway and the northerly prolongation of the west right-of-way line of N. 118th Street; thence southerly, with the northerly prolongation of the west right-of-way line of N. 118th Street, to the point of beginning.

Except all of Lot 1, LEGENDS APARTMENTS, and except all of Lot 1, VILLAGE WEST APARTMENTS, and except 3.6 acres more or less described in Book 1861 at Page 550.

The above-described tract contains approximately 550 acres, more or less.

(Published in *The Wyandotte Echo* on May 1, 2025)

SUMMARY OF ORDINANCE NO. O-____-25

On April 24, 2025, the governing body of the Unified Government of Wyandotte County/Kansas City, Kansas (the “Issuer”) passed an ordinance entitled:

**AN ORDINANCE APPROVING THE SECOND AMENDED AND RESTATED
NORTHWEST SPEEDWAY STAR BOND DISTRICT STAR BOND FINANCING
PROJECT PLAN.**

The Ordinance approves the Second Amended and Restated Northwest Speedway STAR Bond District STAR Bond Financing Project Plan. A complete text of the Ordinance may be obtained or viewed free of charge at the office of the Unified Government Clerk, 701 North 7th Street, Kansas City, Kansas. A reproduction of the Ordinance is available for not less than 7 days following the publication date of this Summary at www.wycokck.org.

This Summary is hereby certified to be legally accurate and sufficient pursuant to the laws of the State of Kansas.

DATED: April 24, 2025

Office of Chief Counsel

**SECOND AMENDED AND RESTATED
NORTHWEST SPEEDWAY
STAR BOND DISTRICT**

STAR BOND FINANCING PROJECT PLAN

SUBMITTED TO THE UNIFIED GOVERNMENT OF
WYANDOTTE COUNTY/KANSAS CITY, KANSAS
PURSUANT TO K.S.A. § 12-17,160 *et seq.*

December 1, 2024

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LIST OF EXHIBITS

Exhibit A – Site Plan
Exhibit B-1 – Legal Description of District and Project Area
Exhibit B-2 – Map Depicting District and Project Area
Exhibit C – Estimated Overall Project Costs
Exhibit D – Estimated Eligible Overall Project Costs
Exhibit E – STAR Bond Financing Projections
Exhibit F – STAR Bond Amortization Schedule
Exhibit G – Meeting Minutes
Exhibit H – Officers of Developer

I. Introduction

American Royal Association, a Missouri not-for-profit corporation (the “**Developer**”), respectfully submits this Second Amended and Restated Northwest Speedway STAR Bond District STAR Bond Financing Project Plan (this “**Project Plan**”) to the Unified Government of Wyandotte County/Kansas City, Kansas (the “**Unified Government**”) for consideration by the Unified Government’s governing body pursuant to the Kansas STAR Bond Financing Act, K.S.A. § 12-17,160 *et seq.* (the “**Act**”).

Developer owns and/or ground-leases certain real property located within the Project Area (as defined herein) and is the developer of such property.

The American Royal has been a Kansas City tradition since 1899, celebrating the region’s rich agricultural heritage through competition, education and entertainment. Hosting the World’s largest barbecue contest, one of the Midwest’s largest and oldest livestock exhibitions, professional rodeos and prestigious horse shows, and as home to the national championship saddle bred horse competition, the American Royal brings with it a unique mix of uses that create a variety of tourism, education, and entertainment opportunities. It was against this background that the Developer began exploring options to relocate its operations to the State of Kansas (the “**State**”), and upon identifying a desirable site within the Unified Government, set in motion a plan to leave behind its existing antiquated out-of-state facility, and to construct a new state-of-the-art agricultural, education and entertainment destination within the State.

On December 15, 2016, the Unified Government adopted Ordinance No. O-75-16 that created the Northwest Speedway STAR Bond District (the “**District**”) with a single Project Area. By letter dated December 14, 2016, the Secretary deemed the District an “eligible area” as defined under the Act. Thereafter, on October 26, 2017 and pursuant to the Act, the Unified Government adopted Ordinance No. O-62-17 approving the Northwest Speedway STAR Bond District STAR Bond Financing Project Plan (the “**Original Project Plan**”), and, on December 6, 2018 and prior to implementing the Original Project Plan, the Unified Government adopted Ordinance No. O-52-18 approving the Northwest Speedway Amended STAR Bond District STAR Bond Financing Project Plan (the “**First Amended Project Plan**”) repealing and replacing the Original Project Plan in its entirety.

This Project Plan amends, restates, supersedes, and replaces in its entirety the First Amended Project Plan as a substantial change pursuant to the Act. This Project Plan constitutes the Project Plan for the STAR bond project area (as defined in the Act) coterminous with the boundaries of the District (the “**Project Area**”). The 20-year term of the STAR bond project within the Project Area shall commence on the date of the approval of this Project Plan.

The District will include a major commercial entertainment and tourism area that will include, without limitation, a livestock expo arena, indoor/outdoor warm-up arena(s), agricultural-related ancillary facilities, and related and appurtenant uses (collectively, the “**Overall Project**”). A site plan generally depicting the Overall Project and District is attached hereto as Exhibit A. The Overall Project will be situated on certain real property within the District, which consists of approximately 550 acres generally located at the southwest and northeast corners of the intersection of North 110th Street and Parallel Parkway in Wyandotte County (“**County**”), Kansas City (“**City**”), Kansas. The legal description for the District is attached to this Project Plan as Exhibit B-1 and a map showing the boundaries of the District is attached as Exhibit B-2. The unique mix of uses within the Overall Project is expected to create substantial tourism, education and entertainment opportunities not presently available in the City or the County. The Developer’s market analysis suggests that the Overall Project will attract a very broad base and desirable visitor demographics, consisting largely of agricultural- and entertainment-seeking participants and spectators, and families seeking destination agricultural and entertainment opportunities. With the accompanying economic impacts, the Overall Project will become another driver of economic activity for

the City, the County, the Unified Government and the State as a whole. These findings are further corroborated by the third-party Feasibility Study, as defined and summarized in this Project Plan.

At build-out and stabilization of the initial phases of the Overall Project, the total capital investment is estimated at approximately \$450 million, incremental annual sales are projected at approximately \$290 million, and annual visitation is estimated at approximately 2,000,000 attendee days. It is expected that capital investment and sales figures may exceed these numbers as additional destination attraction and commercial users are identified. This Project Plan proposes that the Secretary of Commerce for the State of Kansas (“**Secretary**”) approve the issuance of STAR bonds in an aggregate amount sufficient to render at least \$155,000,000 in net STAR Bond proceeds for disbursement to Developer in connection with the Overall Project. Multiple phases within the District and the Project Area, along with other surrounding and supportive development, are anticipated to be built in the future, which are projected to add substantial additional capital investment and otherwise enhance the Overall Project.

The Overall Project development team brings substantial experience in developing large-scale commercial projects, including destination attraction-based projects that have previously qualified for STAR Bonds, to the Overall Project. The Developer feels that this background makes it particularly well-qualified to bring the unique development proposed under this Project Plan to fruition.

At the completion of the Overall Project, the Unified Government and the State of Kansas will have a new and unique destination experience that will draw visitors on a statewide and regional basis that will create significant related economic benefits both for the Unified Government and the State as a whole.

II. **STAR Bond Project Plan**

Pursuant to the Act, municipalities are authorized to utilize STAR Bond Financing for specific development projects through (1) the creation of a STAR Bond Project District, subject to a finding by the Secretary that the District plan is eligible for STAR Bond Financing, and (2) the adoption of a STAR Bond Project Plan that is subsequently approved by the Secretary.

This Project Plan is submitted for consideration by the Unified Government and, ultimately, the Secretary, and includes the following in accordance with the Act:

- A description and map of the project area to be redeveloped;
- A reference to the District plan that identifies the project area that is set forth in the project plan that is being considered;
- A detailed description of the buildings and facilities proposed to be constructed or improved;
- A summary of the feasibility study done as defined in the Act, and amendments thereto;
- The relocation assistance plan;
- Documentation indicating that the Overall Project will result in a capital investment in excess of \$75,000,000 and will generate gross annual sales revenue in excess of \$75,000,000; and
- The names of the owners, partners, officers or principals of the Developer of the project and of any associated business partner of the Developer of the project that is involved in the STAR bond project.

A. Project Area

The property subject to this Project Plan consists of the approximately 550 acres within the District and conterminous with the boundaries thereof, all within the City and County, as generally depicted on Exhibit B-2. A legal description of the subject property for the Project Area is attached hereto as Exhibit B-1.

B. Reference to District Plan

The Project Area is wholly within the District. The STAR Bond District Plan for the District (the “**District Plan**”) provides as follows:

The buildings and facilities to be constructed or improved in the STAR bond project district may be described in a general manner as a mixed-use development consisting of some or all of the following uses: livestock expo arena and other equestrian-related uses, education and conference center, entertainment complexes, other retail, restaurant, hotel, office and commercial uses, other sporting and recreational uses, any other uses allowable under the Act, and including acquiring real property rights and constructing any associated public and private infrastructure.

This Project Plan is consistent with the District Plan.

C. Description of Buildings and Facilities

The Overall Project located within the District includes the existing Plaza at the Speedway shopping center located north of Parallel Parkway and anticipates new and future development south of Parallel Parkway, which collectively may be described as a mixed-use development consisting of some or all of the following uses: livestock expo arena, indoor/outdoor arenas and other educational, agricultural and agricultural-related uses and ancillary facilities, education and conference centers and related facilities, entertainment complexes, festival grounds, other retail, restaurant, hotel, office, multi-family and other commercial uses, other sporting and recreational uses, other family recreational tourism activities and any other uses allowable under the Act, and including acquiring real property rights and constructing any associated public and private infrastructure (collectively, the “**Project**”). The primary components of the initial phases of the Project are planned to include the following: a main arena with approximately 5,000 permanent seats and the capability for another approximately 3,000 temporary seats; a multi-purpose arena and an outdoor arena, each designed for permanent seating of approximately 3,500 seats with the capability for another approximately 3,000 temporary floor seats; a livestock exhibition hall/barns with the capability to hold approximately 1,500 horse stalls, approximately 3,750 head of cattle, 6x6 pens for approximately 5,000 mixed species of small animals and/or combinations of the foregoing; approximately 20,000 (more or less) square feet of administrative office and community/commercial kitchen space; and space for event support and storage facilities; an agricultural education center with approximately 80,000 square feet of learning and engagement space (which may be integrated within one or more of the other spaces described above) and which contemplates an additional 150,000 square feet of outdoor learning space; and other compatible, related or appurtenant improvements and uses (collectively, the “**American Royal Main Complex**”). In addition, the arenas can be used for a variety of additional events and programming, including other family recreational tourism activities, sports activities (including, for example, basketball, volleyball or other multi-sport athletic facilities and uses) and other recreational and entertainment events and activities.

Other uses are currently envisioned for the Project Area, which other uses may be described as a mixed-use development consisting of some or all of the following uses: education and conference centers

and related facilities, entertainment complexes, festival grounds, including, without limitation, contemplated development of an American Royal festival grounds as a future second phase of the development designed and delivered by the Developer (the “**Festival Grounds**”), other retail, restaurant, hotel, office, multi-family and other commercial uses, other sporting and recreational uses, other family recreational tourism activities, and any other uses allowable under the Act.

The Overall Project will be combined with a strong existing retail base in this area of the City and County, as well as other possible future destination attractions. The synergy of concepts in the Overall Project is expected to draw the broadest possible segment of the agricultural and youth and family tourism markets. The Developer will also target national and regional retail and restaurant chains, which will complement the tourism draw associated with the Overall Project and existing and prospective development in this area of the City and County. At completion, the Overall Project will become a key piece of the Unified Government’s overall economy and will strengthen the Unified Government’s ability to draw visitors from outside of the immediate area.

D. Summary of Feasibility Study

The Act requires that a feasibility study be prepared setting forth the following information: (i) whether a STAR bond project’s revenue and tax increment revenues and other available revenues are expected to exceed or be sufficient to pay for the project costs; (ii) the effect, if any, a STAR bond project will have on any outstanding special obligation bonds payable from certain revenues as described in the Act; (iii) a statement of how the jobs and taxes obtained from the STAR bond project will contribute significantly to the economic development of the state and region; (iv) visitation expectation and a plan describing how the number of visitors to the STAR bond project district will be tracked and reported to the secretary on an annual basis which shall include, but not be limited to, obtaining and reporting visitor residence zip code data to the Secretary, provided any visitor residence data requested by the Secretary for business located in the STAR bond district shall be provided in an aggregate manner without personally identifiable information; (v) the unique quality of the project; (vi) economic impact study; (vii) market study; (viii) market impact study; (ix) integration and collaboration with other resources or businesses; (x) the quality of service and experience provided, as measured against national consumer standards for the specific target market; (xi) project accountability, measured according to best industry practices; (xii) the expected return on state and local investment that the project is anticipated to produce; (xiii) a net return on investment analysis; (xiv) a statement concerning whether a portion of the local sales and use taxes are pledged to other uses and are unavailable as revenue for the STAR bond project; (xv) an anticipated principal and interest payment schedule on the bond issue; (xvi) a summary of community involvement, participation and support; and (xvii) a full disclosure and description of all state, federal and local tax incentives that apply or are anticipated to apply within the STAR bond district or any business located in the district.

In accordance with the Act, the Unified Government has a prepared a feasibility study conducted by Canyon Research Southwest, Inc. (“**Canyon**”), a qualified independent third-party consultant selected and approved by the Secretary specifically for that purpose. Titled “*STAR Bond Feasibility Study, A New American Royal, A Food and Agriculture Epicenter, 118th Street and State Avenue, Kansas City, Kansas,*” and dated February 2024 (the “**Feasibility Study**”), the Feasibility Study was prepared by Canyon under the control and oversight authority of the Secretary and the costs of which have been paid by Developer.

A summary of the Feasibility Study follows below.

1. Sufficiency of the Project's Revenues Compared to the Project's Costs

The Act requires an analysis of whether a project's revenues are expected to exceed or be sufficient to pay for the costs of the Overall Project (the “**Overall Project Costs**”). This requires determining the Overall Project Costs, and the Overall Project Costs eligible for reimbursement with STAR Bond Proceeds (the “**Eligible Overall Project Costs**”), and comparing them to the STAR Bond Proceeds expected to be generated within the Project Area.

a. **Estimated Total Project Costs**

The total estimated cost to complete the initial phases of the Overall Project is approximately \$450 million. As determined from contract prices, engineering estimates, and estimates made by the Developer, a breakdown of the estimated costs by category is set forth below (a detailed budget is attached as Exhibit C):

PROJECT COST ESTIMATES	
Cost Category	Estimated Cost
Property Acquisition	\$ 13,100,000
Sitework	\$ 60,397,747
Infrastructure	\$ 33,146,370
Construction	\$ 287,705,883
Design & Entitlements	\$ 35,000,000
Other Soft Costs	\$ 14,650,000
Contingency	\$ 6,000,000
TOTAL	\$ 450,000,000

b. **Estimated Costs Eligible for Reimbursement**

Of the total costs listed above, approximately \$405.5 million qualify under the Act as “Eligible Project Costs,” meaning that only those costs may be financed using STAR Bond Proceeds. These Eligible Project Costs are set forth by category and amount below (a detailed summary breakdown is attached as Exhibit D):

ELIGIBLE COST ESTIMATES	
Cost Category	Estimated Eligible Cost
Property Acquisition	\$ 10,000,000
Sitework	\$ 37,959,099
Infrastructure	\$ 33,146,370
Construction	\$ 287,705,883
Design & Entitlements	\$ 29,400,000
Other Soft Costs	\$ 7,333,333
Contingency	\$ TBD
TOTAL	\$ 405,544,685

c. **Tax Revenues Subject to Capture**

STAR bond revenues from the District generated over the 20-year term (“**STAR Bond Revenues**”) are estimated to be approximately \$465.1 million¹ as set forth on Exhibit E attached hereto. Pursuant to the Act, STAR Bond Revenues can be generated from several sources, including, in relevant part:

¹ The Feasibility Study assumes (i) STAR Bond Revenues from the Plaza at the Speedway (defined below) will be limited to State Sales Tax Revenues, excluding approximately \$46.1 million in projected Local Sales Tax Revenues from Plaza at the Speedway, which when included (as anticipated) increases total projected STAR Bond Revenues to approximately \$511.2 million, shown as ‘Scenario 2’ in Exhibit E and Exhibit F; and (ii) with respect to a 1.0% CID sales tax anticipated to be imposed on sales from the American Royal Main Complex, that a portion of the revenues generated therefrom may be pledged to pay STAR bonds if necessary

- *Sales Tax & Use Tax Revenues* – the retail sales dollar amount generated within the District multiplied by: (A) the captured State sales and use tax rate as set forth in the Act, which is currently **6.50%** (the “**State Sales Tax Revenues**”); and (B) the captured local sales and use tax rate as set forth in the Act, which, based on the location of the Project, is currently **1.934368%** (the “**Local Sales Tax Revenues**”) consisting of (1) the City’s sales and use tax rate, less any portion thereof committed to other uses by election (currently 1% based on the total sales tax rate of 1.625% less 0.25% dedicated to emergency medical service and 0.375% for Unified Government public and safety neighborhood), and (2) the Unified Government’s share of the County’s sales and use tax rate, which is currently 0.934368% (based on the County’s total sales and use tax rate of 1% of which the Unified Government’s share is currently 93.4368%); for a total retail sales and use tax rate, as available for capture under the Act, equal to **8.434368%** from State Sales Tax Revenues and Local Sales Tax Revenues combined (collectively, the “**Sales Tax Revenues**”).
- *Transient Guest Tax Revenues* – the annual hotel/lodging revenues generated within the District multiplied by the eligible Transient Guest Tax rate as set forth in the Act (the “**TGT Revenues**”), which is currently **7.84%** (based on the total Transient Guest Tax rate of 8.00% from which the State deducts a 0.16% as an administrative fee, leaving the net eligible amount at 7.84%).
- *Community Improvement District Revenues* – the retail sales dollar amount generated within the portion of the District currently owned or ground-leased by Developer and also falling within boundaries of a community improvement district (CID) established pursuant to K.S.A. 12-6a26 *et seq.*, if any, multiplied by the CID sales tax rate levied in such CID district, which is currently anticipated to be one percent (1.0%), if and to the extent that such CID sales tax revenues (or a portion thereof) may be pledged to pay STAR bonds if necessary and agreed upon by the Unified Government and Developer (as applicable, the “**CID Revenues**”).

Sales Tax Revenues

Although other phases are expected to be built within the District in the future and add substantial additional capital investment and otherwise enhance the Overall Project, for purposes of the Feasibility Study, it is conservatively assumed that STAR Bond Revenues (and the corresponding supportable bond debt estimates) for the Overall Project will be derived exclusively from the following sources within the District: (i) incremental sales and use taxes from the Plaza at the Speedway² (over and above “base sales taxes” as described below), (ii) sales and use taxes from the American Royal Main Complex, (iii) sales and use taxes from the Festival Grounds, and (iv) the potential CID Revenues from a CID overlay of a portion of the District as described above.

Given that the Plaza at the Speedway was the only portion of the District generating existing sales at the time of its creation in December 2016, the appropriate retail sales dollar amount generated from the Plaza at the Speedway during a “base year,” defined as the 12-month period immediately prior to District creation (Dec. 2015 – Nov. 2016), constitute the “Base Sales”, and when multiplied by the applicable captured State and local sales tax rates described above for Sales Tax Revenues – the appropriate corresponding State Sales Tax Revenues and Local Sales Tax Revenues, as determined by the Secretary, constitute the State Base Year Taxes and Local Base Year Taxes against which the respective incremental

and agreed upon by the Unified Government and Developer, which assumption accounts for a projected approximately \$32.9 million of the total gross STAR Bond Revenues and, if not collected and/or pledged reduces total projected STAR Bond Revenues to approximately \$432.2 million if Local Sales Tax Revenue from Plaza at the Speedway are not included or a net decrease to approximately \$478.3 million if Local Sales Tax Revenues from Plaza at the Speedway are included).

² As used in this Project Plan, “**Plaza at the Speedway**” means the portion of the District located north of Parallel Parkway and east of N 110th Street / Hutton Road, as generally depicted in yellow shading on Exhibit B-2.

Sales Tax Revenues will be measured (collectively, the "**Base Year Sales Tax Revenues**"), for the entire District. Currently, the existing sales within the District continue to come exclusively from the Plaza at the Speedway, but current sales from the Plaza at the Speedway far exceed its "base year" sales. As a result, all *incremental* sales at the Plaza at the Speedway and all *total* projected sales from all other portions of the District are assumed to be available for capture as STAR Bond Revenues. At full development and stabilization, it is anticipated that the Overall Project (including incremental sales from the Plaza at the Speedway) will produce annual sales volume of approximately \$292.6 million, based on the sales estimates summarized in the table below.

PROJECTED ANNUAL INCREMENTAL SALES AT STABILIZATION		
	Project Area	Sales at Stabilization
1	Plaza at the Speedway (incremental)	\$ 106,289,761
2	Core Royal	\$ 145,250,516
3	Festival Grounds	\$ 41,085,000
Total Annual Sales		\$ 292,625,277

The combined retail sales tax rate, as available for capture under the Act, is 8.434368% (consisting of 6.50% State and 1.934368% local). At stabilization, the District is anticipated to generate \$22.6 million of annual Sales Tax Revenues, consisting of \$19.0 million of State Sales Tax Revenues and \$3.6 million of Local Sales Tax Revenues.³ Through the maturity of the contemplated STAR Bonds, the District is projected to generate total Sales Tax Revenues of approximately \$432.2 million, consisting of approximately \$368.6 million in State Sales Tax Revenues and \$63.6 million in Local Sales Tax Revenues.⁴ For purposes of the Feasibility Study, it is assumed that only the State Sales Tax Revenues from the Plaza at the Speedway will be captured as STAR Bond Revenues, although it is anticipated that Local Sales Tax Revenues from the Plaza at the Speedway will also be captured as STAR Bond Revenues. Accordingly, the total projected annual sales tax increment at stabilization, and total projected sales tax increment through maturity, are shown in the tables below both with and without Local Sales Tax Revenues from the Plaza at the Speedway for reference.

TAX INCREMENT WITHOUT LOCAL SALES TAX REVENUES FROM PLAZA AT THE SPEEDWAY			
	Project Area	At Stabilization	Through Maturity
1	Plaza at the Speedway (incremental)	\$ 6,908,834	\$ 155,029,655
2	Core Royal	\$ 12,250,963	\$ 225,967,031
3	Festival Grounds	\$ 3,465,260	\$ 51,223,122
Net Sales Tax Revenues		\$ 22,625,058	\$ 432,219,809

TAX INCREMENT WITH LOCAL SALES TAX REVENUES FROM PLAZA AT THE SPEEDWAY			
	Project Area	At Stabilization	Through Maturity
1	Plaza at the Speedway (incremental)	\$ 8,964,870	\$ 201,165,717
2	Core Royal	\$ 12,250,963	\$ 225,967,031
3	Festival Grounds	\$ 3,465,260	\$ 51,223,122
Net Sales Tax Revenues		\$ 24,681,093	\$ 478,355,871

³ These estimates exclude \$2.1 million in projected Local Sales Tax Revenues from the Plaza at the Speedway at stabilization, which when included (as anticipated) increases annual Sales Tax Revenues at stabilization to \$24.7 million, consisting of \$19.0 million of State Sales Tax Revenues and \$5.7 million of Local Sales Tax Revenues.

⁴ These estimates exclude \$46.1 million in projected Local Sales Tax Revenues from the Plaza at the Speedway through maturity, which when included (as anticipated) increases total Sales Tax Revenues through maturity to \$478.4 million, consisting of approximately \$368.6 million in State Sales Tax Revenues and approximately \$109.7 million in Local Sales Tax Revenues.

Transient Guest Tax Revenues

Incremental transient guest tax revenues subject to capture as STAR Bond Revenues, if any, are anticipated to be limited to those generated from the portion of the District currently owned and/or ground-leased by the Developer. The Plaza at the Speedway (which is not owned or ground-leased by the Developer) was the only portion of the District generating any transient guest taxes at the time of its creation in December 2016, and therefore no transient guest taxes were included in the “base year” for purposes of the Feasibility Study. Currently, it is not anticipated that transient guest taxes will be generated within the portion of the District currently owned and/or ground-leased by the Developer. Although it is possible one or more hotels will be constructed within such portion of the District by the time of stabilization or thereafter, no transient guest taxes were included in the sales and tax increment projections for purposes of the Feasibility Study.

CID Sales Tax Revenues

Based on the projected annual sales from the American Royal Main Complex and future Festival Grounds, and an assumed 1.0% CID sales tax rate imposed thereon, at stabilization, the District is anticipated to generate \$1.9 million of CID sales tax, with total CID sales tax of approximately \$32.9 million through maturity of the District.

d. Estimated STAR Bond Net Proceeds

Based on the Overall Project’s captured STAR Bond Revenues and utilizing STAR Bond Project financing methodologies, the estimated STAR Bond net proceeds from the District are approximately \$199 million, as summarized in the table below, which includes projected STAR Bond net proceeds and CID Revenues.⁵ Exhibit F sets forth the relevant calculations and assumptions utilized.

STAR BOND NET PROCEEDS WITHOUT LOCAL SALES TAX REVENUES FROM PLAZA AT THE SPEEDWAY					
Project Area		State Sales Tax Revenues	Local Sales Tax Revenues	CID Sales Tax Revenues	Totals
1	Plaza at the Speedway (incremental)	\$ 61,752,498		\$ -	\$ 61,752,498
2	Core Royal	\$ 75,592,620	\$ 22,495,991	\$ 11,629,634	\$ 109,718,245
3	Festival Grounds	\$ 18,838,062	\$ 5,606,114	\$ 2,898,163	\$ 27,342,339
Net Sales Tax Revenues		\$ 156,183,179	\$ 28,102,106	\$ 14,527,797	\$ 198,813,082

STAR BOND NET PROCEEDS WITH LOCAL SALES TAX REVENUES FROM PLAZA AT THE SPEEDWAY					
Project Area		State Sales Tax Revenues	Local Sales Tax Revenues	CID Sales Tax Revenues	Totals
1	Plaza at the Speedway (incremental)	\$ 61,752,498	\$ 18,377,239	\$ -	\$ 80,129,738
2	Core Royal	\$ 75,592,620	\$ 22,495,991	\$ 11,629,634	\$ 109,718,245
3	Festival Grounds	\$ 18,838,062	\$ 5,606,114	\$ 2,898,163	\$ 27,342,339
Net Sales Tax Revenues		\$ 156,183,179	\$ 46,479,345	\$ 14,527,797	\$ 217,190,322

e. Summary of the STAR Bond Revenues and Overall Project Costs

The total of Eligible Overall Project Costs that can be financed under the Act is limited to the amount of revenues generated from the District. Based on this Project Plan’s (1) estimated Overall Project Costs, and (2) estimated STAR Bond net proceeds, the STAR Bond net proceeds are expected to pay for the Overall Project’s costs as contemplated under the Act when supplemented by private debt and equity and other private and public sources, including STAR Bond net proceeds generated from revenues available within the District, all as more specifically agreed upon in the development agreement between Developer and the Unified Government (the “**Development Agreement**”).

⁵ This estimate excludes \$46.1 million in Local Sales Tax Revenues projected from the Plaza at the Speedway, which when included (as anticipated), applying the same STAR Bond Project financing methodologies as mentioned above, is projected to generate an additional \$18.4 million of STAR Bond net proceeds, increasing total estimated STAR Bond net proceeds from the District to approximately \$217.2 million, shown in the second table below and as “Scenario 2” in Exhibit F attached hereto.

2. Impact on Outstanding Special Obligation Bonds

As required by the Act, an evaluation was conducted as to the “effect, if any” the Overall Project would have on any outstanding STAR bonds as authorized pursuant to the Act. By year-end 2022, sixteen active STAR Bond districts in Kansas possessed outstanding bond principal balance totaling approximately \$526 million. Active STAR Bond districts include six in the Kansas City MSA, four projects in the Wichita MSA, and projects in Topeka, Manhattan, Salina, Dodge City, and Garden City. The active STAR Bond districts support a wide range of destination attractions including professional soccer stadium and training facilities, racetracks, minor league baseball stadium, an arena, indoor and outdoor athletic facilities, waterparks, downtown redevelopment, and others. The destination attractions planned for the new American Royal Food and Agriculture Epicenter do not exist within any of the active STAR Bond projects in Kansas.

Village West continues to be the number one tourist attraction in Kansas with more than 12 million annual visitors from throughout the Midwest region and beyond. Village West and Village East together create one of the Midwest’s most unique and highly visited sports, entertainment, and shopping destinations. Development of the new American Royal Food and Agriculture Epicenter will have a positive impact on operations of the Kansas Speedway, Village West, and Village East by improving the synergy between the developments through the introduction of additional destination attractions and visitors.

The Feasibility Study concluded that given the noncompeting destination attractions and differing market niche, development of the new American Royal Food and Agricultural Epicenter will not have a measurable adverse impact on visitor volumes, retail sales volumes and STAR bond revenues on those STAR bond districts with outstanding bond debt. Therefore, the operation of additional development withing the new American Royal Food and Agriculture Epicenter is not anticipated to cause default in the payment of outstanding STAR bonds.

3. Significant Contribution to the Economic Development of the State and Region

The economic impact on the surrounding economy will be substantial and the development of the Overall Project will provide significant economic development, tax revenues, tourism, and new jobs that will contribute significantly to the economic development of the Unified Government, the region and the State of Kansas as a whole. The Overall Project, with a total estimated capital investment of approximately \$450 million, will result in a substantial number of temporary construction jobs, and at full build-out, employ a significant number of full-time equivalent employees (and with annual payroll) commensurate with projects of similar scope and caliber. The construction-phase and operational-phase estimates projected in the Feasibility Study are summarized below.

Construction phase direct on-site employment associated with the Overall Project is estimated at approximately 2,714 full-time equivalent jobs. Indirect job creation is forecast at 778 and 222, respectively, bringing the total construction-phase work force to 3,714 jobs. The construction phase total payroll is estimated at \$206 million. The State of Kansas is estimated to collect approximately \$8.07 million in personal income taxes relating from the payroll estimated with construction of in the District.

The development of the Overall Project will provide significant economic development and new jobs for the City of Kansas City, Kansas, State of Kansas, and Midwest Region. In addition to new construction jobs discussed above, the Feasibility Study estimates that, at full build out, the Overall Project will create approximately 650 full-time equivalent jobs with an annual payroll of \$20.8 million, generating approximately \$650,000 in annual income taxes for the State of Kansas.

In addition to significant economic activity and impacts from construction and continuing into operations, stabilized year gross visitor expenditures generated by visitors to the Overall Project are estimated at \$330 million, only \$181 million of which is expected to be captured in-District, resulting in substantial spin off benefits and activity for other area businesses and the associated tax revenues flowing to the State and Unified Government instead of the District.

4. Projected Visitation & Tracking

At full build out and stabilization, the Feasibility Study estimates that the Overall Project will conservatively generate 2,156,765 annual attendee days, including 779,618 attendee days from visitors traveling from more than 100 miles away, and in the ‘optimistic scenario’ projected by the study, that as many as 2,432,500 annual attendee days will be generated at stabilization, including with 882,725 attendee days from visitors traveling from more than 100 miles away in the more optimistic scenario set forth in the Feasibility Study.

The Feasibility Study discusses the Developer’s plan for tracking the number of visitors to the Overall Project and reporting that information to the Secretary annually, including visitors’ residence zip code data. In 2018, the Developer began implementing a visitor tracking system that tracks the participants, exhibitors, contestants, and public attendees. City/state residence information is collected for all participants who register through American Royal registration systems, and data collected from ticket sales is also able to track the purchasers’ locations. Parking and concession sales will all be cashless and thus allow for collection of location data as well, and Wi-Fi systems similarly require registration for access. Zip code residence data is collected through all of these sources and will be reported annually with any other information required pursuant to the Act.

5. Market Study & Market Impact Study

Market Study

The Market Study portion of the Feasibility Study evaluated the ability of the Overall Project to gain market share locally, regionally, and nationally, and its suitability to facilitate development of a multi-use arena and event space, by examining the local tourism market and its ability to support additional development, providing an overview of the competitive rodeo arena industry and discussing a survey of existing rodeos and rodeo arenas in Kansas and other comparable multi-purpose arenas, as compared and contrasted with the Overall Project uses. Conclusions and other takeaways from this portion of the Feasibility Study include that: Overall Project is well positioned geographically to cater to the western United States rodeo participants and fan base; the Overall Project’s inventory of horse stalls significantly exceeds that of the surveyed arenas and affords the Overall Project a significant competitive advantage when bidding for large-scale events; the usage of comparable multi-purpose arenas bodes well for the potential of the Overall Project to host a suitable number of annual events and event days to support feasible development and operation; of the indoor arenas surveyed in eastern Kansas, the Stormont Vail Events Center in Topeka was deemed most competitive in terms in terms of size and capacity but suffering from facility deficiencies such as its age, the absence of an outdoor arena, and having a small inventory of stalls and RV hookups; of the six existing indoor arenas surveyed in western Kansas, none were viewed as directly competitive to the Overall Project; of the surveyed multi-purpose arenas, the Lancaster Event Center in Lincoln, Nebraska was viewed as most comparable in terms of property amenities and hosts a significant number of regional/national/international events annually, boding well for the Overall Project’s ability to do the same; when compared to the ten surveyed comparable arena venues, the design for the Overall Project affords the necessary location, features, and amenities to be competitive and attract promoters, sponsors, events and fans; and, based on the findings of the Market Study the report determined the viability

of the new American Royal Food & Agriculture Epicenter to support future development and continued operation of a multi-purpose arena and event space.

Market Impact Study

As part of the Market Impact Study, the Feasibility Study discusses Overall Project positioning and unique quality, synergy with area attractions and impacts on comparable area businesses. Conclusions and other highlights from those portions of the study are included below: the Overall Project is positioned as a premier food and agriculture event, entertainment and education destination support a regional, national and international draw; together with the existing visitor destinations nearby in Village West and Village East, the Overall Project's uses, concepts, and positioning are designed to create a unique attraction capable of generating large visitor volumes, drawing out-of-town travelers, and enhancing the Kansas City area's status as a regional tourism destination; by increasing the critical mass and scope of destination attractions, the Overall Project will improve Kansas City's competitive position as a sports and entertainment destination and complement the existing attractions at Village East and West by creating a unique sports, entertainment, and education destination; when combined with the Village East and West attractions, the Overall Project will further strengthen the draw and economic impact of Kansas' largest and most visited tourism destination; at build-out and stabilization by; out-of-town visitors to the District are forecast to generate \$320 million to \$359 million in annual expenditures on shopping, dining, entertainment, lodging, and transportation, not all of which will be satisfied by the planned on-site attractions; and the Overall Project will benefit existing sports, entertainment, retail, restaurant, and lodging businesses in the County, with businesses operating in the neighboring Village West and Village East STAR Bond Districts being the primary beneficiaries, and therefore is not expected to adversely impact the sales of the Cable Dahmer Arena, Starlight Theatre, or Azura Amphitheatre.

6. Expected Return on State and Local Investment

The return on investment to the State of Kansas and Unified Government will be significant and long lasting, and will be measured in the form of increased annual retail sales, job creation and significant construction and other economic activity, and a number of other direct and indirect benefits including from substantial surrounding and supportive development the Overall Project is expected to attract.

7. Statement Concerning Revenues Pledged to Other Uses

The Act inquires into the amount of local taxes in a municipality dedicated by the voters and unavailable for capture under the Act. In Kansas City, Kansas and Wyandotte County, the city sales tax rate is 1.625%, of which .25% has been dedicated by the voters to Emergency Medical Services and 0.375% has been dedicated to public safety and infrastructure. The county sales tax rate is 1.00%, of which 0.065632% is currently dedicated to the cities of Bonner Springs and Edwardsville. As dedicated taxes, these revenues are not available to be captured for STAR Bond Project financing. Additionally, portions of the Plaza at the Speedway currently reside in a tax increment financing (TIF) district that captures certain local sales taxes. Until such TIF district is terminated, these local sales tax revenues will be unavailable for capture by the District; however, the current expectation is that the TIF district at Plaza at the Speedway will be terminated on or about the time this Project Plan is implemented.

8. Other Public Assistance

The Act also provides for disclosure of other state, federal and local tax incentives that apply or, pursuant to the project plan, are anticipated to apply within the District or that apply to any business located in or, pursuant to this Project Plan or a project plan for another Project Area, that will locate in the District. Other public assistance applicable or anticipated to apply with respect to the Overall Project include Kansas Building a Stronger Economy (BASE) grant program funding, Kansas Department of Transportation (KDOT) Economic Development Program funding and/or other KDOT funding, Industrial Revenue Bond (IRB) financing for sales tax exemption on construction materials, and a contemplated Community Improvement District (CID) and 1.0% CID sales tax located only in the portion of the Project Area owned and/or ground-leased by Developer.

9. Anticipated Principal and Interest Payment Schedule

A schedule of principal and interest payments for a STAR Bond issuance for the District is attached as Exhibit F.

10. Meetings and Minutes

Upon approval of this Project Plan by the Unified Government and prior to transmittal to the Secretary, the Unified Government Clerk will attach the minutes of the Unified Government meetings where the Project was discussed as Exhibit G.

E. Relocation Plan

The property in the Project Area expected to be necessary to implement this Project Plan is owned or ground-leased by Developer.

In the event the Unified Government is required to acquire any property located in the Project Area, relocation payments shall be made to any persons or businesses that move from real property or that move personal property from real property as a result of the acquisition of the real property by the Unified Government in carrying out the provisions of the Act pursuant to K.S.A. 58-3508 and the requirements of the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970. Such relocation payments shall be in the amount of the actual reasonable cost of moving to another location, or moving personal property to another location, within the greater metropolitan Kansas City area. No persons residing within the Project Area shall be displaced unless and until there is a suitable housing unit available and ready for occupancy by such displaced person at rents within their ability to pay, such housing units shall be suitable to the needs of such displaced persons and must be a decent, safe, sanitary and otherwise standard dwelling. The Unified Government shall provide for the payment of any reasonable damages sustained by a retailer, as defined by the K.S.A. 79- 3702, and amendments thereto, by reason of the liquidation of inventories necessitated by the relocation.

F. Officers of Developer

The Developer, American Royal Association, is a 501(c)(3) not-for-profit organization. The names of the officers of Developer are attached hereto as Exhibit H.

III. Conclusion

Based on the foregoing, the Unified Government and the Developer hereby submit this Project Plan for public hearing and due consideration.

[Exhibits Follow]

EXHIBIT A

Site Plan



EXHIBIT B-1

Legal Description of the District and Project Area

All that part of the Northeast Quarter and Southeast Quarter of Section 4, and all that part of Section 3, and all that part of the north half of Section 2, all in Township 11 South, Range 23 East, all that part of Lot 1, PIPER PLAZA, all that part of Lots 1, 2, 3, 4, and 5 of PIPER PLAZA SECOND PLAT, all that part of Lots 1 and 2 SECURITY BANK, all that part of Lots 14, 24, 25 and Tract C of PLAZA AT THE SPEEDWAY, and all that part of Tract D and Lot 53, PLAZA AT THE SPEEDWAY SECOND PLAT, and all that part of Lots 38, 39, 40, 41, and 42, PLAZA AT THE SPEEDWAY THIRD PLAT, and all that part of Lots 43, 44, 45, 46, 47, 48, 49, 50, 51, and 52, PLAZA AT THE SPEEDWAY FOURTH PLAT, and all that part of Lots 53, 54, and 55, PLAZA AT THE SPEEDWAY FIFTH PLAT, and all that part of Lots 56, 57, Tract E1, and Tract E2, PLAZA AT THE SPEEDWAY SIXTH PLAT, and all that part of the Southeast Quarter and Southwest Quarter of Section 34, and all that part of the Southeast Quarter of Section 33, both in Township 10 South, Range 23 East, all being in the City of Kansas City, Wyandotte County, Kansas being generally described as follows: Beginning at the intersection of the south right-of-way line of Parallel Parkway and the west right-of-way line of N. 118th Street, thence southerly, with the west right-of-way line of N. 118th Street to the north line of Tract I, American Royal, thence Westerly along the Northerly line of said Tract I to the Northwest corner of said Tract I; thence Southerly, along the Westerly line of said American Royal and its prolongation thereof to the northerly right-of-way line of State Avenue; thence easterly, with the north right-of-way line of State Avenue to the east right-of-way line of N. 110th Street; thence northerly, with the east right-of-way line of N. 110th Street, to the south right-of-way line of Parallel Parkway; thence easterly, with the south right-of-way line of Parallel Parkway, to the west right-of-way line of Village West Parkway; thence northerly, with the west right-of-way line of Village West Parkway, to the north right-of-way line of Parallel Parkway; thence easterly, with the north right-of-way line of Parallel Parkway, to the easterly line of PLAZA AT THE SPEEDWAY SIXTH PLAT; thence northerly, with the east line of PLAZA AT THE SPEEDWAY SIXTH PLAT to the northeast corner thereof; thence westerly, with the north line of PLAZA AT THE SPEEDWAY SIXTH PLAT, to the northwest corner thereof, said point also being on the easterly line of PLAZA AT THE SPEEDWAY FIFTH PLAT; thence westerly and northerly, with the easterly line of PLAZA AT THE SPEEDWAY FIFTH PLAT, to the northeast corner thereof; thence westerly, with the north line of PLAZA AT THE SPEEDWAY FIFTH PLAT, and with the north line of PLAZA AT THE SPEEDWAY, to the northwest corner thereof, said point being on the east right-of-way line of Hutton Road; thence southwestly, with the easterly right-of-way line of Hutton Road to the north right-of-way line of Parallel Parkway; thence westerly, with the north right-of-way line of Parallel Parkway, to the intersection of the north right-of-way line Parallel Parkway and the northerly prolongation of the west right-of-way line of N. 118th Street; thence southerly, with the northerly prolongation of the west right-of-way line of N. 118th Street, to the point of beginning.

