UPDATE
Economic Development and Finance Standing Committee Meeting Agenda
Monday, June 3, 2019
Immediately upon adjournment of earlier committee

Location:
Municipal Office Building
701 N 7th Street
Kansas City, Kansas 66101
5th Floor Conference Room (Suite 515)

Name	Absent
Commissioner Tom Burroughs, Chair	☐
Commissioner Brian McKiernan	☐
Commissioner Gayle E. Townsend	☐
Commissioner Ann Brandau-Murguia	☐
Commissioner James Walters	☐
Jeff Bryant, BPU Member	☐

I. **Call to Order/Roll Call**

II. **Revisions to June 3, 2019 Agenda.**
Item No. 3 - Ordinance: KCK 501 Minnesota ALL, Inc. Home Rule Economic Development Grant. Additional information provided:
- Ground Lease & Development Agreement
- Lease Agreement
- Community Benefits Agreement

III. **Approval of standing committee minutes from April 1, 2019.**

IV. **Committee Agenda**

Item No. 1 - REPORT: IRB REAL PROPERTY TAX PROJECTION
Synopsis: Industrial Revenue Bond (IRB) real property tax projection report, submitted by Kathleen VonAchen, Chief Financial Officer.

For information only.
Tracking #: 19751

Item No. 2 - ORDINANCE/RESOLUTION: DOWNTOWN GROCERY GENERAL OBLIGATION BONDS

Synopsis: An ordinance and resolution authorizing the issuance of $1,420,000 principal amount of Taxable General Obligation Improvement Bonds, Series 2019-C, for the purpose of providing funds for the Downtown Grocery project, with such bonds to be purchased by the Local Initiatives Support Corporation (LISC), submitted by Katherine Carttar, Director of Economic Development.

Tracking #: 19756

Item No. 3 - ORDINANCE: KCK 501 MINNESOTA ALL, INC. HOME RULE ECONOMIC DEVELOPMENT GRANT

Synopsis: An ordinance authorizing a home rule economic development grant to 501 Minnesota ALL, Inc., authorizing the issuance of general obligation bonds to fund the grant; authorizing a ground lease and lease agreement with KCK 501 Minnesota, Inc., for the purpose of obtaining New Market Tax Credits in connection with the Downtown Grocery project, submitted by Katherine Carttar, Director of Economic Development.

Information forthcoming.

Tracking #: 19760

Item No. 4 - RESOLUTION: SALE AND LEASE OF 834 ARMSTRONG AVENUE

Synopsis: A resolution authorizing the sale and lease of surplus property at 834 Armstrong Avenue (known as the YMCA of Greater Kansas City) to Y Lofts, LP, submitted by Katherine Carttar, Director of Economic Development.

Tracking #: 19752

Item No. 5 - RESOLUTION: TURNER LOGISTICS IRB'S

Synopsis: A resolution regarding the UG's intent to issue $155M of IRB's for the Turner Logistics Center for the benefit of Northpoint Development, LLC, submitted by Katherine Carttar, Director of Economic Development.

Tracking #: 19755

Item No. 6 - ORDINANCE: CREATE TURNER LOGISTICS COMMUNITY IMPROVEMENT DISTRICT

Synopsis: An ordinance creating the Turner Logistics Community Improvement District (CID), submitted by Katherine Carttar, Director of Economic Development.

Tracking #: 19759

V. **Public Agenda**

VI. **Adjourn**

AGENDA UPDATE
ECONOMIC DEVELOPMENT & FINANCE
STANDING COMMITTEE MEETING
MONDAY, JUNE 3, 2019

IV. COMMITTEE AGENDA

ADDITIONAL INFORMATION

ITEM NO. 3 – 19760…ORDINANCE: KCK 501 MINNESOTA ALL, INC., HOME RULE ECONOMIC DEVELOPMENT GRANT

Synopsis: Additional information provided:

- Ground Lease & Development Agreement
- Lease Agreement
- Community Benefits Agreement

GROUND LEASE AND DEVELOPMENT AGREEMENT

This Ground Lease and Development Agreement ("***Agreement***") is made and entered into as of the [__] day of [________], 2019 ("***Effective Date***"), by and between the Unified Government of Wyandotte County/Kansas City, Kansas ("***Landlord***"), and KCK 501 Minnesota, Inc., a Kansas nonprofit corporation ("***Tenant***").

RECITALS

A. Landlord is the owner of that certain real property located at 501 Minnesota Avenue, Kansas City, Kansas 66101, and legally described on Exhibit A, attached hereto and incorporated herein by reference ("***Property***").

B. Landlord desires to lease the Property to Tenant, and Tenant desires to lease the Property from Landlord, under the terms and conditions set forth below.

C. Landlord intends to construct an approximately 12,000 to 14,000 square foot full-service downtown grocery store on the Property ("***Improvements***").

D. Tenant desires to purchase the Improvements from the Landlord for the Purchase Price (as hereinafter defined), and own, lease, maintain, and operate such Improvements.

AGREEMENT

NOW, THEREFORE, in consideration of the covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Recitals. The foregoing recitals are true and correct and are incorporated herein by this reference.

2. Lease of Property and Sale of Improvements. Landlord leases to Tenant, and Tenant leases from Landlord, the Property, upon the terms and conditions contained in this Agreement. Landlord agrees to sell the Improvements to Tenant, and Tenant agrees to purchase from Landlord, the Improvements, upon the terms and conditions contained in this Agreement.

3. Use. The Property shall be used a grocery store. Tenant will not, without the prior written consent of Landlord, permit the Property to be used for any purpose substantially different from the foregoing. Tenant shall not engage in, nor permit any sublessee to engage in: (i) the ownership or leasing of "residential rental property" (which is defined in Section 168(e)(2)(A) of the Internal Revenue Code of 1986, as amended, as property where eighty percent (80%) or more of the gross rental income from such property in any taxable year is derived from the rental of dwelling units); or (ii) any trade or business consisting of the operation of any private or commercial golf course, country club, massage parlor, hot tub facility, suntan facility, racetrack, or other facility used for gambling, or any store the principal business of which is the sale of alcoholic beverages for consumption off-site of the Property.

4. Term. The term of this Agreement ("***Term***") shall commence on the date hereof ("***Commencement Date***") and shall expire on that date which is ninety-nine (99) years from the Commencement Date (the "***Expiration Date***"), unless earlier terminated as herein provided.

5. Rent. On each December 31 that occurs after the Effective Date and before the expiration of the Term, Tenant shall pay to Landlord one dollar ($1.00).

6. Agreement as Sale. The parties intend that this Agreement shall be considered a sale for federal tax purposes. It is the parties' intent that Tenant shall be treated as the owner of the Property for federal income tax purposes at all times during the Term, and that Tenant alone, following the Commencement Date and during the Term, shall be entitled to all of the federal tax attributes of ownership of the Property (including, without limitation, all depreciation deductions and other tax benefits relating to the Property).

7. Deposit. No security deposit shall be required as part of this Agreement.

8. Improvements.

(a) Performance of Work. Landlord shall have the authority and obligation to do the following:

(i) Construct and develop the Improvements at Landlord's expense, and to perform the services and carry out the responsibilities described in this Agreement.

(ii) Prepare or cause to be prepared such environmental studies or reports and engineering surveys, as may be required in connection with the development and construction of the Building.

(iii) Prepare or cause to be prepared the Final Plans, as accepted by the Tenant and as set forth in Exhibit B, in compliance with all applicable provisions of any federal, state, municipal or local laws, ordinances, rules, regulations, or requirements, and any necessary modifications thereto.

(iv) Make available to Tenant upon request copies of all contracts, subcontracts, budgets, Final Plans or other items prepared or obtained in connection with development of the Improvements.

(v) Enter into the Architect's Agreement, the Construction Contract and such subcontracts and other contracts as Landlord, in its sole discretion, determines are necessary or appropriate to fully develop and construct the Improvements in accordance with the Final Plans.

(vi) Perform or cause to be performed, in a diligent and efficient manner, general administration and supervision of the development and construction of the Improvements, including but not limited to, the following:

(1) administration and supervision of the activities of the Architect, Construction Manager and all other contractors, subcontractors

and others employed in connection with the development and construction of the Improvements;

(2) periodic inspection of construction in progress including, but not limited to, inspection at completion of the Improvements in accordance with Section 11, for defects in construction and to assure compliance with the Final Plans, and supervision of correction of any and all deficiencies noted pursuant to such inspections;

(3) processing and payment of applications for progress payments made by the Construction Manager, including verification of such applications against the progress of construction as indicated by the aforementioned periodic inspections and compliance with subparagraph (g) below; and

(4) analysis of requests for any and all change orders to or variations from the Final Plans.

Landlord shall ensure that each payment application submitted by the Construction Manager shall be accompanied by (1) a partial waivers of liens executed by the Construction Manager and subcontractors, suppliers, and materialmen of all tiers covering the entire amount of the payment requested by the subject request for payment conditioned only upon payment of the amount requested in the subject payment application, and (2) unconditional partial waivers of lien, executed by the Construction Manager and each subcontractor, supplier or materialman performing work or furnishing supplies or materials for the project, which partial waiver of lien shall be equal to the amount of all payments made by the Landlord to the Construction Manager on behalf of such subcontractor, supplier or materialman in all preceding payment applications.

(vii) Perform, or cause to be performed, in a diligent and efficient manner, preparation of contracts, letter agreements, purchase orders, and similar documents as are necessary to complete timely the development and construction of the Improvements.

(viii) Cause the Improvements to be completed in a manner consistent with good workmanship, in compliance with the Final Plans and all federal, state, municipal or local laws, ordinances, rules, regulations, or requirements, including, without limitation, any applicable state and federal environmental laws, or any order, judgment, decree, determination, or award of any court binding on Landlord, or its assets including the Property.

(ix) Maintain, or cause to be maintained, builder's risk/course of construction, contractor's liability, and workers' compensation insurance required by law and other insurance, the limits and terms of such coverage to be reasonable under the circumstances, but not less than required by applicable statutes.

(x) Keep or cause to be kept separate Improvements accounts and cost records and prepare and furnish to Tenant upon request financial and progress reports and statements with respect to development and construction of the Improvements not more frequently than monthly.

(xi) Coordinate and administer the design and construction of all interior tenant improvements to the extent required under any leases or other occupancy agreements to be furnished by Tenant with respect to the initial leasing of space in the Improvements.

(xii) Record the progress of the Building and submit written progress reports to the Tenant and the Architect on a regular basis, including the percentage of completion of the work and the number and amounts of change orders.

(xiii) Obtain the certificate of substantial completion, and inspect the Architect's and Construction Manager's work.

(xiv) Secure all building code approvals and obtain certificates of occupancy for the Improvements.

(xv) Monitor disbursements and payment of amounts owed the Architect, Construction Manager and any subcontractors.

(xvi) Provide, and periodically update a Building construction time schedule which coordinates and integrates the Architect's services with construction schedules.

(xvii) Coordinate the work of the Architect to complete the Improvements in accordance with the objectives as to cost, time and quality, and provide sufficient personnel at the Property with authority to achieve such objectives.

(xviii) Provide regular monitoring of the schedule as construction progresses, identify potential variances between scheduled and probable completion dates, review the schedule for work not started or incomplete; provide summary reports of such monitoring, and document all changes in the schedule.

(xix) Revise and refine the approved estimate of construction costs, incorporate changes as they occur, and develop cash flow reports and forecasts as needed.

(xx) Provide regular monitoring of the approved estimate of construction cost, show actual costs for activities in process and estimates for uncompleted tasks, identify variances between actual and budgeted or estimated costs and advise the Tenant whenever projected costs exceed budgets or estimates.

(b) Definitions. As used in this herein, the following terms shall have their respective meanings indicated below:

(i) "***Architect***" shall mean International Architects Atelier, Inc.

(ii) "***Architect's Agreement***" shall mean that certain Standard Form of Agreement between Owner and Architect, Construction Manager as Constructor Edition, by and between Landlord and Architect, dated as of October 15, 2018, as amended, restated, or modified from time to time.

(iii) "***Construction Manager***" shall mean McCown Gordon Construction, LLC.

(iv) "***Construction Contract***" shall mean that certain Standard Form of Agreement between Owner and Construction Manager as Constructor where the basis of payment is the Cost of the Work Plus a Fee with a Guaranteed Maximum Price, by and between Landlord and Construction Manager, dated as of January 29, 2019.

(c) Delivery of Property. Landlord shall deliver possession of the Property to Tenant as soon as practicable following the Substantial Completion Date, and Tenant shall accept such delivery of the Property, which acceptance shall constitute agreement by Tenant that the Property is in the condition required by this Agreement. Tenant agrees to accept possession of the Property in its "as-is" condition on the Substantial Completion Date (subject only to Punch-List Items), without representation or warranty by Landlord, express or implied, and with no obligation of Landlord to repaint, remodel, repair, improve, or alter the Property, or to perform any construction, remodeling, or other work of improvement upon the Property, or to contribute to the cost of any of the foregoing. As used in the Agreement, the "***Substantial Completion Date***" shall be the date that (i) Landlord, its architect, engineer, or construction manager determines that Landlord has substantially completed the construction of a grocery store ("***Substantial Completion***"), except for the following: finishing details, minor omissions, mechanical adjustments, and similar items of the type customarily found on an architectural punch-list (the "***Punch-List Items***"), the correction or completion of which will not substantially interfere with Tenant's occupancy and use of the Property; and (ii) Tenant is legally permitted to occupy the Property (as evidenced by final inspection and sign-off by the City of Kansas City, or reasonable equivalent).

(d) Purchase Price. Tenant agrees to pay to Landlord the Purchase Price for the cost of completing the Improvements. Landlord shall be fully and solely responsible to pay any and all costs and expenses required to complete the Work, and to perform its obligations under this Agreement, including, without limitation:

(i) costs and expenses incurred by Landlord in preparing the Final Plans;

(ii) costs and expenses incurred by Landlord in connection with obtaining all permits and approvals;

(iii) costs for obtaining commercial general liability insurance and builder's risk/course of construction insurance for the Improvements;

(iv) costs and expenses incurred by Landlord in negotiating and documenting the Architect's Agreement, the Construction Contract, and all other contracts, letter agreements, purchase orders, and similar documents as are necessary to complete timely the construction and development of the Improvements;

(v) amounts to be paid to Architect, Construction Manager, and all subcontractors in connection with development and construction of the Improvements; and

(vi) costs relating to the acquisition of all personal property necessary to fully equip and operate the Improvements.

(e) Amount and Payment. The Purchase Price shall be the aggregate amount of $[___] in consideration of the Improvements (the "***Improvements Costs***"), which represents the actual amounts incurred and/or to be incurred by the Landlord for the Improvements. The Landlord and Tenant agree that payment of all such amounts shall be subject to the terms and conditions of this Agreement. The Purchase Price shall be paid as follows:

(i) $[___] shall be paid by Tenant to Landlord, in immediately available funds, on the date hereof.

(ii) $[___] attributable to the Improvements Costs shall be paid in monthly progress payments by Tenant to Landlord [and/or pursuant to the Disbursing Agreement] on account of the Purchase Price commencing upon satisfaction of all of the conditions and in accordance with the procedures for disbursements of loan proceeds set forth in the [Disbursing Documents]. Landlord acknowledges and agrees that any payments made pursuant to the [Disbursing Agreement] shall constitute payments of the Purchase Price.

9. Repairs and Maintenance. Following the completion of the Improvements, Tenant shall be solely responsible for any repairs and replacements, whether structural or nonstructural, ordinary or extraordinary, necessary to maintain the Property.

10. Services. Tenant shall make arrangements for the provision of all utilities to the Property. Tenant shall directly pay for all utilities supplied to the Property.