Except all of Lot 1, LEGENDS APARTMENTS, and except all of Lot 1, VILLAGE WEST APARTMENTS, and except 3.6 acres more or less described in Book 1861 at Page 550.

The above described tract contains approximately 550 acres, more or less.

EXHIBIT B-2

Depiction of the District and Project Area

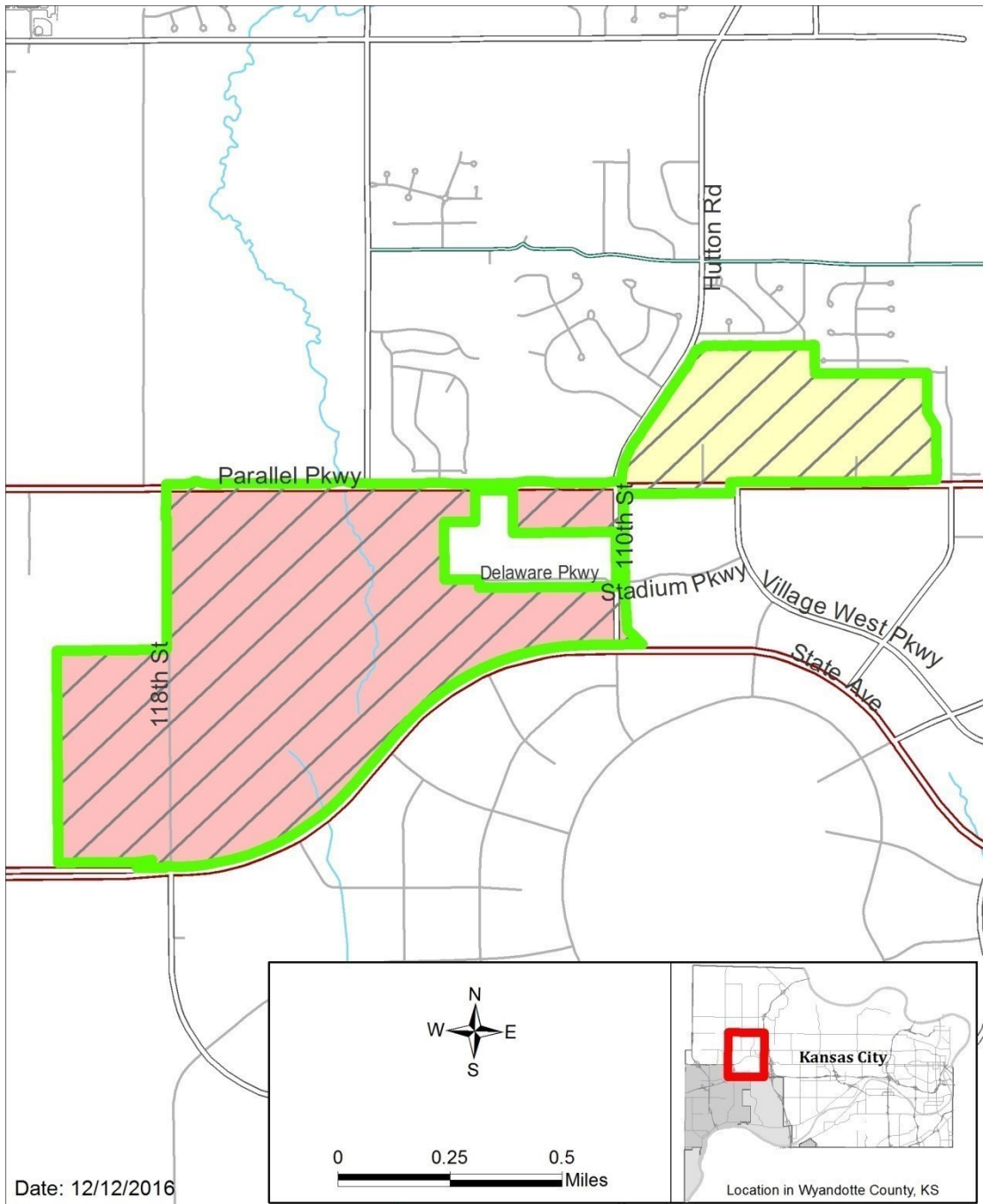


EXHIBIT C

Estimated Project Costs

GENERAL COST CATEGORIES	PROJECT COST ESTIMATES		
	Core Royal & Ag. Education Ctr.	Future Festival Grounds	Total Estimated Project Costs
<u>Land Costs</u>			
Property Acquisition	\$ 10,000,000	\$ 3,100,000	\$ 13,100,000
Subtotal:	\$ 10,000,000	\$ 3,100,000	\$ 13,100,000
<u>Sitework</u>			
Grading, Utilities, Paving, Landscaping	\$ 23,000,000	incl.	\$ 23,000,000
Future Festival Grounds Site	\$ -	\$ 37,397,747	\$ 37,397,747
Subtotal:	\$ 23,000,000	\$ 37,397,747	\$ 60,397,747
<u>Infrastructure</u>			
115th - AR Way to State	\$ 2,000,000	\$ -	\$ 2,000,000
118th - from State to north end of Site	\$ 3,000,000	\$ -	\$ 3,000,000
Am. Royal Way (from 118th to 115th)	\$ 6,000,000	\$ -	\$ 6,000,000
Future Festival - N/S & E/W Internal Drives	\$ -	\$ 21,146,370	\$ 21,146,370
Utility Development Fees	\$ 1,000,000	\$ -	\$ 1,000,000
Subtotal:	\$ 12,000,000	\$ 21,146,370	\$ 33,146,370
<u>Construction</u>			
Exhibition Hall/Barns	\$ 80,000,000	\$ -	\$ 80,000,000
Arenas (Main/MP/Outdoor)	\$ 85,000,000	\$ -	\$ 85,000,000
Office HQ & Comm/Community Kitchen	\$ 12,000,000	\$ -	\$ 12,000,000
Event Support and Storage Facilities	\$ 8,000,000	\$ -	\$ 8,000,000
Agricultural Education Center	\$ 47,000,000	\$ -	\$ 47,000,000
FF&E (incl. educational exhibits)	\$ 34,000,000	\$ -	\$ 34,000,000
Future Festival - RR/State/Support	\$ -	\$ 10,000,000	\$ 10,000,000
Contingency	\$ 11,705,883	\$ -	\$ 11,705,883
Subtotal:	\$ 277,705,883	\$ 10,000,000	\$ 287,705,883
<u>Design & Entitlements</u>			
Design & Engineering Fees / Design	\$ 29,000,000	\$ 1,000,000	\$ 30,000,000
Planning, Zoning, Permitting & Other Fees	incl.	incl.	incl.
UG Origination Fee	\$ 5,000,000	\$ -	\$ 5,000,000
Subtotal:	\$ 34,000,000	\$ 1,000,000	\$ 35,000,000
<u>Other Soft Costs</u>			
Legal & Other (Non-Design/Const.) Prof. Svc. Fees	\$ 10,000,000	\$ 1,000,000	\$ 11,000,000
Project Overhead	\$ 3,500,000	\$ 150,000	\$ 3,650,000
Subtotal:	\$ 13,500,000	\$ 1,150,000	\$ 14,650,000
<u>Contingency</u>			
Owner Cont.	\$ 5,000,000	\$ 1,000,000	\$ 6,000,000
TOTALS	\$ 375,205,883	\$ 74,794,117	\$ 450,000,000

***Subject to the terms and conditions of the Development Agreement: (i) the above descriptions of project components, project cost and eligible project cost categories, subtotals and totals, and the individual line item descriptions and amounts contained therein, are estimates only and subject to change as the STAR bond project progresses, including, but not limited to, as actual costs are incurred and revenues received; and (ii) reimbursable costs may be shifted among line items and expanded to include other reasonable variations from the descriptions set forth herein, so long as such costs are eligible for payment or reimbursement under K.S.A. 12-17, 160 et seq.*

EXHIBIT D

Estimated Eligible Project Costs

GENERAL COST CATEGORIES	PROJECT COST ESTIMATES	ELIGIBLE PROJECT COST ESTIMATES
<u>Land Costs</u>		
Property Acquisition	\$ 13,100,000	\$ 10,000,000
Subtotal:	\$ 13,100,000	\$ 10,000,000
<u>Sitework</u>		
Grading, Utilities, Paving, Landscaping	\$ 23,000,000	\$ 23,000,000
Future Festival Grounds Site	\$ 37,397,747	\$ 14,959,099
Subtotal:	\$ 60,397,747	\$ 37,959,099
<u>Infrastructure</u>		
115th - AR Way to State	\$ 2,000,000	\$ 2,000,000
118th - from State to north end of Site	\$ 3,000,000	\$ 3,000,000
Am. Royal Way (from 118th to 115th)	\$ 6,000,000	\$ 6,000,000
Future Festival - N/S & E/W Internal Drives	\$ 21,146,370	\$ 21,146,370
Utility Development Fees	\$ 1,000,000	\$ 1,000,000
Subtotal:	\$ 33,146,370	\$ 33,146,370
<u>Construction</u>		
Exhibition Hall/Barns	\$ 80,000,000	\$ 80,000,000
Arenas (Main/MP/Outdoor)	\$ 85,000,000	\$ 85,000,000
Office HQ & Comm/Community Kitchen	\$ 12,000,000	\$ 12,000,000
Event Support and Storage Facilities	\$ 8,000,000	\$ 8,000,000
Agricultural Education Center	\$ 47,000,000	\$ 47,000,000
FF&E (incl. educational exhibits)	\$ 34,000,000	\$ 34,000,000
Future Festival - RR/State/Support	\$ 10,000,000	\$ 10,000,000
Contingency	\$ 11,705,883	\$ 11,705,883
Subtotal:	\$ 287,705,883	\$ 287,705,883
<u>Design & Entitlements</u>		
Design & Engineering Fees / Design	\$ 30,000,000	\$ 29,400,000
Planning, Zoning, Permitting & Other Fees	incl.	incl.
UG Origination Fee	\$ 5,000,000	\$ -
Subtotal:	\$ 35,000,000	\$ 29,400,000
<u>Other Soft Costs</u>		
Legal & Other (Non-Design/Const.) Prof. Svc. Fees	\$ 11,000,000	\$ 7,333,333
Project Overhead	\$ 3,650,000	\$ -
Subtotal:	\$ 14,650,000	\$ 7,333,333
<u>Contingency</u>		
Owner Cont.	\$ 6,000,000	\$ TBD
TOTALS	\$ 450,000,000	\$ 405,544,685

***Subject to the terms and conditions of the Development Agreement: (i) the above descriptions of project components, project cost and eligible project cost categories, subtotals and totals, and the individual line item descriptions and amounts contained therein, are estimates only and subject to change as the STAR bond project progresses, including, but not limited to, as actual costs are incurred and revenues received; and (ii) reimbursable costs may be shifted among line items and expanded to include other reasonable variations from the descriptions set forth herein, so long as such costs are eligible for payment or reimbursement under K.S.A. 12-17, 160 et seq.*

EXHIBIT E
STAR Bond Financing Projections – Scenario 1*

**Excluding Local Sales Tax Revenues from the Plaza at the Speedway*

Year	Plaza at the Speedway	STAR Bond Revenue		CID Revenue		Total Revenues
		Phase 1 Main Complex	Phase 2 Festival Grounds	Phase 1 Main Complex	Phase 2 Festival Grounds	
2024	\$3,780,552					\$3,780,552
2025	\$4,138,638					\$4,138,638
2026	\$4,505,676	\$7,343,545		\$870,669		\$12,719,890
2027	\$4,881,891	\$7,899,117		\$936,539		\$13,717,547
2028	\$5,267,510	\$8,894,664		\$1,054,574		\$15,216,748
2029	\$5,662,771	\$9,939,226		\$1,178,420		\$16,780,417
2030	\$6,067,912	\$10,992,227	\$1,113,337	\$1,303,266	\$132,000	\$19,608,742
2031	\$6,483,182	\$11,889,443	\$2,304,607	\$1,409,642	\$273,240	\$22,360,114
2032	\$6,908,836	\$12,250,963	\$3,465,260	\$1,452,505	\$410,850	\$24,488,414
2033	\$7,345,128	\$12,557,237	\$3,551,892	\$1,488,818	\$421,121	\$25,364,196
2034	\$7,792,328	\$12,871,167	\$3,640,689	\$1,526,039	\$431,649	\$26,261,872
2035	\$8,250,709	\$13,192,949	\$3,731,706	\$1,564,189	\$442,441	\$27,181,994
2036	\$8,720,549	\$13,522,771	\$3,824,999	\$1,603,294	\$453,502	\$28,125,115
2037	\$9,202,135	\$13,860,840	\$3,920,624	\$1,643,376	\$464,839	\$29,091,814
2038	\$9,695,762	\$14,207,361	\$4,018,639	\$1,684,461	\$476,460	\$30,082,683
2039	\$10,201,728	\$14,562,545	\$4,119,105	\$1,726,572	\$488,372	\$31,098,322
2040	\$10,720,343	\$14,926,609	\$4,222,083	\$1,769,736	\$500,581	\$32,139,352
2041	\$11,251,924	\$15,299,773	\$4,327,635	\$1,813,981	\$513,095	\$33,206,408
2042	\$11,796,795	\$15,682,269	\$4,435,826	\$1,859,329	\$525,922	\$34,300,141
2043	\$12,355,287	\$16,074,325	\$4,546,722	\$1,905,813	\$539,071	\$35,421,218
Totals	\$155,029,656	\$225,967,031	\$51,223,124	\$26,791,223	\$6,073,143	\$465,084,177

Source: Canyon Research Southwest, Inc.

EXHIBIT E (CONT'D)
STAR Bond Financing Projections – Scenario 2*

**Including Local Sales Tax Revenues from the Plaza at the Speedway (as anticipated)*

Year	STAR Bond Revenue			CID Revenue		Total Revenues
	Plaza at the Speedway	Phase 1 Main Complex	Phase 2 Festival Grounds	Phase 1 Main Complex	Phase 2 Festival Grounds	
2024	\$4,905,625					\$4,905,625
2025	\$5,370,276					\$5,370,276
2026	\$5,846,543	\$7,343,545		\$870,669		\$14,060,757
2027	\$6,334,718	\$7,899,117		\$936,539		\$15,170,374
2028	\$6,835,095	\$8,894,664		\$1,054,574		\$16,784,333
2029	\$7,347,984	\$9,939,226		\$1,178,420		\$18,465,630
2030	\$7,873,693	\$10,992,227	\$1,113,337	\$1,303,266	\$132,000	\$21,414,523
2031	\$8,412,545	\$11,889,443	\$2,304,607	\$1,409,642	\$273,240	\$24,289,477
2032	\$8,964,871	\$12,250,963	\$3,465,260	\$1,452,505	\$410,850	\$26,544,449
2033	\$9,531,002	\$12,557,237	\$3,551,892	\$1,488,818	\$421,121	\$27,550,070
2034	\$10,111,287	\$12,871,167	\$3,640,689	\$1,526,038	\$431,649	\$28,580,831
2035	\$10,706,079	\$13,192,949	\$3,731,706	\$1,564,189	\$442,441	\$29,637,364
2036	\$11,315,742	\$13,522,771	\$3,824,999	\$1,603,294	\$453,502	\$30,720,308
2037	\$11,940,645	\$13,860,840	\$3,920,624	\$1,643,376	\$464,839	\$31,830,324
2038	\$12,581,173	\$14,207,361	\$4,018,639	\$1,684,461	\$476,460	\$32,968,094
2039	\$13,237,712	\$14,562,545	\$4,119,105	\$1,726,572	\$488,372	\$34,134,306
2040	\$13,910,664	\$14,926,609	\$4,222,083	\$1,769,736	\$500,581	\$35,329,673
2041	\$14,600,441	\$15,299,773	\$4,327,635	\$1,813,980	\$513,095	\$36,554,925
2042	\$15,307,463	\$15,682,269	\$4,435,826	\$1,859,329	\$525,923	\$37,810,809
2043	\$16,032,160	\$16,074,325	\$4,546,722	\$1,905,813	\$539,071	\$39,098,091
Totals	\$201,165,720	\$225,967,031	\$51,223,124	\$26,791,223	\$6,073,143	\$511,220,238

EXHIBIT F

**STAR Bond Amortization Schedule:
STAR Bond Project – Scenario 1***

**Excluding Local Sales Tax Revenues from the Plaza at the Speedway*

NPV Revenues				
Year	Plaza at the Speedway	Main Complex	Festival Grounds	NPV @ 5% STAR Bond Revenue
2024	\$2,880,420			\$2,880,420
2025	\$3,003,092			\$3,003,092
2026	\$3,113,740	\$6,258,449		\$9,372,189
2027	\$3,213,073	\$6,411,357		\$9,624,430
2028	\$3,301,785	\$6,875,624		\$10,177,409
2029	\$3,380,515	\$7,317,208		\$10,697,723
2030	\$3,449,880	\$7,707,071	\$948,828	\$12,105,779
2031	\$3,510,457	\$7,939,182	\$1,870,545	\$13,320,184
2032	\$3,562,798	\$7,791,036	\$2,678,665	\$14,032,499
2033	\$3,607,416	\$7,605,534	\$2,614,884	\$13,827,834
2034	\$3,644,809	\$7,424,455	\$2,552,626	\$13,621,890
2035	\$3,675,440	\$7,247,678	\$2,491,849	\$13,414,967
2036	\$3,699,752	\$7,075,114	\$2,432,519	\$13,207,385
2037	\$3,718,163	\$6,906,657	\$2,374,602	\$12,999,422
2038	\$3,731,061	\$6,742,213	\$2,318,065	\$12,791,339
2039	\$3,738,827	\$6,581,690	\$2,262,872	\$12,583,389
2040	\$3,741,803	\$6,424,981	\$2,208,994	\$12,375,778
2041	\$3,740,320	\$6,272,013	\$2,156,398	\$12,168,731
2042	\$3,734,677	\$6,122,677	\$2,105,056	\$11,962,410
2043	\$3,725,267	\$5,976,885	\$2,054,937	\$11,757,089
Totals	\$70,173,293	\$124,679,824	\$31,070,840	\$225,923,957
Less: Bond Issuance Costs (12%)				-\$27,110,875
STAR Bond Proceeds Available for Debt Service				\$198,813,082

Source: Canyon Research Southwest, Inc.; February 2024.

EXHIBIT F (CONT'D)

**STAR Bond Amortization Schedule:
STAR Bond Project – Scenario 2***

**Including Local Sales Tax Revenues from the Plaza at the Speedway*

NPV Revenues				
Year	Plaza at the Speedway	Main Complex	Festival Grounds	NPV @ 5% STAR Bond Revenue
2024	\$3,737,619			\$3,737,619
2025	\$3,896,797			\$3,896,797
2026	\$4,040,373	\$6,258,449		\$10,298,822
2027	\$4,169,268	\$6,411,357		\$10,580,625
2028	\$4,284,380	\$6,875,624		\$11,160,004
2029	\$4,386,540	\$7,317,208		\$11,703,748
2030	\$4,476,547	\$7,707,071	\$948,828	\$13,132,446
2031	\$4,555,151	\$7,939,182	\$1,870,545	\$14,364,878
2032	\$4,623,068	\$7,791,036	\$2,678,665	\$15,092,769
2033	\$4,680,965	\$7,605,534	\$2,614,884	\$14,901,383
2034	\$4,729,486	\$7,424,455	\$2,552,626	\$14,706,567
2035	\$4,769,233	\$7,247,678	\$2,491,849	\$14,508,760
2036	\$4,800,781	\$7,075,114	\$2,432,519	\$14,308,414
2037	\$4,824,670	\$6,906,657	\$2,374,602	\$14,105,929
2038	\$4,841,406	\$6,742,213	\$2,318,065	\$13,901,685
2039	\$4,851,484	\$6,581,690	\$2,262,872	\$13,696,045
2040	\$4,855,345	\$6,424,981	\$2,208,994	\$13,489,320
2041	\$4,853,420	\$6,272,013	\$2,156,398	\$13,281,831
2042	\$4,846,098	\$6,122,677	\$2,105,056	\$13,073,831
2043	\$4,833,889	\$5,976,885	\$2,054,937	\$12,865,711
Totals	\$91,056,520	\$124,679,824	\$31,070,840	\$246,807,184
Less: Bond Issuance Costs (12%)				-\$29,616,862
STAR Bond Proceeds Available for Debt Service				\$217,190,322

EXHIBIT F (CONT'D)

**STAR Bond Amortization Schedule:
Plaza at the Speedway (only) – Scenario 1***

**Excluding Local Sales Tax Revenues from the Plaza at the Speedway*

Year	Gross STAR Bond Revenue	Present Value 5.0%	Net Present Value	Less: Debt Coverage 1.25	Net STAR Bond Proceeds
2024	\$3,780,552	0.952381	\$3,600,526	\$720,105	\$2,880,420
2025	\$4,138,638	0.907029	\$3,753,865	\$750,773	\$3,003,092
2026	\$4,505,676	0.863838	\$3,892,174	\$778,435	\$3,113,740
2027	\$4,881,891	0.822702	\$4,016,341	\$803,268	\$3,213,073
2028	\$5,267,510	0.783526	\$4,127,231	\$825,446	\$3,301,785
2029	\$5,662,771	0.746215	\$4,225,644	\$845,129	\$3,380,515
2030	\$6,067,912	0.710681	\$4,312,350	\$862,470	\$3,449,880
2031	\$6,483,182	0.676839	\$4,388,071	\$877,614	\$3,510,457
2032	\$6,908,834	0.644609	\$4,453,497	\$890,699	\$3,562,797
2033	\$7,345,128	0.613913	\$4,509,269	\$901,854	\$3,607,416
2034	\$7,792,328	0.584679	\$4,556,011	\$911,202	\$3,644,809
2035	\$8,250,709	0.556837	\$4,594,300	\$918,860	\$3,675,440
2036	\$8,720,549	0.530321	\$4,624,690	\$924,938	\$3,699,752
2037	\$9,202,135	0.505068	\$4,647,704	\$929,541	\$3,718,163
2038	\$9,695,761	0.481017	\$4,663,826	\$932,765	\$3,731,061
2039	\$10,201,728	0.458112	\$4,673,534	\$934,707	\$3,738,827
2040	\$10,720,343	0.436297	\$4,677,254	\$935,451	\$3,741,803
2041	\$11,251,924	0.415520	\$4,675,400	\$935,080	\$3,740,320
2042	\$11,796,795	0.395730	\$4,668,346	\$933,669	\$3,734,677
2043	\$12,355,287	0.376890	\$4,656,584	\$931,317	\$3,725,267
Totals	\$155,029,655		\$87,716,616	\$17,543,323	\$70,173,293
Less: Bond Issuance Costs (12%)					-\$8,420,795
STAR Bond Proceeds Available for Debt Service					\$61,752,498

EXHIBIT F (CONT'D)

**STAR Bond Amortization Schedule:
Plaza at the Speedway (only) – Scenario 2***

**Including Local Sales Tax Revenues from the Plaza at the Speedway*

Year	Gross STAR Bond Revenue	Present Value 5.0%	Net Present Value	Less: Debt Coverage 1.25	Net STAR Bond Proceeds
2024	\$4,905,625	0.952381	\$4,672,024	\$934,405	\$3,737,619
2025	\$5,370,276	0.907029	\$4,870,996	\$974,199	\$3,896,797
2026	\$5,846,543	0.863838	\$5,050,466	\$1,010,093	\$4,040,373
2027	\$6,334,718	0.822702	\$5,211,585	\$1,042,317	\$4,169,268
2028	\$6,835,095	0.783526	\$5,355,475	\$1,071,095	\$4,284,380
2029	\$7,347,984	0.746215	\$5,483,176	\$1,096,635	\$4,386,540
2030	\$7,873,693	0.710681	\$5,595,684	\$1,119,137	\$4,476,547
2031	\$8,412,545	0.676839	\$5,693,939	\$1,138,788	\$4,555,151
2032	\$8,964,871	0.644609	\$5,778,837	\$1,155,767	\$4,623,069
2033	\$9,531,002	0.613913	\$5,851,206	\$1,170,241	\$4,680,965
2034	\$10,111,287	0.584679	\$5,911,857	\$1,182,371	\$4,729,486
2035	\$10,706,079	0.556837	\$5,961,541	\$1,192,308	\$4,769,233
2036	\$11,315,742	0.530321	\$6,000,976	\$1,200,195	\$4,800,781
2037	\$11,940,645	0.505068	\$6,030,838	\$1,206,168	\$4,824,670
2038	\$12,581,173	0.481017	\$6,051,758	\$1,210,352	\$4,841,406
2039	\$13,237,712	0.458112	\$6,064,355	\$1,212,871	\$4,851,484
2040	\$13,910,664	0.436297	\$6,069,181	\$1,213,836	\$4,855,345
2041	\$14,600,441	0.415520	\$6,066,775	\$1,213,355	\$4,853,420
2042	\$15,307,463	0.395730	\$6,057,622	\$1,211,524	\$4,846,098
2043	\$16,032,160	0.376890	\$6,042,361	\$1,208,472	\$4,833,889
Totals	\$201,165,720		\$113,820,651	\$22,764,130	\$91,056,521
Less: Bond Issuance Costs (12%)					-\$10,926,783
STAR Bond Proceeds Available for Debt Service					\$80,129,738

EXHIBIT F (CONT'D)

**STAR Bond Amortization Schedule:
American Royal Main Complex (Phase 1)**

Year	Gross Revenue	Present Value 5.0%	Net Present Value	Less: Debt Coverage 1.25	Net Proceeds
2026	\$8,214,214	0.952381	\$7,823,062	\$1,564,612	\$6,258,449
2027	\$8,835,656	0.907029	\$8,014,196	\$1,602,839	\$6,411,357
2028	\$9,949,238	0.863838	\$8,594,530	\$1,718,906	\$6,875,624
2029	\$11,117,646	0.822702	\$9,146,510	\$1,829,302	\$7,317,208
2030	\$12,295,493	0.783526	\$9,633,838	\$1,926,768	\$7,707,071
2031	\$13,299,085	0.746215	\$9,923,977	\$1,984,795	\$7,939,182
2032	\$13,703,468	0.710681	\$9,738,794	\$1,947,759	\$7,791,036
2033	\$14,046,055	0.676839	\$9,506,918	\$1,901,384	\$7,605,534
2034	\$14,397,206	0.644609	\$9,280,569	\$1,856,114	\$7,424,455
2035	\$14,757,136	0.613913	\$9,059,598	\$1,811,920	\$7,247,678
2036	\$15,126,065	0.584679	\$8,843,892	\$1,768,778	\$7,075,114
2037	\$15,504,216	0.556837	\$8,633,321	\$1,726,664	\$6,906,657
2038	\$15,891,822	0.530321	\$8,427,767	\$1,685,553	\$6,742,213
2039	\$16,289,117	0.505068	\$8,227,112	\$1,645,422	\$6,581,690
2040	\$16,696,345	0.481017	\$8,031,226	\$1,606,245	\$6,424,981
2041	\$17,113,754	0.458112	\$7,840,016	\$1,568,003	\$6,272,013
2042	\$17,541,598	0.436297	\$7,653,347	\$1,530,669	\$6,122,677
2043	\$17,980,138	0.415520	\$7,471,107	\$1,494,221	\$5,976,885
Total	\$252,758,254		\$155,849,780	\$31,169,956	\$124,679,824
	Less: Bond Issuance Costs (12%)				-\$14,961,579
	STAR Bond Proceeds Available for Debt Service				\$109,718,245

Source: Canyon Research Southwest, Inc.; February 2024.

EXHIBIT F (CONT'D)

**STAR Bond Amortization Schedule:
American Royal Festival Grounds (Phase 2)**

Year	Gross Revenue	Present Value 5.0%	Net Present Value	Less: Debt Coverage 1.25	Net Proceeds
2030	\$1,245,337	0.952381	\$1,186,035	\$237,207	\$948,828
2031	\$2,577,847	0.907029	\$2,338,182	\$467,636	\$1,870,545
2032	\$3,876,110	0.863838	\$3,348,331	\$669,666	\$2,678,665
2033	\$3,973,013	0.822702	\$3,268,606	\$653,721	\$2,614,884
2034	\$4,072,338	0.783526	\$3,190,783	\$638,157	\$2,552,626
2035	\$4,174,147	0.746215	\$3,114,811	\$622,962	\$2,491,849
2036	\$4,278,500	0.710681	\$3,040,649	\$608,130	\$2,432,519
2037	\$4,385,463	0.676839	\$2,968,252	\$593,650	\$2,374,602
2038	\$4,495,099	0.644609	\$2,897,582	\$579,516	\$2,318,065
2039	\$4,607,477	0.613913	\$2,828,590	\$565,718	\$2,262,872
2040	\$4,722,664	0.584679	\$2,761,242	\$552,248	\$2,208,994
2041	\$4,840,730	0.556837	\$2,695,498	\$539,100	\$2,156,398
2042	\$4,961,749	0.530321	\$2,631,319	\$526,264	\$2,105,056
2043	\$5,085,792	0.505068	\$2,568,671	\$513,734	\$2,054,937
Total	\$57,296,265		\$38,838,550	\$7,767,710	\$31,070,840
Less: Bond Issuance Costs (12%)					-\$3,728,501
STAR Bond Proceeds Available for Debt Service					\$27,342,339

Source: Canyon Research Southwest, Inc.; February 2024.

EXHIBIT G

Meeting Minutes

To be included after approval of Project Plan.

EXHIBIT H

Officers of Developer

AMERICAN ROYAL ASSOCIATION

Officers of the Board of Governors (2024)

Gordon Lansford, Chairman
Charlie Tetrick, First Vice Chairman
Cynthia Savage, Co-Vice Chairman
Angie Stanland, Co-Vice Chairman
John Mitchell, Jr., Co-Vice Chairman

American Royal Officers & Directors (2024)

Ken Wagner, Chairman
Lindsey Smith, Vice Chairman
Bradley Bendle, Treasurer
Walt George, Secretary and Chair-Elect
Jackie McClaskey, President/CEO

Directors (2024)

Term Ending Spring 2025

Andrew Fahey
John Lagemann
Pat Macy
Russ Meinhardt
John Moncke
Sarah Tate
Jeff Yowell

Term Ending Spring 2026

Megan Bubb
John Fuchs
Jim Gamble
Richard Green
Alden Harris
Angela Hudson
David Morris
Blake Nelson
Ben Nichols
Mike Roos
Mark Thomas
Ken Wagner
Jack Ward

Term Ending Spring 2027

Brad Bendle
Bret Borota
Carol Carlson
Tim Congrove
Walt George
Kevin Heikes
Carl Ice
Mark Kolkhorst
Ann Konecny
Gordon Lansford
Missy Love
Alex Lowe
Molly Olson
Amy Pollen
Jeanette Prenger
Randy Reinhardt
Tony Rohr
Jara Settles
Lindsey Smith
Mark Stewart
David Stofer
Charlie Tetrick
Trae Venerable
Ryan Wilkerson

Additional Voting Members

Nancy Wilkerson, BOTAR Representative
Joe Rebein, Saddle and Sirloin Club Representative

Lifetime Directors

Malcolm M. Aslin	Bryan Beaver
H.D. Cleberg	John Dillingham
David Fowler	Mary Hunkeler
Mariner Kemper	Brant Laue
Pete Lemke	Fred Lyons
Greg Maday	John Mitchell, Jr.
Bob Petersen	Cynthia Pistilli Savage
Angie Stanland	

Executive Committee

Brad Bendle	Tim Congrove
Walt George	Gordon Lansford
Pat Macy	Jeanette Prenger
Mike Roos	Cynthia Savage
Jara Settles	Lindsey Smith
Angie Stanland	David Stofer
Charlie Tetrick	Ken Wagner
Ryan Wilkerson	Jeff Yowell



Report to Board of Commissioners

MEETING DATE	PRESENTER	DEPARTMENT
	Chelsee Chism, Director cchism@wycokck.org X8046	Economic Development
AGENDA ITEM #9.4.		
RESOLUTION: SETTING PUBLIC HEARING AND GIVING NOTICE OF CREATING A COMMUNITY IMPROVEMENT DISTRICT (AMERICAN ROYAL COMMUNITY IMPROVEMENT DISTRICT)		
BACKGROUND		
A resolution calling and providing for the giving of notice of a public hearing on the advisability of creating a community improvement district to be known as the American Royal Community Improvement District and intent to levy a sales tax within the district. The hearing is scheduled for May 29, 2025 at 7:00 p.m.		
RECOMMENDATION		
Approve		
BUDGET IMPACTS / FINANCIAL CONSIDERATIONS		
Upon approval, the Community Improvement District (CID) a 1% sales tax rate will be added to the total sales tax rate for the district to commence July 1, 2026.		
LEGAL CONSIDERATIONS		
The resolution and related documents have been prepared by outside legal counsel and bond counsel.		
ATTACHMENTS		
Resolution - CID Public Hearing - American Royal (UG), CID Petition for American Royal Community Improvement District (7.1.2026 commencement) (fully executed)(100576784.1)-c, Notice of Public Hearing - AR Project Plan for American Royal (UG)		

Approved by Administrator to add to agenda.

(Published in *The Wyandotte Echo* on May 1 and May 8, 2025)

RESOLUTION NO. R-_____-25

A RESOLUTION CALLING AND PROVIDING FOR THE GIVING OF NOTICE OF A PUBLIC HEARING ON THE ADVISABILITY OF CREATING A COMMUNITY IMPROVEMENT DISTRICT IN THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS TO BE KNOWN AS THE AMERICAN ROYAL COMMUNITY IMPROVEMENT DISTRICT AND REGARDING THE UNIFIED GOVERNMENT'S INTENT TO LEVY A SALES TAX WITHIN SUCH DISTRICT.

WHEREAS, K.S.A. 12-6a26 *et. seq.* (the “Act”) authorizes the governing body of any city or county to create community improvement districts to finance projects within such defined area of the city or county and to levy a sales tax upon property within the district; and

WHEREAS, a petition dated December 17, 2024 (the “Petition”) was filed with the Unified Government Clerk proposing the creation of the American Royal Community Improvement District (the “CID”) under the Act and the imposition of a 1.0% sales tax (as described herein, the “CID Sales Tax”) in order to pay the costs of the project as described herein and in the Petition (the “Project”); and

WHEREAS, the Petition was signed by the required number of owners of record, whether resident or not, as required by the Act; and

WHEREAS, the Unified Government of Wyandotte County/Kansas City, Kansas (the “Unified Government”) intends to consider creation of the CID and levying the CID Sales Tax as requested in the Petition; and

WHEREAS, the Unified Government’s Board of Commissioners (the “Governing Body”) hereby finds and determines it to be necessary to direct and order a public hearing on the advisability of creating the CID, approving the Project, and levying the CID Sales Tax pursuant to the authority of the Act and further to provide for the giving of notice of said hearing in the manner required by the Act.

NOW, THEREFORE, BE IT RESOLVED BY THE UNIFIED GOVERNMENT BOARD OF COMMISSIONERS, AS FOLLOWS:

SECTION 1. Petition. The Governing Body hereby finds and determines that the Petition meets the requirements of the Act.

SECTION 2. Public Hearing. It is hereby authorized, ordered, and directed that the Governing Body shall hold a public hearing, in accordance with the provisions of the Act, on the advisability of creating the CID, approving the Project set forth in Petition, and whether to levy the CID Sales Tax, such public hearing to be held on **May 29, 2025, at 7:00 p.m.**, or as soon thereafter as the matter can be heard, in the Commission Chambers, at the lobby level of the Municipal Office Building, 701 North 7th Street, Kansas City, Kansas, under the authority of the Act.

SECTION 3. Proposed Projects. The general nature of the Project is as follows:

to promote the acquisition, development, operation and maintenance of a new mixed-use commercial development within the areas located generally (i) north of State Avenue, south

of American Royal Way, east of 118th Street and west of 115th Street, and (ii) west of the intersection of 118th Street and American Royal Way, in Kansas City, Wyandotte County, Kansas, all as generally depicted on the attached **Exhibit B**. The Project may be more particularly described as the construction, maintenance, and procurement of certain improvements, costs, and services within the CID , including, but not limited to: infrastructure related items, sidewalks, parking lots, drainage improvements, buildings, tenant improvements, utilities, landscaping, lighting, signage, marketing and advertisement, cleaning and maintenance, security, soft costs of the Project, and the Unified Government and the Petitioners' administrative costs in establishing and maintaining the CID, and any other items permitted to be financed within the CID under the Act.

SECTION 4. Estimated Cost. The total estimated cost of the Project is \$450,000,000.

SECTION 5. Method of Financing. The proposed method of financing the Project is through a combination of private equity, private debt, and certain public incentive revenues, including CID financing. It is proposed that CID revenue will be made available to finance the cost of the Project through the issuance of pay-as-you-go financing, as defined in the Act, special obligation revenue bonds, or any combination of these methods. No CID special assessments are proposed with regard to the Project.

SECTION 6. Proposed CID Sales Tax. It is proposed that the Project be financed in part through the levying of a 1.0% CID Sales Tax as authorized by the Act, with such sales tax to commence on **July 1, 2026**, or such other date as shall be approved by ordinance of the Governing Body, and to continue for a maximum term of twenty-two (22) years.

SECTION 7. Map and Legal Description of Proposed CID. The legal description of the property to be contained in the proposed CID is set forth on **Exhibit A** attached hereto and incorporated by reference herein. A map generally outlining the boundaries of the proposed CID is attached as **Exhibit B** hereto and incorporated by reference herein.

SECTION 8. Notice of Hearing. The Unified Government Clerk is hereby authorized, ordered and directed to give notice of said public hearing by publication of this Resolution in the official newspaper. Such publication shall be at least once each week for two (2) consecutive weeks. The second publication shall be at least seven (7) days prior to the date of the hearing. The Unified Government Clerk is hereby further ordered and directed to mail a copy of this Resolution, via certified mail, to all property owners within such proposed CID at least ten (10) days prior to the date of the hearing.

SECTION 9. Effective Date. This Resolution shall be effective upon adoption by the Governing Body.

[Balance of page intentionally left blank]

**ADOPTED BY THE UNIFIED GOVERNMENT BOARD OF COMMISSIONERS THIS
24TH DAY OF APRIL, 2025.**

(SEAL)

Tyrone Garner, Mayor/CEO

ATTEST:

Monica Sparks, Unified Government Clerk

Approved as to Form:

Office of Chief Counsel

EXHIBIT A

**LEGAL DESCRIPTION OF PROPOSED
AMERICAN ROYAL COMMUNITY IMPROVEMENT DISTRICT**

Lot 1 and Tracts A, B, C, and D, American Royal Second Plat, a subdivision of land in Kansas City, Wyandotte County, Kansas, and also Lot 3 and Tracts E, F, G, H, and I, American Royal, a subdivision of land in Kansas City, Wyandotte County, Kansas;

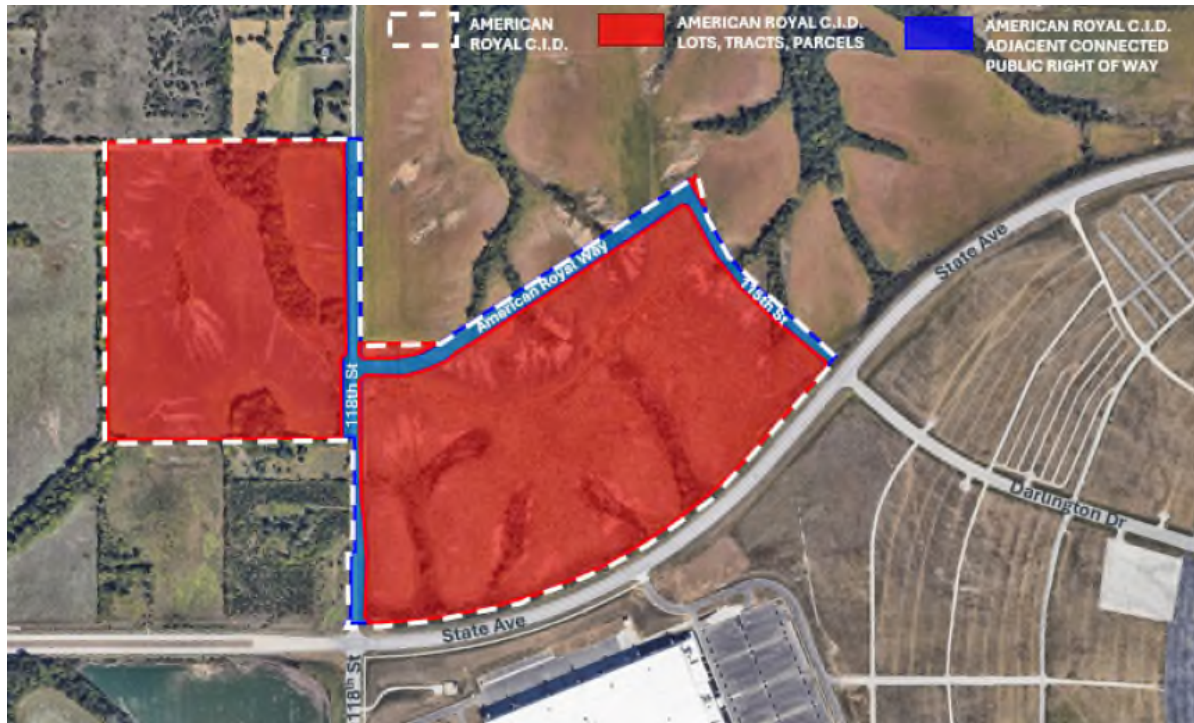
AND, including:

All adjacent right-of-way.

[Balance of page intentionally left blank]

EXHIBIT B

MAP OF PROPOSED AMERICAN ROYAL COMMUNITY IMPROVEMENT DISTRICT



**PETITION FOR THE CREATION OF THE AMERICAN ROYAL
COMMUNITY IMPROVEMENT DISTRICT**

TO: Board of Commissioners,
Unified Government of Wyandotte County and Kansas City, Kansas

The undersigned, being the owner(s) of record, whether resident or not, of the following (each, a “**Petitioner**” and collectively, “**Petitioners**”):

1. More than fifty-five percent (55%) of the land area contained within the hereinafter described community improvement district; and
2. More than fifty-five percent (55%) by assessed value of the land area contained within the hereinafter described community improvement district

hereby petition(s) the Unified Government of Wyandotte County and Kansas City, Kansas (the “**UG**”) to create a community improvement district (the “**CID**”) and authorize the proposed community improvement district projects (the “**CID Projects**”) hereinafter set forth, all in the manner provided by K.S.A § 12-6a26, *et seq.* (the “**Act**”). In furtherance of such request, the Petitioner(s) state as follows:

1. MAP AND LEGAL DESCRIPTION OF THE PROPOSED DISTRICT

A map generally depicting the proposed community improvement district (the “**District**”) is attached hereto as **Exhibit A**. The legal description of the District is attached hereto as **Exhibit B**.

2. GENERAL NATURE OF THE PROJECTS

The general nature of the proposed projects to be funded in part by the District (the “**Projects**”) is to promote the acquisition, development, operation and maintenance of a new mixed-use commercial development within the areas located generally (i) north of State Avenue, south of American Royal Way, east of 118th Street and west of 115th Street, and (ii) west of the intersection of 118th Street and American Royal Way, in Kansas City, Wyandotte County, Kansas, all as generally depicted on the attached **Exhibit A**. The Projects may be more particularly described as the construction, maintenance, and procurement of certain improvements, costs, and services within the District, including, but not limited to: infrastructure related items, sidewalks, parking lots, drainage improvements, buildings, tenant improvements, utilities, landscaping, lighting, signage, marketing and advertisement, cleaning and maintenance, security, soft costs of the Projects, and the UG and the Petitioners’ administrative costs in establishing and maintaining the District, and any other items permitted to be financed within the District under the Act.

3. ESTIMATED COST

The estimated or probable cost of the Projects is \$450,000,000.

4. PROPOSED METHOD OF FINANCING

It is proposed that the Projects be financed through a combination of private equity, private debt, and certain public incentive revenues. It is proposed that community improvement district revenue will be made available to finance the cost of the Projects through the issuance of pay-as-you-go

financing, as defined in the Act, special obligation revenue bonds, or any combination of these methods as further described herein.

5. PROPOSED AMOUNT OF SALES TAX

It is being proposed that the Projects be financed in part through the levying of a one percent (1.0%) community improvement retail sales tax as authorized by the Act with such sales tax to continue for a term of twenty-two (22) years, commencing on July 1, 2026, or such other date as the American Royal Association, a Missouri not for profit corporation, its successors or assigns (“**Developer**”) may request in accordance with the terms and conditions of the development agreement entered into (or to be entered into) between Developer and the UG.

6. PROPOSED METHOD AND AMOUNT OF ASSESSMENT

It is not being proposed hereunder that the Projects be financed through the levying of assessments.

7. NOTICE TO PETITION SIGNATORY

Names may not be withdrawn from this Petition by any signatory hereto after the UG commences consideration of this Petition, or later than seven (7) days after the filing hereof with the UG Clerk, whichever occurs first.

[Remainder of this page intentionally left blank; signature page(s) and exhibit(s) follow]

IN WITNESS WHEREOF, the undersigned Petitioner has executed the above foregoing petition to create the District at the date set forth opposite its signature below:

PFF RE KCK I, LLC,
a Kansas limited liability company

By: [Signature]
Name: Lindsey Patterson Smith
Title: Authorized Representative

ACKNOWLEDGMENT

STATE OF Missouri)
COUNTY OF Jackson) ss.

Be it remembered that on this 17th day of December, 2024, before me, the undersigned, a Notary Public in and for the County and State aforesaid, came Lindsey Patterson Smith, to me personally known, who being by me duly sworn did say that she is Authorized Representative of PFF RE KCK I, LLC, a Kansas limited liability company, and that said instrument was signed and delivered on behalf of said limited liability company and that said person acknowledged said instrument to be the free act and deed of said limited liability company.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial Seal in the date herein last above written.

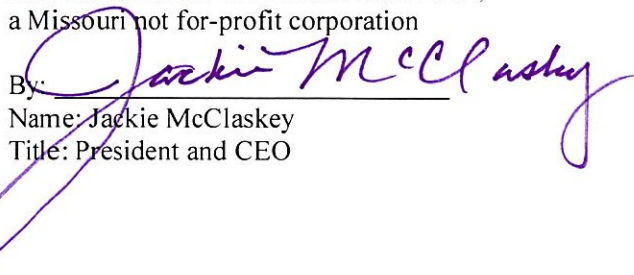
My Commission Expires:
November 26, 2025

Liza L Lafolette
Notary Public in and for said County and State
Print Name: LIZA L. Lafolette



IN WITNESS WHEREOF, the undersigned Petitioner has executed the above foregoing petition to create the District at the date set forth opposite its signature below:

AMERICAN ROYAL ASSOCIATION,
a Missouri not for-profit corporation

By: 

Name: Jackie McClaskey
Title: President and CEO

ACKNOWLEDGMENT

STATE OF Missouri)
) ss.
COUNTY OF Jackson)

Be it remembered that on this 17 day of December, 2024, before me, the undersigned, a Notary Public in and for the County and State aforesaid, came Jackie McClaskey, to me personally known, who being by me duly sworn did say that she is President and CEO of American Royal Association, a Missouri not for-profit corporation, and that said instrument was signed and delivered on behalf of said corporation and that said person acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial Seal in the date herein last above written.

My Commission Expires:

6-17-2027


Notary Public in and for said County and State
Print Name: Timothy J. Carroll

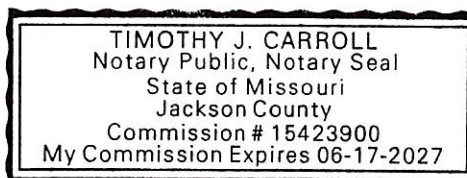


EXHIBIT A
MAP OF DISTRICT



EXHIBIT B

LEGAL DESCRIPTION OF DISTRICT

Lot 1 and Tracts A, B, C, and D, American Royal Second Plat, a subdivision of land in Kansas City, Wyandotte County, Kansas, and also Lot 3 and Tracts E, F, G, H, and I, American Royal, a subdivision of land in Kansas City, Wyandotte County, Kansas;

AND, including:

All adjacent right-of-way.

(Published in *The Wyandotte Echo* on May 1 and May 8, 2025)

NOTICE OF PUBLIC HEARING REGARDING PROPOSED AMENDMENT AND SUBSTANTIAL CHANGE TO THE NORTHWEST SPEEDWAY STAR BOND DISTRICT AMENDED STAR BOND FINANCING PROJECT PLAN, ALL WITHIN AN ESTABLISHED STAR BOND PROJECT DISTRICT IN THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS.

Public notice is hereby given that the Governing Body of the Unified Government of Wyandotte County/Kansas City, Kansas (the “Unified Government”), will conduct a public hearing, pursuant to K.S.A. 12-17,160 *et seq.*, as amended, and particularly K.S.A. 12-17,166(k), regarding a substantial change to the Northwest Speedway STAR Bond District Amended STAR Bond Financing Project Plan within the Northwest Speedway STAR Bond District.

The public hearing will be held on **May 29, 2025**, at 7:00 p.m. or as soon thereafter as the matter can be heard at City Hall, 701 N 7th Street, Kansas City, Kansas, 66101. Additional public hearing access information is available at www.wycokck.org/Departments/Clerks-Office/Engage-in-Public-Commission-Meeting or by contacting the Clerk’s office via phone at (913) 573-5206 or via email at ugclerkrequest@wycokck.org. Public comment may also be submitted in advance of the public hearing by email to ugclerkrequest@wycokck.org, fax to (913) 573-5299, or mail to Unified Government Clerk’s Office, 701 N. 7th Street, Suite 323, Kansas City, Kansas 66101.

All persons having an interest in this matter will be given an opportunity to be heard at the time and place above specified.

At the conclusion of the public hearing, the Governing Body will consider an ordinance approving the amended and restated project plan. A copy of the proposed amended and restated project plan is available to any person upon request to the Unified Government Clerk’s Office.

DATED: April 10, 2025.

**UNIFIED GOVERNMENT OF WYANDOTTE
COUNTY/KANSAS CITY, KANSAS**

Monica Sparks, Unified Government Clerk



Report to Board of Commissioners

MEETING DATE	PRESENTER	DEPARTMENT
	Chelsee Chism, Director cchism@wycokck.org X8046	Economic Development
AGENDA ITEM #9.5.		
RESOLUTION: APPROVING AMENDED & RESTATED DEVELOPMENT AGREEMENT (AMERICAN ROYAL) (SUBSTITUTING DOCUMENTS PER AGENDA UPDATE)		
BACKGROUND		
On December 15, 2016, pursuant to K.S.A. 12-17,160 <i>et seq.</i> (the "<u>STAR Bond Act</u>"), the UG passed Ordinance No. O-75-16 to create a STAR Bond project district (the "<u>STAR Bond District</u>") and approve a STAR bond district plan for the STAR Bond District, which consists of one project area and encompasses approximately 550 acres of real property generally located at the southwest and northeast corners of the intersection of North 110th Street and Parallel Parkway in Wyandotte County, Kansas. On October 26, 2017, pursuant to the STAR Bond Act, the UG passed Ordinance No. O-62-17 to approve and adopt the Original Project Plan. On December 6, 2018, pursuant to the STAR Bond Act, the UG passed Ordinance No. O-52-18 to approve and adopt the First Amended Project Plan, which repealed and replaced the Original Project Plan in its entirety, and the UG and Developer entered into that certain First Amendment to the American Royal Development Agreement. On August 17, 2023, pursuant to the IRB Act, the UG adopted Resolution No. R-52-23 (the "<u>Original IRB Resolution</u>") determining the UG's intent to issue IRBs to finance the costs of acquiring, constructing and equipping the Project, in the principal amount not to exceed \$250,000,000, provided that the Original IRB Resolution would terminate on March 31, 2024, unless (i) the UG has approved an amended and restated development agreement for the Project, (ii) a third-party feasibility study relating to Developer's request for STAR Bonds has been completed, and (iii) the UG has adopted a new or amended STAR bond project plan for the Project. The Developer has proposed amendments to the Development Agreement as outlined in the Deal Terms attached to this document.		
RECOMMENDATION		
Approve		
Approve		
BUDGET IMPACTS / FINANCIAL CONSIDERATIONS		
STAR Bond Request: \$155M for \$375M Project (but with Festival Grounds it is approximately \$450) • Private Placement first – sold to Royal's "friends and family" • Public sale later after completion of Project and sales history		
Plaza at the Speedway: In addition to the State's pledge of its sales tax, the UG contributes sales tax from Plaza at the Speedway for 20 years		

- Requires termination of PATS TIF District

CID Request: 1% CID add on sales tax; CID Cap of \$30M+ (difference between STAR bond proceeds and \$185M)

IRB Financing and Fees: IRBs for sales tax on construction materials only, but will not use IRBs for abatement if any portions of project subject to property taxes

- In addition to normal fees, Developer will pay an up-front \$5M origination fee to be used by UG for economic development purposes (to be decided by full Commission after recommendations from a subcommittee)

Public/Private Ratio: 50/50 on first \$100M of STAR Bond proceeds, and then after that aggregate to **42.5%** public investment. Expected to require approx. \$209.7M of private investment for use of \$155M STAR Bond

Annual Payments: Developer to make \$25M of annual payments to a fund controlled by UG for economic development, infrastructure or other purposes beneficial to the UG (to be decided by full Commission after recommendations from a subcommittee). Payments start at \$1M on May 15th in year after STAR Bonds are issued and escalate up to \$1.8M annually, but payments will stop when STAR Bonds are repaid in full.

LEGAL CONSIDERATIONS

ATTACHMENTS

Redline - Resolution Approving American Royal Amended & Restated Development Agreement-196360253-v1 and Resolution Approving Ame, Resolution Approving American Royal Amended & Restated Development Agreement, American Royal Side-by-Side Deal Terms Comparison, 4-2-25 Executive Summary (Amended and Restated American Royal DA), American Royal Amended and Restated Development Agreement

Approved by Administrator to add to agenda.

RESOLUTION NO. R-____-25

**A RESOLUTION AUTHORIZING THE UNIFIED GOVERNMENT OF
WYANDOTTE COUNTY/KANSAS CITY, KANSAS TO ENTER INTO THE
AMERICAN ROYAL AMENDED AND RESTATED DEVELOPMENT
AGREEMENT.**

WHEREAS, the Unified Government of Wyandotte County/Kansas City, Kansas (the "UG") desires to promote, stimulate and develop the general welfare and economic prosperity of the UG, its inhabitants, and the State of Kansas, and to assist in the development and redevelopment of eligible areas within the UG by providing for the development and redevelopment thereof and the financing relating thereto;

WHEREAS, on December 15, 2016, pursuant to K.S.A. 12-17,160 *et seq.* (the "STAR Bond Act"), the UG passed Ordinance No. O-75-16 to create a STAR Bond project district (the "STAR Bond District") and approve a STAR bond district plan for the STAR Bond District, which consists of one project area and encompasses approximately 550 acres of real property generally located at the southwest and northeast corners of the intersection of North 110th Street and Parallel Parkway in Wyandotte County, Kansas;

WHEREAS, on June 15, 2017, the UG held a public hearing to consider the Northwest Speedway STAR Bond District STAR Bond Financing Project Plan (the "Original Project Plan");

WHEREAS, on October 26, 2017, pursuant to the STAR Bond Act, the UG passed Ordinance No. O-62-17 to approve and adopt the Original Project Plan;

WHEREAS, on November 2, 2017, in connection with the Original Project Plan, the UG and American Royal Association, a Missouri not-for-profit corporation ("Developer"), entered into that certain American Royal Development Agreement, whereby Developer proposed to develop a major commercial entertainment district that includes a first-class livestock expo area, a first-class agricultural education center and museum, certain barbecue-related uses for the American Royal barbecue contest, and other family recreational tourism activities (collectively, the "Original Project");

WHEREAS, on November 29, 2018, the UG held a public hearing to consider the Amended Northwest Speedway STAR Bond District STAR Bond Financing Project Plan dated November 28, 2018 (the "First Amended Project Plan");

WHEREAS, on December 6, 2018, pursuant to the STAR Bond Act, the UG passed Ordinance No. O-52-18 to approve and adopt the First Amended Project Plan, which repealed and replaced the Original Project Plan in its entirety, and the UG and Developer entered into that certain First Amendment to American Royal Development Agreement (collectively with the American Royal Development Agreement, the "Original Agreement");

WHEREAS, Developer has requested the UG consider expanding and/or modifying the Original Project (as amended, the "Project"), issuing industrial revenue bonds ("IRBs") to obtain an exemption on sales taxes for construction materials and equipment for the Project pursuant to K.S.A. 12-1740 *et seq.* (the "IRB Act"), and establishing a community improvement district pursuant to K.S.A. 12-6a26 *et seq.* (the "CID Act");

WHEREAS, Developer filed with the UG an application dated July 3, 2023 requesting the issuance of IRBs for the Project;

WHEREAS, on August 17, 2023, pursuant to the IRB Act, the UG adopted Resolution No. R-52-23 (the "Original IRB Resolution") determining the UG's intent to issue IRBs to finance the costs of acquiring, constructing and equipping the Project, in the principal amount not to exceed \$250,000,000, provided that the Original IRB Resolution would terminate on March 31, 2024 unless (i) the UG has approved an amended and restated development agreement for the Project, (ii) a third-party feasibility study relating to Developer's request for STAR Bonds has been completed, and (iii) the UG has adopted a new or amended STAR bond project plan for the Project;

WHEREAS, on March 28, 2024, the UG adopted Resolution No. R-13-24 to extend the effectiveness of the Original IRB Resolution to December 31, 2024 upon the same conditions;

WHEREAS, Developer filed with the UG a petition dated December 17, 2024 proposing the creation of the American Royal Community Improvement District (the "CID") under the CID Act and the imposition of a 1.0% sales tax (the "CID Sales Tax") to be used to pay or reimburse certain eligible expenses of the Project and/or pledged as an additional source of revenues to pay a portion of the STAR Bonds issued in connection with Project;

WHEREAS, on January 30, 2025, the UG adopted Resolution No. R-~~25~~05-25 to further extend the effectiveness of the Original IRB Resolution to January 30, 2028 unless IRBs have issued for the Project or as otherwise set forth in an amended and restated development agreement for the Project;

WHEREAS, on ~~March 6~~April 24, 2025, the UG held public hearings to consider the Second Amended and Restated Northwest Speedway STAR Bond District STAR Bond Financing Project Plan dated December 1, 2024 (the "Second Amended Project Plan"), and the creation of the CID and levying the CID Sales Tax; and

WHEREAS, the Governing Body has determined that it is advisable to enter into the American Royal Amended and Restated Development Agreement, attached hereto as **Exhibit A** (the "Agreement"), to amend and restate the Original Agreement in its entirety.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS:

Section 1. The Governing Body hereby approves the Agreement in substantially the form attached hereto.

Section 2. Each of the Mayor/CEO and the County Administrator is hereby authorized and directed to execute in the name of the UG and deliver the Agreement. The County Administrator and other officials and representatives of the UG, including special counsel, are hereby further authorized and directed to take such actions and to execute any other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Resolution.

Section 3. This Resolution shall be effective upon adoption by the Governing Body.

[Remainder of page intentionally left blank; signature page and exhibit follow.]

**ADOPTED BY THE BOARD OF COMMISSIONERS OF THE UNIFIED GOVERNMENT OF
WYANDOTTE COUNTY/KANSAS CITY, KANSAS ON APRIL 24, 2025.**

Tyrone Garner, Mayor/CEO

ATTEST:

Unified Government Clerk

(Seal)

EXHIBIT A

American Royal Amended and Restated Development Agreement

[Attached on following pages.]

Summary report: Litera Compare for Word 11.7.0.54 Document comparison done on 4/23/2025 7:37:13 AM	
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Intelligent Table Comparison: Active	
Original DMS: iw://edms.our-firm.com/CORE/196360253/1	
Modified DMS: iw://edms.our-firm.com/CORE/196360253/2	
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Delete	7
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<u>Move To</u>	0
<u>Table Insert</u>	0
Table Delete	0
<u>Table moves to</u>	0
Table moves from	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	0
Total Changes:	13

RESOLUTION NO. R-____-25

**A RESOLUTION AUTHORIZING THE UNIFIED GOVERNMENT OF
WYANDOTTE COUNTY/KANSAS CITY, KANSAS TO ENTER INTO THE
AMERICAN ROYAL AMENDED AND RESTATED DEVELOPMENT
AGREEMENT.**

WHEREAS, the Unified Government of Wyandotte County/Kansas City, Kansas (the "UG") desires to promote, stimulate and develop the general welfare and economic prosperity of the UG, its inhabitants, and the State of Kansas, and to assist in the development and redevelopment of eligible areas within the UG by providing for the development and redevelopment thereof and the financing relating thereto;

WHEREAS, on December 15, 2016, pursuant to K.S.A. 12-17,160 *et seq.* (the "STAR Bond Act"), the UG passed Ordinance No. O-75-16 to create a STAR Bond project district (the "STAR Bond District") and approve a STAR bond district plan for the STAR Bond District, which consists of one project area and encompasses approximately 550 acres of real property generally located at the southwest and northeast corners of the intersection of North 110th Street and Parallel Parkway in Wyandotte County, Kansas;

WHEREAS, on June 15, 2017, the UG held a public hearing to consider the Northwest Speedway STAR Bond District STAR Bond Financing Project Plan (the "Original Project Plan");

WHEREAS, on October 26, 2017, pursuant to the STAR Bond Act, the UG passed Ordinance No. O-62-17 to approve and adopt the Original Project Plan;

WHEREAS, on November 2, 2017, in connection with the Original Project Plan, the UG and American Royal Association, a Missouri not-for-profit corporation ("Developer"), entered into that certain American Royal Development Agreement, whereby Developer proposed to develop a major commercial entertainment district that includes a first-class livestock expo area, a first-class agricultural education center and museum, certain barbecue-related uses for the American Royal barbecue contest, and other family recreational tourism activities (collectively, the "Original Project");

WHEREAS, on November 29, 2018, the UG held a public hearing to consider the Amended Northwest Speedway STAR Bond District STAR Bond Financing Project Plan dated November 28, 2018 (the "First Amended Project Plan");

WHEREAS, on December 6, 2018, pursuant to the STAR Bond Act, the UG passed Ordinance No. O-52-18 to approve and adopt the First Amended Project Plan, which repealed and replaced the Original Project Plan in its entirety, and the UG and Developer entered into that certain First Amendment to American Royal Development Agreement (collectively with the American Royal Development Agreement, the "Original Agreement");

WHEREAS, Developer has requested the UG consider expanding and/or modifying the Original Project (as amended, the "Project"), issuing industrial revenue bonds ("IRBs") to obtain an exemption on sales taxes for construction materials and equipment for the Project pursuant to K.S.A. 12-1740 *et seq.* (the "IRB Act"), and establishing a community improvement district pursuant to K.S.A. 12-6a26 *et seq.* (the "CID Act");

WHEREAS, Developer filed with the UG an application dated July 3, 2023 requesting the issuance of IRBs for the Project;

WHEREAS, on August 17, 2023, pursuant to the IRB Act, the UG adopted Resolution No. R-52-23 (the "Original IRB Resolution") determining the UG's intent to issue IRBs to finance the costs of acquiring, constructing and equipping the Project, in the principal amount not to exceed \$250,000,000, provided that the Original IRB Resolution would terminate on March 31, 2024 unless (i) the UG has approved an amended and restated development agreement for the Project, (ii) a third-party feasibility study relating to Developer's request for STAR Bonds has been completed, and (iii) the UG has adopted a new or amended STAR bond project plan for the Project;

WHEREAS, on March 28, 2024, the UG adopted Resolution No. R-13-24 to extend the effectiveness of the Original IRB Resolution to December 31, 2024 upon the same conditions;

WHEREAS, Developer filed with the UG a petition dated December 17, 2024 proposing the creation of the American Royal Community Improvement District (the "CID") under the CID Act and the imposition of a 1.0% sales tax (the "CID Sales Tax") to be used to pay or reimburse certain eligible expenses of the Project and/or pledged as an additional source of revenues to pay a portion of the STAR Bonds issued in connection with Project;

WHEREAS, on January 30, 2025, the UG adopted Resolution No. R-05-25 to further extend the effectiveness of the Original IRB Resolution to January 30, 2028 unless IRBs have issued for the Project or as otherwise set forth in an amended and restated development agreement for the Project;

WHEREAS, on April 24, 2025, the UG held public hearings to consider the Second Amended and Restated Northwest Speedway STAR Bond District STAR Bond Financing Project Plan dated December 1, 2024 (the "Second Amended Project Plan"), and the creation of the CID and levying the CID Sales Tax; and

WHEREAS, the Governing Body has determined that it is advisable to enter into the American Royal Amended and Restated Development Agreement, attached hereto as **Exhibit A** (the "Agreement"), to amend and restate the Original Agreement in its entirety.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS:

Section 1. The Governing Body hereby approves the Agreement in substantially the form attached hereto.

Section 2. Each of the Mayor/CEO and the County Administrator is hereby authorized and directed to execute in the name of the UG and deliver the Agreement. The County Administrator and other officials and representatives of the UG, including special counsel, are hereby further authorized and directed to take such actions and to execute any other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Resolution.

Section 3. This Resolution shall be effective upon adoption by the Governing Body.

[Remainder of page intentionally left blank; signature page and exhibit follow.]

**ADOPTED BY THE BOARD OF COMMISSIONERS OF THE UNIFIED GOVERNMENT OF
WYANDOTTE COUNTY/KANSAS CITY, KANSAS ON APRIL 24, 2025.**

Tyrone Garner, Mayor/CEO

ATTEST:

Unified Government Clerk

(Seal)

EXHIBIT A

American Royal Amended and Restated Development Agreement

[Attached on following pages.]

American Royal Deal Terms

Original Deal Terms	Current Deal Terms
"Project" defined to include: • 164,000 s.f. main show arena w/ 5,000 seats • 250,000 s.f. Livestock Exhibition Hall • 6,500 s.f. Agricultural Ed Center • 5,000 s.f. of admin space	"Project" defined to include: • 125,000 s.f. show arena w/ 5,000 seats • 90,000 s.f. multipurpose arena • 75,000 s.f. outdoor arena • 390,000 s.f. Livestock Exhibition Hall • 80,000 s.f. Agricultural Ed Center • 20,000 s.f. of admin space
No Festival Grounds concept	Developer may build an approximately 120-acre Festival Grounds concept located west of North 118 th Street. The Festival Grounds concept is an option and not a requirement, but if Developer does build it, the UG must (i) have a non-compete agreement for Azura Amphitheater, and (iii) approve of a final development plan for the Festival Grounds
BBQ Contest: The original Agreement had a condition that the AR agree to host the World Series of BBQ contest exclusively in Wyandotte County, but at the time they were still working through how to do that.	BBQ Contest: The World Series of BBQ contest will be held exclusively in Wyandotte County during the life of this Agreement.
STAR Bond Request: \$80M for a \$165M Project • Bonds expected to be sold in a public sale with UG as issuer	STAR Bond Request: \$155M for \$375M Project (but with Festival Grounds it is approximately \$450) • Private Placement first – sold to Royal's "friends and family" • Public sale later after completion of Project and sales history
Plaza at the Speedway: State sales tax is pledged to STAR Bonds, but UG is not required to contribute the local sales taxes that were at the time pledged to TIF bonds for PATS	Plaza at the Speedway: In addition to the State's pledge of its sales tax, the UG contributes sales tax from Plaza at the Speedway for 20 years • Requires termination of PATS TIF District
CID Request: 1% CID add on sales tax (used to make up any shortfall of \$80M STAR Bonds)	CID Request: 1% CID add on sales tax; CID Cap of \$30M+ (difference between STAR bond proceeds and \$185M)

IRB Financing and Fees: IRBs for sales tax on construction materials only, but Agreement contemplated possibility of using IRBs for abatement if any portions of project subject to property taxes • Normal issuance and admin fees	IRB Financing and Fees: IRBs for sales tax on construction materials only, but will <u>not</u> use IRBs for abatement if any portions of project subject to property taxes • In addition to normal fees, Developer will pay an up-front \$5M origination fee to be used by UG for economic development purposes (to be decided by full Commission after recommendations from a subcommittee)
Public/Private Ratio: 50/50. \$80M of public financing and \$80M of private funding	Public/Private Ratio: 50/50 on first \$100M of STAR Bond proceeds, and then after that aggregate to 42.5% public investment. Expected to require approx. \$209.7M of private investment for use of \$155M STAR Bonds
No Annual Payment Concept	Annual Payments: Developer to make \$25M of annual payments to a fund controlled by UG for economic development, infrastructure or other purposes beneficial to the UG (to be decided by full Commission after recommendations from a subcommittee). Payments of approx. \$1.3M on May 15th in year after STAR Bonds are issued, but payments will stop when STAR Bonds are repaid in full.

4/2/2025 EXECUTIVE SUMMARY
AMERICAN ROYAL AMENDED AND RESTATED DEVELOPMENT AGREEMENT

1. **Parties.** The UG and the American Royal Association (“Developer”), a Missouri nonprofit corporation.
2. **The Project Site.** Approximately 550 acres of real property generally located at the southwest and northeast corners of the intersection of North 110th Street and Parallel Parkway in Wyandotte County, Kansas.
3. **Context; Nature of the Agreement and this Summary.** The proposed Agreement is an Amended and Restated Development Agreement which is intended to entirely update and replace the Development Agreement that was originally signed between the UG and the Developer on November 2, 2017. Since that time, the proposed Project has grown significantly, and so has Developer's request for public financing. The terms and conditions for the deal have evolved and this Executive Summary will attempt to summarize the proposed new deal terms upon which the UG would provide public financing to the American Royal Project, including highlighting the differences with the original deal terms (as modified).
4. **The Project.** The Project is to be a major commercial entertainment and tourism destination which shall, at minimum, include the Core Royal and the Agricultural Education Center (described below), with a Festival Grounds concept that is articulated as an option for Developer, but not contractually required by this Agreement or the issuance of STAR Bonds.

(a) The **Core Royal**, consists of three (3) arenas, a livestock exhibition/barn facility and other improvements described below:

(i) A main indoor show arena with approximately 125,000 s.f. and approximately 5,000 permanent seats and the capability for another approximately 3,000 temporary seats for a variety of events which shall include livestock exhibitions, rodeos, prestigious horse shows, and horse competitions, and which may also be used for additional events, programming, sports (including, for example, basketball, volleyball or other multi-sport athletic activities and uses), and other recreational and entertainment activities.

(ii) A multipurpose indoor arena with approximately 90,000 s.f., and an outdoor arena with approximately 75,000 s.f., each designed for approximately 3,500 seats with the capability for another approximately 3,000 temporary floor seats and which Developer anticipates will be used for similar purposes as the main show arena. **Original Deal:** *One 164,000 square foot livestock expo arena, with approximately 5,000 permanent seats and an additional 3,200 temporary seats for similar events. The new deal promises multiple arenas -- 215,000 square feet of indoor arenas described here and in (i) above, along with a 75,000 s.f. outdoor arena – a total of 290,000 s.f. of arena space.*

(iii) A 390,000 s.f. livestock exhibition hall/barns, including the capability to hold approximately 1,500 horse stalls, approximately 3,750 head of cattle, and/or 6x6 pens for approximately 5,000 mixed species of small animals for events which may include a ten (10) day livestock show in October of each year and similar events throughout the balance of the year. **Original Deal:** *This portion of the project was originally 250,000 s.f. and could hold approx. 2,000 animals.*

(iv) Approximately 20,000 square feet of administrative office and community/commercial kitchen space, including a headquarters location for corporate offices of the American Royal. **Original Deal:** Approximately 5,000 s.f. of office space.

(v) Approximately 70,000 s.f. of storage facilities for event support. **Original Deal:** *This storage space was not contemplated.*

(b) An **Agricultural Education Center** is required to be approximately 80,000 s.f. of Improvements (which may be integrated within the Core Royal described above) for a first class agricultural learning and engagement center and museum that features approximately 150,000 square feet of additional outdoor learning space, indoor and outdoor exhibits, which shall be regularly updated in accordance with best industry standards and practices, an interactive museum-based learning environment, and meeting and professional training space. **Original Deal:** *A much smaller 6,500 s.f. Agricultural Education Center.*

(c) As noted above, the Project may (as an option, not a requirement) include future development of an approximately 120-acre **Festival Grounds** concept located west of North 118th Street. Developer is not required to build or deliver this, but if they do, it is contemplated to include an event stage supporting facilities as well as areas for vehicle and RV parking. The potential events and programming for the Festival Grounds are described on **Exhibit 14** attached to the Agreement. However, the parties agree that any development of the Festival Grounds is contingent on (i) adequate financing and other feasibility, (ii) the UG and Developer entering into a mutually agreeable non-compete agreement for events hosted at the facility currently named Azura Amphitheater, and (iii) approval of a final development plan for the Festival Grounds by the UG. **Original Deal:** *The Festival Grounds concept was not contemplated at all in the original deal.*

4. **BBQ Competition.** The American Royal World Series of Barbecue competition hosted annually by Developer will be held exclusively in Wyandotte County, Kansas during the entire Term of this Agreement.

5. **Budget.** Developer's budget indicates a total Project cost of approximately \$375M of total project costs, not including the optional Festival Grounds concept. If Developer builds everything described above – including the Festival Grounds – the total project budget is approx. \$450M. **Original Deal:** *Developer's original project budget (for a smaller Project) was \$165M.*

6. **Private Contribution.** In order to receive all of the STAR Bond financing described below, Developer must contribute at least \$209.7M of private funds to the project. The Private Contribution may be phased, but the Developer's ability to provide the private funding may limit the availability of STAR Bond Proceeds to Developer. **Original Deal:** *Developer was originally required to pay approx. \$80M with private funds.*

7. **Public Financing.** The Agreement contemplates public financing in the amount of \$155M of STAR Bonds to pay for land acquisition, sitework, the hard construction costs for the Core Royal and the Agricultural Education Center, and other infrastructure costs. **Original Deal:** *The original deal was for a maximum of \$80M in STAR Bonds.* The Agreement also calls for a community improvement district ("CID") on the Core Royal and other portions of the District owned by the Developer and industrial revenue bond ("IRB") financing for the limited purpose of obtaining a sales tax exemption on construction materials for the Project. Subject to satisfaction of certain conditions, the UG would provide Developer with access to the following public financing:

(a) **STAR Bonds.** Issuance of STAR Bonds in an amount up to \$155M based on the incremental State sales and use taxes (the "State Taxes"), incremental local sales and use taxes received by

the UG (the "Local Taxes"), and transient guest taxes ("TGT") collected within this STAR Bond District. **Original Deal:** *The UG's Local Taxes were previously committed to the TIF bonds for Plaza at the Speedway, and were not pledged to the American Royal STAR Bonds. Those TIF bonds for Plaza at the Speedway are now paid off and the UG would now pledge its Local Taxes at Plaza at the Speedway for 20 years. The TGT revenues pledged are limited -- the Agreement excludes any TGT from any hotels within the STAR Bond District located at Plaza at the Speedway or on any land that is not owned by Developer. **Original Deal:** *The TGT pledge is more limited in this Agreement. Though the original deal did not include TGT from Plaza at the Speedway or a convention center hotel, the any other TGT from the District was available for American Royal bonds.**

(i) **First Issuance will be a Private Placement.** The Agreement requires that the First Issuance of STAR Bonds be sold as a private placement, and not a public sale with the UG as issuer in the public marketplace. These STAR Bonds will be sold privately to Qualified Third Parties who are donors, investors, foundations, supporters and friends of the Developer, or other third-party capital sources provided by or through the Developer. This should provide a better interest rate, maximize the amount of proceeds available for the Project and minimize the market and reputational risks to the UG. It is contemplated that the UG and Developer may eventually do a public sale of STAR Bonds in a refinancing issue down the road, but only after all of the Core Royal and Agricultural Education Center are complete, open and have some visitation/sale history. **Original Deal:** *This concept is entirely new - it did not exist in the original deal.*

(ii) **Public/Private Ratio.** In addition to the 50/50 limitation and other limitations that are normally included in the UG's development agreements, Developer agrees to a public/private ratio that starts at 50/50, but ultimately requires a lower ratio -- 42.5% STAR Bond proceeds as compared to 57.5% private funds. This will be measured for each disbursement of the STAR Bond proceeds. **Original Deal:** *The original project was a 50/50 public/private ratio.*

(b) **Community Improvement District.** The UG would also form a CID on the Site owned by Developer and impose a CID Sales Tax of 1% within the CID to reimburse Developer for CID Eligible Expenses from only those revenues received from the Core Royal, the Agricultural Education Center, and (if they eventually build it), the Festival Grounds. The CID Sales Tax available to Developer for initial construction of the Project is subject to a CID Cap -- the CID Cap is equal to the difference between the net STAR Bond Proceeds and \$185M. If, for example, the STAR Bond sale results in \$155M of net proceeds, the CID Cap will be \$30M, but if the bond sale yields \$145M of net proceeds, the CID Cap is \$40M. A portion of these revenues may (or may not) be pledged to support the issuance of the STAR Bonds. **Original Deal:** *There was a CID as a part of the original deal, but it was only intended to get the Developer to a maximum of \$80M of public financing. This does represent an increase in the public financing.*

(c) **Industrial Revenue Bonds.** Developer may use IRB financing to obtain an exemption on sales taxes for construction materials, equipment and furnishing for the Project. The IRBs for each component of the Project shall be redeemed 12 months after completion of such Project component's construction. Unless otherwise agreed by the parties, no IRBs for construction of the Project shall be issued more than 6 years after the Effective Date of the Agreement.

(i) In addition to typical issuance and administrative fees, Developer will pay a \$5M origination fee to the UG with private funds in connection with issuance of the IRBs. The funds from the origination fees will be used for economic development purposes; the UG will form a 5-member subcommittee to make recommendations to the full Commission about how best to use the origination fee described herein. The subcommittee is described in more detail in Section 11 of this Executive Summary below. Also, the origination fee is to be exempt from the community benefit ordinance. **Original Deal:** *An origination fee of this scale was not in the original deal.*

(ii) Developer is a tax exempt entity and believes that the Core Royal and the Agricultural Education Center, used to further Developer's tax exempt mission and purposes, will be deemed to be exempt from Property Taxes. However, this Agreement does not offer any IRB financing from the UG to facilitate a 100% real property tax abatement if the Core Royal and Agricultural Education Center are not exempt from real property taxes by reason of Developer's status as a nonprofit entity. **Original Deal:** *The original deal contemplated the potential use of IRBs by the UG to abate real property taxes if the Core Royal and the Agricultural Education Center were deemed to be taxable assets by BOTA.*

8. **Timing.** This Agreement includes normal development conditions, including financing, various approvals and guaranteed maximum price contracts – but Developer is further along than most given that it is already on construction on the Project at the Site. Conditions must be satisfied or waived within 180 days, and then completion of the Core Royal must be within 2 years after the First Issuance of STAR Bonds and completion of the Agricultural Education Center must be within 3 years after the First Issuance of STAR Bonds. **Original Deal:** *The original agreement provided 18 months to clear conditions and then completion of the Core Royal and Agricultural Education Center within 3 years after the STAR Bond Closing.*

9. **Term.** The Term of the Agreement commences on the Effective Date and, unless earlier terminated, expires upon the later of: (i) the end of the collection of the STAR Bonds (20 years after approval of the Project Plan), or (ii) 22 years after the date that the CID Sales Tax is first collected.

10. **Uses.** Due to the agricultural nature of the Project, portions of the Site may be used on a temporary basis for the keeping and selling of livestock and other animals at auction in connection with events for the Core Royal and Agricultural Education Center, and Developer may keep up to 20 animals on Site on a more permanent basis for educational purposes. Developer agrees to use commercially reasonable efforts (comparable to commercially reasonable standards for similar first class show arenas and livestock exhibition halls in urban areas) to minimize and mitigate odors from animals and animal waste at the Project.

11. **Annual Payments and Recommending Subcommittee.** Developer shall commit \$25M of payments to a newly established "American Royal Community Fund" which will be owned and controlled by the UG and used for economic development, infrastructure improvements or other beneficial UG purposes. These annual payments will be equal to \$1,315,789.48 per year as shown on Exhibit 15 until the last scheduled payment of \$1.8M. These annual payments would start on May 15 of the year following the year in which the STAR Bond Closing occurs. However, the parties agree that if all of the STAR Bonds issued by the UG are repaid in full (and the UG starts receiving all of the sales taxes pledged to those STAR Bonds), then Developer shall not be required to make any further Annual Payments to the American Royal Community Fund after the date of full repayment.

Also, as mentioned above, the UG will form a five-member subcommittee to discuss, consider and make recommendations to the full Commission about the most beneficial use of the \$5M origination fee and the \$25M of annual payments to be provided by Developer. The subcommittee would be made up of the Mayor, the Chairman and one other member of the Economic Development and Finance Committee, and the Chairman and one other member of the Public Works Committee. The subcommittee would meet after receipt of the origination fee by the UG and after the deposit of each annual payment to the American Royal Community Fund, and the subcommittee will make recommendations for use of that money to the full Commission for ultimate decisions.

12. **Local Benefit Provisions.** During the Term of the Agreement, in addition to the conditions described above, Developer agrees to:

- (a) Maintain its headquarters, offices and primary operations within Wyandotte County, Kansas;
- (b) Actively participate in the civic, charitable, educational, philanthropic and/or economic development of the Kansas City, Kansas/Wyandotte County community in activities of its choice;
- (c) Work in good faith to enter into a partnership with the Agricultural Hall of Fame;
- (d) Provide up to 25 tickets to UG officials for premium seating and special access to VIP areas (including clubs and lounges, but excluding private suites) for primary events open to the public at the Core Royal, at no admission cost to the UG or UG officials;
- (e) Allow USD 202, USD 203, USD 204, and USD 500 to hold a certain number of events at Core Royal or Agricultural Education Center free of charge, subject to scheduling and payment of Developer's costs for hosting those events;
- (f) Allow the Wyandotte County Fair to (i) hold to hold up to 3 events at Core Royal or Agricultural Education Center free of charge, subject to scheduling and payment of Developer's costs for hosting those events, and (ii) have a right of first opportunity to book certain trap shooting events at the Fair's property; and
- (g) Work with the UG to incorporate the name of the City and/or County into the name of the grounds for the Project, the main show arena, and the exhibition hall.

13. **Assignment and Transfer.** The UG's prior written consent (not to be unreasonably withheld) is required for Developer to: (i) assign, sell, lease, mortgage or otherwise transfer the Project; (ii) merge with or into another corporation or sell or transfer to another corporation substantially all of its assets; or (iii) assign the Agreement, or any of the rights, benefits or obligations thereunder. The UG's consent is not required, but Developer must provide prior written notice to the UG, for: (i) a Permitted Mortgage (including collateral assignment of Developer's rights to reimbursement of STAR Bond Proceeds, CID Sales Tax Proceeds, and other reimbursement to Developer under the Agreement); (ii) assignment to an Affiliate; (ii) sale, lease or transfer of the excess land; and (iv) a lease executed in the normal course of Developer's use and operation of the Project for a portion of the Site or the Project (but not including long-term ground leases).