11. Care of Property. Tenant shall, at its own expense and at all times, keep the Property and Improvements in a neat, clean, sanitary, and safe condition and keep and use the Property in accordance with all applicable laws, ordinances, rules, regulations, and requirements of governmental authorities. Tenant will permit no waste, damage, or injury to the Property or Improvements.

12. Taxes. Tenant shall pay all real estate taxes, if any, (including any applicable leasehold excise tax) and assessments levied or assessed directly against the Property and Improvements, including income and business and occupation taxes. Tenant may, at its sole cost and expense and in its own name, dispute and contest any taxes or assessments charged against the Property and Improvements.

13. Indemnification.

(a) During the Term, Tenant agrees to indemnify, defend, and hold Landlord harmless from all claims, actions, causes of action, judgments, liabilities, expenses, and costs, and all limitations, restraints, penalties, or obligations pertaining to Landlord, arising out of any act or omissions of Tenant and Tenant's employees, agents, officers, licensees and invitees; *provided*, *however*, that such indemnification shall not apply to the extent the matter giving rise to the claim for indemnification is one which would be covered by the insurance to be maintained by Tenant pursuant to Section 14 below.

(b) During the Term, Landlord agrees to indemnify, defend, and hold Tenant harmless from all claims, actions, causes of action, judgments, liabilities, expenses, and costs, and from all limitations, restraints, penalties, or obligations pertaining to Tenant, arising out of or related to Landlord's gross negligence or intentional misconduct.

(c) These respective indemnity agreements of Landlord and Tenant shall survive the termination of this Agreement as to any act alleged to have occurred during the Term and shall survive until the expiration of the applicable statute of limitations.

14. Insurance; Damage, Destruction, and Condemnation.

(a) Landlord shall procure and maintain in effect commercial general liability insurance, property insurance, and/or such other types of insurance as Landlord reasonably deems necessary or advisable to carry. Such coverages shall be in such amounts, from such companies[1] and on other terms and conditions as Landlord may from time to time reasonably determined, and Landlord shall have the right, but not the obligation, to change, cancel, decrease or increase any insurance coverages in respect of the Property, add additional forms of insurance as Landlord shall deem reasonably necessary, and/or obtain umbrella or other policies covering both the Property and other assets owned by or associated with Landlord and its affiliates, in which event the cost thereof shall be equitably allocated. Tenant shall not be required to hold or maintain insurance policies pursuant to this Agreement.

(b) If Insurance Proceeds (defined below) or a Condemnation Award (defined below) is paid, Landlord shall forthwith notify Tenant of such fact and of the amount of Insurance Proceeds or Condemnation Award received by Landlord.

(c) Subject to the rights of Lender, if Landlord determines to restore the Property and Improvements after the occurrence of a casualty thereto or after any taking under any condemnation or eminent domain proceeding (such determination to be made within sixty (60) days after receipt of such Condemnation Award or Insurance Proceeds), such Condemnation Award or Insurance Proceeds shall be used exclusively for such purpose and Landlord shall so certify to Tenant. Any excess Insurance Proceeds or Condemnation Award shall be payable pursuant to the provisions of any Leasehold Mortgages (defined below), and the balance to pay amounts due to Tenant hereunder, with any remaining money to be distributed to Landlord.

[1] K.S.A. 44-505f allows a municipality to act as a self-insurer under the Worker's Compensation Act, and the Landlord has elected to do so. K.S.A. 75-6101 *et seq*., provides for payment of claims attributable to the fault of the Landlord and its agents.

(d) If Landlord determines not to restore the Property and Improvements after the occurrence of a casualty or after any taking under any condemnation or eminent domain proceeding (Landlord shall make such determination if, in the opinion of Landlord, repair could not be completed within eighteen (18) months or the restoration and repair of the Project would not be economically practical or desirable), Landlord shall so certify to Tenant within sixty (60) days of the receipt of such Insurance Proceeds or Condemnation Award and shall use such Insurance Proceeds or Condemnation Award first to pay amounts owing to any Leasehold Mortgagee (defined below) and the balance to pay amounts due to Tenant hereunder, with any remaining money to be distributed to Landlord.

(e) For purposes of this Section 14, "***Insurance Proceeds***" means the total proceeds of casualty insurance actually paid or payable in respect of insurance on all or any part of the Property and Improvements, less the actual costs and expenses incurred by Tenant and/or Landlord in collecting such proceeds, and "***Condemnation Award***" means the total condemnation proceeds actually paid by the condemnor or authority asserting the right of eminent domain as a result of the condemnation or taking by eminent domain of all or any part of the Property and Improvements, less the actual costs and expenses incurred by Tenant and/or Landlord in obtaining such Award.

15. Successors. All covenants, agreements, terms, and conditions contained in this Agreement shall apply to and be binding upon Landlord and Tenant and their respective permitted successors and/or assigns.

16. Assignment, Subletting. Tenant shall not assign, sublet, or encumber the whole or any part of the Property under this Agreement without the prior written consent of Landlord. Notwithstanding any such assignment or subletting, Tenant shall at all times remain directly, primarily, and fully responsible and liable for all payments hereunder and for compliance with all of its other obligations under the terms, provisions, and covenants of this Agreement.

17. Restrictions on Transfers. Notwithstanding any other provision herein and so long as those certain loans (the "***Loans***") from CBKC CDC Sub-CDE 53, LLC, a Missouri limited liability company (the "***Lender***"), to Tenant remain outstanding, Landlord shall not voluntarily transfer its interest in the Property without the prior written consent of the Lender until the expiration of the "[NMTC Recapture Period]" as defined in that certain [Loan Agreement] between Lender and Tenant and dated as of the date hereof. Notwithstanding the generality of the foregoing, Landlord may obtain financing with respect to the Property and such financing may require Landlord to provide to its lender(s) one or more security interests in Landlord's interest in the Property and/or in its leasehold interest as Landlord under this Agreement. Landlord's rights to so encumber its interest in the Property and/or its leasehold interest under this Agreement shall be unlimited, provided that (i) such financing arrangements and any resulting encumbrances shall not increase Tenant's duties or obligations under this Agreement, and (ii) for so long as either of the Loans remains outstanding, Tenant's interest hereunder shall not be subject or subordinate to any such financing arrangements and any resulting encumbrances unless Tenant receives a commercially reasonable non-disturbance agreement from each of Landlord's lender(s) providing that so long as Tenant is not in default under the Agreement (beyond the applicable cure or grace period), Tenant's leasehold estate and Tenant's rights under this Agreement, including but not limited to possession, occupancy and use of the Property in accordance with this Agreement, shall

remain undisturbed and shall survive any foreclosure, transfer in lieu of foreclosure or other enforcement of the mortgage or deed of trust, as the case may be.

18. Representations and Warranties.

(a) Representations and Warranties of Landlord. As of the date hereof, Landlord hereby represents and warrants as follows:

(i) Landlord has full power and authority to enter into the transactions contemplated on its part by this Agreement and to carry out its obligations hereunder and thereunder. Landlord has duly authorized the execution and delivery of this Agreement and the performance of its obligations hereunder.

(ii) Neither Landlord's execution and delivery of this Agreement or the transactions contemplated on its part hereby, nor Landlord's fulfillment of or compliance with the terms and conditions of this Agreement, conflicts with or results in the breach of any of the terms, conditions, or provisions of any constitutional provision or statute of the State or of any agreement, instrument, judgment, order, or decree to which Landlord is now a party or by which it is bound, or constitutes a default under any of the foregoing, or results in the creation or imposition of any lien, charge, or encumbrance of any nature upon any property or assets of Landlord prohibited under the terms of any instrument or agreement.

(iii) Landlord is the sole owner of the Property, and the Property is not subject to any options, rights of first refusal, or other rights granted to any party with respect to the purchase or lease of the Property.

(iv) Landlord has not received written notice of any pending condemnation or eminent domain proceeding affecting the Property.

(v) The Property is properly zoned for the use described in Section 3 above.

(vi) Tenant shall be treated as the exclusive owner of the Property for federal income tax purposes during the Term, and Tenant shall be entitled to all of the federal tax attributes of ownership of the Property (including, without limitation, all depreciation deductions and other tax benefits relating to the Property) during the Term. Landlord shall take no action which asserts any position that is inconsistent with the representations contained in this Section 18(a)(vi).

(b) Representations and Warranties of Tenant. As of the date hereof, Tenant hereby represents and warrants as follows, recognizing that Landlord is relying on Tenant's representations and warranties herein:

(i) Tenant (1) is a nonprofit corporation duly organized under the laws of the State; (2) is qualified, licensed, and authorized to conduct affairs in the State; and (3) has full power and authority to lease the Property and to carry on its business as now conducted.

(ii) Tenant's execution and delivery of this Agreement and Tenant's consummation of the transactions contemplated herein will not conflict with, violate, or result in a breach of any of the terms, conditions, or provisions of any agreement, instrument, statute, governmental rule or regulation, court order, judgment, or decree to which Tenant is now a party or by which it or any of its property is bound, or constitute a material default under any of the foregoing which has not been waived or consented to in writing by the appropriate party or parties, or result in the creation or imposition of any lien, charge, security interest, or encumbrance of any nature whatsoever upon any of the property or assets of Tenant prohibited under the terms of any such restriction, agreement, instrument, statute, governmental rule or regulation, court order, judgment, or decree. Tenant will not execute any other agreement with provisions contradictory to, or in opposition to, the provisions hereof.

(iii) There is no litigation pending or, to the best of Tenant's knowledge, threatened against Tenant materially affecting its ability to accomplish the development of the Property as contemplated herein.

(iv) No consent, approval, authorization, or order of any governmental body is required to be obtained by Tenant for the execution and delivery of this Agreement.

19. Subordination; Permitted Encumbrances. Landlord acknowledges that Tenant will be obtaining financing for the development of the Property from Lender, such financing shall require Tenant to provide security interests in its leasehold interest in the Property, and such financing sources may further require Tenant to enter into various regulatory and other agreements restricting the use of the Property. Nothing contained in this Agreement shall in any way limit Tenant's rights to so encumber its leasehold interest and Landlord hereby expressly agrees and consents to Tenant entering into such financing arrangements and the resulting encumbrances of Tenant's leasehold interest in the Property, provided that such financing arrangements and resulting encumbrances shall not increase Landlord's duties or obligations under this Agreement and provided, further that such financing arrangements and the resulting encumbrances of Tenant's leasehold interest in the Property will not encumber, or be deemed to encumber, Landlord's estate in the Property.

20. Defaults; Remedies.

(a) Defaults. Each of the following is a material default and breach of this Agreement by Tenant:

(i) Failure to make any required rent or any other payment as and when due, if the failure continues for a period of ten (10) days after written notice from Landlord.

(ii) Failure to make any required payment or comply with any of the covenants or provisions of either of the Loans if said failure amounts to a default by Tenant pursuant to the terms of the respective Loans ("***Tenant Loan Default***").

(iii) Failure to comply with any of the covenants or provisions of this Agreement if the failure continues for a period of thirty (30) days after written notice from Landlord. If the nature of Tenant's default reasonably requires more than thirty (30) days for its cure, Tenant will not be in default if it commences to cure within such thirty (30) day period and thereafter diligently pursues its completion, but in any event within ninety (90) days after written notice from Landlord.

(iv) Tenant's making any general assignment or arrangement for the benefit of creditors; the filing by or against Tenant of a petition to have it adjudged a bankrupt or a petition for reorganization or arrangement under any bankruptcy law (unless any such petition filed against Tenant is dismissed within sixty (60) days); the appointment of a trustee or receiver to take possession of substantially all of Tenant's assets at the Property or its interest in this Agreement, if possession is not restored to Tenant within thirty (30) days; or the attachment, execution, or other judicial seizure of substantially all of Tenant's assets at the Property or its interest in this Agreement if that seizure is not discharged within thirty (30) days.

(b) Remedies. If any material default or breach by Tenant occurs, Landlord shall be entitled to enforce all of its rights and remedies available under this Agreement, including, without limitation, the right to: (i) recover rent and all other monetary amounts as such obligations become due, (ii) enforce specific performance of all non-monetary obligations hereunder, and (iii) recover from Tenant all damages incurred by Landlord for Tenant's default. Landlord and Tenant agree that Landlord's remedies shall not include the ability to terminate this Agreement during the Term.

(c) No Personal Liability. Notwithstanding any other provision herein, neither Tenant nor any other party shall have any personal liability for payment of any obligations hereunder.

(d) No Termination Without Leasehold Mortgagee Consent. Notwithstanding any other provisions herein, Landlord shall have no right to terminate this Agreement without the prior written consent of Lender so long as either of the Loans remains outstanding.

(e) Default by Landlord. Landlord will not be in default unless it fails to perform obligations required of it within a reasonable time, and not later than sixty (60) days after delivery of written notice by Tenant to Landlord specifying Landlord's failures to perform its obligations. If Landlord's obligation reasonably requires more than sixty (60) days for performance or cure, Landlord will not be in default if it commences performance or cure within such 60-day period and thereafter diligently pursues it to completion. In the event of default by Landlord, Tenant may pursue all remedies available to it at law or in equity.

21. General Provisions.

(a) Severability. The invalidity of any provision of this Agreement as determined by a court of competent jurisdiction will not affect the validity of any other provision.

(b) Time of Essence. Time is of the essence of this Agreement.

(c) Notices. Any notice given under this Agreement shall be in writing and may be given by personal delivery or by certified mail, postage prepaid, return receipt requested, or by air courier, addressed to Tenant and Landlord as set forth below. Notices personally delivered are considered received upon delivery. Mailed notices are considered received three (3) days after deposit in the mail. Either party may by notice under this section change its address for notice purposes. A copy of all notices given to Landlord shall be concurrently transmitted to any person designated in writing by Landlord. Notice shall be provided as follows:

If to Landlord:

Unified Government of Wyandotte County/Kansas City, Kansas
c/o Unified Government Clerk
701 North 7th Street, 3rd Floor
Kansas City, KS 66101

with a copy to:

Stinson LLP
1299 Farnam Street, Suite 1500
Omaha, NE 68102
Attention: David K. Lutz
Telephone: (402) 930-1752
Facsimile: (402) 829-8726
E-mail: david.lutz@stinson.com

If to Tenant:

KCK 501 Minnesota, Inc.
c/o Unified Government Clerk
701 North 7th Street, 3rd Floor
Kansas City, KS 66101

With a copy to:

Stinson LLP
1299 Farnam Street, Suite 1500
Omaha, NE 68102
Attention: David Lutz
Telephone: (402) 930-1752
Facsimile: (402) 829-8726
E-mail: david.lutz@stinson.com

If to Lender:

CBKC CDC Sub-CDE 53, LLC
c/o Central Bank of Kansas City
2301 Independence Avenue
Kansas City, Missouri 64124
Attention: William M. Dana, Jr.
Facsimile: (816) 483-2586

With a copy to:

Lathrop Gage LLP
7701 Forsyth Boulevard, Suite 500
Clayton, Missouri 63105
Attention: Jared M. Minkoff, Esq.
Facsimile: (314) 613-2801

(d) Waiver. Waiver by Landlord of the breach of any provision of this Agreement is not a waiver of any subsequent breach by Tenant of the same or any other provision. Landlord's consent to or approval of any act does not make Landlord's consent to or approval of any subsequent act unnecessary. Acceptance of rent by Landlord is not a waiver of any preceding breach of any provision of this Agreement other than Tenant's failure to pay the rent so accepted.

(e) Authority. Each individual executing this Agreement on behalf of the respective entities represents and warrants that he or she is duly authorized to execute and deliver this Agreement on behalf of such entity and that this Agreement is binding upon that entity in accordance with its terms.

(f) Quiet Possession. Upon paying the rent and observing and performing all of its covenants and conditions, Tenant shall have quiet possession of the Property for the entire Term subject to all of the provisions of this Agreement.