14. **MBE/WBE/LBE.** Developer has agreed to the following participation goals for construction of the project: LBE 18% , MBE – 15%, and WBE – 7%. For professional services, Developer has agreed to the following: LBE – 18%, MBE – 13%, WBE – 8%. If Developer fails to meet the goals and fails to demonstrate best efforts to have met the goals as described herein, the STAR Bond Proceeds and the CID Sales Tax Proceeds shall be reduced by an amount equal to 1.5% (meaning 1.5% for Construction Services and an additional 1.5% for Professional Services).

**AMERICAN ROYAL
AMENDED AND RESTATED
DEVELOPMENT AGREEMENT**

THIS AMERICAN ROYAL AMENDED AND RESTATED DEVELOPMENT AGREEMENT (this "Agreement") is made as of the ____ day of _____, 2025 (the "Effective Date") between the Unified Government of Wyandotte County/Kansas City, Kansas (the "UG") and the American Royal Association, a Missouri not-for-profit corporation ("Developer").

RECITALS:

A. On December 15, 2016, pursuant to the STAR Bond Act, K.S.A. 12-17,160 *et seq.*, as amended (the "STAR Bond Act"), the UG approved a STAR Bond project district (the "STAR Bond District") and approved a STAR bond project district plan for the STAR Bond District (the "District Plan") by passage of Ordinance No. O-75-16, which STAR Bond District has one project area and encompasses approximately five hundred fifty (550) acres of real property generally located at the southwest and northeast corners of the intersection of North 110th Street and Parallel Parkway in Wyandotte County, Kansas, which property is legally described on Exhibit 1 and generally depicted on Exhibit 2 attached hereto.

B. On June 15, 2017, pursuant to the STAR Bond Act, the UG held a public hearing to consider the Northwest Speedway STAR Bond District STAR Bond Financing Project Plan (the "Original Project Plan"), and following the hearing, the UG approved and adopted the Original Project Plan by Ordinance No. O-62-17 on October 26, 2017.

C. On November 29, 2018, pursuant to the STAR Bond Act, the UG opened a public hearing to consider the Amended Northwest Speedway STAR Bond District STAR Bond Financing Project Plan dated November 28, 2018 (the "First Amended Project Plan"), which hearing was continued and resumed on December 6, 2018, and following the hearing, the UG approved and adopted the First Amended Project Plan by Ordinance No. O-52-18 on December 6, 2018, which First Amended Project Plan repealed and replaced the Original Project Plan in its entirety.

D. In connection with the Original Project Plan (as subsequently amended), the UG and Developer entered into that certain American Royal Development Agreement dated as of November 2, 2017, as amended by that certain First Amendment to American Royal Development Agreement dated as of December 6, 2018 (collectively, the "Original Agreement").

E. In accordance with the terms and conditions set forth herein, Developer proposes to design, develop, construct, complete and operate a major commercial entertainment and tourism destination and major multi-sport athletic complex within the STAR Bond District consisting of at least the following uses: (i) the Core Royal, as defined in Section 2.2(a) and including three (3) first-class arenas and facilities and other related improvements; (ii) a first class agricultural education center and museum (the "Agricultural Education Center"); and (iii) certain barbecue-related uses for the American Royal barbecue contest (the "BBQ Uses"), and which may include a Festival Grounds concept (as defined in Section 2.2(c)) and/or other family recreational tourism activities, or sports activities (including, for example, basketball, volleyball or other multi-sport athletic activities and uses) and/or other compatible, related or appurtenant uses (collectively, the "Project"). The Project is more particularly described in Section 2.2 below and will be located on a portion of the real property within the STAR Bond District, which portion is legally described on Exhibit 3 and generally depicted on Exhibit 4 attached hereto (the "Site").

F. On _____, 2025, pursuant to the STAR Bond Act, the UG held a public hearing to consider the Second Amended and Restated Northwest Speedway STAR Bond District STAR Bond Financing Project Plan dated as of _____, 2025 (the "Project Plan"). The Project Plan repealed and replaced the First Amended Project Plan in its entirety.

G. The parties now desire to amend and restate the Original Agreement and to enter into this Agreement to formalize such amendment and restatement, and the UG and Developer hereby agree that, upon the full execution and as of the Effective Date hereof, the Original Agreement shall be deemed superseded, repealed and replaced, and the parties hereby amend and restate the Original Agreement in its entirety with this Agreement.

H. The UG has the authority to create a community improvement district ("CID") pursuant to K.S.A. 12-6a26 *et seq.*, as amended (the "CID Act"), for the purpose of financing certain economic development related projects. Under the CID Act, the owners of fifty-five percent (55%) of the land (by land area and assessed value) within the boundaries of a proposed CID may petition the UG to request the creation of a CID and to impose an additional CID sales tax on the sale of tangible personal property at retail or the rendering or furnishing of services which are taxable within the boundaries of the CID in order to pay for or reimburse a portion of the "costs" of a CID "project" (as defined in the CID Act). On or about _____, 2025, in accordance with the CID Act, Developer submitted a proper petition (the "CID Petition") to the UG requesting the formation of a CID for the Site encompassing certain real property generally depicted on Exhibit 5 and legally described on Exhibit 6 attached hereto (the "CID"), and requesting the imposition of a 1.0% add-on CID sales tax, within the boundaries of the CID (the "CID Sales Tax") to be used to pay or reimburse CID Eligible Expenses (as defined in Section 4.3) and/or to the extent specifically provided herein, potentially pledged as an additional source of revenues to pay a portion of the STAR Bonds issued as described herein.

I. On _____, 2025, in accordance with the CID Act, the UG approved the creation of the CID through the passage of Ordinance No. O-____-25 (the "CID Ordinance"), which specifies that the CID Sales Tax shall commence on July 1, 2026 or such other date as Developer may request by petition to the UG early enough that it may be heard by the UG's Economic Development and Finance Committee and advanced to full Commission for consideration and provided to the Kansas Department of Revenue on a date that is at least one (1) full calendar quarter prior to such commencement date.

J. In accordance with the STAR Bond Act, the Secretary has conditionally approved an amount sufficient to yield up to One Hundred Fifty-Five Million Dollars (\$155,000,000) in net STAR Bond Proceeds for disbursement to Developer to pay and/or reimburse certain Project Costs, which STAR Bonds may be issued in one or more issuances and/or series, all subject to the terms and conditions more specifically set forth herein.

K. The parties agree that the Project is not financially feasible without the public-private partnership as set forth in this Agreement, and therefore the parties wish to enter into this Agreement to formalize their respective rights and obligations in regard to the Project.

AGREEMENT

NOW, THEREFORE, in consideration of the agreements provided for herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the UG and Developer hereby agree as follows:

ARTICLE 1. DEFINITIONS AND INTERPRETATIONS

1.1 Interpretation. In this Agreement, unless a clear contrary intention appears:

- (a) the singular number includes the plural number and vice versa;

(b) reference to any Person includes such Person's successors and assigns but, if applicable, only if such successors and assigns are permitted by this Agreement, and reference to a Person in a particular capacity excludes such Person in any other capacity or individually;

(c) reference to any gender includes each other gender;

(d) reference to any agreement, document or instrument means such agreement, document or instrument as amended or modified and in effect from time to time in accordance with the terms thereof;

(e) reference in this Agreement to any article, section, appendix, annex, schedule or exhibit means such article or section thereof or appendix, annex, schedule or exhibit thereto;

(f) each of the items or agreements identified on the attached Index of Exhibits are deemed part of this Agreement to the same extent as if set forth herein;

(g) "hereunder", "hereof", "hereto" and words of similar import shall be deemed references to this Agreement as a whole and not to any particular article, section or other provision thereof;

(h) "including" (and with correlative meaning "include") means including without limiting the generality of any description preceding such term; and

(i) relative to the determination of any period of time, "from" means "from and including" and "to" means "to but excluding."

1.2 Accounting Terms. Unless expressly otherwise provided, accounting terms shall be construed and interpreted, and accounting determination and computations shall be made, in accordance with GAAP.

1.3 Legal Representation of the Parties. This Agreement was negotiated by the parties hereto with the benefit of legal representation and any rules of construction or interpretation otherwise requiring this Agreement to be construed or interpreted against any party shall not apply to any construction or interpretation hereof or thereof.

1.4 Definitions. All capitalized terms used in this Agreement shall have the meanings ascribed to them in Annex 1 attached hereto and made a part hereof, or as otherwise provided herein.

ARTICLE 2.
APPOINTMENT OF DEVELOPER
GENERAL AGREEMENT – UNDERTAKINGS OF DEVELOPER –
DEVELOPMENT PLAN

2.1 Undertaking of Developer. Developer hereby agrees, subject to the terms and conditions hereinafter provided, including, without limitation, those certain conditions set forth in Section 3.1 below, to develop, construct, complete, and operate the Project consisting of the Improvements as described herein. The performance of all activities by Developer shall not be as an agent of the UG in any way, nor create a partnership or joint venture with the UG.

2.2 The Project and Development Plan. The UG and Developer hereby agree that the "Development Plan" for the Project shall mean the final development plan approved by the UG on March 13, 2023 (PR2023-009) as supplemented by such drawings and other Plans and Specifications for the Project

submitted by Developer for permitting purposes. The Development Plan is consistent with the Project as described below in this Section 2.2, which is consistent with the District Plan, and, for purposes of an illustrative example only, is generally depicted on the site plan attached as **Exhibit 7** hereto and made a part hereof. Subject to the terms and conditions of this Agreement (including, without limitation, Section 3.1(a) below), Developer covenants and agrees that all buildings, parking structures, and other improvements constituting the Project shall be developed, constructed, completed, and operated on the Site in substantial accordance and compliance with the terms and conditions of this Section 2.2 and the Development Plan, as it may be amended by Developer from time to time in accordance with Section 2.2(j) below. Notwithstanding anything herein which is seemingly to the contrary, the parties hereby understand and agree that any changes or modifications to the Development Plan which are approved by the UG's Planning Commission and/or full Commission shall not modify the definition of "Project" as defined herein or Developer's obligations hereunder to build the Project as described below without a conforming amendment to this Agreement. On and subject to the terms and provisions set forth in this Agreement (including, without limitation, the conditions set forth in Section 3.1(a) below), Developer shall have the sole right to, and shall be responsible for, design, construction, equipment, and completion of the Project, and shall operate and use (or cause to be operated and used) the Project in the manner described herein, all in substantial accordance with the terms of this Section 2.2 and all other Applicable Laws and Requirements. Subject to the terms and conditions of this Agreement, the parties further agree that the Project shall include the following components and shall be described and defined as follows:

(a) The "Core Royal" shall mean the improvements to be developed, designed and constructed on the Site, including without limitation, the following improvements (the "Core Royal Improvements"):

(i) A first class indoor main show arena with approximately 125,000 square feet and approximately 5,000 permanent seats and the capability for another approximately 3,000 temporary seats for a variety of events which shall include livestock exhibitions, rodeos, prestigious horse shows, and horse competitions, and which may also be used for additional events, programming, sports (including, for example, basketball, volleyball or other multi-sport athletic activities and uses), and other recreational and entertainment activities;

(ii) A multipurpose indoor arena with approximately 90,000 square feet, and an outdoor arena with approximately 75,000 square feet, each designed for approximately 3,500 seats with the capability for another approximately 3,000 temporary floor seats and which Developer anticipates will be used for similar purposes as the main show arena;

(iii) A first class livestock exhibition hall/barns with approximately 390,000 square feet of Improvements, including the capability to hold approximately 1,500 horse stalls, approximately 3,750 head of cattle, and/or 6x6 pens for approximately 5,000 mixed species of small animals for events which may include a ten (10) day livestock show in October of each year and similar events throughout the balance of the year;

(iv) Approximately 20,000 square feet of administrative office and community/commercial kitchen space, including a headquarters location for corporate offices of the American Royal;

(v) Approximately 70,000 square feet of storage facilities for event support; and

(vi) The Parking Improvements (as defined in subsection (e) below) corresponding to the Improvements described in this subsection (a).

(b) The Agricultural Education Center shall be developed, designed and constructed with approximately 80,000 square feet of Improvements (which may be integrated within the Core Royal Improvements) for a first class agricultural learning and engagement center and museum that features approximately 150,000 square feet of additional outdoor learning space, indoor and outdoor exhibits, which shall be regularly updated in accordance with best industry standards and practices, an interactive museum-based learning environment, and meeting and professional training space (the "Agricultural Education Center Improvements"). The Agricultural Education Center will offer a unique, state-of-the-art, interactive food and agricultural learning experience to instill a higher level of knowledge about, and trust of, modern food processing and agricultural practices while honoring the rich history of food and agriculture in the U.S. and around the world.

(c) Developer also anticipates that the Project may include future development of an approximately 120-acre festival grounds (the "Festival Grounds") on a portion of the Site located west of North 118th Street, which is contemplated to include an event stage and restroom and support facilities as well as areas for vehicle and RV parking, along with associated site work and infrastructure; and the events and programming for the Festival Grounds are as more particularly described on **Exhibit 14** attached hereto. The UG and Developer hereby agree that development of the Festival Grounds shall be: (i) contingent upon obtaining adequate financing and other feasibility measures, as determined by Developer in Developer's sole discretion; (ii) contingent upon the UG and Developer entering into a mutually agreeable non-compete agreement for events hosted at the facility currently named Azura Amphitheater, and (iii) any such future development of the Festival Grounds undertaken by Developer shall be in accordance with Section 2.2(i) below, and upon the approval of a final development plan for the Festival Grounds, and Developer's receipt of all necessary permits and approvals as may be required to develop the Festival Grounds in accordance with such final development plan, the Development Plan and Plans and Specifications, as those terms are used in this Agreement, shall be deemed to include the final development and such plans and specifications submitted by Developer for permitting purposes in connection therewith, respectively.

(d) Developer also anticipates that the Project may include substantial supportive development by others in the future (the "Additional Development"), including development that is complementary and consistent with the Improvements described above, such as the contemplated future construction of an agricultural innovation campus, along with various retail and restaurant, office, and/or other commercial uses on neighboring properties within the STAR Bond District owned by other third parties (the "Excess Land"). The UG and Developer agree that the potential Additional Development described in this subsection (d) is not required to be delivered pursuant to this Agreement, and Developer shall not be deemed to be in default if such contemplated development on the Excess Land ultimately does not occur.

(e) The Project shall be deemed to include surface parking Improvements located on the Site, and potentially outside of the Site, to provide parking necessary and in compliance with the Development Plan approvals and other Applicable Laws and Requirements (the "Parking Improvements").

(f) Developer recognizes, stipulates and agrees that its exterior signage for the Site shall be subject to all Applicable Laws and Requirements, including any lighting and signage guidelines of the UG and any special use permit(s) granted by the UG's Board of Commissioners.

(i) The UG hereby agrees that it will, to the extent possible, expedite the consideration of Developer's proposed on-Site and off-Site signage and cooperate with Developer to reasonably accommodate Developer's signage requirements for the Site.

(ii) Subject to Applicable Laws and Requirements as set forth above, Developer shall have the right to: (x) sell, install and maintain in and on the interior (which interior signs will not require additional sign permit approvals) of the Core Royal and the Agricultural Education Center

advertising panels, banners, flags, signs (including electronic signs) and other advertising; and (y) create, erect and maintain additional informational and directional signs of a non-advertising nature (collectively, the "Signs"); provided, however, that the Signs shall not advertise or include any illegal, immoral or overtly religious items or themes, or any references to sex or the sex industry (e.g., pornographic materials or media or condoms or other contraceptives), and the Signs may not advertise tobacco products or personal feminine hygiene products of any kind (e.g., sanitary napkins or tampons).

(g) Developer's landscaping on the Site shall be installed and maintained in accordance with the Development Plan and all Applicable Laws and Requirements.

(h) Developer's design, development and construction of the Project hereunder shall in all respects comply with the Plans and Specifications (as defined in Section 6.2).

(i) In addition, the Construction Documents and any other contracts for the design, development, acquisition, construction and completion of the Improvements, as well as all other contracts or agreements respecting the Project, shall comply and conform with the Transaction Documents (as defined in Annex 1) and all Applicable Laws and Requirements.

(j) The Development Plan, as described in this Section 2.2 and generally depicted on the site plan attached hereto as **Exhibit 7**, shall not be amended or modified by Developer without the prior written consent of the UG, in the UG's sole discretion, if such amendment or modification constitutes a Material Change that would result in a different development concept from the Project as described herein; provided, that the foregoing shall not be deemed to prohibit any amendments, modifications or other changes to the Development Plan that are consistent with the Development Plan and the Project as described in this Agreement, or which are minor in nature (i.e. which are not "significant changes" as described in Section 27-211 of the UG's Zoning Code), and in either case made in accordance with applicable provisions of the UG' Zoning Code including any such submissions, reviews and approvals as may be required thereunder pursuant to the UG's normal planning and zoning and/or permitting process, as applicable.

2.3 General Agreements. Subject to the terms and conditions of this Agreement, including (without limitation) the conditions set forth in Section 3.1(a) below, Developer agrees to promptly and completely perform each and all of its duties and obligations under this Agreement and the other Transaction Documents. The UG agrees to promptly and completely perform each and all of its duties and obligations under this Agreement and the other Transaction Documents.

ARTICLE 3. CONDITIONS

3.1 Conditions.

(a) Conditions. Neither party shall be obligated to proceed to a Bond Closing for a particular issuance or series of STAR Bonds contemplated hereunder unless and until each of the following conditions and requirements has been satisfied in full with respect to such issuance or series:

(i) Financing Plan. For each Bond Closing, Developer shall provide the UG with a plan for financing of the Project (each, a "Financing Plan"), which Financing Plan shall include – among other things – Developer's evidence of private debt, equity, donations or other private financing procured to date and a guarantee or other evidence of access to additional private capital or financing to meet the Private Contribution requirements for the applicable public/private ratio(s) as set forth in Section 4.6 below. Each Financing Plan shall also demonstrate a complete capital

stack, which when combined with the STAR Bond Proceeds (and any CID Proceeds and other public funds), enough financing will be provided to complete a continuous program of construction for the portion of the Project that is subject to the Bond Closing, which combined with immediately available private debt, equity, donations or other private financing equals or exceeds the Private Contribution requirements for the public/private ratio (as set forth in Section 4.6) for any particular issuance or series of STAR Bonds to be issued in the relevant Bond Closing for a particular issuance and/or series of STAR Bonds. In addition, with each Certificate of Expenditure submitted by Developer requesting the disbursement of CID Proceeds or STAR Bond Proceeds to pay for and/or reimburse Project Costs, Developer shall provide evidence of private funds previously spent and/or immediately available to meet the applicable public/private ratio for the amount of STAR Bond Proceeds requested for disbursement pursuant to the Certificate of Expenditure, in form and substance verifiable and approved by the UG's County Administrator in his reasonable discretion, in the form of (a) supporting documentation evidencing amounts of private funds previously spent on Project Costs; (b) cash funds held in a bank account; and/or (b) private equity, received charitable contributions (not pledges), grants and/or a closed loan from a financial institution that is ready, willing and able to provide construction draws for the Project, subject only to normal and customary draw conditions that are reasonably approved by the UG. The Financing Plan, as described herein shall be approved by the UG's County Administrator in his sole discretion; and any changes to the Financing Plan must be approved by the UG in writing. The UG County Administrator's written approval of the Financing Plan (and any applicable changes thereto), shall be a condition precedent to the printing or distribution of any type offering statement or placement memorandum for such particular issuance and/or series of STAR Bonds. Without limiting the generality of the foregoing, the Parties hereby specifically agree that the Private Contribution requirements for the public/private ratio with respect to the First Issuance (as defined in Section 4.2(b) below) shall be measured against the Project Costs for the Core Royal and the Agricultural Education Center Improvements (but not the Festival Grounds or Additional Development), along with the Parking Improvements, infrastructure and other Improvements necessary to support the Core Royal and the Agricultural Education Center Improvements.

(ii) STAR Bond Approval. In accordance with the STAR Bond Act, the STAR Bonds described herein must be authorized and approved by the applicable Government Authorities, including the Secretary of Commerce ("Secretary") for the State of Kansas (the "State"), which shall have approved the Total Project Budget (attached hereto as Exhibit 8), including the line items set forth therein and any other items required to be approved by the Secretary pursuant to the STAR Bond Act. Further, with respect to the First Issuance, Developer must be satisfied that the amount of STAR Bonds issued at such Bond Closing will be in an amount sufficient to render at least \$155,000,000 in net STAR Bond Proceeds for deposit into the STAR Bond Project Fund and disbursement to Developer to pay for and/or reimburse STAR Bond Costs, or such lesser amount of net STAR Bond Proceeds as Developer may decide is acceptable to Developer in its sole discretion.

(iii) Bond Counsel Opinions. The UG's bond counsel shall have issued a legal opinion in connection with the issuance, sale and delivery of the STAR Bonds contemplated herein.

(iv) CID Approval. The governing body of the UG shall have approved the CID by approval of the CID Ordinance described in Recital I above, or Developer shall have waived this requirement.

(v) Planning and Zoning. Developer, in its sole discretion, shall have satisfied itself as to the legal description of the Site and all planning and zoning aspects thereof and all costs of constructing the Core Royal Improvements and the Agricultural Education Center Improvements

contemplated herein after accounting for the UG's planning and zoning requirements. Developer's satisfaction shall be based upon the approvals (if applicable), responses, and interpretations of the various codes and requirements of the various UG departments after such departments review the Plans and Specifications for the Core Royal and Agricultural Education Center submitted to such departments by Developer.

(vi) Industrial Revenue Bonds. The IRBs (as hereinafter defined) for the Core Royal and Agricultural Education Center and the related Improvements for that portion of the Project shall have been issued as set forth in Section 4.9 below.

(vii) Property Tax Exemption. Developer shall have satisfied itself that the Site will be exempted from real property taxation either through ownership and/or leasehold interest by Developer as a not-for-profit entity or transfer to an Affiliate that is also a not-for-profit entity, as set forth in Section 7.6 below.

(viii) GMP Contracts. Developer shall obtain, and allow confidential review by the UG of, one or more guaranteed maximum price design-build construction contracts (each, a "GMP") for the Improvements with contractor(s) with sufficient financial strength, reputation and experience to complete such work in accordance with the agreed-upon construction and completion schedule set forth herein, as reasonably determined by the UG; provided however, that no STAR Bond Proceeds of the First Issuance shall be used to pay for Festival Grounds costs until Developer shall obtain, and allow confidential review and reasonable approval by the UG, a GMP for such Improvements constituting the Festival Grounds with a contractor with sufficient financial strength, reputation and experience to complete such work in accordance with the agreed-upon construction and completion schedule set forth herein.

(b) Approval of the UG. Where approval of the UG is required for the various conditions set forth above in Section 3.1(a), such approval shall be granted or withheld by the County Administrator.

3.2 Termination. In the event that a Bond Closing for the First Issuance, as described herein, has not occurred within one hundred eighty (180) days following the Effective Date of this Agreement (the "Due Diligence Period"), then either party shall have the right, exercisable by written notice to the UG or Developer, as applicable, on or before the date which is thirty (30) days following the expiration of the Due Diligence Period, to terminate this Agreement. Upon termination of this Agreement pursuant to this Section 3.2, this Agreement shall terminate, and, except for those provisions that are specifically set forth herein to survive termination of this Agreement, the parties hereto shall have no further duty or obligation hereunder. Without limiting the generality of the foregoing, Developer shall be solely liable and responsible for all costs and expenses incurred by it with respect to this Agreement and the transactions contemplated hereby, and except for the fees and expenses of the UG to be paid for by Developer pursuant to that certain Funding Agreement dated as of February 28, 2017, as amended by that certain First Amendment to Funding Agreement dated as of October 10, 2018, as may be further amended from time to time (collectively, as amended, the "Funding Agreement"), and incurred by the UG as of the date of Developer's termination of this Agreement, the UG shall be solely liable and responsible for all costs and expenses incurred by it with respect to this Agreement and the transactions contemplated hereby.

3.3 Waiver of Conditions. If any of the conditions set forth in Section 3.1(a) are not satisfied with respect to an issuance and/or series of STAR Bonds and the UG and Developer nonetheless proceed with a Bond Closing for such issuance or series as set forth in Section 5.1, both the UG and Developer shall be deemed to be satisfied as to the conditions in Section 3.1(a), and shall be deemed to have waived the same, with respect to such issuance or series for which the Bond Closing has occurred.

ARTICLE 4.
FINANCING — SOURCE OF FUNDS

4.1 Source of Funds. The Project will be funded in part by public incentives, including the STAR Bonds and Pay-As-You-Go CID Financing, as well as the Private Contribution (as defined in Section 4.10 below) and/or other private and public financing sources. Reference is hereby made to the Total Project Costs and the Total Project Budget attached hereto as Exhibit 8, and by this reference made a part hereof. The Total Project Costs shall be paid in accordance with the procedures and requirements set forth herein, subject to the terms and conditions hereof.

4.2 STAR Bonds. The parties hereby agree as follows:

(a) Amount of STAR Bonds. The STAR Bonds may be issued in multiple, phased issuances or series with a pledge of Incremental Tax Revenues from the STAR Bond District, which STAR Bonds may eventually be sold and delivered in an amount which results in a maximum principal amount sufficient to yield up to One Hundred Fifty-Five Million Dollars (\$155,000,000) of net proceeds, exclusive of financing costs, issuance-related fees, and applicable reserves ("STAR Bond Proceeds"). For all purposes hereunder, One Hundred Fifty-Five Million Dollars (\$155,000,000) of net STAR Bond Proceeds shall be deemed to be the "STAR Bond Cap". Any and all such STAR Bond Proceeds shall be disbursed to Developer pursuant to the terms of this Agreement (including, without limitation, Section 4.7 below) to pay for and/or reimburse STAR Bond Costs in accordance with the terms and subject to the conditions in this Agreement.

(b) First Issuance. It is contemplated that the first issuance of STAR Bonds (the "First Issuance") will be a private placement of STAR Bonds sold to Qualified Third Parties who are donors, investors, foundations, supporters and friends of the Developer, or other third-party capital sources, whether provided by or through the Developer, a placement agent or otherwise (the "First Issuance Buyer"). The net proceeds of the First Issuance may be up to an amount equal to the STAR Bond Cap, which STAR Bond Proceeds shall be deposited into the STAR Bond Project Fund (and available to be disbursed to Developer to pay for and/or reimburse STAR Bond Costs in accordance with the terms and subject to the conditions in this Agreement). The net STAR Bond Proceeds from the First Issuance and any subsequent series of STAR Bonds shall be disbursed to Developer pursuant to the terms and conditions of this Agreement (including, without limitation, Section 4.7 below) to pay and/or reimburse STAR Bond Costs in accordance with the terms and conditions of this Agreement. The Parties hereby understand and agree that, if the First Issuance is a private placement purchased by no more than one (1) First Issuance Buyer, then the STAR Bond Proceeds may be funded through a "draw-down" bond structure in which all of the First Issuance is not fully funded at the Bond Closing. More specifically, the Parties hereby agree as follows:

(i) An amount which is no less than \$50,000,000 (or such other amount as the parties may agree in the Bond Documents) of net STAR Bond Proceeds will be fully-funded by the First Issuance Buyer and deposited into the STAR Bond Project Fund at the Bond Closing of the First Issuance.

(ii) The subsequent funding and delivery of the remaining "draw-down" STAR Bond Proceeds, if applicable, will be funded by the First Issuance Buyer as and when needed by Developer, all subject to the terms and conditions of the Bond Documents. Developer will, at Bond Closing, provide to the UG a schedule of anticipated funding of any draw-down portion of the First Issuance. Developer will be solely and exclusively responsible for causing the First Issuance Buyer to fund any remaining draw-down portion of the First Issuance, if applicable, as and when necessary to maintain a continuous program of construction for the Core Royal, the

Agricultural Education Center and the Improvements related thereto. The UG shall not have any responsibility or liability for a failure of any First Issuance Buyer(s) to fund the First Issuance as and when necessary to maintain a continuous program of construction as set forth herein.

(iii) Notwithstanding the foregoing, the disbursement of the STAR Bond Proceeds from the First Issuance, whether fully-funded at Bond Closing or subsequently funded on a draw-down basis, shall be subject to the conditions to disbursement set forth in Section 4.6 and the cost certification process set forth in Section 4.7.

(iv) The First Issuance is intended to be pre-paid, refunded and/or refinanced within the first five (5) years after the Bond Closing of the First Issuance to the extent that the First Issuance is a private placement and the Project (other than the Festival Grounds) has been completed and opened and a sufficient revenue history has been established with respect to the Project and/or the STAR Bond District; however, if the First Issuance of STAR Bonds is not refinanced on or before the 5th anniversary of the Bond Closing for the First Issuance (or such other date as the parties may agree in the Bond Documents) notwithstanding that the Project has been completed and opened and a sufficient revenue history has been established with respect to the Project and/or STAR Bond District, then the interest rate on the privately-placed First Issuance STAR Bonds shall be increased to the lesser of (x) a 'default rate' to be mutually agreed upon and set forth in the Bond Documents, or (y) the maximum interest rate allowed by Applicable Law and Requirements (including the limitations set forth in K.S.A. 10-1009).

(v) Notwithstanding the foregoing or anything in this Agreement seemingly to the contrary, if acceptable to the UG in its sole discretion and approved by the Secretary, as provided in Section 4.2(n) below, the First Issuance of STAR Bonds may also be structured as a limited public offering sold (a) to one or more Qualified Third Parties, whether provided by or through the Developer, a placement agent, or otherwise or (b) to an underwriter for resale to one or more Qualified Third Parties.

(c) Refinancing Issuance; Other Subsequent Issuance(s). Following completion and opening of the Project (other than the Festival Grounds) and once sufficient revenue history has been established by the Project, along with any Additional Development, the Parties anticipate a refinancing of the First Issuance (to the extent it is a private placement) with a public sale of STAR Bonds (the "Refinancing Issuance"), which Refinancing Issuance is anticipated to refinance the First Issuance and, if economically viable, yield additional STAR Bond Proceeds up to \$155,000,000 when combined with the STAR Bond Proceeds yielded by the First Issuance. Notwithstanding that the First Issuance may be less than \$155,000,000 of net STAR Bond Proceeds, nothing herein is intended to limit the subsequent Refinancing Issuance (or any other subsequent STAR Bond issuance) to an amount less than \$155,000,000 of net STAR Bond Proceeds. In the event that the Refinancing Issuance (or any other subsequent STAR Bond issuance), when combined with the First Issuance, yields less than \$155,000,000 of net STAR Bond Proceeds, the parties acknowledge and agree that Developer may continue to pursue subsequent STAR Bond issuances with available revenues from the STAR Bond District until such time as the total aggregate of net STAR Bond Proceeds deposited in the STAR Bond Project Fund disbursed to Developer (or remaining in the STAR Bond Project Fund and available for disbursement) is \$155,000,000. In the event that the Refinancing Issuance (or any other subsequent STAR Bond issuance) can be structured in a manner that does not require a continued pledge of the Incremental Tax Revenues from Plaza at the Speedway to achieve total net STAR Bond Proceeds deposited in the STAR Bond Project Fund of \$155,000,000, then the Parties agree to work together in good faith to remove the Incremental Tax Revenues generated by the Plaza at the Speedway from such issuances, and in such event no further Annual Payments as described in Section 8.1 hereof will be required to be made by Developer to the American Royal Community Fund after the date that such Incremental Tax Revenues from Plaza at the Speedway are no longer captured by STAR Bonds

(provided however that any Annual Payments which became due and owing prior to such date and remain unpaid on such date shall remain due to be paid to the UG by Developer). All net STAR Bond Proceeds from STAR Bonds issued pursuant to this Agreement (whether from the First Issuance, the Refinancing Issuance or any other subsequent STAR Bond issue) shall be held and maintained in a separate fund or account to be established and maintained at or prior to the Bond Closing for such issuance (the "STAR Bond Project Fund"), and shall be disbursed therefrom to Developer pursuant to Section 4.7 to pay and/or reimburse STAR Bond Costs.

(d) Collection of Incremental Tax Revenues.

(i) Generally. The STAR Bonds issued in connection with the Project shall be paid from the following revenues collected within the STAR Bond District, for a period of twenty (20) years commencing on the effective date of the ordinance approving the Project Plan (the "STAR Bond Collection Period"), to the extent that such annual revenues exceed the Base Year Revenues (as defined below) from within the STAR Bond District: (1) incremental State sales and use taxes which are imposed pursuant to K.S.A. 79-3601 *et seq.* and 79-3701 *et seq.* (the "State Collection"); and (2) incremental local sales and use taxes received by the UG, which are imposed pursuant to K.S.A. 12-187 *et seq.*, consisting of (a) the current City of Kansas City sales tax, excluding any local sales tax committed to other uses by election of voters (currently 1% as calculated as the total sales tax rate of 1.625% excluding the dedicated amounts of 0.25% emergency medical service and 0.375% for UG public safety and neighborhood infrastructure) and (b) the UG's share of the current County's 1% sales tax (currently 93.4368%) (with such 1.934368% combined rate between the 1% City of Kansas City sales tax described above and the UG's share of the County's 1% sales tax collectively referred to as the "Local Collection"); and (3) subject to the limitations described in subsection (ii) below, 7.84% of the current UG's transient guest tax (i.e., 8% transient guest tax rate net of the State's 2% share) levied within the Site (the "TGT Collection") (the State Collection, the Local Collection, and the TGT Collection are collectively referred to herein as the "Incremental Tax Revenues"). For purposes hereof, the term "Base Year Revenues" means the combined State Collection and Local Collection from the STAR Bond District for the twelve (12) month period preceding December 1, 2016, as determined by the Kansas Department of Revenue under the STAR Bond Act.

(ii) Limitations. Notwithstanding anything set forth herein to the contrary, the TGT Collection portion of the Incremental Tax Revenues shall not include the TGT Collection for the portion of the STAR Bond District that consists of Plaza at the Speedway or any portion of the STAR Bond District which is not owned by the Developer or its Affiliates.

(e) STAR Bond Revenue Fund; Disbursements. The UG shall collaborate with the State and the STAR Bond Trustee to establish and maintain a separate fund and account which will be described and defined in the indenture and other documents related to a particular issuance and/or series of STAR Bonds (the "Bond Documents" with respect to such issuance and/or series, as applicable), and which, for purposes of this Agreement, shall be referred to as the "STAR Bond Revenue Fund". All Incremental Tax Revenues collected in the STAR Bond District in the manner described above in Section 4.2(d)(i), or such portion (or portions) thereof which are pledged from the STAR Bond District to a particular issuance and/or series of STAR Bonds shall be deposited into the STAR Bond Revenue Fund established and maintained for the particular issuance and/or series, as described in the Bond Documents. Following the Bond Closing, disbursements from the STAR Bond Revenue Fund shall be as set forth in this Agreement, and subject to the terms and conditions set forth in the Bond Documents relating to the STAR Bonds (or applicable issuance and/or series thereof).

(f) The 50% Limitation. Developer hereby understands and agrees that, in accordance with K.S.A. 12-17,164(b), in no event shall STAR Bond Proceeds (and/or CID Proceeds) be disbursed to Developer in an amount greater than fifty percent (50%) of the total cost of the Project. Developer and the

UG hereby agree that the STAR Bond Proceeds available for disbursement to Developer to pay for STAR Bond Costs and CID Proceeds for disbursement to Developer to pay for CID Eligible Expenses at any given time shall be limited to an amount which is equal to the amount of Total Project Costs which have been paid by Developer for the Project from the Private Contribution, excluding the costs for legal fees, construction period interest and/or the other line items under the "Other Soft Costs" category in the Total Project Budget attached hereto as **Exhibit 8** (collectively, "Other Soft Costs"). In other words, the Total Project Costs are to be paid on a 50/50 basis between Developer's Private Contribution and the available STAR Bond Proceeds and CID Proceeds, and there shall not at any time during the Term be more Total Project Costs paid with STAR Bond Proceeds and/or CID Proceeds than the amount of Total Project Costs paid by Developer's Private Contribution (the "50/50 Limitation"). By way of illustrative example of the 50/50 Limitation, if at a given point in time, Developer has incurred Total Project Costs (including any STAR Bond Costs) to date of \$200, then Developer's maximum disbursement from STAR Bond Proceeds and/or CID Proceeds may not exceed \$100. However, the parties further understand and agree that if at a given point in time, Developer has incurred \$225 of Total Project Costs, of which \$125 are STAR Bond Costs and \$100 are paid from the Private Contribution, then (i) at that particular time, no more than \$100 of STAR Bond Proceeds may be disbursed to Developer to pay for STAR Bond Costs, but (ii) if Developer later incurs an additional \$25 of Total Project Costs which are paid with the Private Contribution, then \$25 of additional STAR Bond Proceeds may be disbursed to Developer to pay for the remaining \$25 of STAR Bond Costs. Payment of Total Project Costs from the Private Contribution shall be evidenced to the UG as set forth in Section 4.7. For purposes of the examples provided herein, the same shall be deemed to be equally applicable to CID Proceeds and/or a combination of STAR Bond Proceeds and CID Proceeds. Notwithstanding the exclusion of the costs for the Other Soft Costs from the Private Contribution as set forth above, if and to the extent that the exclusion of such items results in Total Project Costs that do not have at least \$155,000,000 of private costs payable/reimbursable with STAR Bond Proceeds (so that the 50/50 Limitation would necessarily result in Developer's receipt of less than One Hundred Fifty-Five Million Dollars (\$155,000,000) of net STAR Bond Proceeds), then the UG and Developer will agree upon a proportionate amount of such (otherwise) excluded costs to be included for purposes of the 50/50 analysis contemplated herein.

(g) Shortfalls. Provided that a Bond Closing occurs for the First Issuance as described herein and in such amounts and upon such terms as set forth in this Agreement, Developer hereby understands and agrees that it shall be irrevocably committed to constructing, completing and opening all of the Core Royal and Agricultural Education Center (along with the Parking Improvements, infrastructure Improvements and other improvements related thereto as described in this Agreement) and all other costs of the Developer in delivering the same and performing under this Agreement shall be the sole responsibility of the Developer and such costs will be funded as and when needed by the Developer. For any other Bond Closing that occurs subsequent to the First Issuance, including the Refinancing Issuance, Developer hereby understands and agrees that it shall be irrevocably committed to constructing, completing and opening (or causing the same for) all of the Improvements that are the subject of such issuance and to which STAR Bond Proceeds are to be paid and/or reimbursed as described in this Agreement; all other costs of the Developer in delivering the same and performing under this Agreement shall be the sole responsibility of the Developer and such costs will be funded as and when needed by the Developer. In the event that Pay-As-You-Go CID Financing defined below in Section 4.3(c) and the net STAR Bond Proceeds are in any way insufficient in any respect to pay all CID Costs and STAR Bond Costs, and to complete any of the Improvements included therein, lien free, then Developer agrees that it will, from time to time as necessary, pay (or cause to be paid) any and all costs of said Improvements, free of mechanics' liens.

(h) Excess STAR Bond Proceeds. In the event that the STAR Bond Proceeds allocated by the Total Project Budget for payment of the Developer's STAR Bond Costs exceed (a) the legally eligible STAR Bond Costs, or (b) are equal to or greater than fifty percent (50%) of the Private Contribution, and/or

the public/private ratio as described in Section 4.6 below, and the Improvements included therein have been certified as fully completed and paid for, free of mechanics liens, such excess shall be held and applied pursuant to the STAR Bond Indenture for such STAR Bonds.

(i) Costs Required to be STAR Bond Eligible. Notwithstanding anything in this Agreement to the contrary, in all events when this Agreement shall provide for the payment or reimbursement of any cost with STAR Bond Proceeds, such payment or reimbursement shall be conditioned upon such costs being (i) STAR Bond Costs, and (ii) legally permissible pursuant to the terms and conditions of the STAR Bond Act.

(j) Statutory STAR Bond Requirements. Developer and the UG agree that they will comply with all reasonable requirements including any statutory requirements, associated with the issuance, sale, purchase and delivery of the STAR Bonds and shall cooperate with one another to fully effectuate the terms, distributions, and payments as detailed herein and in the Financing Plan, incorporating the Total Project Budget. Developer further understands and agrees that there is a statutory cap on STAR Bond interest rates as set forth in K.S.A. 10-1009, which shall apply to the STAR Bonds described by this Agreement and the Indenture.

(k) Costs of Issuance. The parties agree that the principal amount of the STAR Bonds actually issued may be more than the amounts stated in the Total Project Budget to cover other costs and expenses related to the issuance of the STAR Bonds, including but not limited to costs of issuance and capitalized interest, and that, subject to Applicable Laws and Requirements and this Agreement, STAR Bonds will be issued in an amount to render up to One Hundred Fifty-Five Million Dollars (\$155,000,000) in net STAR Bond Proceeds for deposit into the STAR Bond Project Fund to pay for STAR Bond Costs incurred by Developer in connection with the Project, or such lesser amount as may be approved by Developer in its sole discretion.

(l) Prepayment of the STAR Bonds. The STAR Bonds may be prepaid pursuant to prepayment provisions to be established in the Bond Documents and which are satisfactory to the UG in its sole discretion.

(m) STAR Bond Payment Applications. Notwithstanding anything herein to the contrary, the signature of both the Developer and the UG shall be required on all pay applications submitted by the Developer to the STAR Bond Trustee for any payment from the STAR Bond Proceeds. All disbursements of the STAR Bond Proceeds shall be pursuant to the Transaction Documents.

(n) Issuance of Obligations. The terms and conditions of this Section 4.2(n) (including the conditions set forth in subsection (iv) below) shall govern and control the issuance of the STAR Bonds.

(i) Terms and Interest Rate. The UG hereby agrees to consult with the Developer regarding the amount of STAR Bonds to be issued, and the terms and interest rate or rates determined by market conditions at the time of issuance, particularly if the marketing conditions are projected to render an amount less than (A) the STAR Bond Cap, and/or (B) an amount equal to the difference between the net proceeds from the First Issuance and One Hundred Fifty-Five Million Dollars (\$155,000,000) in net STAR Bond Proceeds for the Refinancing Issuance or any other series issued subsequent to the First Issuance. Ultimately, however, any such STAR Bonds shall be issued in an amount, on terms and at an interest rate or rates determined by market conditions at the time of issuance and under terms and conditions deemed acceptable by the UG in its sole discretion, and approved by the Secretary; provided, however, that, with respect to the First Issuance (and only with respect to the First Issuance) notwithstanding the foregoing or anything in this Agreement to the contrary, if the Developer is not satisfied in all respects as to the amount of

STAR Bonds to be issued, and the terms and interest rate or rates of the STAR Bonds to be issued, then Developer may, prior to the Bond Closing for the First Issuance, terminate this Agreement upon written notice to the UG. Upon the Developer's termination of this Agreement pursuant to this Section 4.2(n)(i), this Agreement shall terminate, and, except for those provisions that are specifically set forth herein to survive termination of this Agreement, the parties hereto shall have no further duty or obligation hereunder. For avoidance of any doubt, the Parties agree that any Pay-as-You-Go CID Financing shall also terminate and be of no further force and effect if Developer terminates the Agreement as described herein.

(ii) Underwriters. The underwriter(s) for any public offering of STAR Bonds or other obligations shall be selected by the UG. The UG shall solicit input from Developer as it relates to all components of the issuance of STAR Bonds in an effort to maximize the size of the issuance(s) and/or series, but the UG shall have the right, power and authority, to determine the amount (subject to the terms and conditions of this Agreement relating to net STAR Bond Proceeds), terms, interest rate or rates and other terms and conditions of the STAR Bonds, subject to the approval of the Secretary and Section 4.2(n)(i) above.

(iii) No Guaranty or Credit Enhancement. The UG shall not be required, in any way, to guaranty or lend its credit to secure the STAR Bonds.

(iv) Conditions for Issuance. Issuance of any STAR Bonds shall be conditioned upon Developer complying with the terms of this Agreement and each of the following conditions:

(1) For the Refinancing Issuance or any series issued after the First Issuance, Developer shall provide such documentation to the UG as is required by the underwriter to demonstrate that the Incremental Tax Revenues to be pledged to such STAR Bonds are sufficient to pay debt service on such STAR Bonds amortized through the Term of this Agreement with a coverage factor that the underwriter determines is necessary and that is agreed to by Developer and the UG.

(2) The terms of such STAR Bonds, including but not limited to limitations on sales and transfers to Qualified Third Parties, shall be acceptable to the UG in its sole discretion.

(3) For the Refinancing Issuance or any series issued after the First Issuance, the underwriter shall hold such STAR Bonds in its own account or be responsible for marketing and selling such STAR Bonds, and the UG shall be under no obligation to issue STAR Bonds if such STAR Bonds are not marketable after reasonable effort by the underwriter.

(4) The Kansas Attorney General shall approve the transcript of proceedings relating to such STAR Bonds as required by Applicable Laws and Requirements.

(5) Bond counsel selected by the UG shall provide to the UG an opinion to the effect that such STAR Bonds have been validly issued under Kansas law and, if applicable, the interest on such STAR Bonds is exempt from Kansas and federal income taxation, subject to the standard exceptions.

(v) Bond Requirements. Developer and the UG agree that they will comply with all reasonable requirements, including any statutory requirements, associated with the issuance, sale, purchase and delivery of any STAR Bonds. Without limiting the generality of the foregoing, the

parties hereby recognize and agree that K.S.A. 12-17,176 of the STAR Bond Act requires an annual audit by a certified public accountant of the use of the STAR Bond Proceeds by the UG. Developer hereby agrees that it shall cooperate with any such annual audit (and with one (1) comprehensive audit following completion of construction of the Project if and to the extent required by the UG) and Developer shall reimburse the UG for all of the costs and expenses associated with such audits.

(vi) Discretion of the UG's Board of Commissioners. Developer understands and agrees that the UG cannot bind governing bodies of the UG regarding the authorization, issuance, sale or delivery of STAR Bonds and that nothing contained herein or in the Financing Plan shall in any way bind the UG's Board of Commissioners to accept or reject any proposal to authorize, issue, sell, deliver, or refinance the STAR Bonds or other obligations of the UG, which decision shall unconditionally remain with such Board of Commissioners in accordance with Applicable Laws and Requirements. Among other things, Developer hereby understands and agrees that the UG shall have the right to approve the interest rate and the other terms of the STAR Bonds.

(vii) Placement of STAR Bonds. The parties agree that, subject to the approval of the UG, the STAR Bonds may be publicly or privately placed and sold only to (i) "qualified institutional buyers," or (ii) "accredited investors" as such terms are defined by the Securities Exchange Commission ("Qualified Third Parties") who execute and deliver investor letters in the form required by the STAR Bond Indenture.

4.3 CID. It is contemplated by the parties that the Project may be funded in part by CID Sales Tax Proceeds. Developer has identified certain Project Costs which may be reimbursed with CID Sales Tax Proceeds if and to the extent that such Project Costs are agreed-upon by the parties and identified on **Exhibit 8** attached hereto (the "CID Eligible Expenses") and eligible for payment or reimbursement pursuant to the CID Act. In connection with the CID Sales Tax, the Parties hereby agree as follows:

(a) CID Sales Tax. The UG hereby agrees that the CID Eligible Expenses may be financed and reimbursed with Pay-As-You-Go CID Financing (defined below in Section 4.3(c)) from the imposition of the CID Sales Tax in the amount of one percent (1%) on the sale of tangible personal property at retail or rendering or furnishing of services which are taxable pursuant to the Kansas Retailers' Sales Tax Act (K.S.A. 79-3601 *et seq.*) from only those revenues received from real property owned by Developer (or its Affiliates) within the CID. Developer agrees to provide to the DOR a list of tenants within the CID within the timeframes required by the DOR, so that the DOR can notify tenants within the CID of their requirement to collect a CID Sales Tax. At the time the list of tenants is provided to the DOR, Developer shall also provide a copy to the UG.

(b) CID Sales Tax Fund. During the Term, subject to Section 4.3(e) below, all CID Sales Tax Proceeds generated within the CID and received by the UG from the DOR shall be deposited into the CID Sales Tax Fund, which shall be established and administered by the UG in compliance with the laws of the State and this Agreement.

(c) Pay-As-You-Go CID Financing. The Parties hereby agree that the proceeds from the CID Sales Tax shall be disbursed by the UG to Developer quarterly from the CID Sales Tax Fund on a pay-as-you-go basis ("Pay-As-You-Go CID Financing") to reimburse Developer for the CID Eligible Expenses, if and to the extent that: (1) there are CID Sales Tax Proceeds in the CID Sales Tax Fund, (2) Developer has fully satisfied all of the conditions as set forth in Section 4.4 below, (3) the CID Sales Tax Proceeds have not been pledged to the STAR Bonds (as described below), and (4) the Term has not yet expired. The Parties further agree as follows:

(i) The CID Sales Tax available to Developer for reimbursement of CID Eligible Expenses identified on Exhibit 8 shall be limited as follows: the amount of CID Eligible Expenses reimbursed to Developer from the CID Sales Tax through Pay-As-You-Go CID Financing shall, when added to the net STAR Bond Proceeds, in no event exceed an amount equal to the difference between the net STAR Bond Proceeds from all STAR Bonds issued for the Project and One Hundred Eighty Five Million Dollars (\$185,000,000) (the "CID Cap"). The CID Cap shall also be reduced (if and only to the extent necessary) to comply with the 50/50 Limitation described in Section 4.2(f) above. The CID Cap shall, for all purposes set forth herein, operate as a cap on the use of CID Sales Tax for reimbursement of the CID Eligible Expenses for the initial construction of the Project as described on Exhibit 8, including without limitation, any construction period interest and financing costs – which amounts, if any, shall effectively reduce the CID Cap.

(ii) The CID Sales Tax shall be collected within the CID for a period that commences on the date that the CID Sales Tax is first imposed within the CID up to and concluding upon that date which is twenty-two (22) years from the date that the CID Sales Tax is first imposed (the "CID Collection Period"). At the end of the CID Collection Period, the parties understand and agree that the CID shall thereafter terminate, the CID Sales Tax shall terminate and no longer be levied or collected within the CID, and the UG shall promptly take any action required to so terminate the CID and the CID Sales Tax.

(iii) Developer shall not receive any reimbursements from Pay-As-You-Go CID Financing unless and until the conditions precedent set forth in Section 4.4 have been fully satisfied or waived by the UG, upon which satisfaction or waiver Developer shall be reimbursed from Pay-As-You-Go CID Financing as provided in this Agreement.

(d) CID Bonds. Developer hereby understands and agrees that nothing in this Agreement shall in any way obligate the UG to issue CID bonds or other CID obligations to reimburse Developer for the CID Eligible Expenses; provided, however, that: (i) the Developer may request, and the UG will consider, in its sole and absolute discretion, the issuance of special obligation bonds to reimburse the Developer for CID Eligible Expenses for the initial construction of the Project as described on Exhibit 8 up to an amount equal to the CID Cap; and (ii) in the event that the Refinancing Issuance or any subsequent series of STAR Bonds for the Project is projected to yield less than an aggregate of One Hundred Fifty-Five Million Dollars (\$155,000,000) of net STAR Bond Proceeds for the Project when combined with the First Issuance, then the Developer may request, and the UG will consider, in its sole and absolute discretion, prior to the printing or distribution of any type offering statement or placement memorandum for the issuance of such series of STAR Bonds (or any particular issuance and/or series thereof), a pledge of all or a portion of the CID Sales Tax Proceeds as an additional source of revenues to pay the STAR Bonds (or such issuance and/or series thereof). Notwithstanding the foregoing, the Parties hereby agree that in no event shall the amount of CID Sales Tax Proceeds to be pledged to a special obligations CID bond series (as set forth in subsection (i)) or pledged to the STAR Bonds (as set forth in subsection (ii)) ever be greater than the amount of Annual Payments which, in accordance with the schedule set forth on Exhibit 15, have yet to be paid by Developer pursuant to Section 8.1(m) hereof. In the event that the UG shall, in its sole discretion, approve a request for a pledge of CID Sales Tax Proceeds to a series of STAR Bonds, the Bond Documents shall govern the collection and disbursement of the CID Sales Tax Proceeds (or such portion thereof) so pledged until the STAR Bonds to which the same have been pledged are fully repaid, and any and all CID Sales Tax Proceeds generated and/or remaining thereafter shall be available to Developer for Pay-As-You-Go CID Financing up to an amount equal to the CID Cap.

(e) Payment of CID Administrative Fee. A portion of CID Sales Tax from the CID shall be used to pay an administrative fee in an amount equal to one percent (1.0%) of the CID Sales Tax Proceeds actually received by the UG from the DOR (the "CID Administrative Fee"), and Developer hereby

understands and agrees that such CID Administrative Fee shall be withheld by the UG prior to depositing the balance of the CID Sales Tax Proceeds into the CID Sales Tax Fund. As and when there are sufficient CID Sales Tax revenues from the CID to pay the CID Administrative Fee, such CID Administrative Fee shall have first priority to available CID Sales Tax Proceeds.

4.4 Conditions Precedent to Payment or Reimbursement from STAR Bonds or Pay-As-You-Go CID Financing. Developer hereby understands and agrees that it shall not receive any payments or reimbursements for Project Costs from STAR Bonds or Pay-As-You-Go CID Financing, unless and until the conditions precedent set forth below have been fully satisfied or waived by the UG in its sole discretion:

- (a) The Bond Closing for the First Issuance has occurred;
- (b) In accordance with Section 4.7 hereof, the UG has approved the Certificate of Expenditure for the Project Costs sought to be paid or reimbursed;
- (c) Developer shall be in full compliance with the terms and conditions of this Agreement and shall not be in default hereunder, nor shall there be conditions, actions or omissions of Developer which will, with the passage of time, become occurrences of default hereunder; and
- (d) With respect to reimbursements from Pay-As-You-Go CID Financing only (and not for reimbursements or payments from STAR Bonds, including any CID Sales Tax Proceeds pledged to the STAR Bond issuance pursuant to Section 4.3(d) above), the Core Royal Improvements and the Agricultural Education Center shall be Substantially Completed.
- (e) Before any payments or reimbursements for Project Costs related to the Festival Grounds may be made from STAR Bonds or Pay-As-You-Go CID Financing, Developer must contractually commit to the UG that it will fully construct, complete and open the Festival Grounds and satisfy all conditions related thereto in Section 2.2(c), including without limitation, Developer and the UG entering into a mutually agreeable non-compete agreement for events hosted at the facility currently named Azura Amphitheater.

4.5 Increase to the STAR Bond Cap. Developer may request an increase to the STAR Bond Cap, if and when it provides a contractual commitment to deliver the Festival Grounds and/or additional retail, entertainment or hotel concepts within the STAR Bond District that are found to be desirable and worthy of increased STAR Bond financing in the respective sole discretion of the UG and the Secretary. Nothing herein shall be deemed to require that the UG or the Secretary increase the STAR Bond Cap; any such increases will be at the respective sole discretion of the UG and the Secretary.

4.6 STAR Bond Disbursement Conditions and Limitations. In addition to the 50/50 Limitation and the conditions precedent described below in Section 4.4 above, for any disbursements from the STAR Bond Proceeds to Developer, the following additional conditions precedent and limitations shall apply:

- (a) Public/Private Ratio. Developer shall contribute (or cause to be contributed) at least \$209,705,882 of Private Contribution funding into the Project in connection with receiving disbursement of the entire anticipated STAR Bond Proceeds for the Project (\$155,000,000), which is a public/private ratio of approximately 42.5% public/57.5% private (excluding the CID and Base Grant and KDOT contributions from the Total Project Costs). However, the parties have agreed that the public/private ratio for disbursements of the first \$100,000,000 of STAR Bond Proceeds shall be 50% public/50% private. Thereafter, the parties agree that each disbursement of any STAR Bond Proceeds to Developer requires at least a 42.5/57.5% aggregate public/private ratio of STAR Bonds to Private Contribution (meaning a public contribution of STAR Bond Proceeds equal to or lower than 42.5% in the aggregate), to be measured and

met based on the total amount of all Project Costs incurred to the date of the disbursement (excluding those paid or reimbursed with CID, Base Grant, and/or KDOT as set forth in Section 4.10 below). The following illustrative examples are intended to demonstrate the public/private ratio and limitations that would govern the disbursement of STAR Bond Proceeds to Developer.

(i) If and to the extent that the net STAR Bond Proceeds from the First Issuance yields, for example, \$90,000,000 of net STAR Bond Proceeds available to Developer, then the Private Contribution (at 50%) required hereunder shall be \$90,000,000. In other words, for Developer to receive disbursements of all \$90,000,000 of STAR Bond Proceeds from the First Issuance, Developer will be required to demonstrate payment of at least \$90,000,000 of Project Costs from the Private Contribution. If and to the extent that Developer cannot demonstrate at least \$90,000,000 of Private Contribution invested in the Project as described herein, the parties hereby agree that the STAR Bond Proceeds of the First Issuance which are available to be disbursed to Developer shall be decreased from \$90,000,000 to such lesser amount that is necessary to yield a public/private ratio of 50/50%. Using the same example as above, if Developer is only able to demonstrate \$80,000,000 in Private Contribution, then the STAR Bond Proceeds available to be disbursed to Developer will be reduced to \$80,000,000, until such time Developer demonstrates sufficient additional Private Contribution.

(ii) If and to the extent that the net STAR Bond Proceeds from the First Issuance yields, for example, \$130,000,000 of net STAR Bond Proceeds available to Developer, then the Private Contribution (at 57.5% in the aggregate) required hereunder shall be \$175,882,353. In other words, for Developer to receive disbursements of all \$130,000,000 of STAR Bond Proceeds, Developer will be required to demonstrate payment of at least \$175,882,353 of Project Costs from the Private Contribution. If and to the extent that Developer cannot demonstrate at least \$175,882,353 of Private Contribution invested in the Project as described herein, the parties hereby agree that the STAR Bond Proceeds of the First Issuance which are available to be disbursed to Developer shall be decreased from \$130,000,000 to such lesser amount that is necessary to yield a public/private ratio of 42.5/57.5% (or 50%/50% with respect to disbursements of the first \$100,000,000 of STAR Bond Proceeds, as provided above). Using the same example as above in this subparagraph, if Developer is only able to demonstrate \$165,000,000 in Private Contribution (at 57.5% in the aggregate), then the STAR Bond Proceeds available to be disbursed to Developer will be reduced to \$121,956,522, until such time Developer demonstrates sufficient additional Private Contribution.

(iii) If and to the extent that the net STAR Bond Proceeds from the First Issuance yields, for example, \$155,000,000 of net STAR Bond Proceeds available to Developer, then the Private Contribution (at 57.5% in the aggregate) required hereunder shall be \$209,705,882. If and to the extent that Developer cannot demonstrate at least \$209,705,882 of Private Contribution invested in the Project as described herein, the parties hereby agree that the STAR Bond Proceeds of the First Issuance which are available to be disbursed to Developer shall be decreased from \$155,000,000 to such lesser amount that is necessary to yield a public/private ratio of 42.5/57.5%. Using the same example as above in this subparagraph, if Developer is only able to demonstrate \$200,000,000 in Private Contribution (at 57.5% in the aggregate), then the STAR Bond Proceeds available to be disbursed to Developer will be reduced to \$147,826,087, until such time as Developer demonstrates sufficient additional Private Contribution.

(iv) Notwithstanding anything set forth in subsections (a)(i) through (iii) above (or in the balance of this Agreement) which is seemingly to the contrary, after Bond Closing on the First Issuance, Developer shall be irrevocably obligated to continuously construct, complete and open all of the components of the Core Royal and the Agricultural Education Center; Developer will provide an additional Private Contribution, if necessary, to maintain and finance a continuous

program of construction for the same, subject to (but not in any way conditioned upon) Developer's rights to continue to pursue subsequent STAR Bond issuances as described in this Agreement.

(v) Notwithstanding the use of the First Issuance for the purpose of the examples provided in subsections (a)(i) through (ii) above, the public/private ratios for disbursement of STAR Bond Proceeds from all STAR Bond issuances that fund the construction of the Project shall be the same as set forth above.

(b) Escrow Conditions. If and to the extent that any of the STAR Bond Proceeds are escrowed at the Bond Closing for the Festival Grounds or any retailers or other revenue generating concepts that are not yet fully constructed, open and operating, the parties hereby agree that any such escrowed STAR Bond Proceeds may only be disbursed to Developer after the Festival Grounds or subject retailer(s) or revenue generators, as applicable, have completed construction, opened and are operating for business.

4.7 Certificates of Expenditure for Reimbursement from Net STAR Bond Proceeds and CID Sales Tax Proceeds. The parties hereby agree as follows:

(a) Certificate of Expenditure. In order to receive payment or reimbursement for Project Costs from net STAR Bond Proceeds or CID Financing, Developer shall submit a certificate of expenditure in the form attached hereto as **Exhibit 9** (each, a "Certificate of Expenditure") attesting to the expenditure of the Project Costs in accordance with the procedure set forth below. Developer may submit a separate Certificate of Expenditure each month, but no more than one time per month, for each of the STAR Bond Revenue Fund and CID Sales Tax Fund. Additionally, Developer shall require that no transferee, purchaser, or lessee of any portion of the Site otherwise provide Certificate(s) of Expenditure to the UG, except through Developer or except as otherwise approved by the UG and Developer.

(b) Procedures for Certification of Expenditures. The UG or a representative of the UG shall review the Certificate(s) of Expenditure to be made in connection with the Project Costs for approval or denial of the same as follows:

(i) Developer shall submit to the UG a Certificate of Expenditure setting forth the amount for which certification is sought and identification of the relevant Project Costs and the appropriate source of public financing proceeds (STAR Bond Revenue Fund or CID Sales Tax Fund) for payment of such Project Costs. Developer shall certify to the UG that it shall only use the STAR Bond Proceeds and/or the CID Sales Tax Proceeds for the designated Project Costs described in the Certificate of Expenditure and that such proceeds shall not be commingled with other sources or uses.

(ii) The Certificate of Expenditure shall be accompanied by an accounting of the Private Contribution made to date, along with supporting documentation therefor, and the amount of all STAR Bond Proceeds and CID Sales Tax Proceeds received by Developer to date.

(iii) The Certificate of Expenditure shall be accompanied by bills, contracts, invoices, and/or lien waivers and such other evidence as the UG may require to document appropriate payment or pending payment.

(iv) The Certificate of Expenditure shall be accompanied by a report regarding any LBE/MBE/WBE participation associated with the costs requested for payment or reimbursement in the Certificate of Expenditure.

(v) The UG reserves the right to have its engineer or other agents, consultants or employees inspect all the items set forth in subsection (ii) above as reasonably necessary to determine that the expenses therein are valid, eligible and properly incurred and constitute STAR Bond Costs and/or CID Eligible Expenses (as the case may be).

(vi) The UG shall have sixty (60) calendar days after receipt of any Certificate of Expenditure from the Developer (except for a Certificate of Expenditure that includes the last five percent (5%) of the STAR Bond Proceeds, which may take as long as reasonably necessary to verify compliance with LBE/MBE/WBE participation as described in Section 8.2 and **Exhibit 13** hereof) to review and respond by written notice to Developer. If the UG disapproves of the Certificate of Expenditure, the UG shall notify the Developer in writing of the reason for such disapproval within such sixty (60) day period, in which event the Developer shall have the right to revise and re-submit the Certificate of Expenditure to address the UG's reason for disapproval, and the UG will review and approve the revised Certificate of Expenditure within thirty (30) calendar days after receipt of the re-submitted Certificate of Expenditure. Approval of any Certificate of Expenditure will not be unreasonably withheld, conditioned, or delayed.

(c) Third Party Oversight/Management. The parties hereby understand and agree that the process to approve Certificates of Expenditure and properly disburse the STAR Bond Proceeds and CID Sales Tax Proceeds is important to the State, the UG and the Developer for various reasons. Accordingly, the parties hereby understand and agree that the UG may retain outside third party representatives to manage and/or provide oversight to this process, with the prior written approval of Developer, which approval shall not be unreasonably withheld, conditioned or delayed, following Developer's receipt of a cost proposal from such outside third party representatives, and Developer hereby agrees to fully cooperate with any such third party representatives in this process and to pay the UG's costs for retaining such third parties.

4.8 Line Items. The parties hereby agree that any increase in line item amounts in the columns labeled "STAR Bond Costs" or "CID Eligible Expenses" in the Total Project Budget as set forth on **Exhibit 8** may be made by Developer as long as: (a) no increase is made within any of the "Soft Costs" or "Contingency" line items; (b) no other increase represents more than twelve percent (12%) change per line item, and (c) Developer provides the County Administrator's office with prior written notice of such change. No increase will be effective without such notice to the County Administrator's office and a modified Total Project Budget reflecting such change. However, in the event the Developer wants to increase a "Soft Cost" or "Contingency" line item or increase one or more other line items in the Total Project Budget in excess of 12% per line item, then any such modifications may be requested by Developer in writing and approved by the County Administrator's office.

4.9 IRBs. Subject to all Applicable Laws and Requirements and subject further to compliance by Developer with the UG policy for the issuance of industrial revenue bonds ("**IRBs**"), the parties hereby agree that the Developer may use IRB financing to obtain an exemption on sales taxes for construction materials, equipment and furnishing for the Project. The parties hereby understand and specifically agree that such IRB financing shall not be used for abatement of ad valorem taxes. Further, Developer understands and agrees that any such IRBs for a particular component of the Project shall be redeemed and paid in full within twelve (12) months of the completion of such Project component's construction. Unless otherwise agreed by the parties, no IRBs for the Project pursuant to this Section 4.9 shall be issued more than six (6) years after the Effective Date. Developer shall pay all costs in connection with the issuance of the IRB financing, including without limitation, any origination fees, IRB fees and costs of issuance. With respect to IRB financing for the Core Royal and the Agricultural Education Center, the parties further agree as follows:

(a) The IRBs for the Core Royal and Agricultural Education Center shall be issued on or before the date of the First Issuance.

(b) For the IRBs for the Core Royal and the Agricultural Education Center and the related Improvements for that portion of the Project, Developer has agreed to pay the UG an Origination Fee equal to \$5,000,000 (the "Origination Fee"), which shall be counted towards the Private Contribution requirements for all purposes of this Agreement. The UG and Developer have agreed that the Origination Fee must be used by the UG for local economic development activities. The Parties have also agreed that the Origination Fee described herein is (i) not intended to be subject to the UG's community benefit ordinance or other resolutions or ordinances intended to allocate fees and charges to specific purposes, and (ii) is intended to be in addition to, and not in lieu of, the UG's typical application fees, issuance fees, monitoring fees, and/or other additional costs required pursuant to the UG's IRB policy, which fees and charges shall be subject to the community benefit ordinance.

(c) Subject to Applicable Law and Requirements, the UG has established a process to decide how best to use the Origination Fee described herein. Such process is articulated in Section 8.1(n) hereof.

4.10 Private Contribution. Developer shall contribute, or procure through third party partnerships, no less than the amount of private capital necessary (when combined with the STAR Bond Proceeds and CID Financing described herein and other public funds available or previously expended for such purposes) to fully construct and open the Project (the "Private Contribution"). Developer's Private Contribution shall be provided to the Project from one or more of the sources of funds described in this Section, including private capital and such other funding (including such funds as contributed and procured to date and expended, or available to be expended) to construct the Project. In no event shall the Private Contribution, for purposes of defining or evaluating the same under this Agreement, include any funding contributed or procured through other public incentive vehicles, grants or programs, including, but not limited to, the Kansas Building a Stronger Economy (BASE) grant program, the Kansas Department of Transportation (KDOT) Economic Development Program and/or other federal and State funding programs. The parties acknowledge and agree that the Private Contribution may be phased, but such phasing may limit the availability of STAR Bond Proceeds and/or CID Sales Tax Proceeds to Developer from time to time as set forth in Section 4.6 above. In the event that the STAR Bond Proceeds and CID Sales Tax Proceeds contemplated by the Total Project Budget for payment of the Total Project Costs are in any way insufficient in any respect to pay all such Total Project Costs of the Improvements, then Developer agrees that it will, from time to time as necessary, pay any and all of such shortfall necessary to complete the Improvements, lien free.

4.11 Reimbursement Priority. All payments or reimbursements of whatever kind from the UG to the Developer under this Agreement shall be made in the following priority:

(a) First, to the UG, to the extent permitted by Applicable Laws and Requirements, for: (i) any amounts due and owing (including all taxes, fees, or fines), including any interest and penalty thereon, by the Developer to the UG under this Agreement, under any other agreement with the UG, or under any Applicable Laws and Requirements; (ii) all costs incurred (and any interest or penalty thereon) by the UG in entering into, operating under, or enforcing this Agreement, including without limitation the CID Administrative Fee, and all costs of pursuit of Developer; and (iii) indemnification of the UG for any indemnity obligation owed by Developer to the UG, and any interest or penalty thereon; provided, however, with respect to (a)(i) and (a)(ii) above, the UG shall first provide Developer with advance written notice specifying the amount(s) in question, and afford Developer a period of ten (10) days following its receipt of such notice in which to pay such amount(s); and

(b) Second, to the Developer for actual amounts to which the Developer is entitled by the other provisions of this Agreement.

ARTICLE 5.

CLOSING; COMMITMENTS TO CONSTRUCT PORTIONS OF PROJECT

5.1 Bond Closing. The term "Bond Closing" as used in this Agreement shall mean, with respect to a particular series of STAR Bonds, the date on which such series of STAR Bonds is issued, sold, and delivered publicly or privately to pay for and/or reimburse STAR Bond Costs for the Project. Developer shall provide written notice to the UG prior to the proposed Bond Closing date (and each subsequent Bond Closing date, if more than one), and shall use commercially reasonable efforts to do so (a) at least three (3) weeks in advance thereof if the STAR Bond series is a private placement, and (b) at least 45 days in advance if the STAR Bonds are intended to be sold publicly. It is hereby recognized, stipulated and agreed by Developer and the UG that neither party shall have any duty to proceed with the Bond Closing or to do or perform any of the duties or obligations to be performed at the Bond Closing unless and until each and all of the conditions described in Article 3 have either been satisfied or waived in accordance with the applicable provisions of Article 3. Notwithstanding anything herein to the contrary, the Bond Closing for the First Issuance must occur on or before that date which is one hundred eighty days from the Effective Date (the "Drop Dead Date"), or either party shall have the right to terminate this Agreement upon written notice delivered to the other party prior to the occurrence of such Bond Closing.

5.2 Commitments to Complete Portions of the Project. If the Bond Closing for the First Issuance occurs on or before the Drop Dead Date, Developer agrees that it shall have no further right to terminate this Agreement and shall be irrevocably committed to construct, complete and open the Core Royal and the Agricultural Education Center portions of the Project, along with the related infrastructure, Parking Improvements and other Improvements related thereto. The UG and Developer hereby agree that Developer is not obligated to construct, complete and open the Festival Grounds as described in Section 2.2(c) unless and until (a) the STAR Bond Cap is increased related to the Festival Grounds as described in Section 4.5, or (b) Developer, in its discretion, irrevocably commits in writing to construct and complete the Festival Grounds. Once one of the two conditions set forth in subsections (a) or (b) are satisfied, then Developer agrees that it shall be irrevocably committed to construct, complete and open the Festival Grounds as contemplated by this Agreement.

5.3 Deadline for Last STAR Bond Issuance. Developer also understands and agrees that the Bond Closing for the last series of STAR Bonds for the Project must close on or before that date which is seven (7) years after the Effective Date.

ARTICLE 6.

CONSTRUCTION OF IMPROVEMENTS AND INFRASTRUCTURE IMPROVEMENTS

6.1 Architect. Developer shall select such architects, engineers and other design professionals and consultants as are necessary, in Developer's sole discretion, to provide construction documents and construction oversight services for the Core Royal Improvements, Agricultural Education Center Improvements the Festival Grounds, if applicable, and the associated Parking Improvements, along with the associated signage and landscaping (collectively, the "Improvements"). All agreements respecting architectural and engineering services shall be between Developer and such Persons, and a copy of each such agreement shall be timely provided to the UG upon a request for the same.

6.2 Design and Plans and Specifications. Developer shall, prior to printing or distribution of any type offering statement or placement memorandum for the First Issuance, provide the UG with plans and specifications for the Improvements comprising the Core Royal and the Agricultural Education Center

(collectively, the "Plans and Specifications"), which Plans and Specifications shall include cost estimates for such Improvements and detailed specifications of materials, all in accordance with and compatible with the Development Plan and in compliance with all Applicable Laws and Requirements. The UG shall have the right, independent of its planning and zoning approval process, to approve the Plans and Specifications. Without the prior written approval of the UG, there shall be no Material Changes to the Plans and Specifications subsequent to the UG's approval as set forth herein.

(a) Pursuant to applicable UG zoning and building regulations, Developer has provided UG with design criteria, which set forth the architectural design of the Improvements and the building materials to be used in the construction thereof, attached hereto as **Exhibit 10** (the "Design Criteria").

(b) Pursuant to applicable UG zoning and building regulations, Developer has provided the UG with a landscape plan that sets forth a detailed plan for landscaping of the Site, which has been approved by the UG in connection with the Development Plan and is attached to this Agreement as **Exhibit 11**, as the same may be modified or amended from time to time in accordance with Applicable Laws and Requirements and Section 2.2(i) of this Agreement (the "Landscape Plan").

6.3 General Contractor and Construction Documents. Developer shall select a design builder and/or one or more general contractors (collectively, the "General Contractor") for the Improvements, in Developer's sole discretion; provided, however, that each such General Contractor must have experience in projects of similar scope and nature in the Kansas City metropolitan area, including experience working with union labor and meeting LBE/MBE/WBE goals. Developer represents that its construction documents relative to the Improvements (the "Construction Documents") will require and provide for: (a) the design, development, construction, equipping and completion of the Improvements in accordance with the Development Plan, the Plans and Specifications and all Applicable Laws and Requirements; (b) a guaranteed maximum price, or other commercially reasonable payment structure acceptable to the UG and Developer; (c) guaranteed Substantial Completion not later than the Completion Date for each respective Improvement as set forth in Section 6.10 (with such penalties for nonperformance as the UG and Developer deem necessary); and (d) surety of performance and labor and material payment bonds except as set forth in Section 6.6 below. Developer shall, as soon as practicable, provide the UG with a copy of the Construction Documents.

6.4 Changes or Amendments. Developer shall promptly deliver to the UG copies of all change orders or other Material Changes to the Construction Documents. Developer agrees with the UG that, subject to the terms and conditions of this Agreement, it will: (a) perform its duties and obligations under the Construction Documents, and (b) enforce the obligations of all other parties thereunder.

6.5 Responsibility for Design and Construction. Developer shall, subject to the terms of this Agreement, the other Transaction Documents, and the Development Plan, have the sole right and the responsibility to design, manage, operate and construct the Project. Developer shall receive no separate fee from the UG, STAR Bond Proceeds, or CID Sales Tax Proceeds for acting as construction manager or developer of the Project. Notwithstanding anything set forth herein to the contrary, the Plans and Specifications shall be sealed by the principal architect and shall require that the principal architect render a certificate upon the completion of the work required thereby that said work has been completed in accordance with all Applicable Laws and Requirements.

6.6 Payment and Performance Bonds. Except as otherwise provided below, General Contractor shall be required under the Construction Documents to furnish and maintain in full force and effect performance and labor and material payment bonds in the full amount of the project cost, as set forth in the Construction Documents. The bonds shall be in form and substance and issued by a corporate surety satisfactory to Developer and the UG. The bonds shall be in favor of the UG, Developer, the Permitted Mortgagee, and

such other parties as are required in connection with the issuance of the STAR Bonds; provided, however, that the General Contractor shall not (nor shall the Construction Documents) be required to provide such bonds if the County Administrator agrees in his sole discretion to waive such requirement in writing after review and approval of the General Contractor's financial statements.

6.7 Permits and Reviews. Developer hereby recognizes, stipulates and agrees: (a) that in the design, construction, completion, use or operation of the Improvements, Developer, or its General Contractor, shall procure and pay for (or cause to be procured and paid for) any and all permits, licenses or other forms of authorizations that are, from time to time, required by Applicable Laws and Requirements; and (b) that nothing herein shall be construed as any release by the UG of the responsibility of Developer to comply with, and satisfy the requirements of, all Applicable Laws and Requirements; the UG agreeing, however, that it will, to the extent possible, expedite all plan review and permitting in connection with the design and construction of the Improvements, and that, subject to this Agreement and Applicable Laws and Requirements, including without limitation the CID Act and the STAR Bond Act, the costs of procuring any and all permits, licenses or other forms of authorizations may be paid for and/or reimbursed, as the case may be, with STAR Bond Proceeds or CID Sales Tax Proceeds.

6.8 Cost Verification. During construction of the Improvements, the UG and Developer shall establish appropriate review procedures whereunder the UG and/or its representatives can inspect and review costs (which may include an audit of records to verify the STAR Bond Costs, CID Eligible Expenses and the Private Contribution which are incurred and paid in accordance with the Development Plan) and to verify that construction is proceeding in accordance with the Development Plan, the Plans and Specifications and all Applicable Laws and Requirements. Developer will cooperate with the UG in such review and, subject to Section 4.7(c) above, the costs and expenses for such review shall be paid by Developer and if such costs are eligible, the same may be reimbursed with STAR Bond Proceeds and/or CID Sales Tax Proceeds, subject to compliance with the CID Act and the STAR Bond Act (as applicable). All disbursements of STAR Bond Proceeds and CID Sales Tax Proceeds shall be subject to the written approval of the UG in accordance with this Agreement, which approval will not be unreasonably delayed, conditioned or withheld.

6.9 Periodic Meetings with the UG. From the Effective Date until Substantial Completion of the Improvements, Developer hereby agrees to meet with the UG and/or its representatives at such intervals as Developer, the UG and any such designee shall mutually agree or reasonably request, but not more frequently than monthly, to review and discuss the design, development and construction of the Improvements and the Project.

6.10 Commencement and Completion of Improvements. Subject to satisfaction or waiver of the conditions set forth in Section 3.1(a) above, and subject to Force Majeure, Developer hereby agrees that it shall commence and complete the Improvements on or before the dates set forth as follows:

(a) The Core Royal Improvements. Developer hereby represents to the UG that commencement of construction of the Core Royal Improvements has previously occurred prior to the Effective Date. Developer further agrees that the Core Royal Improvements, associated Parking Improvements, signage, and landscaping shall be Substantially Completed and opened no later than that date which is two (2) years after the Bond Closing for the First Issuance.

(b) The Agricultural Education Center Improvements. Commencement of construction of the Agricultural Education Center Improvements shall occur on or before that date which is eighteen (18) months after the Bond Closing, and the Developer further agrees that the Agricultural Education Center Improvements, associated Parking Improvements, signage, and landscaping shall be Substantially

Completed and opened no later than that date which is three (3) years after the Bond Closing for the First Issuance.

ARTICLE 7. USE AND OPERATION

7.1 Term. The Term of this Agreement shall commence on the Effective Date and, unless earlier terminated as specifically provided in Sections 3.2, 4.2(n)(i), 5.1, 7.10(c) or 9.2 herein, shall expire on that date which is the later of: (i) the last day of the STAR Bond Collection Period, and (ii) the last day of the CID Collection Period (the "Term").

7.2 Use and Operation. Developer covenants that at all times during the Term, it will:

(a) Use the Site only for a major commercial entertainment and tourism development consisting of the following uses: first class livestock expo arena and other agricultural-related uses, first class education and conference center uses and first class entertainment complexes, which uses specifically include the Improvements and BBQ Uses, and may include related retail, restaurant, office, multi-use, exhibition, meeting, conference, festival grounds and/or other sporting and recreational uses, (collectively, the "Permitted Uses"), which Permitted Uses shall expressly include the Project, Improvements and associated uses as described in this Agreement.

(b) Conduct its business at all times in a dignified and quality manner and in conformity with the highest industry standards and in such manner as to help establish and maintain a strong reputation for the Project.

(c) Maintain the Site in substantial compliance with the Landscape Plan and at all times trimmed and well-maintained.

(d) Provide security for the Project in accordance with industry standards for similarly situated projects of similar scope and nature, including crowd control and management, traffic control and first aid before, during and after events at the Project, including the BBQ Competition, in coordination with Government Authorities.

(e) Perform its duties to repair, restore and replace the Improvements as set forth in Sections 7.4 and 7.10 hereof; provided, however, that notwithstanding anything herein to the contrary, nothing in this Agreement shall require Developer to make renovations or upgrades to the Improvements beyond what is set forth in the Plans and Specifications.

(f) Additionally, Developer and the UG hereby agree that the following uses shall be prohibited on or about the Site during the Term, except as otherwise provided herein or with the prior written approval of the UG:

(i) Any use which is unreasonably offensive (meaning not in compliance with commercially reasonable standards for projects of similar scope and nature) by reason of odor, fumes, dust, smoke, noise, or pollution, or which constitutes a nuisance, or is hazardous, by reason of fire or explosion, or which is objectively injurious to the reputation of the Project; provided, however, that the UG understands and agrees that the Project includes uses that are agricultural- and entertainment-related in nature, and as such, the noise and odor that accompany such uses shall not be prohibited by the foregoing restriction, but the same shall be subject to the terms of subsection (g) below. No oil, gasoline or flammable liquid shall be stored in bulk other than allowed pursuant to Applicable Laws and Requirements.

- (ii) A gas station, or car wash facility, open to the public.
- (iii) A facility primarily used as a storage warehouse operation, mini-warehouse, or freight terminal; provided, however, that the foregoing restriction shall not in any way prohibit the operation of a small warehouse or mini-warehouse if operated in connection with and ancillary to the Permitted Uses.
- (iv) A facility for the assembling, manufacturing, refining, or smelting, drilling, mining, exploring or the producing of oil, gases or other minerals.
- (v) Any use, other than for educational purposes, which involves the long-term raising, breeding, and keeping of any animals or poultry; provided, however, that such educational uses shall: (1) never exceed more than twenty (20) animals at one time, and (2) always be subject to Applicable Laws and Requirements. However, the UG understands and agrees that portions of the Site may be used on a temporary basis for the keeping and selling of livestock and other animals at auction in connection with events for the Core Royal and the Agricultural Education Center, and Developer agrees that in each such case, such areas are to be cleaned and maintained in accordance with best industry standards for similar facilities.
- (vi) Salvage or reclamation yards and the storage of inoperative vehicles.
- (vii) Any pawn shop or "second hand" store; provided, however, that the foregoing restriction shall not in any way prohibit the operation of high quality antique or so-called vintage stores.
- (viii) Any mobile home park, trailer court, or labor camp; provided, however, that the foregoing restriction shall not be applicable to: (1) the temporary use of construction trailers during periods of construction, reconstruction or maintenance; or (2) trailers, delivery trucks or recreational vehicles of invitees, guests, partners and participants of the Project.
- (ix) Any dumping, disposing, incineration or reduction of garbage; provided, however, that this prohibition shall not be applicable to garbage compactors located near the rear of any building on the Site, or elsewhere on the Site subject to the approved final Development Plan and in compliance with all Applicable Laws and Requirements.
- (x) Any fire sale, bankruptcy sale (unless pursuant to a court order) or use primarily as an auction house operation.
- (xi) Any central laundry or laundromat as a primary use.
- (xii) Any automobile, truck or equipment dealerships of any kind, including without limitation, facilities with permanent sales, leasing or displays of any automobile, truck, trailer or recreational vehicle, except for in conjunction with promotions, displays, and other marketing activities (subject to Applicable Laws and Requirements); provided, however, that the foregoing restriction shall not in any manner restrict: (1) temporary sales of automobiles, trucks, trailers, or recreational vehicles during events at the Core Royal and the Agricultural Education Center; or (2) permanent automobile, truck, trailer, or recreational vehicle displays by sponsors.
- (xiii) Any body shop repair operation, engine repair or vehicle repair facility for all vehicles, including motorcycles, including a quick service facility, except as operated in connection with and ancillary to the Permitted Uses.