(g) Relationship of Parties/Liability. Nothing herein shall be construed so as to create a partnership, joint venture, or agency relationship between the parties.

(h) Consent. Consent or approval of parties whenever required under this Agreement shall not be unreasonably withheld, unless otherwise specifically provided by the terms of this Agreement.

(i) Governing Law. The validity of this Agreement, the interpretation of the rights and duties of the parties hereunder, and the construction of the terms hereof shall be governed in accordance with the internal laws of the State. Venue in the event of any dispute shall be Wyandotte County, Kansas.

(j) Amendments. The provisions of this Agreement shall not be amended, revised, or terminated prior to the expiration of the stated term hereof except by an instrument in writing duly executed by Landlord and Tenant (or its successors in title); provided, however, that as long as the Loans remain outstanding, no such amendment shall be effective without the prior written consent of the Lender.

22. Leasehold Mortgage Provisions. The provisions of this Section 22 shall control over any contrary provisions of this Agreement.

(a) Leasehold Mortgages Authorized. Landlord acknowledges that Lender will require Tenant to provide a security interest in Tenant's leasehold interest in the Property (such security interests, and any assignments of rents, issues, or profits derived from the leasehold, use, or operation of the Property, and any assignment of Tenant's interest in any sublease, in each case only when granted to Lender, collectively the "***Leasehold Mortgage***," and Lender, as grantee, "***Leasehold Mortgagee***"). Nothing contained in this Agreement shall in any way limit Tenant's rights to grant and record such Leasehold Mortgage, and Landlord hereby expressly agrees and consents to Tenant entering into such financing arrangements and Leasehold Mortgage. Foreclosure of the Leasehold Mortgage, or any sale thereunder, whether by judicial proceedings or by virtue of any power contained in the Leasehold Mortgage, or any conveyance of the leasehold estate hereunder and other rights hereunder from Tenant to Lender or its designee through, or in lieu of, foreclosure, trustee's sale, or other proceedings in the nature thereof, shall not require the consent of Landlord, and upon such foreclosure, sale, or conveyance, Landlord shall be bound to and recognize the purchaser or other transferee in connection therewith as the Tenant for the balance of the term hereof entitled to all rights provided hereunder.

(b) Notice to Lender. During any period in which the Leasehold Mortgage is in place, Landlord shall give Lender a duplicate copy of all notices of default or other notices that Landlord may give to or serve in writing upon Tenant pursuant to the terms of this Agreement, at the same time as such notice is given to or served upon Tenant. No notice by Landlord to Tenant under this Agreement shall be effective unless and until a copy of such notice has been delivered to Lender. Landlord shall give Lender prompt written notice of actual or threatened arbitration or legal proceeding between Landlord and Tenant involving obligations under this Agreement. Lender shall have the right to intervene in any such arbitration or legal proceedings. In the event that Lender shall not elect to intervene or become a party to the proceedings, if so requested by Lender, Landlord and Tenant each shall provide copies of each document served, filed, or received from the court or arbitrator in such proceeding to Lender at the same time such document is served, filed, or received by Landlord or Tenant, as the case may be, and in any event Landlord and Tenant shall ensure that Lender receives notice and a copy of any award or decision made in any such matter promptly upon the issuance thereof.

(c) Right of Lender to Cure. Lender, at its option at any time within sixty (60) days, or such longer period as may be applicable as provided below, following the later of the expiration of the right of Tenant to cure any default under this Agreement or the receipt by Lender of written notice from Landlord that such right has expired and of the precise acts needed to cure such default, may pay any amount or do any act or thing required of Tenant by the terms of this Agreement except for a Tenant Loan Default, for which Lender shall have no cure rights. Payments made and acts performed by Lender within such sixty (60)-day period, or such longer period as may be applicable as provided below, shall be effective to prevent a termination of the rights of Tenant hereunder, if such payments and acts conform to the terms of such notice from Landlord or if, together with any performance by Tenant or any other person with any cure rights, they are sufficient, except as to timing, to exercise the Tenant's right to cure that so expired, but in order to prevent termination of this Agreement, Lender shall not be required to cure (a) default on obligations of Tenant to satisfy or otherwise discharge any lien, charge, or encumbrance against Tenant's interest in this Agreement junior in priority to the lien of the Leasehold Mortgage or (b) past monetary obligations then in default and not reasonably susceptible of being cured by Lender. If the default by Tenant is of such nature that it cannot practicably be cured without possession of the Property or is a cross-default resulting from the breach by Tenant of obligations on any recorded covenant or the Leasehold Mortgage, or from the commencement or prosecution of proceedings to enforce the Leasehold Mortgage, then the sixty (60)-day period set forth above shall be extended for so long as Lender shall be proceeding with reasonable diligence to foreclose on Tenant's interest or otherwise obtain possession of the Property for itself or a receiver, and in case of any such cross-default, completion of a foreclosure or trustee's sale, or transfer in lieu thereof, under the Leasehold Mortgage shall be considered a cure thereof. Landlord shall accept performance of any act under this Agreement by or on behalf of Tenant and Lender, whether undertaken to cure a default by Tenant or for any other reason, as though, and with the same effect as if, such act had been done for performed by Tenant. Prior to the expiration of the cure rights of Lender, Landlord shall not effect or cause any purported termination of this Agreement nor take any action to deny Tenant or any subtenant possession, occupancy, or quiet enjoyment of the Property or any part thereof. Landlord shall accept performance of any act under this Agreement by or on behalf of Tenant or Lender, whether undertaken to cure a default of Tenant or for any other reason, as though, and with the same effect as if, such act had been done or performed by Tenant.

(d) Limitation on Liability of Lender. Lender shall not be liable to Landlord unless it expressly assumes such liability in writing. In the event Lender or its designees become Tenant under this Agreement, the Lender or its designees shall not be personally liable for the obligations of Tenant under this Agreement that do not accrue during the period of time that the Lender or such designee, as the case may be, remains actual Tenant under this Agreement. In no event shall Lender or its successor be: (i) liable for any condition of the Property which existed prior to the date of its acquisition of Tenant's interest in the Property, or for any damage caused by such pre-existing condition, or for the correction thereof or the compliance with any law related thereto; (ii) bound by any amendment of this Agreement made without the prior written consent of Lender; or (iii) liable for any act or omission of any prior lessee of any portion of the Property (including Tenant), except for defaults of a continuing nature which the Lender is reasonably capable of curing (such as monetary defaults) and of which Landlord gave Lender written notice in accordance with the terms of this Agreement. Any agreement of Tenant to indemnify Landlord under this Agreement shall apply to Lender only to the extent of any actual damage suffered by Landlord as a result of Lender's failure to perform any obligation of Tenant under this Agreement after the date it acquired Tenant's interest in the Property, and before the date it assigns this Agreement to any third party as provided herein. Lender, or their designees or successors, also shall be entitled to any protections from liability afforded to Tenant hereunder.

(e) Estoppel Certificates. Landlord and Tenant agree that at any time and from time to time upon not less than twenty (20) days' prior written notice by the other party, or upon request from Lender or a permitted assignee or other interested party, Landlord or Tenant will execute, acknowledge, and deliver to the other party or to Lender a statement in writing certifying: (i) that this Agreement is unmodified and in full force and effect if such be the case or, if not, the extent to which this Agreement has been modified; (ii) the date through which rents has been paid; (iii) that, to the knowledge of the certifier (if such be the case), there is no default, set-off, defense, or other claim against Landlord or Tenant, as applicable, other than those, if any, so specified under the provisions of this Agreement or such statement, and (iv) any other terms that Lender (or any other party requesting such statement pursuant to this Section) may reasonably request. It is intended that any such statement may be relied upon by any persons proposing to acquire the interest of Landlord, Tenant, or Lender, as the case may be, in this Agreement or by any prospective assignee of the Leasehold Mortgage.

(f) Actions not Effective Without Lender Consent. No cancellation, surrender, modification, or amendment of this Agreement shall be effective unless consented to in writing by

Lender. No consent of Lender shall be effective for purposes of this Agreement unless it is made in writing, by an authorized officer, and expressly for the purposes of this Agreement.

(g) Assignment. Landlord agrees that, upon foreclosure of Lender's lien on Tenant's leasehold interest in the Property by power of sale, judicial or nonjudicial action, or upon acquisition of Tenant's leasehold interest in the Property by deed in lieu of foreclosure or otherwise, Lender shall acquire Tenant's leasehold interest in the Property and Tenant's rights under this Agreement in its own name or in the name of a nominee. Lender shall have the right to assign (or cause Tenant to assign) Tenant's leasehold interest in the Property, subject to the provisions of this Agreement, without the consent of Landlord. Landlord further agrees that, notwithstanding the foregoing, should Lender assign (or cause Tenant to assign) Tenant's leasehold interest in the Property, such assignment may be to a tenant of Lender's choice and such tenant may use the Property for any commercially reasonable use. Landlord agrees to use commercially reasonable efforts to assist Lender in identifying prospective new tenants or users of the Property.

(h) Insurance Proceeds. Notwithstanding anything in this Agreement to the contrary, in the event of any destruction of any portion of the Property, the proceeds of any insurance carried by Tenant must be used to reconstruct or rebuild the damaged or destroyed property; provided however, that if the Property is subject to a lien or security interest held by Lender, then Lender may direct the insurance proceeds to be paid to a trustee for restoration or to an applicable loan servicer to be applied to the repayment of the outstanding balance of the financing of the Property, in its order of priority, together with any accrued interest thereon.

(i) No Waiver. The failure or delay of Lender to insist on the strict performance of any of the terms or conditions contained or permitted herein shall not constitute or be construed as a waiver or relinquishment for the future of such term, condition or right, remedy or election, but the same shall continue and remain in full force and effect.

(j) New Ground Agreement. If the Agreement is terminated or deemed terminated for any event of default which is not curable by the payment of money (including by virtue of the rejection of the Agreement in a bankruptcy proceeding), Landlord shall enter into a new lease for the Property with Lender (a "***New Agreement***") upon receipt of a request from Lender to do so and provided that Lender cures all defaults under the Agreement which can be cured by the payment of money. The New Agreement will be effective as of the date of the termination of the Agreement, have a term expiring on the day the Agreement would have expired if it had not been sooner terminated, and will be on the same terms and conditions as the Agreement (including any provisions for renewal or extension of the term of the Agreement), except as otherwise provided herein. Lender will have thirty (30) calendar days following the termination to request a New Agreement, but may extend such time period for one hundred and twenty (120) calendar days, so long as Lender pays all rent that would have been otherwise due under the Agreement during such extension.

(k) Subordination of Landlord Lien. Any lien provided for in the Agreement and any statutory or possessory liens, including, without limitation, rights of levy or distraint for rent, Landlord may have or assert under the Agreement against any of the assets of the Tenant is hereby subordinated to the perfected lien of the Leasehold Mortgage (including UCC-1 Financing

Statements). Lender may enter the Property for the purpose of exercising the rights and remedies provided under the Leasehold Mortgage including, without limitation, removing equipment, trade fixtures and other personal property from the Premises; provided, however, Lender shall repair any damage resulting from such removal.

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IN WITNESS WHEREOF, the parties executed this Agreement as of the date and year first set forth above.

<u>TENANT</u>:

KCK 501 MINNESOTA, INC.,
a Kansas nonprofit corporation

By: ____________________________________
Name: ____________________________________
Title: ____________________________________

<u>LANDLORD</u>:

UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS

By: ____________________________________
Name: ____________________________________
Title: ____________________________________

Exhibit A

Legal Description

Exhibit B

Final Plans

LEASE AGREEMENT

This Lease Agreement ("***Lease***") is made and entered into as of the [__] day of [________], 2019, by and between KCK 501 Minnesota, Inc., a Kansas nonprofit corporation ("***Lessor***"), and the Unified Government of Wyandotte County/Kansas City, Kansas ("***Lessee***").

RECITALS

A. Lessor is the tenant under that certain Ground Lease Agreement dated as of the date hereof with Lessee as landlord ("***Ground Lease***"), wherein Lessor agreed to ground lease from Lessee, and Lessee agreed to ground lease to Lessor, the real property legally described on Exhibit A, attached hereto and incorporated herein by reference ("***Property***").

B. Lessor desires to lease the land, appurtenances, buildings and improvements located on the Property (the "***Premises***") to Lessee, and Lessee desires to lease the Premises from Lessor, under the terms and conditions set forth below.

AGREEMENT

NOW, THEREFORE, in consideration of the covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Recitals. The foregoing recitals are true and correct and are incorporated herein by this reference. All capitalized terms not defined herein shall have the same meanings as set forth in the Ground Lease.

2. Lease. Subject to the terms and conditions stated herein, Lessor shall lease to Lessee, and Lessee shall lease from Lessor, the Premises, as improved by Lessor under the Ground Lease.

3. Term.

(a) Term. The term of this Lease shall commence on the Commencement Date (as that term is defined in the Ground Lease), and shall expire on that date which is [_____] ([__]) years from the Commencement Date ("***Term***").

(b) Delivery of Premises. If for any reason Lessor cannot deliver possession of the Premises to Lessee on the Substantial Completion Date (as defined in the Ground Lease), Lessor shall not be subject to any liability therefor, nor shall such failure affect the validity of this Lease or the obligations of Lessee hereunder or extend the term hereof, but in such case Lessee shall not be obligated to pay rent until delivery of the Premises.

4. Rent.

(a) Rent. Lessee shall pay to Lessor as "***Rent***" for the Premises equal annual installments in the amounts set forth in Schedule 1, attached hereto and incorporated herein by this reference, in advance on the first day of each quarter of the term hereof. Rent for any period during the term hereof which is for less than one (1) quarter shall be a pro-rata portion of the quarterly installment otherwise due Lessor. Rent shall be payable without notice or demand and without deduction, offset, or abatement, in lawful money of the United States of America, to Lessor at the address stated herein or to such other persons or at such other places as Lessor may designate in writing.

(b) Rent Payments to Constitute a Current Expense and Limited Obligation of the Lessee. Notwithstanding any other provision hereof, the Lessor and the Lessee understand and intend that the obligation of the Lessee to pay Rent hereunder be limited to payment from Available Revenues and will constitute a current expense of the Lessee and will not in any way be construed to be a debt of the Lessee in contravention of any applicable constitutional or statutory limitation or requirement concerning the creation of indebtedness by the Lessee, nor will anything contained herein constitute a pledge of the general tax revenues, funds or moneys of the Lessee, and all provisions of this Lease will be construed so as to give effect to such intent.

(c) Continuation of Lease Term by the Lessee. The Lessee reasonably believes that legally available funds in an amount sufficient to make all payments of Rent during the Term can be obtained. The Lessee further directs its responsible financial officer to do all things lawfully within his power to obtain and maintain funds from which the Rent may be paid, including making provision for such payments to the extent necessary in each proposed budget or appropriation request submitted for adoption in accordance with applicable provisions of law and to exhaust all available reviews and appeals in the event such portion of the budget or appropriation request is not approved. Notwithstanding the foregoing, the decision to budget and appropriate funds or to extend this Lease is to be made in accordance with the Lessee's normal procedures for such decisions by the then current governing body of the Lessee.

(d) Nonappropriation. The Lessee is obligated only to pay periodic payments under this Lease as may lawfully be made from Available Revenues. If an Event of Nonappropriation occurs, this Lease will be deemed terminated at the end of the Term. An "***Event of Nonappropriation***" will be deemed to have occurred if the Lessee fails to budget, appropriate or otherwise provide for sufficient funds to pay Rent. If this Lease is terminated in accordance with this section, the Lessee agrees peaceably to transfer and surrender possession of the Premises to the Lessor within ten business days following the end of the Term.

(e) Net Lease. This is intended to be a triple net lease and the rent herein specified shall be net to Lessor in each year or portion thereof during the Term, and Lessee shall pay all costs and expenses and perform all obligations of every kind relating to the Premises which may arise or become due during the Term, including, but not limited to (i) all Impositions, and (ii) all charges for gas, electricity, light, heat, power, telephone and other utilities and services. Lessee shall indemnify Lessor against all such charges, costs, expenses and obligations, except as otherwise expressly provided in this Lease. The rent payable under this Lease shall be paid to Lessor without notice or demand and without abatement, deduction, or set off for any reason whatsoever (except as otherwise expressly provided in this Lease).

(f) For purposes of this Section 4:

(i) "***Available Revenues***" shall mean, for any Fiscal Year, any balances of the Commission from previous Fiscal Years encumbered to pay Rent, amounts budgeted or appropriated by the Lessee for such Fiscal Year plus any unencumbered balances of the Lessee from previous Fiscal Years that are legally available to pay Rent during such Fiscal Year.

(ii) "***Fiscal Year***" means the fiscal year of the Lessee, currently the twelve month period beginning January 1 and ending on December 31.

(iii) "***Impositions***" means any fine, penalty, interest or cost may be added thereto for the non-payment thereof, all taxes (excluding income taxes), assessments, water and sewer rates and charges, and all occupancy taxes, leasing taxes, rent taxes or similar taxes (whether or not imposed on or measured by all or any portion of the rent paid or payable by Lessee) and all other governmental charges, general and special, ordinary and extraordinary, unforeseen as well as foreseen, of any kind and nature whatsoever, including but not limited to assessments for public improvements or benefits, which at any time prior to or during the Term may have been or may be laid, assessed, levied or imposed upon or become due and payable or a lien upon the Premises or any part thereof with respect to the Term whether or not payable during the Term and any and all taxes imposed on Lessor that are, in whole or in part, in substitution for or in lieu of any of the foregoing taxes.

5. Security Deposit. Intentionally omitted.

6. Use. The Premises shall be used and occupied by Lessee for any lawful purpose related to providing services consistent with Lessee's purpose as a governmental unit.

(a) Lessee's business shall be established and conducted throughout the Term in a first-class manner. Lessee shall not use the Premises for, or carry on, or permit to be carried on, any offensive, noisy, or dangerous trade, business, or occupation. Lessee shall not do or suffer anything to be done upon the Premises which will cause structural injury to the Premises or to the building located on the Premises. The Premises shall not be overloaded and no machinery, apparatus, or other appliance shall be used or operated in or upon the Premises which will in any manner injure, vibrate, or shake the Premises or the building located on the Premises.

(b) Lessee shall use best efforts to avoid leaving the Premises unoccupied or vacant during the Term. Lessee shall not use or permit the use of the Premises, or any part thereof, for any purpose which will increase the existing rate of insurance upon the building located on the Premises, or cause a cancellation of any insurance policy covering said building, or any part thereof. If any act on the part of Lessee or use of the Premises by Lessee shall cause, directly or indirectly, any increase of Lessor's insurance expense under the Ground Lease pertaining to the Premises or to the building located on the Premises, said additional expenses shall be paid by Lessee to Lessor, as applicable, upon demand.

No such payment by Lessee shall limit Lessor in the exercise of any other rights or remedies, or constitute a waiver of Lessor's right to Lessee to discontinue such act or use.

(c) Lessee shall not engage in, nor permit any sublessees to engage in (i) the ownership or leasing of "***residential rental property***" (which is defined in Section 168(e)(2)(A) of the Internal Revenue Code of 1986, as amended, as property where eighty percent (80%) or more of the gross rental income from such property in any taxable year is derived from the rental of dwelling units) or (ii) any trade or business consisting of the operation of any private or commercial golf course, country club, massage parlor, hot tub facility, suntan facility, racetrack, or other facility used for gambling, or any store the principal business of which is the sale of alcoholic beverages for consumption off-site of the Premises.

7. Notices. All notices or demands of any kind required or desired to be given to Lessor or Lessee hereunder shall be in writing and shall be deemed delivered three (3) business days after depositing the notice or demand in the United States mail, certified or registered, postage prepaid, addressed to Lessor or Lessee, respectively, at the addresses set forth after their respective signatures at the end of this Lease. Lessee shall make all Rent and other payments due under this Lease to Lessor at the same address.

8. Commissions. No commissions are due any person or entity as a result of the execution of this Lease.

9. Agency Disclosure. No agent represented Lessor or Lessee in the procurement or execution of this Lease.

10. Further Assignment or Lease. Lessee shall not assign or otherwise transfer this Lease or any interest herein, without in each case first obtaining Lessor's written consent, which consent will not be unreasonably withheld or delayed. Notwithstanding the foregoing, the Lessor hereby consents to that certain Grocery Store Management Agreement by and between the Lessee and The Community Mercantile, Inc., a Kansas corporation, dated as of August 30, 2018, as amended, restated or otherwise modified from time to time. Lessee specifically acknowledges that any further assignment or other transfer of this Lease is subject to the terms of the Ground Lease. No assignment, transfer, or subletting shall relieve Lessee of its liability under this Lease.

11. Lease, Not Assignment. Notwithstanding any provision to the contrary contained herein, this Lease shall be deemed to be a lease of the Premises and not an assignment, in whole or in part, of Lessor's interests under the Ground Lease.

12. Ground Lease. This Lease is subject and subordinate to, and incorporates all of the terms and conditions of, the Ground Lease as if set forth herein at length.

(a) Neither Lessor nor Lessee shall take any action or fail to take any action in connection with the Premises which would result in a violation of or default under any of the provisions of the Ground Lease beyond any applicable grace period, and each of Lessor and Lessee shall indemnify, defend, and hold the other harmless from and against all loss, cost, liability, damage, and expense caused by or arising out of any action or inaction by such party as a result of which Lessor or Lessee is determined to be in violation of or default under any of the provisions of the Ground Lease.

(b) If the Ground Lease is terminated, cancelled, or abated as to any portion of the Premises, then such termination, cancellation, or abatement will operate as an automatic cancellation of this Lease, and Lessor will be relieved of liability for any and all damages which Lessee may sustain as a result thereof.

(c) All of the terms and conditions contained in the Ground Lease are incorporated herein, except as modified herein and except for the following paragraphs thereof which are excluded: (4) Term, (5) Rent, (6) Lease as Sale, (8) Improvements, (14) Insurance; Damage, Destruction, and Condemnation, (16) Assignment, Subletting, (17) Restrictions on Transfers, (19) Subordination; Permitted Encumbrances, and (22) Leasehold Mortgage Provisions, as terms and conditions of this Lease (with each reference therein to Landlord and Tenant to be deemed to refer to Lessor and Lessee) and, along with all of the following paragraphs set out in this Lease, shall be the complete terms and conditions of this Lease.

13. Miscellaneous.

(a) This Lease contains the entire agreement between Lessor and Lessee as to its subject matter and all prior negotiations and agreements as to its subject matter are merged into this Lease (except for the terms of the Ground Lease). Any agreement hereafter made shall be ineffective to change, modify, or discharge this Lease in whole or in part unless such agreement is in writing and signed by Lessor and Lessee. No provision of this Lease shall be deemed to have been waived by Lessor or Lessee unless such waiver is in writing and signed by Lessor and Lessee, as the case may be.

(b) In the event that any provision of this Lease shall be held to be invalid, illegal, or unenforceable in any respect, the validity, legality, or enforceability of the remaining provisions of this Lease shall be unaffected thereby.

(c) The paragraph headings appearing herein are for the purpose of convenience only and are not deemed to be a part of this Lease.

(d) This Lease is offered to Lessee for signature with the express understanding and agreement that this Lease shall not be binding upon Lessor unless and until Lessor shall have executed and delivered a fully-executed copy of this Lease to Lessee.

(e) This Lease shall be governed by, and construed in accordance with, the laws of the State of Kansas. Courts located in Wyandotte County, Kansas shall have sole and exclusive jurisdiction over any legal proceeding between Lessor and Lessee arising from this Lease.

(f) The covenants, terms, conditions, provisions, and undertakings in this Lease shall extend to and be binding upon the successors and assigns of the respective parties hereto as if they were in every case named and expressed; and wherever reference is made to either of the parties hereto, it shall be held to include and apply also to said successors and assigns of such party, as if in each and every case so expressed.

(g) This Lease may be executed by the parties hereto in counterparts and using facsimile signatures. All counterparts, when taken together, shall constitute the same document notwithstanding the fact that the parties have not signed each counterpart so long as each party has signed one counterpart.

14. Quiet Enjoyment. Provided Lessee pays all Rent and all other charges due and payable hereunder, and performs all of the other provisions herein contained on the part of Lessee to be performed, Lessee shall be entitled to quietly enjoy the Premises without hindrance or interference by Lessor, or by any other person lawfully claiming under or through Lessor, subject, however, to the provisions of this Lease and the Ground Lease, and to any matters to which this Lease is subject and subordinate.

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IN WITNESS WHEREOF, the parties executed this Lease as of the date and year first set forth above.

LESSOR:

KCK 501 MINNESOTA, INC.,
a Kansas nonprofit corporation

By: ______________________________
Name: ______________________________
Title: ______________________________

LESSEE:

UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS

By: ______________________________
Name: ______________________________
Title: ______________________________

EXHIBIT A

LEGAL DESCRIPTION OF LAND

SCHEDULE 1

[Rent Schedule to be inserted]

COMMUNITY BENEFITS AGREEMENT

This **COMMUNITY BENEFITS AGREEMENT** (this "Agreement") is made and entered into as of _______, 2019, by and among CBKC CDC, L.L.C., ("Allocatee"), CBKC CDC Sub-CDE 53, LLC ("CBKC CDC Lender"), each a Missouri limited liability company, KCK 501 Minnesota Inc., a Kansas non-profit corporation ("NMTC Beneficiary" or "Borrower"), the Unified Government of Wyandotte County ("Tenant") and the Mercantile, Inc, a Kansas corporation ("Operator").

Recitals

A. Under the terms and conditions applicable to the NMTC program (the "Federal NMTC Program") under Section 45D of the Internal Revenue Code of 1986, as amended (the "Code") and the Allocation Agreement among Allocatee, CBKC CDC Lender, certain other affiliates of Allocatee and the Community Development Financial Institutions Fund (the "CDFI Fund"), CBKC CDC Lender is making "qualified low-income community investment" (each, a "QLICI") under the Federal NMTC Program in the amount of $6,860,000 in NMTC Beneficiary (the "NMTC Loans");

B. The NMTC Loans will be used to finance the construction of a new approximately 14,000 square foot grocery store located at 501 Minnesota Avenue, Kansas City, Kansas, leased to the Tenant and managed and operated by the Operator (the "Project").

C. The parties understand and acknowledge that the NMTC loans will be used at 501 Minnesota Avenue, Kansas City, Kansas 6601, which is located in a severely distressed census tract (Census Tract No. 20209041800) (the "Project Area") characterized in the 2011-2015 American Community Survey by: (1) 55.40% poverty rate; (2) Median family income of 38.37% of the area median income; (3) An Unemployment Rate of 30.4%, and(4) located in a State Enterprise Zone, and (5) located in a USDA Food Desert.

G. The availability of New Markets Tax Credits has enabled CBKC CDC Lender to provide the NMTC Loans.

H. NMTC Beneficiary acknowledges that CBKC CDC Lender's agreement to execute the documents evidencing the NMTC Loans and make the NMTC Loans is expressly predicated upon (1) NMTC Beneficiary's agreement to sign, deliver and perform this Agreement and express ability to enter into a lease with its anticipated Tenant and management agreement with its Operator which enable it to obtain and submit on a timely basis all data and reports required herein; (2) the Project being located in the Project Area or serving a population/business which lacks adequate access to capital, (3) the significant economic and community development benefits to be generated by the NMTC Loans within the Project Area and/or other low-income communities, (4) the significant other benefits to be delivered to low income persons within the Project Area and/or other low-income communities, (5) the NMTC Beneficiary's inability to secure traditional sources of capital in the marketplace in order to complete the Project, and (6) the Federal NMTC Loans provided by the CBKC CDC Lender did not exceed the amount necessary to assure Project feasibility.

I. Allocatee, CBKC CDC Lender, NMTC Beneficiary, Tenant and Operator desire to enter into this Agreement to ensure that the economic and community development benefits expected from the NMTC Loans will be achieved.

NOW, THEREFORE, in consideration of the mutual promises and agreements hereinafter contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

Agreement

1. *Definitions*. The following capitalized terms will have the following meanings in this Agreement and the exhibits attached hereto:

(a) "Living Wages" means $11.12 per hour as calculated by the Massachusetts Institute of Technology Living Wage Calculator for one adult in Wyandotte County, Missouri. This translates to $23,129.60 in annual wages based on 2,080 work hours per year.

(b) "Low-Income Community" means any population census tract satisfying the definition of Low-Income Community under the NMTC Acts, including any population census tract if (1) the poverty rate for such tract is at least 20%, or (2) (a) in the case of a tract not located within a metropolitan area, the median family income of such tract does not exceed 80% of statewide median family income, or (b) in the case of a tract located within a metropolitan area, the median family income for such tract does not exceed 80% of the greater of statewide median family income or the metropolitan area median family income;

(c) "Low-Income Person" means any individual having an income, adjusted for family size, of not more than: (1) for metropolitan areas, 80% of the area median family income; and (2) for non-metropolitan areas, the greater of (a) 80% of the area median family income or (b) 80% of the statewide non-metropolitan area median family income;

(d) "Low-Income Student" means a Student that is eligible for free and reduced price meals or free milk under the National School Lunch Program.

(e) "Permanent FTE Job" means a job that is at least 24 months in duration and involves at least a 35-hour workweek.

(f) "Predevelopment or Construction FTE Job" means a job that is under 24 months in duration and results from the development of the Project or the financing of the NMTC Loans and involves a 35-hour workweek or combines jobs that total 35 hours per week of work.

(g) "Low-Income Accessible Job" means any job that at time of hire requires an educational/skill level at or equivalent to a high school education, where additional training required to maintain the job is provided either on or off site by the employer.

2. *Economic and Community Impacts*. Based upon data collected and provided by Operator, Tenant and NMTC Beneficiary to CBKC CDC Lender, by completing the Project

using the Federal NMTC Loans, the Operator, Tenant and NMTC Beneficiary anticipates the achievement of the economic and community impacts reflected in Exhibit A.

3. *Community Benefit Review*. Until the termination of the last compliance period applicable to the "qualified equity investments" under the Federal NMTC Act and the QEI made in the CBKC CDC Lender in connection with the transaction described in the Recitals hereto, no later than January 31 of each year after the Project is completed and operational, NMTC Beneficiary, Tenant and Operator to the extent the Operator is managing the Project will provide an annual Community Benefits Report ("CBR") to CBKC CDC Lender which will include data attached as Exhibit B, as may be modified from time to time by CBKC CDC Lender, describing the status and results of the economic and community benefits directly related to the completion of the Project and the NMTC Loans for the previous year. NMTC Beneficiary, Tenant and Operator will deliver to CBKC CDC Lender such other documents and information that CBKC CDC Lender may reasonably request for the purpose of reviewing and assessing NMTC Beneficiary. Tenant and Operator's economic and community benefits activities. In addition, at the request of CBKC CDC Lender, NMTC Beneficiary, Tenant and Operator will meet with CBKC CDC Lender or a representative of CBKC CDC Lender to discuss the status of the Project, the CBR and the economic and community impact of the Project.

4. *Charitable Contribution.* On or prior to the date hereof the NMTC Beneficiary made a charitable contributions totaling $70,000 to the Tenant, which shall be used by the Tenant for:____.