(xiv) Any mortuary or funeral home.

(xv) Any establishment selling or exhibiting pornographic materials or which sells drug-related paraphernalia or which exhibits either live or by other means to any degree, nude or partially clothed dancers or wait staff and/or any massage parlors or similar establishments; except that this provision shall not be deemed to preclude the operation in the Site of either a nationally or regionally recognized high-quality book store, or a drug store or pharmacy, or a department within a retail store offering for sale its usual or customary inventory of books, magazines and/or related pharmaceutical materials.

(xvi) A nightclub, which shall be deemed to mean any bar, restaurant, club or other establishment that derives seventy percent (70%) or more of its gross receipts from the sale of alcoholic beverages; provided, however, that the foregoing restriction shall not in any manner restrict: (1) a bar, restaurant, or similar establishment (regardless of the percentage of gross receipts received from the sale of alcoholic beverages) if such bar, restaurant, or similar establishment is located within, or contiguous to, the Core Royal or the Agricultural Education Center, and generally open for business only during events held at the Core Royal or the Agricultural Education Center; or (2) a single public-facing tavern-type establishment external to, or contiguous with, the Core Royal or the Agricultural Education Center, and open to the public.

(xvii) Any store selling discounted tobacco products, electronic or vapor cigarettes or other smoking devices or paraphernalia.

(xviii) Any hookah bars or other establishment with a primary focus on smoking.

(xix) Pay-day or title loan facilities.

(xx) Any precious metal facilities.

(xxi) A flea market; provided, however, that the foregoing restriction shall not in any way prohibit: (1) the operation of a "city market" or "farmers market" for the sale of fresh fruits, vegetables and other foods and flowers and other similar items; or (2) no more than six (6) times per year, a flea market that operates for less than four (4) consecutive calendar days.

The UG's Commission is hereby authorized to grant variances to the restrictions set forth in this Section 7.2(f) from time to time in its sole and absolute discretion. Prior to the Bond Closing, Developer and the UG shall execute a document which shall memorialize the restrictions set forth in this Section 7.2 and state that, to the parties' actual knowledge, there are no known violations of the restrictions within the Site, and record the same against the real property within the Site, which restrictions shall be effective and run with the land of the Site for the Term of this Agreement.

(g) Without limiting the generality of the restrictions set forth above, including without limitation, those set forth in subsections (f)(i) and (f)(v) above, Developer hereby covenants and agrees that it will use commercially reasonable efforts (meaning efforts comparable to commercially reasonable standards for similar first class show arenas and livestock exhibition halls in urban areas) to minimize and mitigate odors from animals and animal waste at the Project and the Site.

7.3 Development Plan. During the Term, Developer agrees that it shall perform and comply with each and all of the terms and provisions of the Development Plan and not suffer or permit any default or breach of any such terms or provisions of the Development Plan.

7.4 Maintenance and Use. During the Term, Developer shall cause the Project and all parts thereof, including the Site and all other of its property used or useful in the conduct of its business and operations on the Site, to be maintained, preserved and kept in good repair and working order and in good and safe condition, consistent with industry standards for similarly situated projects of similar scope and nature, and will maintain the improvements necessary for the safe, efficient, and advantageous conduct of its business and operations on the Site. Developer may make additions, alterations and changes to the Improvements so long as such additions, alterations and changes are made in compliance with all Applicable Laws and Requirements, are compatible with the Development Plan and subject to any applicable provisions of the Transaction Documents, and as long as the same do not materially adversely affect Developer's ability to perform its obligations under this Agreement. Developer agrees to set aside on its books commercially reasonable reserves for future maintenance and capital expenditures.

7.5 Compliance. Developer shall conduct its affairs and carry on its business and operations in such a manner as to comply with all Applicable Laws and Requirements, and to observe and conform to all valid orders, regulations or requirements (including, but not limited to, those relating to safety and health) of any Government Authorities applicable to the conduct of its business and operations and the ownership of the Project; provided, however, that nothing contained in this Agreement shall require Developer to comply with, observe and conform to any such law, order, regulation or requirement of any Government Authorities so long as the validity thereof shall be contested by Developer in good faith by appropriate proceedings, and provided that Developer shall have set aside on its books commercially reasonable reserves or secured adequate bonding with respect to such contest and such contest shall not materially impair the ability of Developer to meet its obligations under this Agreement. Developer agrees to promptly pay any and all fees and expenses associated with any safety, health or other inspections required under this Agreement or imposed by Applicable Laws and Requirements, unless contested in good faith with the assurances provided in the preceding sentence.

7.6 Payment and Reporting of Taxes and Other Charges. Developer contemplates that the land and improvements that constitute the Core Royal Improvements and the Agricultural Education Center Improvements shall be one-hundred percent (100%) exempt from real property taxation because the same are to be owned and/or leased and operated, by Developer as a not-for-profit entity or by an Affiliate that is also a not-for-profit entity. However, Developer agrees that it shall pay (or cause to be paid) all applicable ad valorem property taxes and other taxes on the Festival Grounds, the Site, Excess Land (but only if and to the extent that the Excess Land is owned or controlled by Developer or its Affiliate) and other land or facilities it owns within the Site and Wyandotte County to the extent that the same are not exempt from real property taxation. Notwithstanding the foregoing, nothing contained in this Agreement shall prohibit Developer or its Affiliates, or other owners of property within the STAR Bond District, from contesting the assessed value of the properties, Improvements or the taxes thereon in good faith by appropriate proceedings, provided that each such party shall pay (or cause to be paid) any and all amounts that are contested under protest (or as otherwise instructed by the County and/or State) while any such proceedings are pending. Developer further understands and agrees that the UG shall not use IRB financing to provide property tax exemption for any part of the Project, even if the Core Royal Improvements and the Agricultural Education Center Improvements are ultimately found to be subject to real property taxation. The parties further agree as follows:

(a) Developer and any other owners of real property within the Site shall promptly notify the UG in writing of a protest of real estate taxes or valuation of the Developer's or such other owners' property within the Site.

(b) Subject to the terms and conditions of this Agreement, including (without limitation) the Developer's right hereunder to receive reimbursement from STAR Bond Proceeds and CID Sales Tax Proceeds and the mutual understanding and intent of the Parties set forth in subsection (c) below, Developer

shall not take any actions or adopt any practices or procedures which are designed to, or which may or will have the effect of, eliminating, reducing or diverting in any way any sales taxes, use taxes and/or transient guest taxes payable to the UG or the State in connection with sales made or services from, in or on and about the Site. In connection therewith, Developer recognizes, stipulates and agrees that such sales shall include ticket sales and concessions. Developer agrees that it will itself provide, and that it will by appropriate agreement, require all parties holding or operating by, through or under it, or otherwise operating on or from the Site, to provide to the UG and the STAR Bond Trustee, true and correct copies of all sales tax, use tax, and transient guest tax returns filed with the State with respect to sales in, on or from the Site, the same to be provided simultaneously with or within ten (10) days after such filing. Developer agrees to use commercially reasonable efforts to include a provision to this effect in any purchase agreement, lease, license or other agreement with any party holding or operating by, through or under it, or otherwise operating on or from the Site, and Developer will use commercially reasonable efforts to enforce such provision. Developer shall, to the extent required by Applicable Laws and Requirements or upon reasonable notice, provide to the DOR and the STAR Bond Trustee the names of all vendors operating in, on or from the Site, their Kansas sales tax identification number(s) and their dates of operation.

(c) Developer has requested that the UG agree to work with Developer to explore solutions to the issues revolving around the fact that certain revenues may be produced outside of the STAR Bond District and CID, and whether or not it is legal (and without risk of liability to bondholders from other STAR Bond or other special taxing districts) for a "point of sale" to be established for such revenues inside of the STAR Bond District and/or CID. The UG has agreed to cooperate with Developer to explore such issues, but the UG has opined that the same may not be possible under Applicable Laws and Requirements, and Developer understands and agrees that: (i) the UG has not made any representations or warranties whatsoever to Developer about the possibility of capturing such revenues from outside the STAR Bond District and/or CID for financing the Project, and (ii) the UG is no way responsible for any adverse rulings or failure to find solutions acceptable to Developer in connection with the same.

(d) Developer shall, to the extent allowed by Applicable Laws and Requirements, provide to the UG, the Kansas Department of Revenue and the escrow agent under any tax distribution agreement the names of all vendors operating in, on or from the Site, their Kansas sales tax identification number and their dates of operation. The Developer agrees to cause all assignees, purchasers, tenants, subtenants or any other entity acquiring property or occupancy rights from Developer in the STAR Bond District to be obligated by written contract (lease agreement or other enforceable document) to provide to the UG simultaneously with submission to the Kansas Department of Revenue the monthly sales tax returns for their facilities in the STAR Bond District. This obligation shall be a covenant running with the land and shall be enforceable against all such businesses operating in the STAR Bond District and shall only terminate upon the passage by the UG of an ordinance terminating the STAR Bond District. Developer hereby agrees that each such contract or other agreement shall provide that the UG is an intended third-party beneficiary of such provisions and has a separate and independent right to enforce such provisions directly against such tenant or purchaser.

(e) Developer shall provide the UG written notice of all current tenants of the Project within 10 days after Developer receives knowledge of the opening or closing for business of any business within the Project, and at all other times upon the written request of the UG.

(f) Developer agrees to use best efforts to obtain waivers consenting to the release by the UG of aggregate sales tax revenues generated within the STAR Bond District from all assignees, purchasers, tenants, subtenants or any other entity acquiring property or occupancy rights in the STAR Bond District throughout the Term of this Agreement contemporaneously with the acquisition of such property or occupancy rights. Such waivers shall also consent to the release by the UG of aggregate sales tax revenues generated within STAR Bond District, and shall further acknowledge and consent to such release even if

such entity is the only retailer operating within such STAR Bond District at any given time. Developer will use best efforts to cause each lease, sublease, purchase contract, or other document granting property or occupancy rights from Developer in the STAR Bond District to incorporate the provisions of this Section 7.6(f).

7.7 Liens and Encumbrances. During the Term, except for a Permitted Mortgage and Permitted Encumbrances, Developer shall not create or incur or permit to be created or incurred or to exist any mortgage, lien, security interest, charge or similar encumbrance on the Site or the Project, or any part thereof, and shall promptly cause to be discharged or terminated all mortgages, liens, security interests, charges and similar encumbrances that are not Permitted Encumbrances or a Permitted Mortgage. For purposes hereof, the term "Permitted Mortgage" shall mean any security interest placed on the Site and/or Improvements, or any part thereof, by or through Developer in connection with any construction or permanent financing of the Project. Notwithstanding the foregoing, any Permitted Mortgage shall be subject to the terms and conditions of this Agreement, including without limitation, Section 9.2 of this Agreement. For purposes hereof, the term "Permitted Encumbrances" shall mean and include any (i) matters of record affecting the Site as of the Effective Date, (ii) rights-of-way, utility easements and similar instruments typically found in these types of developments; and (iii) recorded instruments evidencing a transfer or assignment approved or otherwise permitted under this Agreement.

7.8 Licenses and Permits. During the Term, Developer shall procure and maintain all licenses and permits, and allow all inspections and/or investigations required by Applicable Laws and Requirements or otherwise necessary in the operation of its business and affairs in, on or about the Project; provided, however, that Developer shall not be required to procure or maintain in effect any right, license or accreditation that Developer and the UG have determined in good faith and subject to Applicable Laws and Requirements, is not in the best interests of Developer and is no longer necessary in the conduct of its business and that lack of such compliance will not materially impair the ability of Developer to perform its obligations under this Agreement.

7.9 Insurance. During the Term, Developer shall maintain or cause to be maintained insurance with respect to the Project and operations covering such risks that are of an insurable nature and of the character customarily insured against by organizations operating similar properties and engaged in similar operations (including but not limited to property and casualty, worker's compensation, general liability and employee dishonesty) and in such amounts as, in the reasonable judgment of Developer, are adequate to protect Developer, the UG, and the Project, but in no event in an amount less than that required by the Insurance Specifications attached hereto as Exhibit 12, and made a part hereof, or as otherwise required by the terms of the Transaction Documents. Each policy or other contract for such insurance shall: (i) name the UG as an additional insured with respect to liability insurance (but only in an amount equal to Five Hundred Thousand Dollars (\$500,000)), and (ii) contain an agreement by the insurer that, notwithstanding any right of cancellation reserved to such insurer, such policy or contract shall continue in force for at least thirty (30) days after written notice of cancellation to Developer and each other insured, additional insured, loss payee, and mortgage payee named therein. Without limiting the general accuracy of the foregoing, Developer agrees to perform and comply with Section 8.3 of this Agreement. Throughout the Term, Developer shall ensure the UG is provided with a current and accurate certificate of insurance ("Certificate of Insurance") for each coverage applicable to the Project, the Site, and the Improvements, and for all coverages required herein. Each Certificate of Insurance shall be on ACORD forms or on other forms which the UG may approve in writing.

7.10 Damage, Destruction or Condemnation. The parties hereby agree as follows:

(a) In the event of damage to or destruction of any portion of the Improvements resulting from fire or other Casualty during the Term, or in the event any portion of the Improvements is condemned or

taken for any public or quasi-public use or title thereto is found to be deficient during the Term, the net proceeds of any insurance relating to such damage or destruction, the net proceeds of such condemnation or taking, or the net proceeds of any realization on title insurance shall be paid into, and used in accordance with, a construction escrow agreement satisfactory to the UG, Developer and any Permitted Mortgagee ("Casualty Escrow").

(b) If, at any time during the Term, the Improvements or any part thereof shall be damaged or destroyed by a Casualty (the "Damaged Facilities"), Developer, to the extent insurance proceeds are made available to Developer and to the extent made possible with said proceeds shall proceed as promptly as possible to repair, restore and replace the Damaged Facilities as nearly as possible to their condition immediately prior to the Casualty and shall be entitled to draw upon the Casualty Escrow for payment of said costs.

(c) If at any time during the Term, title to the whole or substantially all of the Improvements shall be taken in condemnation proceedings or by right of eminent domain, Developer, at its sole discretion, may terminate this Agreement as of the date of such taking. For purposes of this Section 7.10, "substantially all of the Improvements" shall be deemed to have been taken if the UG and Developer, each acting reasonably and in good faith, determine that the untaken portion of the Project, including the Parking Improvements, cannot be practically and economically used by Developer for the purposes and at the times contemplated by this Agreement. In the event of condemnation of less than the whole or substantially all of the Improvements during the Term, Developer, to the extent made possible by the proceeds in the Casualty Escrow, shall commence and thereafter proceed as promptly as possible to repair, restore and replace the remaining part of the Project, as nearly as possible, to their former condition, and shall be entitled to draw upon the Casualty Escrow for payment of said costs.

7.11 Indemnity. Developer shall, in connection with the Site and the BBQ Competition (to the extent that the same is held outside the boundaries of the Site), pay and indemnify and save the UG and its governing body members, directors, officers, employees and agents harmless from and against all loss, liability, damage or expense arising out of: (a) the acquisition of the Site; (b) the design, construction and completion of the Improvements by Developer; (c) the use or occupation of the Improvements by Developer or anyone acting by, through or under it; (d) damage or injury, actual or claimed, of whatsoever kind or character occurring after the Bond Closing, to persons or property occurring or allegedly occurring in, on or about the Site and the site of the BBQ Competition; and (e) any breach, default or failure to perform by Developer under this Agreement (except for and excluding claims of breaches, defaults, or failures by and between Developer and the UG which would more appropriately be brought in a breach of contract action). Developer shall also pay and indemnify and save the UG and its governing body members, directors, officers, employees and agents harmless of, from and against, all costs, reasonable counsel fees, expenses and liabilities incurred by them or by Developer in any action or proceeding brought by reason of any such claim, demand, expense, penalty or fine. If any action or proceeding is brought against the UG or its governing board members, directors, officers, employees or agents by reason of any such claim or demand, Developer, upon notice from the UG, covenants to resist and defend such action or proceeding on demand of the UG or its governing body members, directors, officers, employees or agents. Notwithstanding the foregoing, no party benefited by this indemnity shall be indemnified against: (i) liability for damage arising out of bodily injury to persons or damage to property caused by the UG's own willful and malicious acts or omissions or negligence; (ii) liability for losses, liability, damages or expenses resulting from any claims against the UG challenging the legality or validity of the approval processes of the UG with respect to any zoning, finance, or entitlement approvals in connection with the Project, this Agreement, or any of the terms or provisions hereof; or (iii) any claims, causes of action, or disputes between the UG and Developer arising out of or relating to this Agreement, which claims, causes of action, or disputes are based in breach of contract, or would more appropriately be brought in a breach of contract action. The foregoing covenants contained in this Section 7.11 shall be deemed continuing covenants, representations and warranties for the

benefit of the UG and any successors and assigns of the UG, and shall survive the termination, satisfaction or release of this Agreement, or any other instrument.

7.12 Prohibition on Assignment; Sales and Leasing Permitted, Etc. During the Term, Developer shall not, without the prior written consent of the UG: (i) assign, sell, lease, mortgage or otherwise transfer the Site, the Improvements, or any equipment that comprise the Project or any part thereof or any interest therein; (ii) merge with or into another corporation or sell or transfer to another corporation substantially all of its assets; or (iii) assign this Agreement, or any of the rights, benefits or obligations hereunder. Any such assignment, sale, lease, mortgage, merger or other transfer which is consented to by the UG shall be an "Approved Assignment" and the assignee, purchaser, mortgagee or transferee shall be an "Assignee." The UG shall not unreasonably withhold, condition or delay its consent to any of the aforesaid, provided that Developer shall provide the UG with sufficient information to review and evaluate the proposed assignment, sale or other transfer. Notwithstanding the foregoing or anything in this Agreement to the contrary, Developer may, with prior written notice to the UG but without consent or approval from the UG, enter into: (a) any Permitted Mortgage (including, without limitation, collateral assignment of Developer's rights to reimbursement of STAR Bond Proceeds, CID Sales Tax Proceeds, and other reimbursement to Developer under this Agreement); (b) assignment to an Affiliate; (c) a sale, lease or transfer of any property located outside of the STAR Bond District; and (d) a lease executed in the normal course of Developer's use and operation of the Project for a portion of the Site or the Project (but not including long-term ground leases other than the Existing Ground Lease); and (e) in the event Developer should determine to exercise its option, under the Existing Ground Lease, to purchase all or a portion of the approximately 80+/- acres of the Site east of 118th Street and subject to such Existing Ground Lease, Developer (and/or Affiliate) may enter into and fully perform such purchase and/or option agreements (and related transaction documents) as reasonably necessary or desirable in connection therewith. In the event of any Approved Assignment or any sale, lease, transfer or assignment pursuant to subsections (a) through (e) in the prior sentence, Developer shall nonetheless remain liable for performance of all of the Developer's obligations and duties set forth in this Agreement unless and to the extent that the UG shall, in its sole discretion, specifically agree to release such obligations and duties (or a portion thereof) in a written and executed agreement of the UG.

7.13 Utilities. During the Term, all utility and utility services used by Developer in, on or about the Project shall be paid (or caused to be paid) for by Developer, and Developer shall, at no cost to the UG, procure any and all permits, licenses or authorizations necessary in connection therewith; provided, however, that the parties will fully cooperate to ensure that the BPU provides utilities to the Project at rates which shall be negotiated pursuant to a separate agreement. Notwithstanding the foregoing, nothing in this Agreement will be construed to limit or prevent Developer from charging and/or requiring reimbursement of its reasonable out-of-pocket costs incurred as a result of others third parties renting or using the Project or Site (or any portion thereof), including, but not limited any such rental or use as contemplated in Sections 8.1(g)-(h) below.

7.14 Access. During the Term, Developer hereby recognizes, acknowledges and agrees that the UG, and its duly authorized representatives and agents, shall have the right to enter the Project at reasonable times and upon reasonable notice, to substantiate compliance with this Agreement. In exercising its rights hereunder, the UG shall use reasonable efforts to avoid unreasonable interference with the operation of the Project. Except as otherwise provided in this Agreement, the UG shall pay all costs it incurs under this provision. Nothing contained in this Section 7.14 shall limit the UG's powers under Section 7.17 below or otherwise restrict or impede the right of the UG to enter the Project pursuant to any Applicable Laws and Requirements.

7.15 Environmental Matters. Developer hereby agrees that Developer shall assume responsibility for the costs of any remediation of any environmental conditions upon the Site that are required to be incurred

by Developer in accordance with Applicable Laws and Requirements. Further, Developer shall not store, locate, generate, produce, process, treat, transport, incorporate, discharge, emit, release, deposit or dispose of any Hazardous Substance in, upon, under, over or from the Project in violation of any Environmental Regulation; shall not permit any Hazardous Substance to be stored, located, generated, produced, processed, treated, transported, incorporated, discharged, emitted, released, deposited, disposed of or to escape therein, thereupon, thereunder, thereover or therefrom in violation of any Environmental Regulations; shall cause all Hazardous Substances which Developer knows or should know to be present on the Site to be properly removed therefrom and properly disposed of in accordance with all applicable Environmental Regulations; shall not install or permit to be installed any underground storage tank therein or thereunder in violation of any Environmental Regulation; and shall comply with all other Environmental Regulations which are applicable to the Project. Developer shall indemnify the UG against, shall hold the UG harmless from, and shall reimburse the UG for, any and all claims, demands, judgments, penalties, fines, liabilities, costs, damages and expenses, including court costs and reasonable attorneys' fees incurred by the UG (prior to trial, at trial and on appeal) in any action against or involving the UG, resulting from any breach of the foregoing covenants or from the discovery of any Hazardous Substance, in, upon, under or over, or emanating from, the Site or the Improvements thereon, whether or not Developer is responsible therefor, it being the intent of Developer and the UG that the UG shall have no liability or responsibility for damage or injury to human health, the environment or natural resources caused by, for abatement and/or clean-up of, or otherwise with respect to, Hazardous Substances, which arises subsequent to the Effective Date. The foregoing covenants contained in this Section 7.15 shall be deemed continuing covenants, representations and warranties for the benefit of the UG and any successors and assigns of the UG, and shall survive the termination, satisfaction or release of this Agreement, or any other instrument.

7.16 Kansas Employment Priority. Developer hereby understands and agrees that Kansas resident employees shall be given priority consideration for employment on the Project as required by K.S.A. 12-17,166(m) of the STAR Bond Act.

7.17 Power of the UG. Notwithstanding anything set forth herein to the contrary, no provision contained herein shall in any manner diminish or usurp the inherent and lawful rights and powers of the UG to act in its capacity as a public body. Any such provision shall be deemed to be of no force or effect. Further, nothing herein shall relieve Developer from complying with all Applicable Laws and Requirements.

ARTICLE 8. SPECIAL PROVISIONS

8.1 Special Agreements of Developer. During the Term of this Agreement:

(a) Developer shall use commercially reasonable efforts to actively market and advertise the Project on a regional and national basis.

(b) Following the completion and opening of the Core Royal Improvements, Developer shall maintain its headquarters, offices and primary operations within Wyandotte County, Kansas.

(c) Developer shall actively participate in the civic, charitable, educational, philanthropic and/or economic development of the Kansas City, Kansas/Wyandotte County community in activities of its choice.

(d) Developer covenants and agrees that the American Royal World Series of Barbecue competition hosted annually by Developer (the "BBQ Competition") will be held exclusively in Wyandotte County, Kansas during the entire Term of this Agreement.

(e) Developer agrees that at all times during the Term of this Agreement, Developer will maintain agreements with the local school districts -- USD 202, USD 203, USD 204 and USD 500 (each a "School District" and collectively the "School Districts") to allow School Districts to use the Core Royal and/or Agricultural Education Center Improvements for School District events (including without limitation, graduations), not to exceed two (2) events annually for each of the School Districts, or a total of eight (8) events collectively (the "School Districts Events"), with scheduling subject and subordinate to scheduling with the other events and revenue-generating opportunities scheduled in the Core Royal and/or Agricultural Education Center Improvements. Developer will work with the School Districts to try to collaborate to host combined School District Events with multiple School Districts participating in events together to maximize the benefit of the School District Events offering set forth herein. With respect to any and all such School Districts Events, the Developer further agrees as follows:

(i) Notwithstanding the foregoing, Developer agrees that once School Districts Events are scheduled with Developer, the Developer cannot unilaterally cancel a School Districts Event so that it can schedule other revenue-generating events.

(ii) Each of the School Districts Events shall be limited to one calendar day, and if a School District uses the Core Royal and/or Agricultural Education Center Improvements for a multi-day event, each of those days shall count as a separate day of School Districts Events for purposes hereof.

(iii) The School Districts will not be required to pay any fees or charges (including any booking, management or other administrative fees or charges) for use of the Core Royal and/or Agricultural Education Center Improvements for School Districts Events, but the School Districts will pay all actual costs for operating the Core Royal and/or Agricultural Education Center Improvements for such School Districts Events (including utilities, expenses and personnel) so that School Districts Events are at least "revenue-neutral" to the operating income generated by the Core Royal and/or Agricultural Education Center Improvements.

(iv) The UG may at any time during the Term, obtain a copy of the agreements between School Districts and Developer and may require a meeting of the Developer and the School Districts to make certain that the objectives and spirit of collaboration set forth in this provision are being honored by the Developer and the School Districts.

(v) The School Districts shall be deemed to be a third party beneficiary of the provisions of the Agreement set forth in this Section 8.1(e) and shall have a right to enforce the same against Developer.

(f) Developer agrees that at all times during the Term of this Agreement, Developer will maintain an agreement with the Wyandotte County Fair Association and the County Fair Foundation (collectively, the "Fair") to allow the Fair to use the Core Royal and/or Agricultural Education Center Improvements for Fair events, not to exceed three (3) Fair events annually (the "Fair Events"), with scheduling subject and subordinate to scheduling with the other events and revenue-generating opportunities scheduled in the Core Royal and/or Agricultural Education Center Improvements. With respect to any and all such Fair Events, the Developer further agrees as follows:

(i) Notwithstanding the foregoing, Developer agrees that once Fair Events are scheduled with Developer, the Developer cannot unilaterally cancel a Fair Event so that it can schedule other revenue-generating events.

(ii) Each of the Fair Events shall be limited to one calendar day, and if the Fair uses the Core Royal and/or Agricultural Education Center Improvements for a multi-day event, each of those days shall count as a separate day of Fair Events for purposes hereof.

(iii) The Fair will not be required to pay any fees or charges (including any booking, management or other administrative fees or charges) for use of the Core Royal and/or Agricultural Education Center Improvements for Fair Events, but the Fair will pay all actual costs for operating the Core Royal and/or Agricultural Education Center Improvements for such Fair Events (including utilities, expenses and personnel) so that the Fair Events are at least "revenue-neutral" to the operating income generated by the Core Royal and/or Agricultural Education Center Improvements.

(iv) The UG may at any time during the Term, obtain a copy of the agreement between the Fair and Developer and may require a meeting of the Developer and the Fair to make certain that the objectives and spirit of collaboration set forth in this provision are being honored by the Developer and the Fair.

(g) Developer also agrees that the Fair shall have a right of first opportunity to book any new trap shooting events hosted by or through Developer or its Affiliates at the property owned by the Fair at 13700 Polfer Road in Kansas City, Kansas (the "Fair Property"). The right of first opportunity requires Developer to reach out to the Fair to inquire about the cost and availability of trap shooting events at the Fair Property before Developer can book any such trap shooting events elsewhere, excluding any events already hosted by or through Developer or its Affiliates as of the Effective Date. However, Developer is not required to book trap shooting events at the Fair Property if and to the extent that the Fair Property is not available or able to host the size and scope of trap shooting event in question, or if the Fair Property is more expensive than other alternative sites to host such a trap shooting event. The parties further agree that:

(i) The Fair shall be deemed to be a third party beneficiary of the provisions of the Agreement set forth in Sections 8.1 (f) and (g) and shall have a right to enforce the same against Developer.

(ii) Nothing herein shall be deemed to trigger the provisions set forth in that certain Land Use Restriction Agreement dated May 20, 2010 by and between the UG and the County Fair Foundation, recorded in the Office of the Wyandotte County, Kansas Register of Deeds on May 24, 2010 as Document No. 2010R-06704, and re-recorded with a corrected legal description on July 14, 2010 as Document No. 2010R-08998.

(h) Developer shall at all times during the Term of this Agreement accommodate the reasonable requests of the UG to allow the UG to use the Core Royal and Agricultural Education Center for certain events during the Term of this Agreement, subject to availability and at reasonable times and no admission cost to the UG (i.e., without payment of rent, license fees or other fees or charges for using the facilities, provided that Developer may require payment of its reasonable out-of-pocket costs incurred as a result of the UG's use).

(i) Developer shall enter into a separate agreement with the National Agricultural Center and Hall of Fame (the "Ag HOF") to demonstrate the partnership and collaboration between Developer and the Ag HOF, which agreement shall be consistent with the terms set forth in the letter agreement between the Developer and Ag HOF dated as of August 21, 2018. The UG shall have a right to review and approve the agreement between Developer and the Ag HOF.

(j) Developer shall provide up to twenty-five (25) tickets to UG officials for premium seating or special access to VIP areas (including clubs and lounges, but excluding private suites) for primary events open to the public at the Core Royal, at no admission cost to the UG or such UG officials.

(k) Prior to the official naming and/or the execution of any naming rights agreements, the UG shall have the right to review and approve the name of the grounds for the Project, the Agricultural Education Center, the exhibition hall and the various arenas described in Section 2.2(a) and any related common use nomenclature for the same, which approval shall not be unreasonably withheld, conditioned or delayed. Notwithstanding the foregoing, the UG shall not have any approval of any other naming rights in the Project, nor shall the UG have the right to approve other advertisements or sponsors within the Project. The UG and Developer hereby agree to work collaboratively and in good faith to try to include the phrase "Kansas City, Kansas" or the phrase "Wyandotte County" in the naming conventions for the Core Royal grounds, facilities and/or events to the extent reasonably practical, recognizing and appreciating the balance between the UG's public financing and support for this Project with the Developer's need to monetize the naming rights for facilities and sponsorships at the Project.

(l) Developer shall, upon written request from the UG, provide copies of audited financial statements for Developer and its Affiliates to the UG.

(m) The UG shall establish an "American Royal Community Fund" to be owned, administered, managed and used by the UG. Developer shall make an annual payment to the American Royal Community Fund, which annual payments shall commence on May 15 of the year following the year in which the Bond Closing for the First Issuance occurs, and be delivered to the UG in immediately available funds on or before the annual anniversary of such date for each year of the STAR Bond Collection Period thereafter pursuant to the schedule attached hereto as Exhibit 15 (the "Annual Payment(s)"), except as otherwise provided herein. Notwithstanding anything set forth in this Agreement (including, without limitation, the schedule attached as Exhibit 15) which is seemingly to the contrary, the UG and Developer understand and agree that if all of the STAR Bonds issued pursuant to this Agreement (including any STAR Bonds from the First Issuance, the Refunding Issuance or any other subsequent issuances pursued by Developer not specifically contemplated herein) are repaid in full, then Developer shall not be required to make any further Annual Payments to the American Royal Community Fund after the date of such full repayment. Any Annual Payments which became due and owing prior to the date of such full repayment and remain unpaid on such date shall remain due to be paid to the UG by Developer. The Annual Payment(s) to the American Royal Community Fund are not intended to be subject to the UG's community benefit ordinance or other resolutions or ordinances intended to allocate fees and charges to specific purposes.

(n) The UG has agreed to form a five-member UG subcommittee to discuss, consider and make recommendations to the full Commission about the most beneficial use of the Origination Fee and the Annual Payments to be provided by Developer herein. Such subcommittee shall be comprised of the Mayor, the Chairman and one other member of the Economic Development and Finance Committee, and the Chairman and one other member of the Public Works Committee. The non-Chairman member of the Economic Development and Finance Committee shall be appointed by a majority vote of the Economic Development and Finance Committee at a regularly-scheduled meeting of said standing committee. The non-Chairman member of the Public Works Committee shall be appointed by a majority vote of the Public Works Committee at a regularly-scheduled meeting of said standing committee.

(i) The subcommittee described herein shall meet at least once within sixty (60) days of receipt of the Origination Fee from Developer to discuss its recommendations to full Commission about the most beneficial use(s) for the Origination Fee, and the subcommittee shall have as many meetings as necessary to agree on its recommendations to full Commission. The subcommittee shall make its recommendations to full Commission no later than one hundred and twenty (120) days after receipt of the

Origination Fee. The subcommittee shall be a recommending body only; the ultimate decisions about how to use the Origination Fee shall be made by a majority vote of the full Commission.

(ii) The subcommittee described herein shall also meet at least once within sixty (60) days of the UG's receipt of each payment of the Annual Payment to the American Royal Community Fund from Developer to discuss its recommendations to full Commission about the most beneficial use(s) for the Annual Payment, and the subcommittee shall have as many meetings as necessary to agree on its recommendations to full Commission. The subcommittee shall make its recommendations to full Commission no later than one hundred and twenty (120) days after receipt of each payment of the Annual Payment. The subcommittee shall be a recommending body only; the ultimate decisions about how to use the Annual Payment shall be made by a majority vote of the full Commission.

(iii) The subcommittee's recommendation for the Origination Fee must be must be for local economic development activities, but the subcommittee's recommendation for the payments of the Annual Payment can be for economic development, infrastructure improvements or other beneficial UG purposes.

(o) Developer will also provide a discounted rate to Wyandotte County-based civic and non-profit organizations who want to use the Core Royal and/or Agricultural Education Center Improvements for civic or non-profit organization events, with scheduling subject and subordinate to scheduling with the other events and revenue-generating opportunities scheduled in the Core Royal and/or Agricultural Education Center Improvements.

(p) For real property within the STAR Bond District which is (i) not owned or controlled by the Developer, and (ii) located south of Parallel Parkway, Developer hereby agrees to encourage such owners and collaborate with such owners to master plan such property in a manner that provides synergy with the Project and to otherwise maximize the value of the STAR Bond District. Developer will encourage and collaborate with such owners to complete the master planning process within the first four (4) years after the Effective Date and to implement the master plan as soon as possible thereafter.

8.2 LBE/MBE/WBE Employment Opportunity Goals. Developer agrees to use its "best efforts" (as defined on Exhibit 13) to comply with the goals set forth on Exhibit 13, attached hereto and made a part hereof, in order to identify and provide employment opportunities for local businesses and contractors, women and local minority owned businesses.

8.3 Consultants. After the conclusion of construction of the Improvements undertaken by Developer, Developer shall cause a written opinion that the Improvements were built substantially in accordance with the Plans and Specifications to be provided to the UG.

ARTICLE 9. DEFAULT AND REMEDIES

9.1 Default Provisions. Developer shall be in default under this Agreement if:

(a) Developer fails to make any of the payments of money required by the terms of this Agreement or any of the Transaction Documents, including without limitation the Origination Fee and/or any of the Annual Payments required to be paid by Developer, and Developer fails to cure or remedy the same within thirty (30) days after the UG has given Developer written notice specifying such default;

(b) Developer fails to keep or perform any covenant or obligation herein contained on Developer's part to be kept or performed, and Developer fails to remedy the same within sixty (60) days

after the UG has given Developer written notice specifying such failure and requesting that it be remedied; provided, however, that if any event of default shall be such that it cannot be corrected within such period, it shall not constitute an event of default if corrective action is instituted by Developer within such period and diligently pursued until the default is corrected;

(c) Developer fails to keep or perform any covenant or obligation on Developer's part to be kept or performed in the Bond Documents, and fails to cure or remedy the same within the period(s) provided under the Bond Documents;

(d) A default shall exist or occur with respect to any of the duties or obligations of Developer, or any Affiliates of Developer, under any of the Transaction Documents, and Developer fails to cure or remedy (or cause to be cured or remedied) the same within the period(s) provided under the Transaction Documents;

(e) Developer shall file a voluntary petition under any bankruptcy law or an involuntary petition under any bankruptcy law is filed against Developer in a court having jurisdiction and said petition is not dismissed within sixty (60) days; or Developer makes an assignment for the benefit of its creditors; or a custodian, trustee or receiver is appointed or retained to take charge of and manage any substantial part of the assets of Developer, and such appointment is not dismissed within sixty (60) days; or any execution or attachment shall issue against Developer whereupon the Project, or any part thereof, or any interest therein of Developer under this Agreement shall be taken and the same is not released prior to judicial sale thereunder (each of the events described in this subparagraph being deemed a default under the provisions of this Agreement); or

(f) Developer materially breaches the representations and warranties set forth in this Agreement and fails to cure or correct same within thirty (30) days following Developer's receipt of written notice from the UG.

9.2 Rights and Remedies. The rights and remedies reserved by the UG hereunder and those provided by law shall be construed as cumulative and continuing rights, no one of which shall be exhausted by the exercise of any one or more of such rights or remedies on any one or more occasions. Whenever any default by Developer shall have occurred and be continuing, subject to applicable cure periods as set forth above, the UG may: (i) refuse to approve any further Certificates of Expenditure and make any further disbursements of STAR Bond Proceeds and/or CID Sales Tax Proceeds unless and until such default is cured by the Developer; (ii) terminate the CID; (iii) terminate any IRB financing provided under this Agreement; (iv) terminate this Agreement; (v) exercise any remedies provided to the UG under the Bond Documents (if, and to the extent that, Developer is in default thereunder); (vi) set-off any amounts due or owing from the Developer to the UG (including without limitation any amounts under or referred-to in Section 4.11) against any payment(s) due or owing from the UG to the Developer; and/or (vii) any other rights or remedies available to the UG at law or equity. Without limiting the generality of the foregoing, the UG 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 the availability of an adequate remedy at law, and each party hereby waives the right to raise such defense in any proceeding in equity. The UG shall additionally be entitled to any right and remedy provided to it in the Transaction Documents; provided, however, that, notwithstanding the foregoing or anything in this Agreement to the contrary, under no circumstances shall Developer ever be liable for any punitive, remote or consequential damages, including without limitation, lost tax revenues, in connection with this Agreement. The rights and remedies reserved by the UG under this Section 9.2 shall be subject to the terms and conditions of Section 4.2(j) and (n)(v) hereof. Failure by the UG to enforce any such rights shall not be deemed a waiver thereof. Additionally, the UG shall be entitled to any right and remedy provided to it in the Transaction

Documents (if Developer is in default thereunder), and the remedies described in Sections 9.3 and 9.4 below.

9.3 Interest on Late Payments. Any payment of the Developer to the UG which is required hereunder which is not received by the UG within the cure period set forth in Section 9.1(a) above shall bear interest from the date originally due at the Prime Rate plus two percent (2%), or, if less, the maximum rate permitted by law.

9.4 Enforcement. In the event of any default by Developer hereunder, the UG may take such actions, or pursue such remedies, as exist hereunder, under any of the other Transaction Documents, or at law or in equity; and if the UG is the prevailing party in an action to enforce its remedies hereunder or under any of the other Transaction Documents, the UG shall be entitled to reasonable costs and charges, including attorneys' fees, lawfully and reasonably incurred by or on behalf of the UG in connection with the enforcement of such actions or remedies.

9.5 Default by the UG. The UG shall be in default under this Agreement if the UG fails to keep or perform any covenant or obligation herein contained on the UG's part to be kept or performed, and the UG fails to remedy the same within thirty (30) days after Developer has given the UG written notice specifying such failure and requesting that it be remedied; provided, however, that if any event of default shall be such that it cannot be corrected within such period, it shall not constitute an event of default if corrective action is instituted by the UG within such period and diligently pursued until the default is corrected. If a default by the UG occurs under this Agreement and is continuing, Developer may take whatever action at law or in equity as may appear necessary or desirable to enforce performance and observance by the UG of any provision of this Agreement; provided, however, that the UG's liability for monetary amounts shall be limited to the actual amount, if any, in question, and under no circumstances shall the UG be liable for any special, punitive, remote or consequential damages. Without limiting the generality of the foregoing, the Developer 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 the availability of an adequate remedy at law, and each party hereby waives the right to raise such defense in any proceedings in equity. Developer shall additionally be entitled to any right or remedy provided to it in the Transaction Documents; provided, however, that under no circumstances shall the UG ever be liable for remote or consequential damages. In the event of such default, Developer may take such actions, or pursue such remedies, as exist hereunder, under any of the other Transaction Documents, or at law or in equity. The rights and remedies reserved by Developer hereunder and those provided by law or equity shall be construed as cumulative and continuing rights, no one of which shall be exhausted by the exercise of any one or more of such rights or remedies on any one or more occasions. Failure by Developer to enforce any such rights shall not be deemed a waiver thereof.

ARTICLE 10. MISCELLANEOUS

10.1 Waiver of Breach. No waiver of any breach of any covenant or agreement herein contained 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 a breach by either party of any covenant, agreement or undertaking, the non-defaulting party may nevertheless accept from the other any payment or payments or performance hereunder without in any way waiving its right to exercise any of its rights and remedies provided for herein or otherwise with respect to any such default or defaults which were in existence at the time such payment or payments or performance were accepted by it.