5. *QALICB*: The NMTC Beneficiary certifies that it is a "qualified active low-income community business" (a "QALICB") under the NMTC Programs at time of funding and agrees to provide semi-annual certification and supporting documentation that it continues to comply with the requirements to be considered a QALICB under the NMTC Programs throughout the compliance period by providing an annual certification that the QALICB continues to meet the requirements as outlined in Exhibit C, which details reporting and supporting documentation requirements and may be modified from time to time based on the data provided by the NMTC Beneficiary in order to aid in documenting ongoing compliance. The semi-annual certification must be submitted no more than 30 days after the end of the first and third fiscal quarters in each year throughout the compliance period.

6. *Disclosure*. NMTC Beneficiary, Tenant and Operator agree that the CBKC CDC Lender (and its affiliates) may rely on this Agreement and the information furnished under this Agreement by the NMTC Beneficiary, Tenant and Operator for community reporting purposes to the CDFI Fund and the DEO and CBKC CDC Lender' investors and stakeholders. NMTC Beneficiary, Tenant and Operator agree that CBKC CDC Lender (and its affiliates) may use this Agreement and the information furnished under this Agreement, as well as any media, including photographs and illustrations of the Project, in any manner CBKC CDC Lender (and its affiliates) may choose, including, without limitation, having the right to place advertisements on their websites and in financial and other newspapers and otherwise publicize the Project and the

NMTC Loans, provided no confidential information of NMTC Beneficiary or Tenant may be used in connection with such advertisements or other disclosures.

7. *NAICS Code*. NMTC Beneficiary and Operator represent that the Operator's North American Industry Classification System (NAICS) Code is: ______________

8. *Severely Distressed Census Tract Criteria*. NMTC Beneficiary and Tenant represent that the Project qualifies for the severely distressed census tract criteria set forth on Exhibit D.

9. *Miscellaneous*. This Agreement may not be amended or modified except in writing by the parties hereto. This Agreement is governed by the laws of the State of Kansas, without giving effect to any conflict-of-law principle that would result in the laws of any other jurisdiction governing this Agreement. The parties hereto hereby agree that any action or proceeding arising out of this Agreement will be tried and litigated in courts located in Kansas City, Kansas. CBKC CDC Lender, Operator, Tenant and NMTC Beneficiary hereby consents and submits to the jurisdiction of any local, state, or federal court located in Kansas City, Kansas.

[signatures on following page]

IN WITNESS WHEREOF, the CBKC CDC Lender. NMTC Beneficiary, Tenant and Operator have caused this Agreement to be duly executed as of the day and year first above written.

<u>CBKC CDC LENDER</u>:

CBKC CDC, L.L.C.,
a Missouri limited liability company

By: ________________________________
William M. Dana, Jr.,
Manager

CBKC CDC Sub-CDE 53, LLC,
a Missouri limited liability company

By: CBKC CDC, L.L.C., a Missouri limited liability company and its managing member

____
William M. Dana, Jr.,
Manager

[signature pages continue on following page]

IN WITNESS WHEREOF, the CBKC CDC Lender. NMTC Beneficiary, Tenant and Operator have caused this Agreement to be duly executed as of the day and year first above written.

NMTC BENEFICIARY:

KCK 501 MINNESOTA INC.,
a Kansas non-profit corporation

By: ________________________
Name:
Title:

TENANT:

UNIFIED GOVERNMENT OF WYANDOTTE COUNTY

By:__________________________________
Name:
Title:

[signatures on following page]

IN WITNESS WHEREOF, the CBKC CDC Lender. NMTC Beneficiary, Tenant and Operator have caused this Agreement to be duly executed as of the day and year first above written.

OPERATOR:

THE MERCANTILE INC.,
a Kansas corporation

By: ________________________
Name:
Title:

[signatures on following page]

EXHIBIT A

Anticipated Community Benefits Schedule

By completing the Project using the NMTC Loans, the NMTC Beneficiary, Tenant, and Operator expect to achieve the following economic and community impacts (capitalized terms not otherwise defined herein shall have the meaning given to them in the Community Benefits Agreement (the "CBA") to which this Schedule is attached along with such narratives as may be requested below):

Community Impacts- Financing

(a) The NMTC allocation assisted in attracting or closing on $_____ of financing from Local Initiatives Support Company (LISC) and using $____ of GO Bond financing from the Tenant.

(b) Assessment of the Need for the NMTC subsidy provided: Please indicate how the NMTC financing applied to the project:

Please check all that apply and provide narrative for rationale below

☐ Financing was required to make the project go forward

☐ Without the financing only a portion of the project could have proceeded

☐ Financing enabled the project to proceed in this location, otherwise siting would have occurred elsewhere

☐ Project would have been significantly delayed without subsidy

☐ Project would have required use of working capital that would have had negative impacts on the company's operations

☐ Other rationale for required subsidy

Please provide a brief narrative to support the checked box or boxes:____
____
____.

What are / have been the benefits of the NMTC financing for the facility? Please check all that apply.

Lower interest rate	___	Flexible repayment terms	___
Early-stage money	___	Closed financing gap	___
Helped attract other financing	___	Reduced overall project cost	___
Other (please specify)	___	No specific benefits	___

The following impacts are generated through information obtained by the NMTC Beneficiary, as well as Emsi economic impact software. Emsi's economic impact projections rely on a matrix representation of industry-to-industry purchasing patterns originally based on national data which are then regionalized with the use of local data and highly advanced mathematical manipulation. Each impact scenario is computed based on the Project's location, industry type, revenues, job creation, as well as a construction budget. Emsi's model primarily relies on data from the Bureau of Economic Analysis's make and use tables. Using data from the Bureau of Labor Statistics Quarterly Census of Employment and Wages, Emsi is able to regionalize the inter-industry spending as well as earnings and wage data.

Community Impacts- Construction

(a) The Project is expected to create ______ temporary construction jobs based on ________________________.

(b) The general contract estimates that _____% of the construction related jobs will go to residents of Kansas City.

(c) The Project is targeting ____% of construction contracts go to MBE/WBE firms.

10. The Project anticipates or has worked with the local community in the following ways to hire/train local and/or low-income persons for the construction jobs: ____ ____ ____________________________.

11. The Project is expected to have the following environmentally sustainable features:

- Renovation of a vacant blighted property
- Development at transit–oriented location with bus line connections
- (INSERT ADDITIONAL BULLET POINTS)

(a) The NMTC beneficiary will own approximately _______ sq. ft., which includes the following:

______SF of Office Space

______SF of Retail Space

_______SF of Manufacturing

_______SF of Community Space

Community Impacts—At Stabilization

(a) At stabilization the Tenant expects to create the following Permanent FTE employee positions in connection with this Project:

Job Type (i.e. Cashier, bagger, management, etc)	**# of FTE Jobs Created**	**Average Wage**	**Number of Jobs accessible to Low-Income Persons**	**Number of employees from local community**
Cashier				
Store Manager				
Bagger				
Maintenance				
TOTAL				

(b) Full-time employees at the Operator receive the following benefits:____

____
__________________________________.

(c) The Operator is doing the following to hire local residents:

____
____

(d) The following career training and advancement programs are available for employees at the Operator:

____
____
____.

(e) The Operator provided______ hours of educational and nutritional classes this year.

(f) The Operator's targeting sales to persons in a___ mile radius from the project site.

(g) The Operator expects that ____% of its sales will come from locally grown/made products.

(h) The Operator expects that ___% of its sales will be from produce.

(i) The Operator expects to do the following to cater the product to the local demographic:

____
____
___________________________.

(j) The Operator expects to do the following to ensure that low-income persons have access to store products:

____
____
____.

(k) Other economic and community impacts of the Project will include:

____
____
____.

The Project will contribute new tax revenue to (check all that apply):

☐ Sales Tax

☐ Property Tax (real and personal)

☒ Employment Tax

(l) Please note any tax abatements received or expected to be received by the Project:

____
____
____.

EXHIBIT B

Community Benefits Report

For the period ending [Date], KCK 501 Minnesota Inc., a Kansas non-profit corporation ("NMTC Beneficiary" or "Borrower"), the Unified Government of Wyandotte County ("Tenant") and the Mercantile, Inc, a Kansas corporation ("Operator").pursuant to the Community Benefits Agreement (the "Community Benefits Agreement"), entered into as of {}, by and among CBKC CDC, L.L.C., ("Allocatee") and CBKC CDC Sub-CDE 53, LLC ("CBKC CDC Lender"), NMTC Beneficiary, Tenant and Operator. The NMTC Beneficiary, Tenant and Operator affirm and certify to the following:

1. *Definitions*. Capitalized terms not otherwise defined in this Community Benefits Report ("CBR") shall have the meaning given them in the Community Benefits Agreement.

2. *Impacts*. By completing the Project using the NMTC Loans, the NMTC Beneficiary achieved the following community and economic impacts:

(a) Total Project Costs were $____________.

(b) The total number of Full-Time Equivalent ("FTE") construction jobs created by the Project was ____________.

(c) The general contractor estimates that ___% of the construction related jobs went to residents of Kansas City.

(d) ___% of construction contracts went to MBE/WBE firms.

(e) The Project worked with the local community in the following ways to hire local and/or low-income persons for the construction jobs:

(Project Team to Insert Narrative Here)

(f) The Project had the following environmentally sustainable features:

(Project Team to Insert additional environmentally sustainable outcomes)

(g) The NMTC beneficiary owns _______sq. ft., which includes the following:

______SF of Office Space

______SF of Retail Space

_______SF of Manufacturing

_______SF of Community Space

Community Impacts—Operations

(a) The Operator has the following FTE[1] employee positions:

Job Type (i.e. Cashier, Floor, Management)	**# of FTE Jobs Created**	**Avera ge Wage**	**Number of Jobs accessible to Low-Income Persons**	**Number of employees from local community**
Total				

(b) Full-time employees at the Operator receive the following benefits:

(Project Team to Insert Narrative Here)

(c) The Operator did the following to hire local residents:

(Project Team to Insert Narrative Here)

[1] Full-time equivalent (FTE) employees are employees that work 35 hours per week, part-time positions and summer positions should be aggregated to determine the number of FTE positions those jobs create.

(d) The following career training and advancement programs are available for employees at the Tenant:

(Project Team to Insert Narrative Here)

(e) The Operator expects to provide ______ hours of educational and nutritional classes annually.

(f) The Operator worked with the following local community groups, schools in helping plan vegetables, provide educational classes, etc:

____
____
_______________________________________.

(g) Membership at the cooperative is primarily from persons in a ___ mile radius from the project site.

(h) The Operator had ____% of its sales will come from locally grown/made products.

(i) The Operator had ___% of its sales will be from produce.

(j) The Operator did the following to cater the product to the local demographic:

____
____
___________________________.

(k) The Operator did the following to ensure that low-income persons have access to store products:

____
____
____.

(l) Other economic and community impacts of the Project will include:

(Project Team to Insert Narrative Here)

(m) The Project has led to the following developments in the community:

(Project Team to Insert Narrative Here)

The undersigned certifies the information set forth in this CBR is correct, complete and accurate in all material respects for the period described above.

NMTC BENEFICIARY:

KCK 501 MINNESOTA INC.,
a Kansas non-profit corporation

By: ______________________
Name:
Title:

TENANT:

UNIFIED GOVERNMENT OF WYANDOTTE COUNTY

By:_______________________________
Name:
Title:

[signatures on following page]

The undersigned certifies the information set forth in this CBR is correct, complete and accurate in all material respects for the period described above.

OPERATOR:

THE MERCANTILE INC.,
a Kansas corporation

By: ________________________
Name:
Title:

EXHIBIT C

NMTC CERTIFICATION

For the period ending December 31, 201_, KCK 501 Minnesota Inc., a Kansas non-profit corporation ("NMTC Beneficiary" or "Borrower"), pursuant to the Community Benefits Agreement (the "Community Benefits Agreement") dated ________, 2019, between NMTC Beneficiary, the Unified Government of Wyandotte County ("Tenant") and the Mercantile, Inc, a Kansas corporation ("Operator"), CBKC CDC, L.L.C., a Missouri limited liability company ("Allocatee") and CBKC CDC Sub-CDE 53, LLC, a Missouri limited liability company, ("CBKC CDC Lender"), the NMTC Beneficiary affirms the following:

1. *Definitions*. Capitalized terms not otherwise defined in this NMTC Certification ("Certification") shall have the meaning given them in the Community Benefits Agreement.

2. *NMTC Representations and Warranties.* NMTC Beneficiary hereby represents and warrants, as of the date hereof:

(a) The NMTC Beneficiary is a non-profit corporation, which is validly existing and in full force and effect under the laws of the State of Kansas, and is qualified to do business in the State.

(b) The NMTC Beneficiary's operations consisting of the development and leasing of 501 Minnesota Avenue, Kansas City, Kansas 6601, to the Tenant (the "Project Area"). The NMTC Beneficiary continues to operate as a qualified active low-income community business ("QALICB") within the meaning of §§ 45D(d)(2) and 45D(d)(3) of the Internal Revenue Code (I.R.C.) of 1986, as amended (the "Code") and §§1.45D-1(d)(4) and 1.45D-1(d)(5) of the Treasury regulations promulgated thereunder (the "Treasury Regulations"), by virtue of the NMTC Beneficiary satisfying the "portion of a business" rules contained in §1.45D-1(d)(4)(iii)(A) of the Treasury Regulations

(c) With respect to the current taxable year, at least fifty percent (50%) of the total gross income of the NMTC Beneficiary is derived from the active conduct of a "qualified business," as defined in Code Section 45D(d)(3) and the applicable Treasury Regulations, within the Project Area.

(d) With respect to the current taxable year, the NMTC Beneficiary does not have any employees and therefore meets the tangible property test in Section (e) of this document at 85%.

(e) At least fifty percent (50%) of the use of the tangible property (whether owned or leased) by the NMTC Beneficiary during its most recent taxable year is within the Project Area, provided, however, if the NMTC Beneficiary has no employees, at least eighty-five percent (85%) of the use of the tangible property (whether owned or leased) by the NMTC Beneficiary in the taxable years referenced above is within the Project Area, which percentage shall be determined utilizing the methodology set out in Treasury Regulations Section 1.45D-1(d)(4)(i)(B)].

(f) With respect to the current taxable year, less than five percent (5%) of the average of the aggregate unadjusted bases of the property of the NMTC Beneficiary is attributable to (i) works of art, (ii) rugs or antiques, (iii) metals or gems, (iv) stamps or coins, (v) alcoholic beverages, or (vi) any other "collectible" as defined for purposes of Code Section 408(m)(2), other than collectibles that are held primarily for sale to customers in the ordinary course of business.

(g) With respect to the current taxable year, less than five percent (5%) of the average of the aggregate unadjusted bases of the property of the NMTC Beneficiary is attributable to Nonqualified Financial Property.

(h) The NMTC Beneficiary currently engages and will continue to engage in activity that the NMTC Beneficiary reasonably expects will generate or has generated revenues within three (3) years from the NMTC closing with CBKC CDC Lender.

(i) The NMTC Beneficiary remains a "qualified business" as defined under Code § 45D(d)(3)(A).

(j) No portion of the Project constitutes a "qualified low-income building," as defined in Code Section 42(c)(2).

(k) All information concerning NMTC Beneficiary and its property (including the Project) known to NMTC Beneficiary, or any of its affiliates, which could have a material adverse impact on the NMTC Beneficiary qualification as a QALICB has been disclosed in writing by NMTC Beneficiary to the Lender and there are no facts or information known to NMTC Beneficiary, or any of its affiliates, which would make any of the representations or warranties herein with respect to the NMTC Beneficiary's qualification as a QALICB or the status of the Loan as QLICIs inaccurate, incomplete or misleading in any material respect. All financial information provided to the Lender is true, correct, and complete in all material respects, and such financial information fairly and accurately represents the financial condition and operations of NMTC Beneficiary.