10.2 Force Majeure. In the event either party hereto shall be delayed or hindered in or prevented from the performance of any act required under this Agreement by reason of acts of God, strikes, lockouts, failure

of power or other insufficient utility service, riots, insurrection, environmental remediation required by the appropriate Government Authorities, discovery of cultural, archeological or paleontological resources or endangered species, any lawsuit seeking to restrain, enjoin, challenge or delay construction, war, terrorism, labor difficulties (including jurisdictional labor disputes), judicial or administrative writ, order or decree, legislative decisions or actions, or delay by, applicable local, State or federal governments, casualties at the job site and resulting in direct physical damage to the Project, or occurring off-site and directly disrupting or delaying the supply of labor or materials to the Project, moratoria on the issuance of applicable permits or other governmental approvals, any public health emergency, pandemic, or government mandated quarantine, travel ban or closure, or other reason of a like nature not the fault of the party delayed in performing work or doing acts required under the terms of this Agreement ("Force Majeure"), then performance of such act shall be excused for the period of the delay, and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay. The provisions of this Section 10.2 shall not be applicable to delays resulting from the inability of a party to obtain financing or to proceed with its obligations under this Agreement because of a lack of funds.

10.3 Covenants of Parties.

(a) Representations and Warranties of Developer. Developer represents and warrants to the UG as follows:

(i) Organization. Developer is a Missouri not-for-profit corporation duly formed and validly existing under the laws of the State of Missouri. Developer is, or will be as of the Bond Closing, duly authorized to conduct business in the State and each other jurisdiction in which the nature of its properties or its activities requires such authorization. Developer shall: (1) preserve and keep in full force and effect its corporate or other separate legal existence, and (2) following the Bond Closing, remain qualified to do business and conduct its affairs in the State.

(ii) Authority. The execution, delivery and performance by Developer of this Agreement are within Developer's powers and have been duly authorized by all necessary action of Developer.

(iii) No Conflicts. Neither the execution and delivery of this Agreement, nor the consummation of any of the transactions herein or therein contemplated, nor compliance with the terms and provisions hereof or thereof, will, to Developer's actual knowledge, contravene the organizational documents of Developer or any provision of law, statute, rule or regulation to which Developer is subject, or to any judgment, decree, license, order or permit applicable to Developer, or will conflict or be inconsistent with, or will result in any breach of any of the terms of the covenants, conditions or provisions of any indenture, mortgage, deed of trust, agreement or other instrument to which Developer is a party, by which Developer is bound, or to which Developer is subject.

(iv) No Consents. No consent, authorization, approval, order or other action by, and no notice to or filing with, any court or Government Authorities or regulatory body or third party is required for the due execution and delivery by Developer of this Agreement. No consent, authorization, approval, order or other action by, and no notice to or filing with, any court or Government Authorities or regulatory body or third party is required for the performance by Developer of this Agreement or the consummation of the transactions contemplated hereby except for zoning, building and other customary permits to be obtained from the UG or other governmental units, or as otherwise provided herein.

(v) Valid and Binding Obligation. This Agreement is the legal, valid and binding obligation of Developer, enforceable against Developer in accordance with the terms hereof.

(b) Representations and Warranties of the UG.

(i) Authority. The execution, delivery and performance by the UG of this Agreement are within its powers and have been duly authorized by all necessary action.

(ii) No Conflicts. Neither the execution and delivery of this Agreement, nor the consummation of any of the transactions herein or therein contemplated, nor compliance with the terms and provisions hereof or thereof, will contravene the ordinances, rules, regulations of the UG or the laws of the State nor result in a breach, conflict with or be inconsistent with any terms, covenants, conditions or provisions of any indenture, agreement or other instrument by which the UG is bound or to which the UG is subject.

(iii) No Consents. Except as set forth in Section 3.1(a)(iii) and (v) hereof, no consent, authorization, approval, order or other action by, and no notice to or filing with, any court or Government Authorities or regulatory body or third party is required for the due execution and delivery by the UG of this Agreement. No consent, authorization, approval, order or other action by, and no notice to or filing with, any court or Government Authorities or regulatory body or third party is required for the performance by the UG of this Agreement or the consummation of the transactions contemplated hereby.

(iv) Valid and Binding Obligation. This Agreement is the legal, valid and binding obligation of the UG enforceable against the UG in accordance with its terms.

10.4 Amendments. This Agreement may be amended, changed or modified only by a written agreement duly executed by the UG and Developer.

10.5 Construction and Enforcement. This Agreement shall be construed and enforced in accordance with the laws of the State.

10.6 Invalidity of Any Provisions. If for any reason any provision hereof shall be determined to be invalid or unenforceable, the validity and effect of the other provisions hereof shall not be affected thereby.

10.7 Headings. The Article and Section headings shall not be treated as a part of this Agreement or as affecting the true meaning of the provisions hereof.

10.8 Execution of Counterparts. This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument. Hand signatures transmitted by electronic mail in portable document format (PDF) or similar format are also permitted as binding signatures to this Agreement.

10.9 Time. Time is of the essence in this Agreement.

10.10 Consents and Approvals. Wherever in this Agreement it is provided that the UG or Developer shall, may or must give its approval or consent, the UG or Developer shall not, unless specifically herein provided otherwise, unreasonably withhold, condition, delay or refuse to give such approvals or consents. It is agreed, however, that the sole right and remedy for Developer or the UG in any action concerning the other's reasonableness will be action for declaratory judgment and/or specific performance, and in no event shall either such party be entitled to claim damages of any type or nature in any such action. Where consent or approval of the UG is required in this Agreement, the parties understand and agree that the County Administrator may approve or consent to logistical and/or administrative matters that are related to effectuating the terms and conditions of this Agreement as currently contemplated herein, but (except as otherwise provided in this Agreement) any other consents or approvals which affect the nature, substance or policy objectives of the Agreement, or result in any change in the agreements hereunder from the UG's perspective, shall be granted or withheld by the UG's governing body in its sole discretion.

10.11 Notices. All notices required or desired to be given hereunder shall be in writing and all such notices and other written documents required or desired to be given hereunder shall be deemed duly served and delivered for all purposes if: (i) delivered by nationally recognized overnight delivery service; (ii) delivered by electronic mail (with follow up within two (2) business days by United States Mail or by nationally recognized overnight delivery service); or (iii) delivered in person, in each case if addressed to the parties set forth below:

The Unified Government Clerk
The Unified Government of Wyandotte County/Kansas City, Kansas
701 N. 7th Street, Suite 323
Kansas City, Kansas 66101
Telephone: 913-573-5260
Email: mspark@wycokck.org

with a copy to:

Angela Lawson
Acting Chief Counsel
The Unified Government of Wyandotte County/Kansas City, Kansas
701 N. 7th Street, Suite 961
Kansas City, Kansas 66101
Telephone: 913-573-5060
Email: alawson@wycokck.org

and a copy to:

David Johnston
County Administrator
The Unified Government of Wyandotte County/Kansas City, Kansas
701 N. 7th Street, 9th Floor
Kansas City, Kansas 66101
Telephone: 913-573-5030
Email: djohnston@wycokck.org

and a copy to:

Todd A. LaSala, Esq.
Stinson Leonard Street LLP
1201 Walnut Street, Suite 2900
Kansas City, Missouri 64106
Telephone: 816-842-8600
Email: todd.lasala@stinson.com

and a copy to:

Kevin Wempe, Esq.
Gilmore & Bell, P.C.
2405 Grand Boulevard, Suite 1100
Kansas City, Missouri 64108
Telephone: 816-221-1000
Email: kwempe@gilmorebell.com

and a copy to:

The STAR Bond Trustee
Security Bank of Kansas City
Attn: Corporate Trust Department
701 Minnesota Avenue, Suite 206
Kansas City, Kansas 66101
Telephone: 913-279-7946
Facsimile: 913-279-7960
and to Developer at:

American Royal Association
Attn: President and CEO
1701 American Royal Court
Kansas City, Missouri 64102
Telephone: (816) 221-9800
Email: jackiem@americanroyal.com

With a copy to:

Kevin Lee, Esq.
Polsinelli, PC
900 West 48th Place, Suite 900
Kansas City, Missouri 64112
Telephone: (816) 360-4323
Email: klee@polsinelli.com

All notices given by: (i) nationally recognized overnight delivery service, or (ii) electronic mail, and followed up by regular United States mail or nationally recognized overnight delivery service in accordance with the above procedures, shall be deemed duly given one (1) business day after they are so delivered. All notices given in person shall be deemed duly given when delivered.

10.12 Real Estate Commissions. Each party hereby agrees to indemnify and hold harmless the other from and against: (i) any and all, losses, liens, claims, judgments, liabilities, reasonable costs, expenses or damages (including reasonable attorneys' fees and court costs) of any kind or character arising out of or resulting from any duty or responsibility to pay any commission or make any other payment by either Developer or the UG; or (ii) arising out of or resulting from any agreement, arrangement or understanding alleged to have been made by Developer or on its behalf with any other broker, agent or finder in connection with this Agreement or the transactions contemplated hereby. Notwithstanding anything to the contrary contained herein, this Section 10.12 shall survive the Bond Closing or any termination of this Agreement.

10.13 Entire Agreement. Together with the Exhibits hereto, this Agreement constitutes the entire agreement of the parties with respect to the subject matter hereof and supersedes and replaces all prior oral or written agreements concerning the subject matter hereof.

10.14 Run with the Land. This Agreement shall be binding on and inure to the benefit of the parties hereto and their respective heirs, successors and assigns and shall run with the land. However, Developer shall remain liable in the event of a violation of any of the terms or restrictions set forth in Section 7.11 and 7.15 hereof. At the time of Bond Closing, the parties shall record against the Site a memorandum describing this Agreement in the Office of the Register of Deeds of Wyandotte County, Kansas.

10.15 Tax Implications. Developer acknowledges and agrees that: (a) neither the UG nor any of its officials, employees, consultants, attorneys or other agents has provided to Developer any advice regarding the federal or state income tax implications or consequences of this Agreement, and the transactions contemplated hereby; and (b) Developer is relying solely upon its own tax advisors in this regard.

10.16 Electronic Storage. The parties agree that the transactions described herein may be conducted and related documents may be received, sent or stored by electronic means. Copies, telecopies, facsimiles, electronic files, and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

[Signature pages follow]

INDEX OF EXHIBITS

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2. General Depiction of STAR Bond District
3. Legal Description of Site
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13. LBE/MBE/WBE Participation and Employment Opportunity Agreement
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ANNEX 1

DEFINITIONS

"Additional Development" means supportive development that may be included in the Project, including development that is complimentary and consistent with the Improvements, as more particularly described in Section 2.2(d).

"Affiliate" means any person, entity or group of persons or entities which controls Developer or a majority of its principals, which Developer or a majority of its principals controls or which is under common control with Developer or a majority of its principals. As used herein, the term "control" shall mean the possession, directly or indirectly, of the power to direct or cause the direction of management and policies, whether through the ownership of voting securities, by contract or otherwise.

"Ag HOF" means the National Agricultural Center and Hall of Fame as described in Section 8.1(i).

"Agreement" means this American Royal Amended and Restated Development Agreement by and between the UG and Developer.

"Agricultural Education Center" and "Agricultural Education Center Improvements" means a first class agricultural education center and museum, as described in Recital E and Section 2.2(b).

"American Royal Community Fund" means the internal fund to be established, owned, administered, managed and used by the UG pursuant to Section 8.1(m).

"Annual Payment(s)" means the annual payment(s) to be made by Developer to the UG as set forth in Section 8.1(m).

"Applicable Laws and Requirements" shall mean 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 Government Authorities, and all requirements of any insurers. Applicable Laws and Requirements shall include, without limitation, the Development Plan, the CID Act, the STAR Bond Act, and the Kansas Cash Basis Law (K.S.A. 10-1101 *et seq.*) and Budget Law (K.S.A. 79-2925 *et seq.*).

"Approved Assignment" shall have the meaning set forth in Section 7.12.

"Assignee" shall have the meaning set forth in Section 7.12.

"Base Grant" means the Kansas Building a Stronger Economy grant program as described in Section 4.10.

"Base Year Revenues" means the combined State Collection and Local Collection from the STAR Bond District for the twelve (12) month period preceding December 1, 2016, as determined by the Kansas Department of Revenue, as described in Section 4.2(d)(i).

"BBQ Competition" means the American Royal World Series of Barbecue competition hosted annually by Developer described in Section 8.1(d).

"BBQ Uses" means those certain barbecue-related uses described in Recital E.

"Bond Closing" means, with respect to each issuance and/or series thereof, the date on which the particular issuance and/or series of STAR Bonds are issued, sold, and delivered publicly or privately, as described in Section 5.1.

"BPU" means the Kansas City Board of Public Utilities.

"Bond Documents" means the applicable STAR Bond Indenture and other documents related to the issuance of STAR Bonds (or particular issuance and/or series thereof, if more than one) for the Project, as described in Section 4.2(e).

"Casualty" means any fire, storm, earthquake, tornado, flood or natural disaster or other sudden, unexpected or unusual cause of damage or destruction.

"Casualty Escrow" means the net proceeds of any insurance available to Developer relating to damage or destruction of any portion of the Improvements, the net proceeds of condemnation or taking of any portion of the Improvements, or the net proceeds of any realization on title insurance paid into, and used in accordance with, a construction escrow agreement satisfactory to the UG, Developer and any Permitted Mortgagee, as further described in Section 7.10(a).

"Certificate of Expenditure" means the form attached hereto as Exhibit 9 that Developer must submit to the UG in order to receive payment or reimbursement for Project Costs from net STAR Bond Proceeds or Pay-As-You-Go CID Financing, as further described in Section 4.7.

"Certificate of Insurance" means a current and accurate certificate of insurance for each coverage applicable to the Project, the Site, and the Improvements, and for all coverages required in Section 7.9 and Exhibit 12.

"CID" means the community improvement district established by the UG pursuant to the CID Act, as described in Recital H, and legally described on Exhibit 5 and generally depicted on Exhibit 6 attached hereto.

"CID Act" means K.S.A. 12-6a26 *et seq.*, as amended.

"CID Administrative Fee" means the portion of CID Sales Tax from the CID to be used to pay an administrative fee in an amount equal to one percent (1.0%) of the CID Sales Tax Proceeds received by the UG from the DOR which shall not apply to CID Sales Tax pledged to pay STAR Bonds, if any, as set forth in Section 4.3(e).

"CID Cap" means the figure set forth in Section 4.3(c) to be used as a limitation on the use of CID Sales Tax for reimbursement to Developer of any and all CID Eligible Expenses for the initial construction of the Project, as more particularly described in said Section 4.3(c).

"CID Collection Period" means the period of time in which CID Sales Tax shall be imposed and collected within the CID as set forth in Section 4.3(c).

"CID Eligible Expenses" means those Project Costs to be reimbursed with CID Sales Tax Proceeds as described in Section 4.3 if and the extent such Project Costs are eligible for payment or reimbursement pursuant to the CID Act.

"CID Petition" means that certain petition submitted by the Developer to the UG on or about [REDACTED], 2024, as described in Recital H.

"CID Ordinance" means the ordinance approved by the UG to create the CID, as described in Recital I.

"CID Sales Tax" means that certain one percent (1%) add-on CID sales tax imposed within the CID, as described in Recital H and Section 4.3(a).

"CID Sales Tax Proceeds" means the proceeds from the CID Sales Tax.

"CID Sales Tax Fund" means a separate fund and account established by the UG for collection of the CID Sales Tax Proceeds collected in the CID as described in Section 4.3(b).

"Completion Date" means those dates described in Section 6.10.

"Construction Documents" means those documents respecting the design, development, construction, equipping and completion of the Improvements pursuant to the terms of Section 6.3.

"Core Royal" and "Core Royal Improvements" shall have the meanings set forth in Section 2.2(a).

"Damaged Facilities" means any part or the whole of the Project to the extent that the same is damaged or destroyed by a Casualty as described in Section 7.10(b).

"Design Criteria" means the design criteria exhibit described in Section 6.2(a) and attached hereto as **Exhibit 10**.

"Developer" means American Royal Association, a Missouri not-for-profit corporation, or its successors or assigns as permitted hereunder.

"Development Plan" means the final development plan for the Project approved by the UG on March 13, 2023 (PR2023-009) as supplemented by such drawings and other Plans and Specifications for the Project submitted by Developer for permitting purposes, as described in Section 2.2 and generally depicted on the site plan attached as **Exhibit 7** attached hereto.

"District Plan" means that certain general development plan for the STAR Bond District identified in Ordinance No. O-75-16, as described in Recital A.

"DOR" means the Kansas Department of Revenue.

"Drop Dead Date" means the date certain described in Section 5.1.

"Effective Date" means the date of this Agreement first above written.

"Environmental Regulation" means any and all present and future laws, statutes, ordinances, rules, regulations and orders of any governmental authority having jurisdiction over the parties hereto or any portion of the Site or the Site and pertaining to the protection of human health, hazardous substances, pollution, or the environment, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986, and as the same may be further amended from time to time (hereinafter collectively called "CERCLA").

"Excess Land" means that certain acreage within the STAR Bond District for contemplated future construction by others of an agricultural innovation campus, along with various retail and restaurant uses as described in Section 2.2(d).

"Existing Ground Lease" means that certain Ground Lease dated November 1, 2019 and referenced by a Memorandum of Ground Lease Agreement recorded with the Register of Deeds of Wyandotte County, Kansas on November 22, 2019 as Document No. 2019R16429, as subsequently assigned and amended by that certain Assignment and Assumption of Ground Lease and First Amendment to Ground Lease dated May 11, 2023 and referenced by a Memorandum of Assignment of and First Amendment to Ground Lease between Developer (as Tenant) and PFF RE KCK I, LLC (as Landlord), as may be further amended from time to time.

"Fair" means the Wyandotte County Fair Association and the County Fair Foundation as described in Section 8.1(f).

"Fair Events" means those events that the Fair may hold at the Core Royal and/or Agricultural Education Center pursuant to Section 8.1(f).

"Fair Property" means that the property owned by the Fair at 13700 Polfer Road in Kansas City, Kansas, as referenced in Section 8.1(g).

"Festival Grounds" means future development of an approximately 120-acre festival grounds on a portion of the Site located west of North 118th Street, as described in Section 2.2(c).

"50/50 Limitation" means the limit on the portion of Total Project Costs that can be reimbursed with STAR Bond Proceeds and CID Proceeds as defined and as set forth in Section 4.2(f) hereof.

"Financing Plan" means the financing plan for the Project required in connection with a Bond Closing as more particularly described in Section 3.1(a)(i).

"First Amended Project Plan" means the Amended Northwest Speedway STAR Bond District STAR Bond Financing Project Plan approved and adopted by the UG pursuant to Ordinance No. O-52-18, as described in Recital C.

"First Issuance" means the first issuance of STAR Bonds as set forth in Section 4.2(b).

"First Issuance Buyer" is a Qualified Third Party or an entity comprised by multiple Qualified Third Parties who are donors, investors, foundations, supporters and friends of the Developer, or other third-party capital sources, whether provided by or through the Developer underwriter(s) or otherwise, to buy the First Issuance of STAR Bonds as described in Section 4.2(b).

"Force Majeure" is defined in Section 10.2.

"Funding Agreement" means that certain agreement to fund certain costs between the UG and Developer, as amended, as described in Section 3.2.

"GAAP" means generally accepted accounting principles.

"General Contractor" means the contractor(s) selected pursuant to Section 6.3.

"Government Authorities" shall mean any and all jurisdictions, entities, courts, boards, agencies, commissions, offices, divisions, subdivisions, departments, bodies or authorities of any nature whatsoever of any governmental unit (federal, state, county, district, municipality, city or otherwise), whether now or hereafter in existence.

"Hazardous Substance" means any substance that is defined or listed as a hazardous or toxic substance and which is regulated as such or may form the basis of liability under any present or future Environmental Regulation, or that is otherwise prohibited or subject to investigation or remediation under any present or future Environmental Regulation because of its hazardous, toxic, or dangerous properties, including, without limitation, (i) any substance that is a "hazardous substance" under CERCLA, and (ii) petroleum, natural gas, natural gas liquids, liquefied natural gas, and synthetic gas usable for fuel (or mixtures of natural gas and such synthetic gas), only to the extent that the constituents of such synthetic gas are released or threatened to be released into the environment.

"Improvements" means the Core Royal Improvements, Agricultural Education Center Improvements, the Festival Grounds (if applicable) and Parking Improvements, along with the associate signage and landscaping to be constructed in the Project as referenced in Section 6.1.

"Incremental Tax Revenues" means all Incremental Tax Revenues collected within the STAR Bond District and described in Section 4.2(d).

"Insurance Specifications" means the insurance requirements on Developer in connection with the Project as generally described in Section 7.9.

"IRBs" means industrial revenue bonds as set forth in Section 3.1(a)(vi) and Section 4.9.

"KDOT" means the Kansas Department of Transportation.

"Landscape Plan" means the detailed plan for landscaping of the Site described in Section 6.2(b) and attached hereto as **Exhibit 11**.

"Local Collection" means the revenues collected within the STAR Bond District by the UG as provided in Section 4.2(d).

"Material Change" means any substantial change to any agreement, plan or other document referred to herein that requires approval of a Government Authority, which change would require changes to Developer's permits or approval of the applicable Government Authorities required by Applicable Laws and Requirements.

"Original Agreement" means that certain American Royal Development Agreement dated as of November 2, 2017, as amended by that certain First Amendment to American Royal Development Agreement dated as of December 6, 2018, as described in Recital D.

"Original Project Plan" means the Northwest Speedway STAR Bond District STAR Bond Financing Project Plan approved and adopted by the UG pursuant to Ordinance No. O-62-17, as described in Recital B.

"Origination Fee" means that \$5,000,000 origination fee to be paid by Developer in connection with the IRBs for the Core Royal and the Agricultural Education Center as set forth in Section 4.9(b).

"Other Soft Costs" means the costs for legal fees, construction period interest and/or the other line items under the "Other Soft Costs" category in the Total Project Budget attached hereto as **Exhibit 8**.

"Parking Improvements" means any parking improvements provided for in Section 2.2(e).

"Pay-As-You-Go CID Financing" means the quarterly disbursements of CID Sales Tax Proceeds from the CID Sales Tax Fund described in Section 4.3(c).

"Permitted Encumbrances" means those matters affecting, or which may affect, the Site or Improvements (or any portion thereof), as defined and more fully described in Section 7.7.

"Permitted Mortgage" means the granting of any security interest placed on the Site and/or Improvements, or any part thereof, by or through Developer in connection with any construction or permanent financing of the Project as described in Section 7.7.

"Permitted Mortgagee" means the holder of the Permitted Mortgage.

"Permitted Uses" means those uses generally described in Section 7.2(a).

"Person" shall mean any natural person, firm, partnership, association, corporation, limited liability company, trust, entity, public body or government or other entity.

"Plans and Specifications" means those plans and specifications generally described in Section 6.2.

"Plaza at the Speedway" means that certain portion of the STAR Bond District located north of Parallel Parkway and east of N 110th Street / Hutton Road, as generally depicted in yellow shading on **Exhibit 2** attached hereto.

"Prime Rate" means the prime rate reported in *The Wall Street Journal*. If *The Wall Street Journal* ceases publication of the Prime Rate, then "Prime Rate" shall mean the "prime rate" or "base rate" announced by a mutually-agreeable equivalent publication that evaluates the same criteria as *The Wall Street Journal* to report such rate.

"Private Contribution" means Private Contribution of private capital to construct the Project as described in Section 4.10.

"Project" means that certain venture to be constructed, developed and completed, including those Improvements to be undertaken by Developer, as described in Recital E, Section 2.2, and elsewhere in this Agreement.

"Project Costs" means any and all costs of the Project.

"Project Plan" means, the Second Amended and Restated Northwest Speedway STAR Bond District STAR Bond Financing Project Plan approved by the UG on _____, 2025, replacing the First Amended Project Plan in its entirety.

"Qualified Third Parties" means "qualified institutional buyers" or "accredited investors", as described in Section 4.2(n)(vii).

"Refinancing Issuance" means the refinancing of the First Issuance with a public sale of STAR Bonds as more particularly described in Section 4.2(c).

"School Districts" means USD 202, USD 203, USD 204, and USD 500, as described in Section 8.1(e).

"School Districts Events" means those events that School Districts may hold at the Core Royal and/or Agricultural Education Center pursuant to Section 8.1(e)

"Secretary" means the Secretary of Commerce for the State of Kansas.

"Signs" means any signage for the Site and Improvements provided for in Section 2.2(f).

"Site" means that portion of the STAR Bond District upon which Developer is to design, construct and complete the Project, as legally described on Exhibit 3 and generally depicted on Exhibit 4 attached hereto.

"STAR Bond Act" means the Kansas STAR Bond Act, K.S.A. § 12-17,160 *et seq.*, as amended.

"STAR Bonds" means the Sales Tax Special Obligation Revenue Bonds to be issued by the UG, in one or more issuances and/or series, pursuant to this Agreement and the STAR Bond Indenture in connection with the development of the Project, including any refinancing of any such bonds.

"STAR Bond Cap" means One Hundred Fifty-Five Million Dollars (\$155,000,000) of net STAR Bond Proceeds as set forth in Section 4.2(a).

"STAR Bond Collection Period" means a period of twenty (20) years commencing on the effective date of the ordinance approving the Project Plan as described in Section 4.2(d)(i).

"STAR Bond Costs" means Project Costs to be paid with STAR Bond Proceeds if and the extent to which such Project Costs are eligible for payment pursuant to the STAR Bond Act.

"STAR Bond District" means that certain STAR Bond project district established by the UG pursuant to the STAR Bond Act and Ordinance No. O-75-16, and as legally described on Exhibit 1 and generally depicted on Exhibit 2 attached hereto.

"STAR Bond Indenture" means, with respect to a particular issuance and/or series of the STAR Bonds, the bond trust indenture to be entered into between the UG and the STAR Bond Trustee thereunder, as amended and supplemented from time to time, relating to the issuance of such STAR Bonds.

"STAR Bond Proceeds" means the net proceeds from the STAR Bonds, exclusive of financing costs, issuance-related fees, and applicable reserves.

"STAR Bond Project Fund" means the separate account to be established and maintained into which 100% of all net STAR Bond Proceeds from any STAR Bonds issued for the Project shall be deposited, and disbursed therefrom to Developer pursuant to this Agreement to pay and/or reimburse STAR Bond Costs.

"STAR Bond Revenue Fund" means the separate fund or account to be established and maintained for collection of the Incremental Tax Revenues collected in the STAR Bond District for a particular issuance and/or series of STAR Bonds, as described in Section 4.2(e) of this Agreement.

"STAR Bond Trustee" means the institution serving as trustee for STAR Bonds under the STAR Bond Indenture for such STAR Bonds.

"State" means the State of Kansas.

"State Collection" means the revenues collected within the STAR Bond District by the State as provided in Section 4.2(d).

"Substantial Completion" or "Substantially Completed" means the stage in the progress of the construction of the Project, or as to any particular portion thereof, when said construction is sufficiently complete so that the Project or such particular portion can be occupied or utilized for its intended use (which shall be evidenced by the receipt of a temporary certificate of occupancy).

"Term" means the term of this Agreement as set forth in Section 7.1.

"TGT Collection" means the revenues collected from transient guest taxes levied within the STAR Bond District as provided in Section 4.2(d)(i).

"Total Project Budget" means the estimated Project budget attached hereto as **Exhibit 8**.

"Total Project Costs" or "Project Costs" means any and all costs of acquiring, planning, designing, constructing, developing, equipping, furnishing and completing the Improvements, an estimate of which costs is more particularly described in **Exhibit 8** hereof.

"Transaction Documents" means this Agreement and, with respect to the STAR Bonds and each issuance and/or series thereof, the STAR Bond Indenture and the other Bond Documents relating to such STAR Bonds or particular issuance and/or series (as applicable).

"UG" means the Unified Government of Wyandotte County/Kansas City, Kansas, a municipal corporation organized and existing pursuant to the laws of the State of Kansas as a consolidated city-county having all of the powers, functions, and duties of a county and city of the first class.

EXHIBIT 1

Legal Description of STAR Bond District

All that part of the Northeast Quarter and Southeast Quarter of Section 4, and all that part of Section 3, and all that part of the north half of Section 2, all in Township 11 South, Range 23 East, all that part of Lot 1, PIPER PLAZA, all that part of Lots 1, 2, 3, 4, and 5 of PIPER PLAZA SECOND PLAT, all that part of Lots 1 and 2 SECURITY BANK, all that part of Lots 14, 24, 25 and C of PLAZA AT THE SPEEDWAY, and all that part of Lots D and 53, PLAZA AT THE SPEEDWAY SECOND PLAT, and all that part of Lots 38, 39, 40, 41, and 42, PLAZA AT THE SPEEDWAY THIRD PLAT, and all that part of Lots 43, 44, 45, 46, 47, 48, 49, 50, 51, and 52, PLAZA AT THE SPEEDWAY FOURTH PLAT, and all that part of Lots 53, 54, and 55, PLAZA AT THE SPEEDWAY FIFTH PLAT, and all that part of Lots 56, 57, Tract E1, and Tract E2, PLAZA AT THE SPEEDWAY SIXTH PLAT, and all that part of the Southeast Quarter and Southwest Quarter of Section 34, and all that part of the Southeast Quarter of Section 33, both in Township 10 South, Range 23 East, all being in the City of Kansas City, Wyandotte County, Kansas being generally described as follows: Beginning at the intersection of the south right-of-way line of Parallel Parkway and the west right-of-way line of N. 118th Street, thence southerly, with the west right-of-way line of N. 118th Street to the north line of Parcel 953101; thence westerly with the north line of parcel 953101, to the northwest corner of said Parcel 953101; thence southerly, with the west line of Parcel 953101, and with the west line of Parcels 953103 and 953104 to the north right-of-way line of State Avenue; thence easterly, with the north right-of-way line of State Avenue to the east right-of-way line of N. 110th Street; thence northerly, with the east right-of-way line of N. 110th Street, to the south right-of-way line of Parallel Parkway; thence easterly, with the south right-of-way line of Parallel Parkway, to the west right-of-way line of Village West Parkway; thence northerly, with the west right-of-way line of Village West Parkway, to the north right-of-way line of Parallel Parkway; thence easterly, with the north right-of-way line of Parallel Parkway, to the easterly line of PLAZA AT THE SPEEDWAY SIXTH PLAT; thence northerly, with the east line of PLAZA AT THE SPEEDWAY SIXTH PLAT to the northeast corner thereof; thence westerly, with the north line of PLAZA AT THE SPEEDWAY SIXTH PLAT, to the northwest corner thereof, said point also being on the easterly line of PLAZA AT THE SPEEDWAY FIFTH PLAT; thence westerly and northerly, with the easterly line of PLAZA AT THE SPEEDWAY FIFTH PLAT, to the northeast corner thereof; thence westerly, with the north line of PLAZA AT THE SPEEDWAY FIFTH PLAT, and with the north line of PLAZA AT THE SPEEDWAY, to the northwest corner thereof, said point being on the east right-of-way line of Hutton Road; thence southwestly, with the easterly right-of-way line of Hutton Road to the north right-of-way line of Parallel Parkway; thence westerly, with the north right-of-way line of Parallel Parkway, to the intersection of the north right-of-way line Parallel Parkway and the northerly prolongation of the west right-of-way line of N. 118th Street; thence southerly, with the northerly prolongation of the west right-of-way line of N. 118th Street, to the point of beginning.

Except all of Lot 1, LEGENDS APARTMENTS, and except all of Lot 1, VILLAGE WEST APARTMENTS, and except 3.6 acres more or less described in Book 1861 at Page 550.

The above described tract contains approximately 550 acres, more or less.

EXHIBIT 2

General Depiction of STAR Bond District

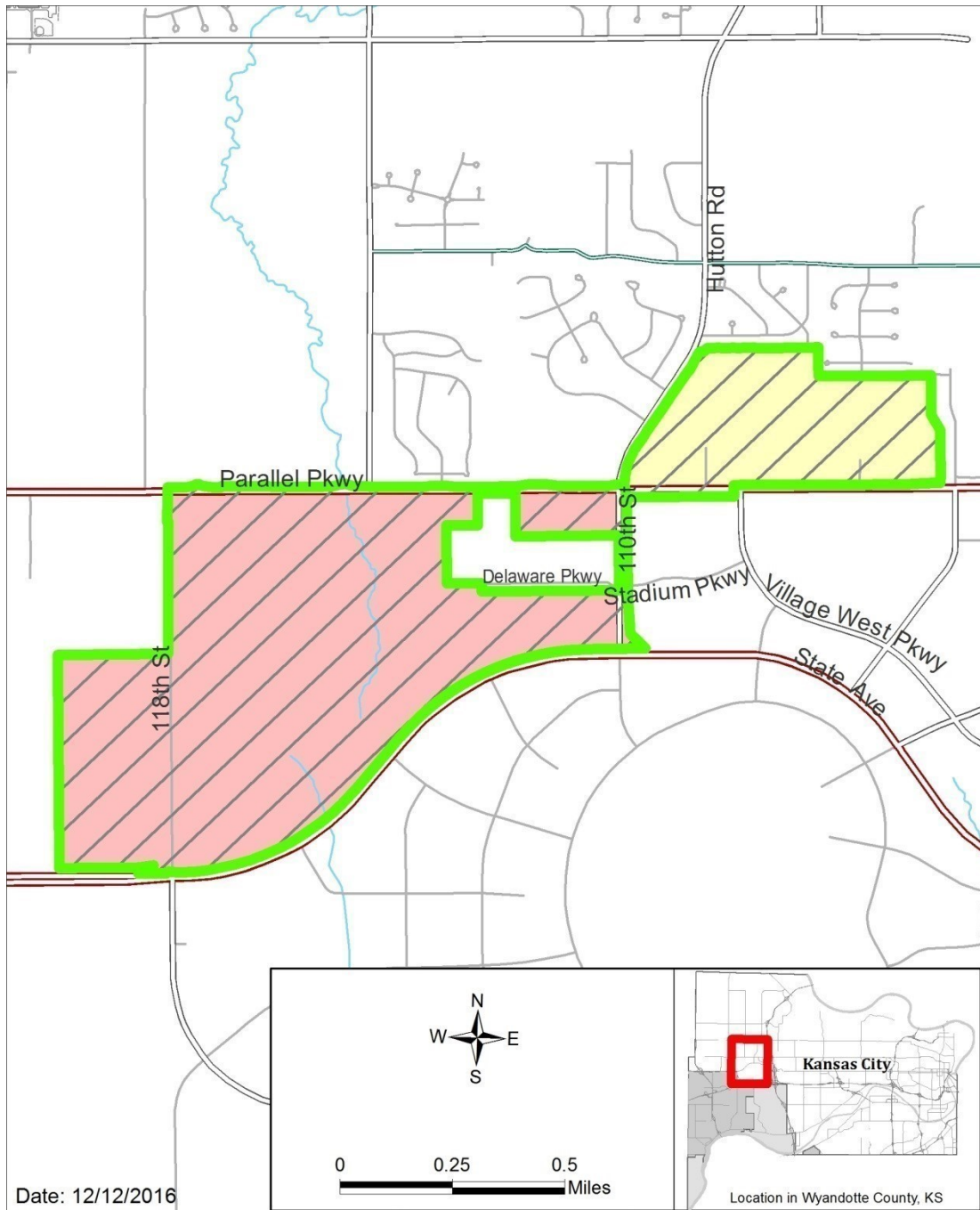


EXHIBIT 3

Legal Description of Site

LOT 1 AND TRACTS A, B, C, AND D, AMERICAN ROYAL SECOND PLAT, A SUBDIVISION OF LAND IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS AND ALSO LOT 3 AND TRACTS E, F, G, H, AND I, AMERICAN ROYAL, A SUBDIVISION OF LAND IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS.

EXHIBIT 4

General Depiction of Site

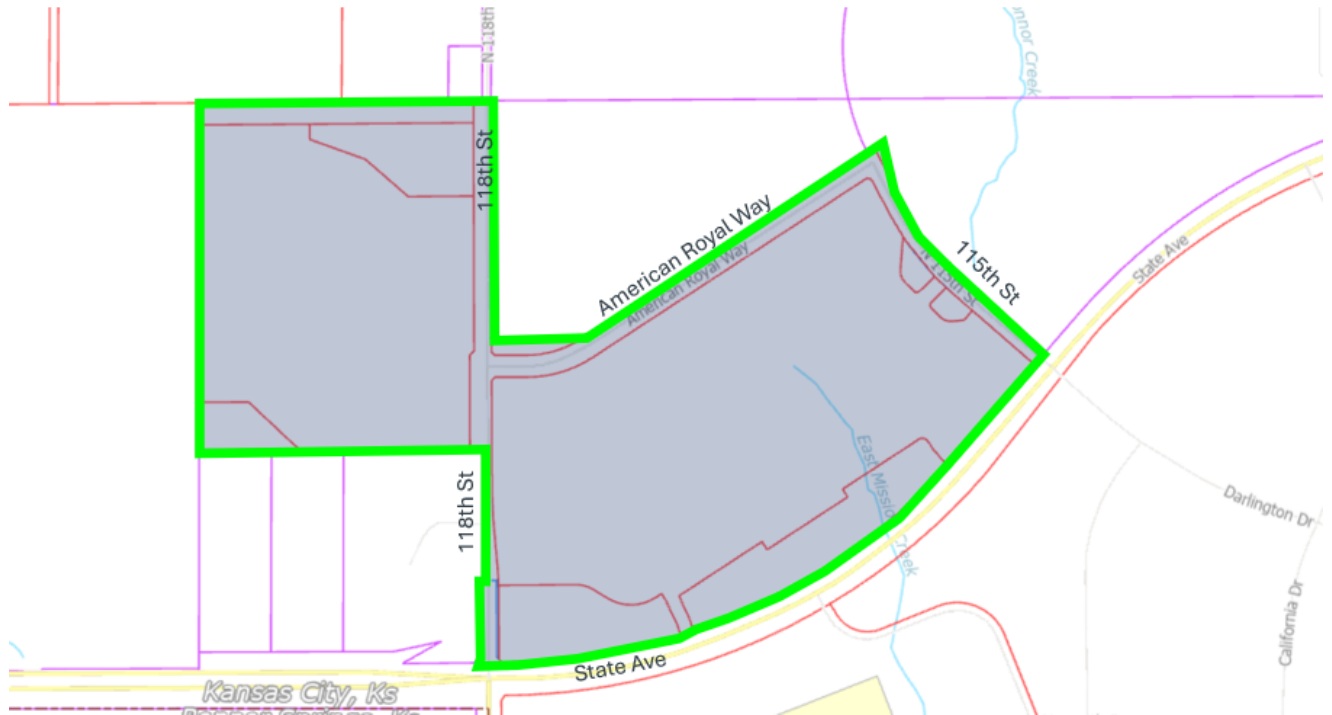


EXHIBIT 5

Legal Description of CID

LOT 1 AND TRACTS A, B, C, AND D, AMERICAN ROYAL SECOND PLAT, A SUBDIVISION OF LAND IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS AND ALSO LOT 3 AND TRACTS E, F, G, H, AND I, AMERICAN ROYAL, A SUBDIVISION OF LAND IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS.