(l) The NMTC Beneficiary has no present plans or intentions to: (i) change the nature of, or manner in which it conducts the Business; (ii) move or expand the Business to a new address; (iii) reduce the percentage of gross income derived from the active conduct of a qualified business within the Project Area; (iv) change the percentage of employees services performed in the Project Area; (v) reduce the percentage of use of tangible property in the Project Area; (vi) allow the NMTC Beneficiary to maintain collectibles not held primarily for sale in the ordinary course of business at 5% or more of the aggregate unadjusted cost bases of its assets; (vii) allow the NMTC Beneficiary to maintain nonqualified financial property at 5% or more of the aggregate unadjusted cost bases of its assets; (viii) enter into leases with any end user not engaged in a qualified business, such that any of the foregoing representations or warranties would be untrue. The NMTC Beneficiary expects that the representations made under this Section will continue to be accurate in all material respects during the entire term of this Agreement.

(m) The NMTC Beneficiary has not entered into any transaction or series of transactions the principal purpose of which is to achieve a result that is inconsistent with the purposes of Code Section 45D or Treasury Regulation Section 1.45D-1(g)(1), or to avoid or evade Federal income tax.

(n) NMTC Beneficiary has not had any correspondence or any communication with, to or from the CDFI Fund concerning non-compliance with, or deficiencies in, reporting practices.

(o) To the best of the NMTC Beneficiary's knowledge it remains a QALICB.

NMTC BENEFICIARY:

KCK 501 MINNESOTA INC.,
a Kansas non-profit corporation

By: ______________________
Name:
Title:

EXHIBIT D

Distress Criteria of Project

Project Address: 501 Minnesota Avenue, Kansas City, Kansas 6601,

Census Tract No. 20209041800
As Characterized in the 2011-2015 ACS by:
(1) 55.40 % Poverty Rate
(2) Median Family Income of 38.37% of the area Median Family Income
(3) An Unemployment rate of 30.4%
(4) Located in a State Enterprise Zone
(5) Located in a USDA Food Desert

ECONOMIC DEVELOPMENT AND FINANCE
STANDING COMMITTEE MINUTES
Monday, April 1, 2019

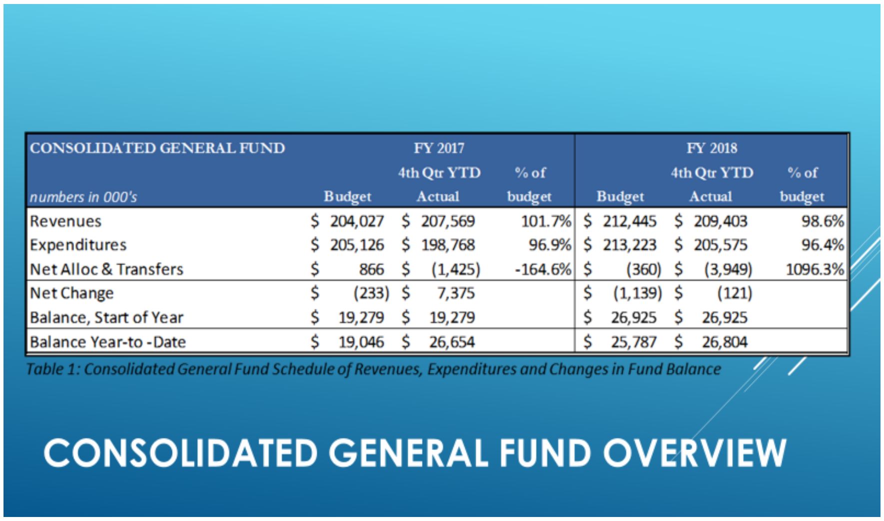
The meeting of the Economic Development and Finance Standing Committee was held on Monday, April 1, 2019, at 5:32 p.m., in the 5th Floor Conference Room of the Municipal Office Building. The following members were present: Commissioner Burroughs, Chairman; Commissioners McKiernan, Townsend, Murguia, Walters; and Jeff Bryant, BPU Board Member. The following officials were also in attendance: Melissa Sieben, Assistant County Administrator; Patrick Waters, Senior Attorney; Kathleen VonAchen, Chief Financial Officer; Reginald Lindsey, Budget Manager; Richard (Rick) Mikesic, Director of Revenue/County Treasurer; Andrea Parra, Deputy County Treasurer; Commissioner Bynum; Katherine Carttar, Director of Economic Development; Alan Howze, Knowledge Director; and Jay Doleshal, Sergeant-At-Arms.

Chairman Burroughs called the meeting to order. Roll call was taken and members were present as shown above.

Approval of standing committee minutes from February 4, 2019. **On motion of Commissioner McKiernan, seconded by Commissioner Townsend, the minutes were approved.** Motion carried unanimously.

Committee Agenda:
Item No. 1 – 19648…REPORT: FOURTH QUARTER BUDGET TO ACTUALS
Synopsis: Fourth Quarter 2018 Budget to Actuals Report, submitted by Kathleen VonAchen, Chief Financial Officer; and Reginald Lindsey, Budget Manager.

Kathleen VonAchen, Chief Financial Officer, this is the report that we provide on a quarterly basis; and this happens to be the year-end report. These reports are provided on a cash basis. The final fund financial statements, that are based on a modified accrual basis, are going to be available at next month's meeting. I'll get to that in a moment.



CONSOLIDATED GENERAL FUND	FY 2017			FY 2018		
numbers in 000's	Budget	4th Qtr YTD Actual	% of budget	Budget	4th Qtr YTD Actual	% of budget
Revenues	$ 204,027	$ 207,569	101.7%	$ 212,445	$ 209,403	98.6%
Expenditures	$ 205,126	$ 198,768	96.9%	$ 213,223	$ 205,575	96.4%
Net Alloc & Transfers	$ 866	$ (1,425)	-164.6%	$ (360)	$ (3,949)	1096.3%
Net Change	$ (233)	$ 7,375		$ (1,139)	$ (121)	
Balance, Start of Year	$ 19,279	$ 19,279		$ 26,925	$ 26,925	
Balance Year-to -Date	$ 19,046	$ 26,654		$ 25,787	$ 26,804	

Table 1: Consolidated General Fund Schedule of Revenues, Expenditures and Changes in Fund Balance

The first slide shows that the Consolidated General Fund ended the fiscal year with a total fund balance of $26,804M, which is very close to how much it started the year at $26,925M. The net difference is a negative $121,000; that's the difference between the total revenues collected of $209,000 less total expenditures of $205M. Then a net of allocations and transfers, which is an expense of $3.9M. As you know, the revenues minus expenditures and then minus that number, it is where you get the 121.

We had a discussion previously about our General Fund Reserve Policy that if there are excess funds at the end of the year, meaning we collected more revenue than expenditures, then we could all have a discussion to redirect the available or the difference of positive net margin towards five different categories from a decision-making standpoint. I'm going to talk about that later on here in the presentation.

In this situation, we basically balance the budget less about $121,000. There aren't any excess reserves if you're looking at this from a cash basis. Once we complete the fund financial statements, which I mentioned I'm going to be providing next month, that's when we would be looking at possibly seeing if there was a positive net margin. That's where that decision takes place.

I had previously indicated in last month's meeting that we were going to have that discussion tonight. When I looked at the policy, I was reminded that actually it's based on the CAFR or financial statement basis, not on cash basis. What I'm proposing tonight, and you'll see that in some of the later slides, is that we postponed that conversation so we can present to you how the General Fund is looking. Not only the General Fund, but the other Special Revenue funds as well; how all those funds are looking on a modified accrual basis.

Just to compare this figure with the budget. You can see that the revenues are approximately, roughly $3M below what we estimated for the budget. As we go through the detail, you'll see that most of that $3M short, or difference, is a result of less sales tax than what was anticipated.

The expenditures were budgeted at $213M, and they came in at $205M. That's roughly an $8M difference.

The transfers here are substantially more than what were budgeted that's because in the final months of the fiscal year or toward the, I don't know—following the budget year, we came to realize that the fire station, as well as the project for the juvenile center, were both coming in with bids in excess of what we had budgeted. That additional amount that we needed to find, the Commission directed us to go back into the operating budgets and find where there were savings, basically in these lines, and then move that savings out of the General Fund to the Capital Project Fund. It was roughly a million dollars for the fire station and another million for the juvenile center. That explains the higher allocation.

In addition, there were various capital projects that had not completed, but they were in mid-completion that were cash funded. We decided to move those available funds to the Capital Project Fund so those cash projects could be completed in '19. That's the difference there.

This is the overview of all the Consolidated General Fund which includes the City, the County and the Parks funds. Just some highlights. I think I already mention that. The actual revenues were three—this is broken up by—here's how it compares to the budget and then the impact on the fund balance. The actual revenues, as I mentioned, are about $3M below the budgeted estimate, primarily in sales tax receipts, which were lower in the latter half of the year.

Actual expenditures were $7.6M below budget, primarily due to lower expenses in the services, grants, and capital outlay, which Reggie will talk about. Then, again, I spoke about that there were higher transfers out to the Capital Project Fund because we had shifted operating savings from the operating lines to the transfer line so the funds could go to the capital project. I did want to point out that even on a cash basis, the Consolidated General Fund is estimated to be 21% of total expenditures based on available data, which our target is 17%.

Chairman Burroughs said, Kathleen, just for the public that is watching, the $7.6M, of that, it was a $3.9M that you took out of those additional funds and then you shifted $2M of that $3.9M. **Ms. VonAchen** said yes. **Chairman Burroughs** said into the two projects: the juvenile justice center and the fire station at a million each. **Ms. VonAchen** said yes; that's right. **Chairman Burroughs** said then the $121,000, the ending, to balance out the budget—I'm just trying to do quick math and I come up with $1.6M still available.

Ms. VonAchen said this is compared to budget. These are all the differences between budgets. I'm not sure of your question. **Chairman Burroughs** said I'm not so sure my math is absolutely correct, that's why I wanted to revisit those numbers. Actual expenditures were $7.6M below the budget. If that 7.6, you move 3.9 of that—**Ms. VonAchen** said 3.6, yeah. The budget was $300,000, so 3.3 is the difference between the debt transfer out and how much we actually transferred out. **Chairman Burroughs** said I'll save my questions till we get—**Ms. VonAchen** said this is a comparison of the budget. It's not meant necessarily to add a net to the 129. The negative 129 is directly a relation of 209.4 minus 205.5 minus 3.9, and that's what that number is. That's actuals.

BPU Board Member Bryant said I think what he's trying to say is; of the 3.9 that was transferred, we've accounted for $2M of it between the justice center and the fire station. What was the excess $1.6M? **Ms. VonAchen** said those were other projects that had not been completed that were cash funded. We moved those funds over to the Capital Project Fund. Reggie's going to talk about these. Is that what you meant? **Chairman Burroughs** said that's exactly right. I was just going to wait until you got to your explanation. We'd run through those numbers again.

Commissioner Murguia said since we're on that topic, what would we have done if we wouldn't have had extra money. **Ms. VonAchen** said what we would have done if there hadn't been underspending in the expenditure area. **Commissioner Murguia** said yes. **Ms. VonAchen** said well then, the fund balance would have declined. If all of the expenditures had been spent, then this number would have been a negative 3 and that number would have declined by $3M.

Commissioner Murguia asked are you saying the projects that you needed cash for were underfunded. **Ms. VonAchen** said only the juvenile center. **Commissioner Murguia** said no, not the juvenile justice center and the fire station; not those two. I'm talking about, you said the rest of the money went to some—**Ms. VonAchen** said the thing is, capital projects that are cash funded are expenses in this expenditure line. If we want to continue to—if the project is in mid-completion and we want to finish it, we have to transfer it out of the General Fund and move it to the Capital Project Fund in order to get it completed because of the fiscal year. It's just basically moving the funds to the other line item.

Commissioner Murguia asked on those items, were we short money. Is that why we had to give them the excess money that we had? **Ms. VonAchen** said no. We weren't short money. We're just using budget out of here and we moved it over here. They weren't short; they just weren't completed yet. **Commissioner Murguia** asked were we supposed to complete them in the beginning, or were they always supposed to end where they were at. **Ms. VonAchen** said they were anticipated to be completed at the end of the fiscal year but it didn't happen yet. Reggie's going to talk more about that.

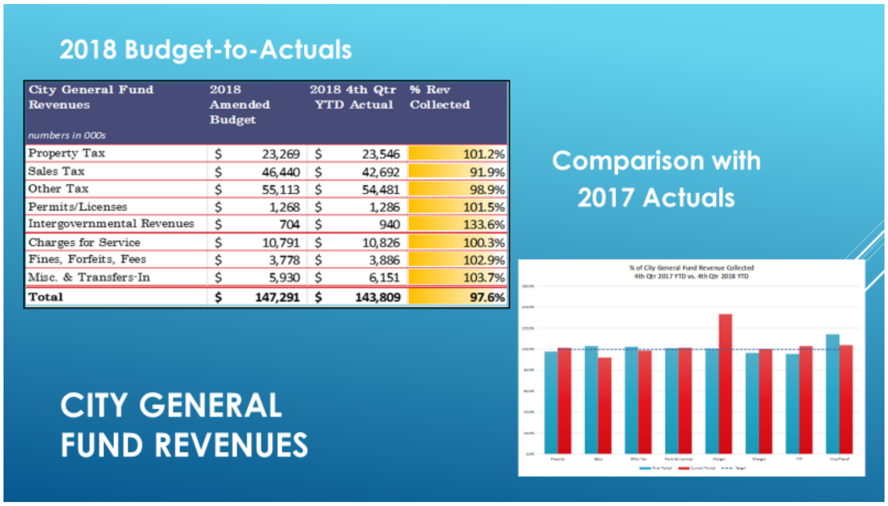
Commissioner Murguia asked who decides—if we set the budget and there was that amount of money for it, who decides, when there's extra money, that it would go to complete a project? Did we approve the completion on that project in this year? **Ms. VonAchen** said we're not using extra money; it was just shifting the expense from here to here. The total budget remains the same.

Chairman Burroughs said if I can, Kathleen. Commissioner Murguia, you hit on something I think that's what we discussed early on. We talked about that debt reduction.

When we have excess dollars leftover, who decides where those dollars go? It should be the Commission's decision to move dollars out of one account to take care of another. I don't know if that's been the practice with the Unified Government. That's something I'm not familiar with. To make decisions to which projects get that infusion of cash—**Commissioner Murguia** said right. **Chairman Burroughs** said I guess the big question is, the Commission should be notified or at least made aware or make the decision as to how those dollars will be spent on that project, or if those dollars will be spent on that project. When things go over budget, we're notified that we are over budget on a bid and we'd then have to go back and negotiate. We've had that on the jail or the juvenile justice facility. I do appreciate your question coming forward as to who makes that decision.

Ms. VonAchen said these were already budgeted, these projects. They didn't go over budget. **Commissioner Murguia** asked then why did we have to move money. **Ms. VonAchen** said because the Operating Fund can't carry forward projects from one year to the next, that's why. Right now, we have rules in place that—so the only place you can carry forward projects over a multi-year basis is in the Capital Project Fund, that's why. Unless you have the funds all encumbered, which they didn't have all the funds encumbered, for those projects.

Chairman Burroughs said so we didn't have enough money encumbered to do those projects. Is that—**Ms. VonAchen** said the bids hadn't been entirely completed. **Chairman Burroughs** said we didn't have enough money—**Ms. VonAchen** said encumber the funds, but we did have—no, we had all the money in place. All the budget was there, it's just that we didn't have them secured in our financial system so that they could be spent in the subsequent year unless we moved them out of the General Fund and into the Capital Project Fund where the rules are different. **Chairman Burroughs** asked why didn't we do that. **Ms. VonAchen** said Reggie's going to talk about some of those projects. **Chairman Burroughs** said okay. **Ms. VonAchen** said we can get there. **Chairman Burroughs** said we'll sit tight. **Ms. VonAchen** said okay.



City General Fund Revenues *numbers in 000s*	2018 Amended Budget	2018 4th Qtr YTD Actual	% Rev Collected
Property Tax	$ 23,269	$ 23,546	101.2%
Sales Tax	$ 46,440	$ 42,692	91.9%
Other Tax	$ 55,113	$ 54,481	98.9%
Permits/Licenses	$ 1,268	$ 1,286	101.5%
Intergovernmental Revenues	$ 704	$ 940	133.6%
Charges for Service	$ 10,791	$ 10,826	100.3%
Fines, Forfeits, Fees	$ 3,778	$ 3,886	102.9%
Misc. & Transfers-In	$ 5,930	$ 6,151	103.7%
Total	**$ 147,291**	**$ 143,809**	**97.6%**

Ms. VonAchen said on the revenue side, what we have is property tax, sales tax, and then all these other revenue categories. This is with 100 of the fiscal year in place. The property tax came in slightly above what was estimated. Just so you know, one of the positive things from this year is that the delinquency rate dropped. It was estimated at roughly 6.5% on the city side. It dropped to—we're still finalizing the number, but it was in the low 5% area.

Now, sales tax is roughly $4M lower on the city sales tax side. As I mentioned, we noticed that that was happening in the last quarter of the year. Other taxes—**Commissioner Murguia** said so we don’t go too far, that’s a pretty big drop in sales tax. Do we know why that happened? Do you know where that happened? **Ms. VonAchen** said my sales tax estimate included a 6% increase, and clearly that was probably overly optimistic. It's a combination of my sales tax assessment being overly optimistic and then the economy declining quicker than I anticipated. You might remember, I was anticipating a recession to happen sometime in mid-2019.

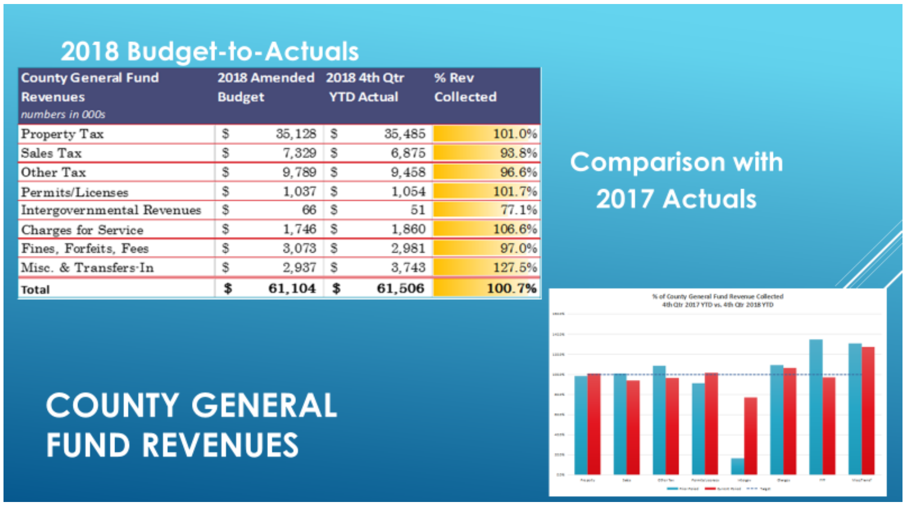
We were looking at the vendor data. Some of that impact for the Legends and some of that impact may be because the developers are in the middle of renovating a number of properties in the Legends area. Some of those properties are not open and not collecting money during that transition. Some of that is going on too. There's a lot of openings and closings and readjusting.

Commissioner Murguia said most of the sales tax loss then, was that in the Legends area. **Ms. VonAchen** said I’m not sure I can actually say that, but it contributed; a contributing factor. **Commissioner Murguia** asked is there any other place besides the Legends where we saw a significant sales tax, not like we have a big sales tax base. **Ms. VonAchen** said I wasn't prepared to provide all that information right now, but one of the first workshops we have as part of the budget process is my revenue presentation. I can provide all that information by category and so forth.

Commissioner Murguia said I'm not referring to your projections, unless you are, but you're comparing actual sales tax collected versus what was actually collected the year prior, correct? **Ms. VonAchen** said that's down here. **Commissioner Murguia** said I was just saying, I wasn't talking about your projections. I was just talking about actuals. So we are seeing a 9% or 8% decrease in sales tax, regardless of your projections, right? **Ms. VonAchen** said yes. **Commissioner Murguia** said that's all I was wondering. I was just wondering with such a large decrease in sales tax, I just wondered if we knew why, that's pretty significant, and where. **Ms. VonAchen** said okay.

BPU Board Member Bryant said back to the property tax. You said the delinquencies went down actually over 1%. Do you think much of that is attributed to the fact that there have been a lot more properties going into the Land Bank, therefore, less properties are being taxed? **Ms. VonAchen** said no. I think it's because of the change in policy. I think Melissa could probably talk about that. There's a change in policy where taxpayers are expected to pay the most recent year first. Then, just the economy was better. People have jobs and they're starting to pay their taxes more. **BPU Board Member Bryant** asked when you say the policy changed to post recent taxes first, does that mean there are still back taxes that are sitting out there that have not been collected. **Ms. VonAchen** said they would probably be on a payment plan. There're a lot of payment plans that have been set up for those delinquent taxes.

Chairman Burroughs said, Kathleen, I just want to follow up with Commissioner Murguia's question. I would have a tendency to believe that the loss of sales tax is due to some of the closures in reference to the Legends. I believe here, in this committee, a couple of months back, we had one of the developers in that was doing some work out at the Legends. We were hoping to get some kind of report coming forward in reference to the progress being made out at the Legends to reincorporate those stores, get them back online, because it is revenue that affects our budget. I'd have a tendency to believe that we will see a sales tax impact from the closure and from the construction and some of the other activities that are not in full swing out there. I would look forward to that information as other commissioners would.

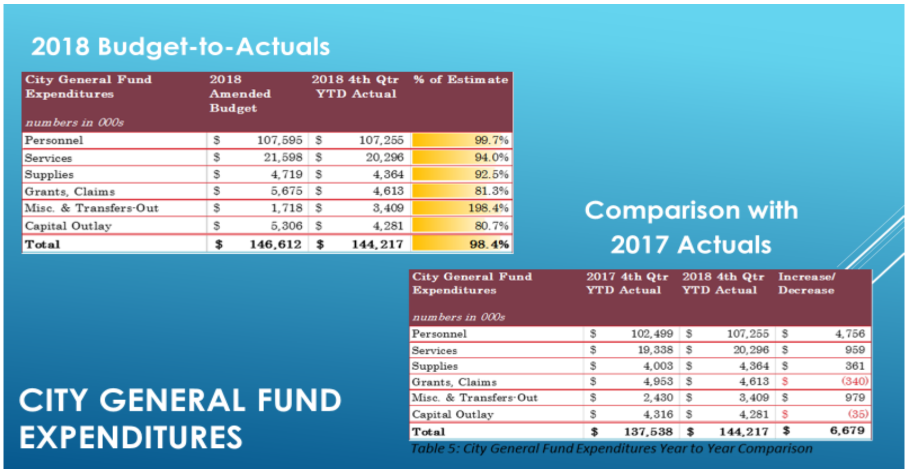


County General Fund Revenues *numbers in 000s*	2018 Amended Budget	2018 4th Qtr YTD Actual	% Rev Collected
Property Tax	$ 35,128	$ 35,485	101.0%
Sales Tax	$ 7,329	$ 6,875	93.8%
Other Tax	$ 9,789	$ 9,458	96.6%
Permits/Licenses	$ 1,037	$ 1,054	101.7%
Intergovernmental Revenues	$ 66	$ 51	77.1%
Charges for Service	$ 1,746	$ 1,860	106.6%
Fines, Forfeits, Fees	$ 3,073	$ 2,981	97.0%
Misc. & Transfers-In	$ 2,937	$ 3,743	127.5%
Total	**$ 61,104**	**$ 61,506**	**100.7%**

Ms. VonAchen said on the General Fund side, the property tax also performs the same as on the city side. Sales tax, which is less dependent on the county side, is less impacted by the Legends. It was about $500,000 or $600,000 lower. Actually, back to the city. Some of these other categories—all the other categories performed as expected. One category was quite notable. This one is miscellaneous transfers and transfers in. That also includes interest income, much of which is recorded in the County General Fund. Our interest income was substantially more than we anticipated. We expect that to continue next year because rates rose so substantially throughout the year.

Chairman Burroughs said, Kathleen, in a previous slide, the 133% on intergovernmental revenues, on a previous slide, 133.6. Do you care to explain that? **Ms. VonAchen** said part of the increase is because the amount is not very much. Any kind of notable—**Commissioner Murguia** said I just want to know what it was. What are intergovernmental revenues? **Ms. VonAchen** said grants and different grants that come in from other agencies. **Chairman Burroughs** said on the next slide it shows it being only at 70%. I was just curious if the 33%, the 133%, you take that 33% and add it to that 77.1%, we're even on both. **Ms. VonAchen** said this one's only 66,000 compared to 51,000, where this one is about 200,000. So, yeah, maybe so. It's just when you have lower numbers, the percentages look bigger. Interest income really kind of saved the day this year.

Reggie's going to talk about expenditures.



City General Fund Expenditures *numbers in 000s*	2018 Amended Budget	2018 4th Qtr YTD Actual	% of Estimate
Personnel	$ 107,595	$ 107,255	99.7%
Services	$ 21,598	$ 20,296	94.0%
Supplies	$ 4,719	$ 4,364	92.5%
Grants, Claims	$ 5,675	$ 4,613	81.3%
Misc. & Transfers-Out	$ 1,718	$ 3,409	198.4%
Capital Outlay	$ 5,306	$ 4,281	80.7%
Total	**$ 146,612**	**$ 144,217**	**98.4%**

City General Fund Expenditures *numbers in 000s*	2017 4th Qtr YTD Actual	2018 4th Qtr YTD Actual	Increase/ Decrease
Personnel	$ 102,499	$ 107,255	$ 4,756
Services	$ 19,338	$ 20,296	$ 959
Supplies	$ 4,003	$ 4,364	$ 361
Grants, Claims	$ 4,953	$ 4,613	$ (340)
Misc. & Transfers-Out	$ 2,430	$ 3,409	$ 979
Capital Outlay	$ 4,316	$ 4,281	$ (35)
Total	**$ 137,538**	**$ 144,217**	**$ 6,679**

Table 5: City General Fund Expenditures Year to Year Comparison

Reginald Lindsey, Budget Manager, said on the screen now we have two views of the City General Fund. One is a budget-to-actuals, which is this one. This one compares the 2017 actuals to the 2018 actuals. We see down here the total for the City General Fund, we spent $144M, that's 1.6% less than the budget which is like $2.4M. One thing that's key here is we wanted to stay under, around 100%. You see right here with miscellaneous transfers out, we did almost double that number. That's the number that Kathleen is talking about when we did the transfers out into the Capital Project Fund from here.

One of the reasons we were able to do that is because we have capital outlay here where we had a $5.3M budget, but we only spent $4.2M in the year. That leaves us with $1.1M. We were able to transfer capital projects from here into the Capital Project Fund. We also had $1M that we moved to debt into the Capital Project Fund to pay for the new fire station. All of that did not come from here, it came from various places within the services and supplies up in the budget.

Some of the things we moved. We have the new asset management security team. We were not able to get that all set up and running. We did spend some of the money so we spent, or we moved like $280,000 for it.

There was also money that we moved for—we weren't ready to move on purchasing land for a new fire station so we moved money for that. There were a host of different projects that we did move. That's some of them. **Commissioner Murguia** said we weren't ready to buy land for the new fire station. **Mr. Lindsey** said we'll have the new fire station for out west, but the new fire station for down the road, we weren't ready to move on that but we had money in the budget for it so we moved that into our new Capital Project Fund. **Commissioner Murguia** asked for this year. **Ms. VonAchen** said for '19. **Mr. Lindsey** said we'll have that money. **Commissioner Murguia** asked why do we have to do that again. **Mr. Lindsey** said so we won't have to like put it back in the budget and request it within the capital budget process for the next year.

Commissioner Walters said you lost me. We had money in the 2018 budget for land acquisition for a fire station. **Mr. Lindsey** said yes. **Commissioner Walters** said but we didn't do that. **Mr. Lindsey** said no, we did not. **Commissioner Walters** said and we moved the money to somewhere else. **Mr. Lindsey** said we moved it into our Capital Project Fund, which would allow us to utilize the money down the road. **Commissioner Walters** said so now we don't have the money. **Ms. VonAchen** said for the land, for the land acquisition. We moved it from the Capitol Project Fund so that we can spend it in '19 for the land acquisition for the fire station.

Mr. Lindsey said what moving the money into the Capital Project Fund allows us to do is to have the funding going down the road. We won't have to put in back into the budget. **Chairman Burroughs** said If I may. I think that's creating some of the confusion. When we have a project that's approved in the budget and it doesn't move forward, you're moving it into another fund so that it can be moved forward. **Ms. VonAchen** said yes. **Chairman Burroughs** said some of the questions we raise is why didn't we do the land acquisition in '18. **Ms. VonAchen** said Public Works would probably give you a better explanation to that. My guess is because they couldn't find the land to do the project yet. **Mr. Lindsey** said also, we are still working on getting everything finalized with our current fire station that we're trying to build. **Ms. VonAchen** said out in Piper.

Commissioner Murguia said first of all, I feel like you all—I don't think anyone's saying anything negative to you all about your accounting. I don't want you to feel defensive about it at all, hopefully not, not for me anyway. I will tell you, it is really frustrating that we budget money for projects in a particular year and we know how our year budget goes. If we don't think we can get that project done within that year, it's very confusing for all of us, why we budget for it. **Ms. VonAchen** said yes.

This year actually—not to go out on a tangent, this year we've asked the departments that have capital projects, I've said it repeatedly in our operations meetings, that if you have capital projects, start spending the money right now. Do the RFPs. Get your engineers looking at the project because we want all the money spent at the end of the year.

Alan Howze, Knowledge Director, said I'll add to it. I think this is a recognized challenge that's being addressed by the administration of pushing projects through the pipeline, recognizing the need for projects, and then there's a financial resource that the Commission has allocated. There's a set of human resources that are recognized that's been lagging, to some degree, behind that in terms of the ability to execute effectively on those dollars.

It's sort of two pieces of it. One, you want to make sure that we're able to execute those projects. Then we want to be able to execute them effectively and not just rush and do it. I think there's a planning piece and a financial planning piece of it. Then, we're also catching up and making progress. As we're catching up on the human side of that, to be able to execute effectively within the organization and with our private sector partners on those projects once the Commission has said.

Ms. VonAchen said I have talked with the Public Works Director about potentially putting in place some administrative measures that would assist us in getting the resources—human resources, or the contract folks in place so that we can move and get past the backlogs.

Melissa Sieben, Assistant County Administrator, said, Commissioner, just to state this very directly, we're down three engineers right now. That's been ongoing for some time. We're trying to get staffed back up. Even so, that's just on the Public Works side, streets, stormwater. We're also looking at having to add another engineer to work in our Wastewater Division because we have a billion dollars' worth of projects to complete in the next 10 years. There's a lot sitting out there that with the very nimble staff that we have right now, we're trying to keep moving and that does cause a problem. We are all working together to try and figure out how we realign while trying to recruit employees to work in our Engineering Division, which has been an exceptional challenge given the strength that the economy has had, even though it is starting to decline. What's in the pipeline is taking those folks to private sector and making it very hard for us to recruit.