EXHIBIT 6

General Depiction of CID

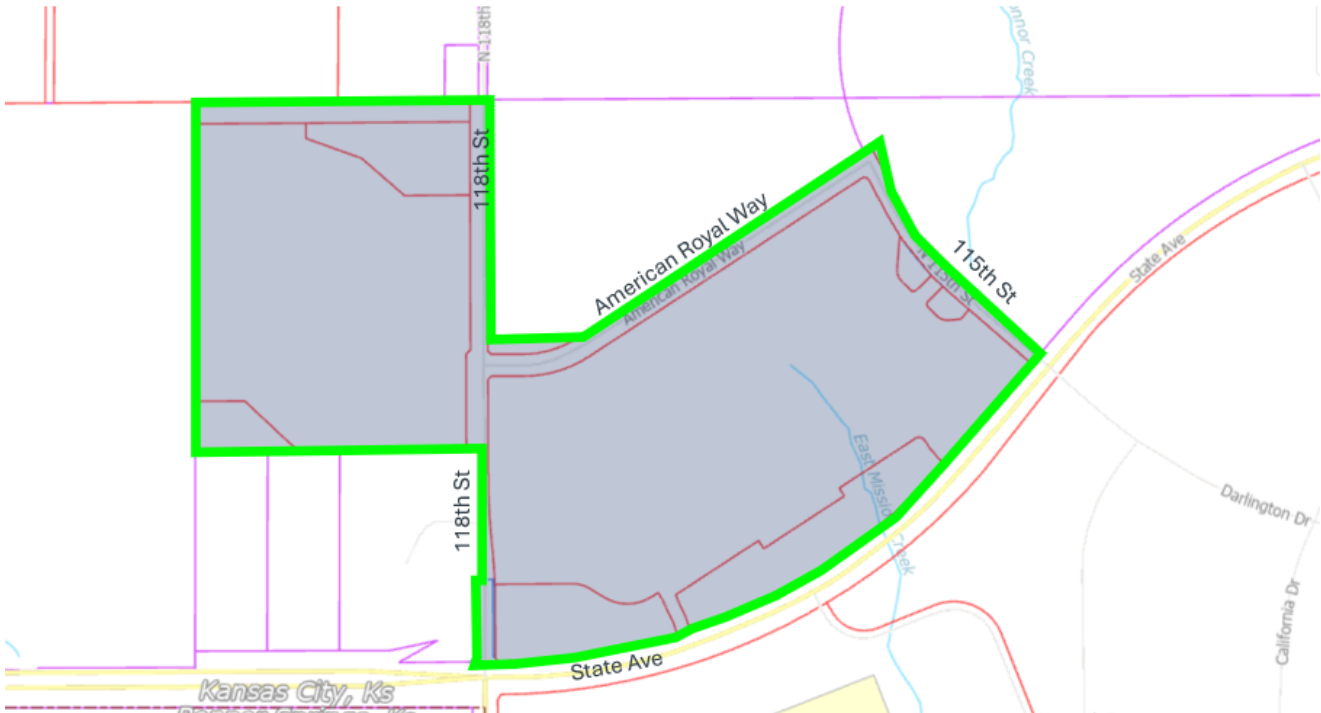


EXHIBIT 7
Development Plan



EXHIBIT 8

Total Project Budget

GENERAL COST CATEGORIES	PROJECT COST Estimates	STAR BOND COST Estimates	CID ELIGIBLE EXPENSE Estimates
<u>Land Costs</u>			
Property Acquisition	\$ 10,000,000	\$ -	\$ -
Subtotal:	\$ 10,000,000	\$ -	\$ -
<u>Sitework</u>			
Grading, Utilities, Paving, Landscaping	\$ 23,000,000	\$ 23,000,000	\$ 23,000,000
Subtotal:	\$ 23,000,000	\$ 23,000,000	\$ 23,000,000
<u>Infrastructure</u>			
115th - AR Way to State	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
118th - from State to north end of Site	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000
Am. Royal Way (from 118th to 115th)	\$ 6,000,000	\$ 6,000,000	\$ 6,000,000
Utility Development Fees	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Subtotal:	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000
<u>Construction</u>			
Exhibition Hall/Barns	\$ 80,000,000	\$ 80,000,000	\$ 80,000,000
Arenas (Main/MP/Outdoor)	\$ 85,000,000	\$ 85,000,000	\$ 85,000,000
Office HQ & Comm/Community Kitchen	\$ 12,000,000	\$ 12,000,000	\$ 12,000,000
Event Support and Storage Facilities	\$ 8,000,000	\$ 8,000,000	\$ 8,000,000
Agricultural Education Center	\$ 47,000,000	\$ 47,000,000	\$ 47,000,000
FF&E (incl. educational exhibits)	\$ 34,000,000	\$ 34,000,000	\$ 34,000,000
Contingency	\$ 11,705,883	\$ 11,705,883 **	\$ 11,705,883 **
Subtotal:	\$ 277,705,883	\$ 277,705,883	\$ 277,705,883
<u>Design & Entitlements</u>			
Design & Engineering Fees / Design	\$ 29,000,000	\$ 29,000,000	\$ 29,000,000
Planning, Zoning, Permitting & Other Fees	incl.	incl.	incl.
UG Origination Fee	\$ 5,000,000	\$ -	\$ -
Subtotal:	\$ 34,000,000	\$ 29,000,000	\$ 29,000,000
<u>Other Soft Costs</u>			
Legal & Other (Non-Design/Const.) Prof. Svc. Fees	\$ 10,000,000	\$ -	\$ -
Project Overhead	\$ 3,500,000	\$ -	\$ -
Subtotal:	\$ 13,500,000	\$ -	\$ -
<u>Contingency</u>			
Owner Cont.	\$ 5,000,000	\$ 5,000,000 **	\$ 5,000,000 **
<u>Ongoing Maintenance/Operations</u>			
"Costs" of a "Project" per CID Act	\$ up to CID Cap	\$ -	\$ up to CID Cap
TOTALS	\$ 375,205,883	\$ 346,705,883	\$ 346,705,883

** Contingency eligible to the extent connected to one or more otherwise eligible "STAR Bond Costs" and/or "CID Eligible Expenses," as applicable.

NOTE: The costs set forth above are estimates only, and subject to change in compliance with this Agreement. Subject to the terms of Section 4.6 and the balance of the Agreement, costs set forth above may be shifted among line items.

EXHIBIT 9

Form Certificate of Expenditure

CERTIFICATE OF EXPENDITURES AMERICAN ROYAL IMPROVEMENTS

Date:
Certification #

Governing Body of the Unified Government

The American Royal Association, a Missouri not-for-profit corporation ("Developer"), in accordance with the American Royal Amended and Restated Development Agreement dated _____, 2024 (the "Agreement"), between the Unified Government of Wyandotte County/Kansas City, Kansas (the "UG") and Developer, presents this Certificate Expenditure ("Certificate"), certifying as follows:

1. All amounts submitted herewith ("Amounts") are expenses for STAR Bond Costs *[and/or CID Eligible Expenses]* that are payable, or reimbursable to Developer, under the terms and conditions of the Agreement.
2. All Amounts have been advanced by or on behalf of Developer, successors, assigns, tenants, or transferees for STAR Bond Costs *[and/or CID Eligible Expenses]* in accordance with the Agreement and represent the fair value of work, materials or expenses.
3. No part of such Amounts has been the basis for any previous request for reimbursement under the Agreement.
5. This Certificate complies with all Applicable Laws and Requirements in accordance with the Agreement, including without limitation the Kansas False Claims Act (K.S.A. § 75-7501 *et. seq.*).
4. Developer has not breached and is not in default or violation of any representation, warranty, or covenant under the Agreement.
5. All insurance policies which Developer is responsible for under the Agreement are in full force and effect and that Developer is in compliance, in all material respects, with all other terms of the Agreement.

The total of all Amounts requested for reimbursement by this Certificate is \$ _____ which amount is itemized on **Attachment A** attached hereto and which Attachment A includes _____ page(s), is incorporated herein by reference and has been signed by the authorized representative of Developer who signed this Certificate.

Certified: AMERICAN ROYAL ASSOCIATION

Approved:

Signed:

UG Representative

By:

Its:

ATTACHMENT A
TO CERTIFICATION OF EXPENDITURES
AMERICAN ROYAL IMPROVEMENTS

PAGE ____ OF ____

Date: _____

Certification # _____

DESCRIPTION OF EXPENSE
(ATTACH ADDITIONAL SUPPORTING DOCUMENTATION)

Amount of Expense

1. _____	\$ _____
2. _____	\$ _____
3. _____	\$ _____
4. _____	\$ _____
TOTAL EXPENSES \$ _____	

Signature of Developer

EXHIBIT 10

Design Criteria

[TO BE ATTACHED FROM APPROVED DP]

EXHIBIT 11

Landscape Plan

[TO BE ATTACHED FROM APPROVED DP]

EXHIBIT 12

Insurance Specifications

1. Worker's Compensation. Developer may self-insure, to the extent allowed by applicable law. The self-insured retention shall be that which is standard in the industry. Developer will then purchase excess Worker's Compensation Insurance with statutory limits over the self-insured retention. If self-insurance is not available under applicable state law, coverage will be purchased in accordance with the statutory requirements.
2. Comprehensive General Liability. Developer will purchase and maintain with primary limits of \$2,000,000.
3. Automobile Liability. Developer will purchase and maintain with primary limits of \$1,000,000.
4. Excess Liability. Developer will purchase and maintain excess liability insurance in an amount not less than \$5,000,000.
5. Special Perils Form Property Insurance. Developer will purchase on a replacement cost basis. Deductibles and limits will be standard to those in the industry, and the policy shall include an "Agreed Amount" endorsement.

EXHIBIT 13

LBE/MBE/WBE PARTICIPATION AND EMPLOYMENT OPPORTUNITY AGREEMENT

This Exhibit sets forth the goals for the utilization of local business, minority, and women enterprises and local resident, minority, and women participation and equal employment opportunity referenced in Section 8.2 of the American Royal Amended and Restated Development Agreement (the "Agreement") between the Unified Government of Wyandotte County/Kansas City, Kansas ("UG") and American Royal Association ("Developer"). The parties agree as follows:

I. SCOPE

These procedures are applicable to the design, construction, and development of the Project, whether performed by or on behalf of Developer, and including:

A. During the Term of the Agreement, Professional Services, which shall include but not be limited to architectural, engineering, planning, appraisal, public relations, and other similar services related to design, development, and Construction of the Project, but not including: (i) Specialized Services, or (ii) legal, architectural and pre-construction consulting services already contracted for prior to the Effective Date of the Agreement (as defined herein), which shall specifically be excluded from both the numerator and the denominator in determining whether the Professional Services goals set forth herein have been met; and

B. Construction, including but not limited to all aspects of the Construction of the Project and all related facilities, including labor, materials and supplies, and construction-related services, whether undertaken by or on behalf of Developer, but not including (i) Specialized Services, (ii) Professional Services, or (ii) pre-construction consulting services already contracted for prior to the Effective Date of the Agreement (as defined herein), which shall specifically be excluded from both the numerator and the denominator in determining whether the Construction goals set forth herein have been met.

II. DEFINITIONS

All capitalized terms used in this Exhibit shall have the meaning ascribed to them in Annex 1 to the Agreement and made a part thereof, or as otherwise set forth herein.

A. "Construction" means all aspects of the design, development, and construction of the Project, including without limitation labor, materials and supplies, and construction-related services, whether performed or contracted for by or on behalf of Developer. Construction shall not include: (1) services performed or associated with tenant improvements or any services requested by tenants of the Project, provided that this exception shall only apply to tenants who are third parties unaffiliated with Developer, (2) Specialized Services, (3) Professional Services, or (4) pre-construction consulting services already contracted for prior to the Effective Date of the Agreement (as defined herein).

B. "Contractor" means the Proposer selected by Developer for the design, development, or construction of the Project.

C. "Local Business Enterprise or LBE" means a business headquartered or which maintains a Substantial Local Office that performs the significant functions of the business in Wyandotte County or a business of which at least 51% of the stock, equity, or beneficial interest is owned, held, or controlled and whose day-to-day management is under the control of an individual residing in Wyandotte County. There

is no formal certification process for LBE designation and it is determined and assigned based upon the criteria referenced in this definition and payment of all applicable Wyandotte County taxes and/or licensing fees.

D. "Local Resident" means an individual that, during his or her employment with the Project, maintains his or her place of domicile in Wyandotte County, Kansas.

E. "Minority Business Enterprise or MBE" means a business of which at least 51% of the stock, equity, or beneficial interest is owned, held, or controlled and/or whose day-to-day management is under the control of a person who is a member of an American ethnic minority group including African-American, Asian-Indian, Asian-Pacific, Hispanic and Native American.

F. "Professional Services" means advisory or consulting activities including, but not limited to, architectural, engineering, accounting, financial, marketing, environmental studies, medical doctors, and financial services contracted for by or on behalf of Developer for the design, development, and Construction of the Project, but specifically excluding: (1) services that have historically been sourced and provided at the holding company level by Developer (such as legal services, and accounting services, for example); (2) Specialized Services, or (3) legal, architectural and pre-construction consulting services already contracted for prior to the Effective Date of the Agreement (as defined herein).

G. "Proposer" means a person who submits a proposal in response to a solicitation for proposals issued by Developer or one of its Contractors with respect to the design, development, or Construction of the Project or with respect to the annual operations of the Project.

H. "Specialized Services" means expertise, services or products, the application of which are unique to the business of the Project and which are only available through sole or limited source providers or national vendors including, but not limited to, the following: superflat concrete floors, vendor displays and racks, log construction, murals, mountain and exterior water feature displays (excluding plumbing), aquariums, mounts, and bronze sculptures.

I. "Substantial Local Office" means an office operated and financially supported by a firm that has sufficient space, staff, and equipment to carry on the local business of the firm and that is engaged in significant, on-going local involvement with the business community in Wyandotte County, Kansas.

J. "Women Business Enterprise or WBE" means a business of which at least 51% of the stock, equity, or beneficial interest is owned, held, or controlled and/or whose day-to-day management is under the control of one or more women who are U.S. citizens or legal resident aliens.

III. DESIGN, DEVELOPMENT, AND CONSTRUCTION

A. GOALS FOR LBE/MBE/WBE PARTICIPATION.

1. Construction Goals.

Developer will use its best efforts, as defined in Section III.C.3.b., to meet the following goals based upon the total cost of the Construction and Professional Services, respectively, to complete the Project, but not including Specialized Services. In no event shall Developer be required to incur higher costs as a result of its commitment to attempt to meet such goals. These goals are based upon a disparity study performed for the Kansas City Metropolitan Area for LBE, MBE, and WBE participation. These goals are not to act as quotas or set asides.

	Construction	Professional Services
LBE	18%	18%
MBE	15%	13%
WBE	7%	8%

It is the intent of the UG to give preference to the utilization of LBEs so long as all other factors relating to the award of an individual contract are equal. If the factors relating to an award of an individual contract are equal, Developer shall give preference to the utilization of LBEs over the utilization of MBEs and WBEs. The Developer shall strive to meet each individual goal listed.

2. Contract Specific Goals.

Where appropriate, the UG may agree to different specific goals for specific elements of the Project to be awarded by Developer, when proposed by Developer, relating to the construction of the Project, based upon the availability of qualified LBEs and certified MBEs and WBEs to perform the specific scopes of work delineated in Developer's Project Utilization Plan.

3. Eligibility for Credit.

a. Only LBE businesses that are qualified and/or MBE or WBE businesses that are certified or undergoing certification by the Kansas Department of Commerce, the City of Kansas City, Missouri, the State of Missouri, the Missouri Department of Transportation, the MidAmerica Minority Business Development Council, and/or the Women's Business Enterprise National Council, or any other applicable or appropriate public or private entity or other entity mutually acceptable to the UG and the Developer (each, an "approved" business) may be counted towards the participation goals in Section III.A.1. above.

b. In the event that a contract has been awarded on the Project to an approved LBE, MBE, or WBE business, and such LBE, MBE, or WBE business later becomes unapproved prior to the completion and acceptance of all the work to be provided under such contract, then Developer shall nonetheless receive credit towards the goal for the entire portion of work performed or services provided up to the point such business becomes unapproved.

4. Construction Workforce.

a. Recruitment and Outreach. Developer will use its best efforts to employ and to ensure its Contractors employ Local Residents, minorities, and women in all aspects of the Construction of the Project, except for Specialized Services. These efforts shall include but not be limited to:

i. advertising in appropriate publications describing the work available, pay scales, and application procedures and maintaining a log or copies of these ads showing the date of publication and identifying the publication;

ii. working with local community organizations, minority and women's community organizations, and other appropriate organizations to seek

qualified Local Residents, minorities, and women (a list of these organizations may be provided by the UG upon request); and

iii. working with the UG to promote diversity and inclusion in all aspects of the Construction of the Project.

Documentation of these and any other steps taken shall be submitted to the UG in connection with each submission of Certificates of Expenditure by Developer.

b. **Employment Procedures.** Developer and its Contractors shall implement equal employment opportunity hiring and job action procedures as those terms are commonly understood.

B. CONSTRUCTION UTILIZATION PLANS.

1. Submissions, Content, and Fulfillment of Utilization Plan.

a. Fourteen (14) calendar days before the solicitation of the first proposal for the Construction of part of the Project, which is issued by Developer after the execution of the Agreement, Developer shall submit a Construction Utilization Plan to the UG. The Construction Utilization Plan shall be on the form attached to this Agreement as Attachment A or on another form provided or approved by the UG. This Construction Utilization Plan shall set forth, to Developer's actual knowledge: all categories of work that will be covered within solicitations that Developer or its Contractors intend to issue for all Construction and Professional Services providers necessary for the Construction of the Project; an estimate of the dollar value of all work covered by these solicitations; an estimate of the dollar value of work within each identified work category; the dollar value of the work for each identified work category that is projected to be performed by LBEs, MBEs, and WBEs; any known potential joint ventures with LBEs, MBEs, and WBEs within each identified work category; an overall schedule of all work projected to be performed related to the Construction of the Project, laid out sequentially over time; and the actions Developer intends to take, with respect to these solicitations, to make best efforts to meet the goals set forth in Section III.A.1. of this Exhibit.

b. The Developer, in this Construction Utilization Plan, shall designate one person as the Project Manager to serve as the point of contact with the UG on all matters related to the Construction Utilization Plan. Developer shall provide the Project Manager's name, physical office address, e-mail address, and phone number to the UG.

c. The goals of Section III.A.1. may be met by the expenditure of dollars with approved LBE, MBE, or WBE prime contractors, material suppliers, subcontractors, or through joint ventures with approved LBEs, MBEs, or WBEs.

i. Certified MBE and WBE prime contractor Proposers may count their own participation toward each goal for which they qualify, and may divide their participation between two goals, but the participation may not be double-counted. These prime contractor Proposers shall receive credit towards the goals for the dollar value of the contract.

ii. Approved or certified MBE, WBE, or LBE material suppliers, regular dealers, and manufacturers shall be credited towards the goals for the dollar value of the contract.

iii. A joint venture involving an approved LBE, MBE, or WBE as a partner may be counted towards the applicable goal only to the extent of the dollar amount that the approved LBE, MBE, or WBE is responsible for and at risk, except, however, if the LBE/MBE/WBE is the majority partner in the joint venture, the entire joint venture contract amount shall be counted, less any work subcontracted to the non-LBE/MBE/WBE joint venture partner. To receive credit, the approved LBE, MBE, or WBE must be responsible for a clearly defined portion of the work, profits, risks, assets, and liabilities of the joint venture.

iv. Participation by a certified MBE owned by a minority woman may be counted as MBE participation or as WBE participation; however, this participation cannot be double counted. A certified MBE or WBE may also be counted towards the LBE goal, if qualified as LBE. The amount of participation by these businesses may be divided between the MBE or the WBE goals but may not be double-counted. A qualified LBE, which is certified as MBE and WBE, shall be counted toward the LBE and the MBE or WBE goals, but shall not be counted toward both the MBE and WBE goals.

v. Only the participation of LBEs, MBEs, and WBEs that provide a commercially useful function required for the work of the specific solicitation shall be counted toward achievement of the goals. The LBE, MBE, or WBE must be responsible for the execution of a distinct element of the work by actually performing, managing, or supervising its function in the work identified in the solicitation. Brokering is not credited. Purchases from LBEs, MBEs, and WBEs that constitute indirect or general overhead costs to a projected Proposer's business may not be counted toward the goals. Costs directly incurred solely to perform the work with respect to a Project contract may be counted toward the goals.

2. Evaluation of Utilization Plans.

a. The UG will review the Developer's Construction Utilization Plan respecting each category of work identified by Developer. In conducting its review, the UG shall evaluate the extent to which the actions Developer proposes constitute best efforts, as set forth in Section III.C.3.b. below. In no event shall Developer or any of its Contractors be required to engage any LBE, MBE, or WBE that is not the low bidder or is not qualified or capable of performing the work to acceptable standards in the reasonable discretion of Developer.

b. Changes to the Construction Utilization Plan shall be reviewed and approved or rejected by the UG within 30 days after submission of the same by Developer, and the same shall be deemed to be approved by the UG if not rejected within said 30 days. All such approved changes shall become effective upon the date that the same are approved (or deemed approved) by the UG.

C. CONTRACT AWARD COMPLIANCE PROCEDURES.

1. Solicitation Documents.

The solicitation documents for each contract for which goals are established shall contain a general description of the requirements set forth in this Exhibit; the LBE, MBE, and WBE goals; and the areas of projected subcontracting. Five (5) calendar days before the issuance of each solicitation, Developer shall submit the solicitation documents and the bid list to the UG. This submittal is mandatory for each bid subject to LBE/MBE/WBE goals.

2. Developer's Report of Solicitation Results.

Within seven (7) working days after the date set for receipt of proposals by each solicitation issued for Developer for the Construction of the Project, the Project Manager shall submit to the UG, on a form provided or approved by the UG, a Report of Solicitation Results (the "Report") fully describing all proposals received in response to the solicitation. The Report shall: (1) state the estimated total dollar value of the work covered by the solicitation; (2) state the names of all Proposers; (3) state the total dollar value of work covered by proposals submitted by approved LBEs, MBEs, and/or WBEs (for both Construction and Professional Services); (4) provide all relevant information concerning each joint venture Proposer; and (5) state the name of all subcontractors to Proposers (to the extent then available) that are approved LBEs, MBEs, and/or WBEs, and the dollar value of work covered by proposed subcontracts between Proposers and LBEs, MBEs, and/or WBEs. The Report shall also indicate to which of the Proposers, including joint venture Proposers, the Developer or any of its Contractors is intending to award contracts resulting from the solicitation. In addition, with respect to any LBE, MBE, or WBE goal established in the Construction Utilization Plan that it appears from the proposals received will not be met, Developer shall include in the Report a precise description of all best efforts it has undertaken or caused to be undertaken to meet the established goals. These submittals are mandatory for all solicitations subject to LBE/MBE/WBE goals.

3. UG Review of Developer's Report of Solicitation Results.

a. Within seven (7) calendar days of receiving a Report for review, the UG, based on its review of the Report, shall advise the Developer whether it appears that, in light of Developer's indication of the Proposers to whom it intends to award contracts, Developer will meet the goals for work to be performed by LBEs, MBEs, and WBEs set forth in the Construction Utilization Plan or if not, whether Developer has established best efforts to meet these goals, and shall state the reasons for this conclusion, referring to the specific efforts criteria contained in Section III.C.3.b. below. As a part of its review, the UG may ascertain whether LBE, MBE, or WBE subcontractors agree with the dollar value of the work and the scope of the work, as identified in the proposal.

b. For each Construction Utilization Plan goal that is not achieved, Developer shall be deemed to have used best efforts ("**best efforts**") to meet the Construction Utilization Plan goals for Construction and Professional Services set forth in Section III.A.1. of this Exhibit if Developer shall have taken substantially all the following actions:

i. Developer is seeking or has sought timely assistance of the UG to identify qualified LBEs, MBEs, and WBEs;

ii. Developer is advertising or has advertised contract opportunities in local, minority, and women media;

iii. Developer is providing or has provided reasonable written notice of opportunities and informational meetings to approved LBEs, MBEs, and WBEs;

iv. Developer is following up or has followed up initial solicitations of interest by contacting LBEs, MBEs, and WBEs;

v. Developer is segmenting or has segmented portions of the work to increase the likelihood of LBE, MBE, and WBE participation, where feasible;

vi. Developer is providing or has provided interested LBEs, MBEs, and WBEs with timely and accurate information about the plans, specifications, requirements, deadlines, and bidding procedures of the contracts;

vii. Developer is negotiating or has negotiated in good faith with interested LBEs, MBEs, and WBEs, not rejecting them as unqualified without sound reasons, based on a thorough review of their capabilities and prior work histories; and

ix. Developer is working or has worked with local, minority, and women contracting, professional, civic, and community organizations, government officers or any other organization or persons, as identified by the UG, that provide assistance in the recruitment of LBEs, MBEs, and WBEs.

Each time the phrase "best efforts" appears throughout this Exhibit, it refers to the definition set forth in this Section. Failure by Developer to take all of the foregoing actions shall not be determinative that Developer has not used best efforts.

4. Signed Contracts.

Within thirty (30) working days following provision of the UG's evaluation of the Report of Solicitation Results to Developer, the Project Manager shall submit signed contracts with successful Proposers to the UG.

D. SUBCONTRACTOR RELATIONS.

1. Documentation of Subcontracting Agreements.

All subcontracting services shall be evidenced by a written agreement stating, at a minimum, the scope of work to be performed and the amount to be paid for performance of the work. Unit price subcontracts are acceptable if appropriate to the type of work being performed.

2. Documentation of Schedules.

a. For Construction contracts, the Contractor must present a work schedule that includes when the LBE, MBE, and WBE subcontractors will be utilized at the job site. This schedule is due on or before the pre-construction meeting with the UG and the Project Manager representing Developer.

b. For Professional Services contracts, Developer must present a written schedule of when the LBE, MBE, and WBE consultants will be working on the Project. This written schedule shall be provided to the UG prior to the Bond Closing (as defined in the Agreement).

3. Substitutions, Additions or Deletions.

Where a substitution for a LBE, MBE, or WBE subcontractor must occur after submission of proposals by the Project Manager to the UG, the Project Manager must submit notice of the proposed change or substitution to the UG for review. The UG shall have no authority to approve or reject any change or substitution. The sole purpose of the review by the UG shall be to determine whether the LBE, MBE, or WBE should be counted toward achievement of the goals of Section III.A.1.

IV. UG'S ASSISTANCE TO DEVELOPER.

The UG shall use its best efforts to provide assistance to Developer in fulfilling its obligations as set forth in this Exhibit. Developer assumes all responsibility for its efforts in meeting the goals and complying with the procedures and processes set forth herein. The UG assumes no duty or responsibility to the Developer with respect to Developer's fulfillment of the goals set forth in this Exhibit by reason of the provision of assistance to the Developer. Examples of assistance the UG may provide include but are not limited to:

- A.** providing information and technical assistance regarding the Project to Developer and its agents, including Contractors, subcontractors, LBEs, MBEs, WBEs, officials, and other interested persons;
- B.** developing and maintaining a registry of approved LBE, MBE, and WBE businesses;
- C.** assisting with identifying potential LBEs, MBEs, and WBEs and reviewing their qualifications to participate in the Project;
- D.** updating Developer and its agents on current or proposed affirmative action legislation enacted by the UG that may affect the Project;
- E.** recommending contract specific goals, as appropriate;
- F.** providing assistance in pre-award activities, such as provision of model or example Utilization Plans and work segmentation;
- G.** reviewing Developer, Contractor, and subcontractor performance and LBE, MBE, and WBE participation on the Project;
- H.** providing advice relative to utilization and compliance matters;
- I.** conducting compliance reviews and audits of LBE, MBE, and WBE participation;
- J.** evaluating requests for substitutions, additions, and deletions;
- K.** assisting Developer and its agents in addressing issues related to the goals and procedures set forth in this Exhibit;

L. reviewing payments to subcontractors, as documented by quarterly reports submitted by Developer;

M. reviewing complaints from LBEs, MBEs, WBEs, Contractors, subcontractors, and any other interested persons regarding these goals and procedures;

N. assisting in Developer's development of forms to document compliance with these procedures; and

O. reviewing and approving utilization plans and contract award submittals.

VI. DEVELOPER COMPLIANCE RECORDS AND REPORTS.

A. RECORDS.

Developer shall maintain those records as may reasonably be required to demonstrate compliance with the goals and procedures set forth in this Exhibit. These records shall be available to the UG upon reasonable notice.

B. CONSTRUCTION UTILIZATION PLAN REPORTS.

Developer shall update the Construction Utilization Plan quarterly on the forms attached hereto as Attachments B and C or another form provided or approved by the UG. In addition, each quarterly report shall include the following for each LBE, MBE, or WBE whose participation is utilized by Developer to be applied to the goals set forth herein: business name and address of each LBE, MBE, and WBE; and a brief description of the work to be performed by each. Developer also shall document the change orders to contracts awarded in each quarterly report.

C. REMEDIES.

Subject to the provisions of Section 9.1 of the Agreement, if Developer should fail to provide a report required by this Exhibit, and fail to cure such failure within thirty (30) days after receipt of written notice from the UG specifying such failure, then such failure to cure shall constitute an event of default and the UG shall have those remedies set forth in the Agreement, and the UG shall have the right to stop processing Certificates of Expenditure or make any further disbursements of STAR Bond Proceeds and/or CID Sales Tax Proceeds until Developer complies with reporting requirements.

If, after reviewing Developer's reports, the UG reasonably believes that the participation goals contained in this Exhibit have not been met, and that the best efforts described herein have not been met, then the UG shall inform Developer of this determination in writing. If the Developer fails to demonstrate to the UG, within thirty (30) days following its receipt of said written determination, that either: (i) the goals contained in this Exhibit have been met, or (ii) the goals contained in this Exhibit have not been met but the best efforts described herein have been met, then the UG shall have the right to reduce the STAR Bond Proceeds and CID Sales Tax Proceeds available to Developer pursuant to the Agreement by an amount equal to one and one-half percent (1.5%) (applied separately to Construction and Professional Services) as the UG's sole and exclusive remedy for such failure. The UG shall also have the right to renegotiate LBE, MBE, and WBE goals for future construction projects.

**UNIFIED GOVERNMENT OF WYANDOTTE
COUNTY/KANSAS CITY, KANSAS**

By: _____
David Johnston
County Administrator

Date: _____

AMERICAN ROYAL ASSOCIATION

By: _____
Name: _____
Title: _____
Date: _____

Date: _____

Project Name:_____

188687124.18

Attachment B
Unified Government
MBE/WBE/LBE Status Report
Construction Phase

Attachment C

LBE/MBE/WBE COMPLIANCE

**SUMMARY REPORT
EXPENDITURES FOR REPORTING PERIOD**

EXHIBIT 14
Events and Programing for Festival Grounds

As a future second phase, it is currently envisioned that the Project may also include the development of an approximately 120-acre Festival Grounds, including all or a portion of the approximately 50+/- acre portion of the Site located west of 118th Street and the approximately 80+/- acres Developer owns west of and adjacent to such portion. It is anticipated that the Festival Grounds, as and when developed, will be designed to cater to multiple events, uses and other purposes, and be capable of accommodating events both large and small. Developer estimates that the Festival Grounds could attract 100,000 people over the course of a few days for larger events, and in the range of 8,000 to 12,000 people for smaller, single day or evening events. While still in the early conceptual planning stages and subject to feasibility and other market factors, some examples of the kinds of uses and events currently envisioned for the Festival Grounds if/when developed include, but are not limited to, hosting the American Royal World Series of BBQ; dynamic, multi-day celebrations of music, lifestyle and culture; food-related festivals and events (e.g., food truck festivals, craft food and/or beverage tastings, and other food-related activities and events); outdoor pet and equine events; various other seasonal celebrations; and for RV parking associated with events at the Core Royal and Agricultural Education Center, to name a few. Additional information regarding the anticipated events and programming for the Festival Grounds can be provided if/when the development concept progresses.

EXHIBIT 15
Schedule of Annual Payments

Payment Number	Due Date*	Amount
1.	May 15, 2026	\$1,315,789.48
2.	May 15, 2027	\$1,315,789.48
3.	May 15, 2028	\$1,315,789.48
4.	May 15, 2029	\$1,315,789.48
5.	May 15, 2030	\$1,315,789.48
6.	May 15, 2031	\$1,315,789.48
7.	May 15, 2032	\$1,315,789.48
8.	May 15, 2033	\$1,315,789.48
9.	May 15, 2034	\$1,315,789.48
10.	May 15, 2035	\$1,315,789.48
11.	May 15, 2036	\$1,315,789.48
12.	May 15, 2037	\$1,315,789.48
13.	May 15, 2038	\$1,315,789.48
14.	May 15, 2039	\$1,315,789.48
15.	May 15, 2040	\$1,315,789.48
16.	May 15, 2041	\$1,315,789.48
17.	May 15, 2042	\$1,315,789.48
18.	May 15, 2043	\$1,315,789.48
19.	May 15, 2044	\$1,315,789.48

**Assumes a 2025 Bond Closing for the First Issuance.*



Report to Board of Commissioners

MEETING DATE	PRESENTER	DEPARTMENT
	Jud Knapp, Land Bank Manager jknapp@wycokck.org x5472	Land Bank Approvals
AGENDA ITEM #11.1.		
LAND BANK OPTIONS		
BACKGROUND		
The attached option application(s) was presented at the 03/31/2025 meeting. Please visit the new site to review the applications below https://gisapp.wycokck.org/Landbank.html Single Family Homes – 2 Homes		
RECOMMENDATION		
Approve		
BUDGET IMPACTS / FINANCIAL CONSIDERATIONS		
LEGAL CONSIDERATIONS		
ATTACHMENTS		
FC Memo Land Bank Options 04.24.25		

Approved by Administrator to add to agenda.



Wyandotte County Land Bank
Economic Development Department
Jud Knapp, Manager

701 North 7th St., 4th Floor
Kansas City, Kansas 66101

Phone: (913) 573-5472
Fax: (913) 573-5745
Email: jknapp@wycokck.org

M E M O R A N D U M

TO: Full Commission

FROM: Jud Knapp, Land Bank Manager

DATE: April 17, 2025

SUBJECT: Option applications for consideration

The following **option application(s)** was presented at the 03/31/2025 meeting:

Please visit the new site to review the applications below

<https://gisapp.wycokck.org/Landbank.html>

A. Single Family Homes – 2 Homes

1. Calon Patton – 1 home
 - i. 714 Orville Ave – 118828
 - ii. 716 Orville Ave - 118827
2. Robert Rashad – 1 home
 - i. 2646 N 20th St – 163115



Report to Board of Commissioners

MEETING DATE	PRESENTER	DEPARTMENT
	Jud Knapp, Land Bank Manager jknapp@wycokck.org x5472	Land Bank Approvals
AGENDA ITEM #11.2.		
RESOLUTION: LAND BANK HOLD FOR QUINDARO RUINS		
BACKGROUND		
RECOMMENDATION		
Approve Request consideration of the following Land Bank hold for Quindaro Ruins, submitted by Jud Knapp, Land Bank Manager.		
BUDGET IMPACTS / FINANCIAL CONSIDERATIONS		
LEGAL CONSIDERATIONS		
ATTACHMENTS		
Resolution for Hold for Quindaro Ruins		

Approved by Administrator to add to agenda.

RESOLUTION NO. R-____-25

**A RESOLUTION AUTHORIZING THE WYANDOTTE COUNTY LAND BANK
TO HOLD SPECIFIED PROPERTIES FOR QUINDARO RUINS**

WHEREAS, the Unified Board of Commissioners of Wyandotte County/Kansas City, Kansas, by way of Resolution No. R-21-99, established the Wyandotte County Land Bank and provided that it would be guided in its affairs by a Board of Trustees consisting of the Mayor/Chief Executive and the Commissioners of the Unified Government of Wyandotte County/Kansas City, Kansas; and

WHEREAS, the Wyandotte County Land Bank Board of Trustees is solely authorized, pursuant to K.S.A. 19-26,110 and Sec. 2-173 of the Unified Government Ordinances, to sell or dispose of any property acquired by the Wyandotte County Land Bank; and

WHEREAS, a purpose of the Wyandotte County Land Bank is to return blighted and vacant properties to a productive use; and

WHEREAS, the Wyandotte County Land Bank owns parcels within and around the area of the Quindaro Ruins as outlined in Exhibit A; and

WHEREAS, the Unified Government of Wyandotte County/Kansas City, Kansas is using the RFP process to find a consultant to assist with developing a master plan for this area and the Wyandotte County Land Bank believes it would be best to place these parcels on hold while this master plan is developed.

NOW, THEREFORE, be it resolved by the Wyandotte County Land Bank Board of Trustees that:

1. A hold shall be placed on all properties owned by the Wyandotte County Land Bank within the boundaries within and around the Quindaro Ruins, as shown on Exhibit A attached hereto, subject to Section 5.7 of the Wyandotte County Land Bank Policy.

2. This Resolution shall become effective upon passage by the Wyandotte County Land Bank Board of Trustees.

ADOPTED BY THE WYANDOTTE COUNTY LAND BANK BOARD OF TRUSTEES THIS
_____ DAY OF _____ 2025.

Tyrone Garner
Mayor/Chief Executive Officer

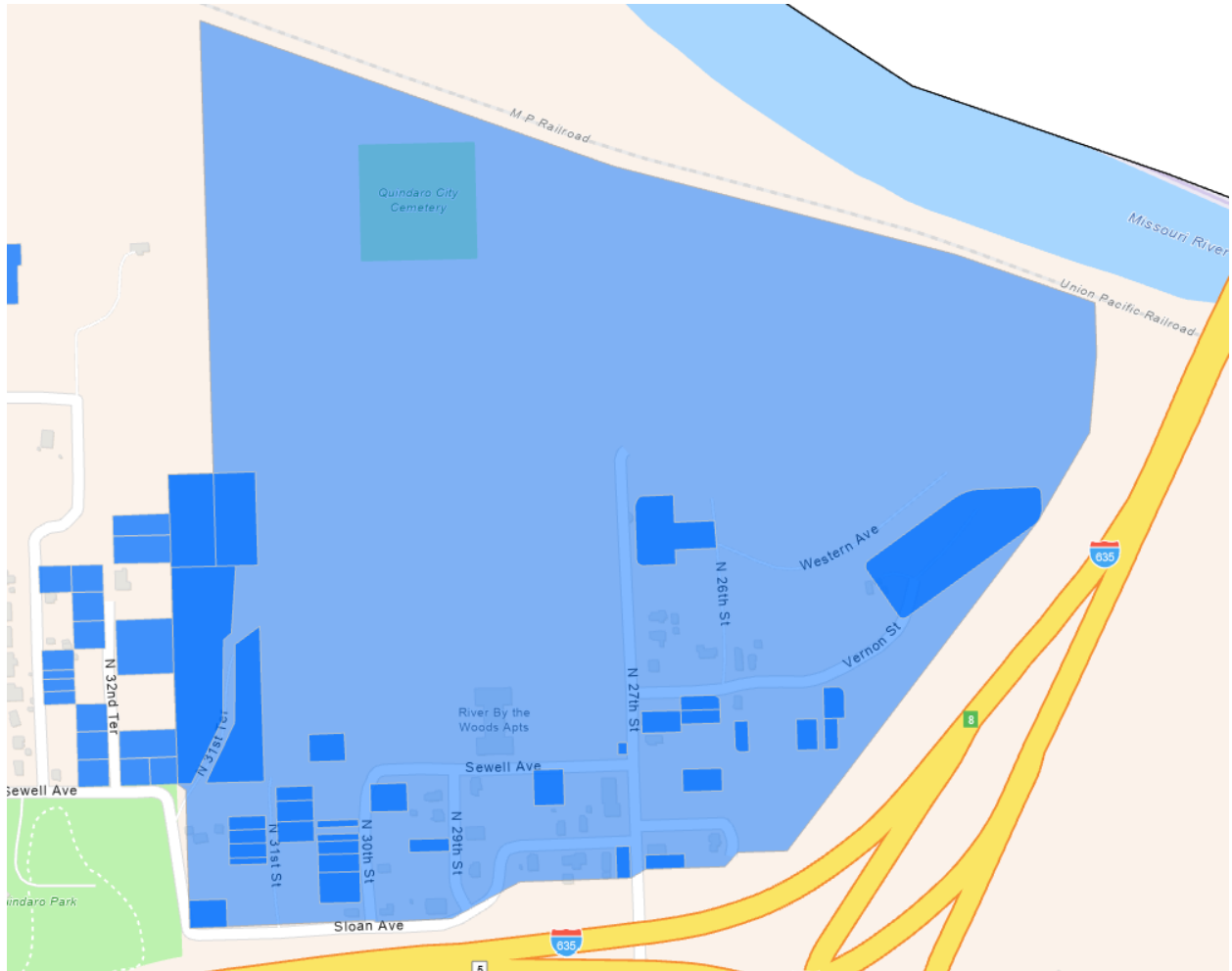
ATTEST:

APPROVED AS TO FORM:

UNIFIED GOVERNMENT CLERK

Wendy M. Green, Deputy Chief Counsel

EXHIBIT A





Report to Board of Commissioners

MEETING DATE	PRESENTER	DEPARTMENT
	Jud Knapp, Land Bank Manager jknapp@wycokck.org x5472	Land Bank Approvals
AGENDA ITEM #11.3.		
RESOLUTION: LAND BANK HOLD-61ST AND I-70		
BACKGROUND		
RECOMMENDATION		
Approve Request consideration of the following Land Bank hold for 61St & I-70, submitted by Jud Knapp, Land Bank Manager		
BUDGET IMPACTS / FINANCIAL CONSIDERATIONS		
LEGAL CONSIDERATIONS		
ATTACHMENTS		
Resolution for Hold for 61st - I-70		

Approved by Administrator to add to agenda.

RESOLUTION NO. R-____-25

**A RESOLUTION AUTHORIZING THE WYANDOTTE COUNTY LAND BANK
TO HOLD SPECIFIED PROPERTIES FOR TARGETED DEVELOPMENT**

WHEREAS, the Unified Board of Commissioners of Wyandotte County/Kansas City, Kansas, by way of Resolution No. R-21-99, established the Wyandotte County Land Bank and provided that it would be guided in its affairs by a Board of Trustees consisting of the Mayor/Chief Executive and the Commissioners of the Unified Government of Wyandotte County/Kansas City, Kansas; and

WHEREAS, the Wyandotte County Land Bank Board of Trustees is solely authorized, pursuant to K.S.A. 19-26,110 and Sec. 2-173 of the Unified Government Ordinances, to sell or dispose of any property acquired by the Wyandotte County Land Bank; and

WHEREAS, a purpose of the Wyandotte County Land Bank is to return blighted and vacant properties to a productive use; and

WHEREAS, the Wyandotte County Land Bank parcels outlined in Exhibit A are in a concentrated area and lend themselves to a development plan; and

WHEREAS, the Wyandotte County Land Bank wishes to use the RFP process to find one or two developers who will be able to successfully develop this area.

NOW, THEREFORE, be it resolved by the Wyandotte County Land Bank Board of Trustees that:

1. A hold shall be placed on all properties owned by the Wyandotte County Land Bank within the boundaries of 61st Street to the West, Tauromee Avenue to the North, 58th Street to the East, and I-70 to the South, as shown on Exhibit A attached hereto, subject to Section 5.7 of the Wyandotte County Land Bank Policy.

2. This Resolution shall become effective upon passage by the Wyandotte County Land Bank Board of Trustees.

ADOPTED BY THE WYANDOTTE COUNTY LAND BANK BOARD OF TRUSTEES THIS
____ DAY OF _____ 2025.

Tyrone Garner
Mayor/Chief Executive Officer

ATTEST:

APPROVED AS TO FORM:

UNIFIED GOVERNMENT CLERK

Wendy M. Green, Deputy Chief Counsel

EXHIBIT A