Chairman Burroughs said I appreciate that explanation. **Ms. Sieben** said I do apologize. **Chairman Burroughs** said when we see a budget item change to the extent that we did at the very beginning of our discussion that will be an added cost in the budget, that'll show up as a cost in 2019 what 2018 was. This goes back to our question as we are posing. We're not trying to point blame. We're just trying to follow how the budget works to the extent that we could be better partners in helping put this budget in a manner that will allow us all to fully understand how we can make it better for the public to understand. It's all about the transparency aspect. **Ms. VonAchen** said yes.

Mr. Howze said just lastly, there are also leadership transitions, I think, specific to these projects. We have Buildings and Logistics. I had a new director selected last year. Likewise, the Fire Chief came on in August of last year, so I think those also have an impact on these projects.

Chairman Burroughs said if I might offer a suggestion. When you have a project in '18 that's not completed, maybe what we need to do is have fire station or XYZ 40% completed out of the $5M that was set aside. They're at $2.8M. Therefore, the remainder is going to be carried over into 2019. We expect this project to be completed such and such a date. Those small explanations assist us in seeing things that, I think, are easier for some of us to digest. I won't speak for the rest of the Commission; they're quite capable of doing it themselves.

I have a specific way I like to look at things. I don't want to have to go hunting and searching. It should be pretty transparent when I go into it. I might just make a suggestion that on these projects, if they're 40% completed by the end of '18, tell us it's 40% completed. It was $4.2M or whatever it was. In 2019, we'll look for whatever's necessary.

Ms. VonAchen said it's kind of hard to know how much detail you want. We try to give you the broad, bigger picture. We're happy to give you as much detail because we have it all.

Commissioner Murguia asked are we taking on—is the Commission asking for the number of staff that we have to do too many projects? You didn't say it was just this year, you said it's going, it's been an ongoing process. **Ms. VonAchen** said there's a backlog right now. **Commissioner Murguia** said there's a backlog of projects. **Ms. VonAchen** said yes. **Commissioner Murguia** asked how backlogged. **Ms. Sieben** said it depends on which area that you're referring to. Some are moving more quickly than others.

Commissioner Murguia said I don't care what project it is. How far back are we backlogged on any project? How far back do some of them go? **Ms. Sieben** said that's too broad of a question for me to be able to easily answer here, right now. **Ms. VonAchen** said yeah. **Ms. Sieben** said there are some that are further backlogged than others, but it's just like if you're talking stormwater projects, that's a funding dependent thing. Those maybe aren't as backlogged because we don't have funding so we're not moving forward with them. If you're talking about certain types of street repairs, that's a different situation. If it's annual maintenance, we seem to spend that down fairly well, but on the bigger capital projects, there can be delays. Some of them we control, others we don't.

I'm happy to sit down with you and Public Works staff to kind of go over those. On wastewater, yeah, we're behind. That's probably our biggest one. Where we've been working on this consent decree and we don't get the projects executed as quickly as we'd like to, we employ a lot of outside contractors to help us try to move these things forward. Certain things just have to be done by staff. We do have bandwidth issues.

Ms. VonAchen said one approach to deal with this is to, which has been utilized in other cities I've worked in, is to set up—contract out for project management and charge those costs to the project directly, that way we increase the human resources part of managing our projects and partner with the private sector more in order to move this out. Some of it, it's not within our control. For example, the consent decree or you work on a bid package, you put it out, and then the construction costs are much higher. Then you have to go back and find more budget or work with the Commission and then they'll put out the bid again and so forth.

Commissioner Murguia asked how big is the backlog that we do control. **Ms. VonAchen** said there's so many projects; it's hard to answer that question specifically. **Ms. Sieben** said this is something that we could come back and discuss with you guys, but right now, I'm not prepared to answer those questions. We're just getting ready to go into our CIP and we'll be having conversations about sort of what's moving and what's not moving. **Ms. VonAchen** said yes, that's May. **Ms. Sieben** said that would be actually, in May, a good time for us to come back when we'll be with the whole Commission to kind of talk through where we're at on this. It is a challenge. It's not a challenge that I haven't seen in other communities that I've served in, but we are particularly challenged here for the last few years. We're working through that, with our County Engineer, I mean I can go through the list of things that have happened to get us backlogged, but it's just an excuse.

Chairman Burroughs said, Mr. Bryant, this will be the last question for the sake of expediency. I do want to move on, but I do appreciate the discussion. I think this will come up at a later time for the full Commission.

BPU Board Member Bryant said mine's not so much a question; it's just a comment. I can only see it from the budget side that I see at the BPU. We run into similar issues. The concern that the Board has there is that a project that is projected to happen in a certain timeframe and doesn't happen, also adds the additional cost. The next year, you're going to have cost of living increases for wages for the employees that'll be doing the work. They're going to be very susceptible to material changes. Prices rarely go down, they go up.

When you sit there and you're looking at this laundry list of projects that total however many millions of dollars they are, the next year, that same number of millions of dollars no longer covers those projects and now requires 3% to 5% to 6%, 8% more. I think over there, that is one of ours about the expediency is if you don't believe that you really have a chance of completing a project in that time period, please don't bring it forward as a budget item during that time period.

Commissioner Murguia said, Tom, I think you said for expedient purposes, I know people aren't prepared. The problem is, you all deal with this every day. By the time you talked to me in May, I'm up here once a week. I don't always remember this, maybe all of you do, but I'm not that good. The problem is when you wait, you forget what you asked and what the problem was, or at least I do.

I do just have one more small question. With the backlog of projects, would it be worth our while to temporarily outsource those projects to get them done and caught up while we're working on the staffing issue? **Ms. Sieben** said I'm not going to answer for my Public Works Director. I'd much rather those questions be posed to him directly and how they're trying to handle this.

I know we're working on a whole variety of different things. I know they've discussed this with Kathleen as well. We just brought on a new Deputy who's over that area to try and help us get things moving. I think that would be appropriate conversation if we want to bring them back in and have a conversation about that, but I'm not prepared. I wasn't prepared for that tonight; therefore, I would be doing them a disservice.

Chairman Burroughs said I might suggest that the message be sent that there has been much discussion in reference to the backlog of projects and see what kind of feedback we can get or some kind of input back to the committee for the next month's meeting. Would that be satisfactory to committee members? **Commissioner Walters** said just a list of unfinished 2018 projects would be helpful, 2017 and 2016.

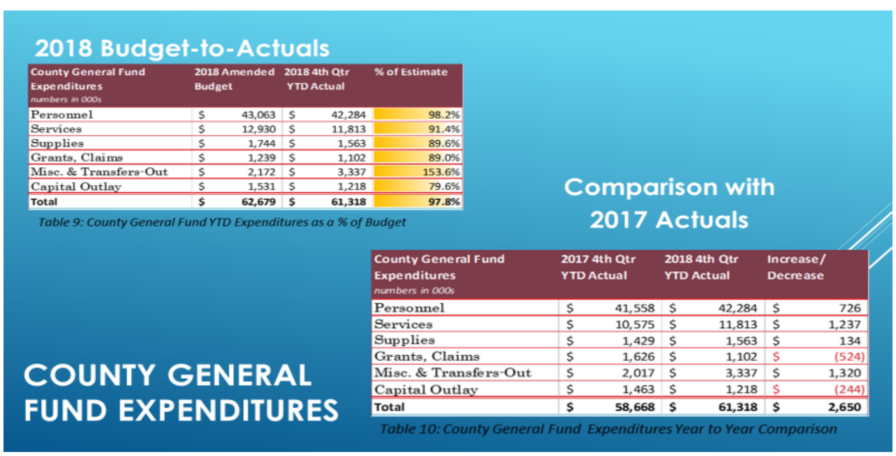
Commissioner Murguia said what I want to know is, I'm just curious, seriously. What's the most backlogged project we have? Is it like 2010? I mean I'm concerned. I just want to know. I'm just curious. I mean, that we're in control of. I understand there are some we're not in control of like the nonfunded sewer mandate. I want to know how far back the unfunded projects go. **Ms. Sieben** said we just moved a $453M project in front of a whole bunch of other stuff because we received federal funds. These are the types of out-of-control things that are not within our purview, and we've had to allocate resources in that direction as well. It's not just one thing but yes, we will get that information and bring it back to you guys. **Ms. VonAchen** said at the next meeting.

Commissioner McKiernan said one other thing, and I'm going to jump in. I apologize because I realize we're trying to get wrapped up here. We talked about taking funds for a project that are allocated for a project, let's say in 2018. Project doesn't get done. We put them in a fund so we can roll them over into 2019 when we're actually going to finish the project. We spend that money in 2019; it's not budgeted in 2019. How do we account for that? **Ms. VonAchen** said if we move it over to the Capital Project Fund—**Commissioner McKiernan** said but we re-budget it—**Ms. VonAchen** said the budget authority goes with it. **Commissioner McKiernan** said we re-budget it. **Ms. VonAchen** said yes, it's re-appropriated. **Mr. Lindsey** said it doesn't become part of the next year's budget. It's in its own fund. It's not included to make the next year's budget larger.

Ms. VonAchen said, Commissioner McKiernan, I want to tell you that most cities—the General Fund is supposed to be the Operating Fund. The Capital Project Fund is the Capital Project Fund. Any outlay here really ought to be just for small items like furniture or some smaller equipment. Any larger things ought to be in the Capital Project Fund. The Unified Government has done things a little differently. There are larger Capital Project Fund budgets that are cash funded in the General Fund. If we were to discuss potentially adjusting the way in which we budget these so that all of the capital is in the Capital Project Fund, we wouldn't be having this conversation. **Commissioner McKiernan** said I would fully endorse and support that discussion to make this a lot cleaner to follow.

Chairman Burroughs said just for clarification, we can get a report on those, the request of Commissioner Murguia in reference to those projects and the length of time, the furthest back, I believe, is what you requested, Commissioner. If we could find out which one of those, it would help the Commission.

I might strongly suggest that bringing these forward for review, that the entire Commission have a chance to hear some of these, some of the length of time it's taking some of these projects, some of the reprioritization. I believe that we are the ones that interface with the public when they're not seeing the project completed, or projects moving forward. It would be beneficial for us if we had an opportunity to at least talk about if we're wanting to move on one project and stall another one because of expediency, or whatever may come forward. I might strongly suggest to my fellow commissioners that this is the information that we should be aware of and make those decisions accordingly, or at least have an opportunity to hear of them at a full Commission meeting to make a statement if needed be. Please, let's continue.



County General Fund Expenditures *numbers in 000s*	2018 Amended Budget	2018 4th Qtr YTD Actual	% of Estimate
Personnel	$ 43,063	$ 42,284	98.2%
Services	$ 12,930	$ 11,813	91.4%
Supplies	$ 1,744	$ 1,563	89.6%
Grants, Claims	$ 1,239	$ 1,102	89.0%
Misc. & Transfers-Out	$ 2,172	$ 3,337	153.6%
Capital Outlay	$ 1,531	$ 1,218	79.6%
Total	**$ 62,679**	**$ 61,318**	**97.8%**

Table 9: County General Fund YTD Expenditures as a % of Budget

County General Fund Expenditures *numbers in 000s*	2017 4th Qtr YTD Actual	2018 4th Qtr YTD Actual	Increase/ Decrease
Personnel	$ 41,558	$ 42,284	$ 726
Services	$ 10,575	$ 11,813	$ 1,237
Supplies	$ 1,429	$ 1,563	$ 134
Grants, Claims	$ 1,626	$ 1,102	$ (524)
Misc. & Transfers-Out	$ 2,017	$ 3,337	$ 1,320
Capital Outlay	$ 1,463	$ 1,218	$ (244)
Total	**$ 58,668**	**$ 61,318**	**$ 2,650**

Table 10: County General Fund Expenditures Year to Year Comparison

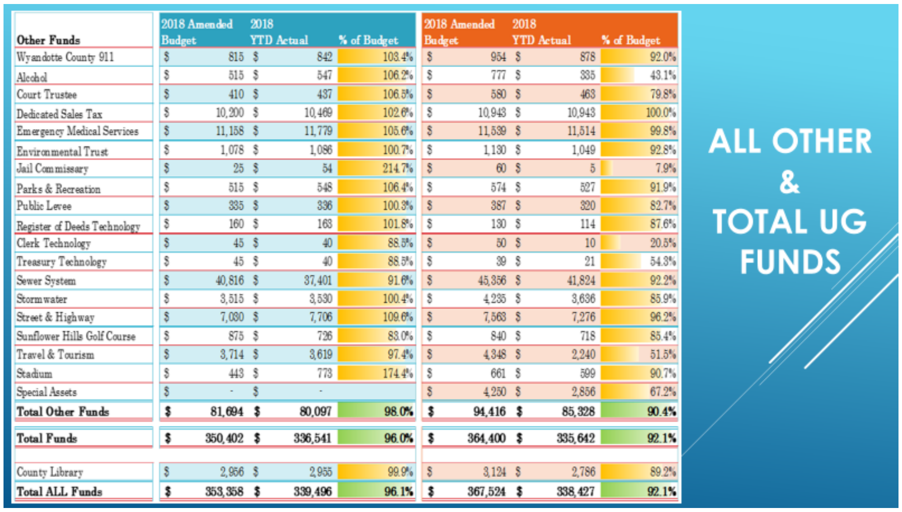
Mr. Lindsey said currently on the screen we have a view of the 2018 budget-to-actual for the County General Fund. Again, we have two views just like we did for the City General Fund. We have one view where we compare what the 2018 budget was and then what it compared to with the 2018 actuals were.

At the bottom of the screen, we have a comparison of the 2017 actuals to the 2018 actuals. You can look right here. We had an almost $63M budget. Out of that, we had like $1.3M leftover. Also from here, we did send $1M to the new juvenile center that we're going to build. That is included within here and we still had a $1M left. We did transfer $1.2M, which is in here where we're 53% over. Included in that was, I mentioned an asset management team, we have as far as for the new security and then we also have the court house security. We moved some money into 2019 for those. We also had money that we moved over for the district attorney for the grand jury that we had going over his statement. We moved funding over for that. That's what's included over there.

	REVENUES numbers in 000's			EXPENDITURES numbers in 000's		
Tax Levy Funds	2018 Amended Budget	2018 YTD Actual	% of Budget	2018 Amended Budget	2018 YTD Actual	% of Budget
City General Fund	$ 156,962	$ 143,809	91.6%	$ 156,282	$ 144,217	92.3%
City Bond & Interest	$ 32,197	$ 32,763	101.8%	$ 33,200	$ 28,159	84.8%
County General Fund	$ 61,104	$ 61,506	100.7%	$ 62,679	$ 61,318	97.8%
Cons. Parks General Fund	$ 6,306	$ 6,344	100.6%	$ 6,549	$ 6,245	95.4%
County Bond & Interest	$ 4,909	$ 4,967	101.2%	$ 3,323	$ 3,016	90.8%
CIFI	$ -	$		$ -	$ -	
Aging	$ 1,783	$ 1,784	100.0%	$ 1,932	$ 1,932	100.0%
Developmental Disabilities	$ 494	$ 504	102.1%	$ 592	$ 451	76.1%
Elections	$ 1,237	$ 1,201	97.0%	$ 1,478	$ 1,313	88.8%
Health	$ 3,140	$ 2,989	95.2%	$ 3,368	$ 3,122	92.7%
Mental Health	$ 576	$ 577	100.1%	$ 580	$ 540	93.1%
Total UG Tax Levy Funds	**$ 268,708**	**$ 256,444**	**95.4%**	**$ 269,984**	**$ 250,314**	**92.7%**

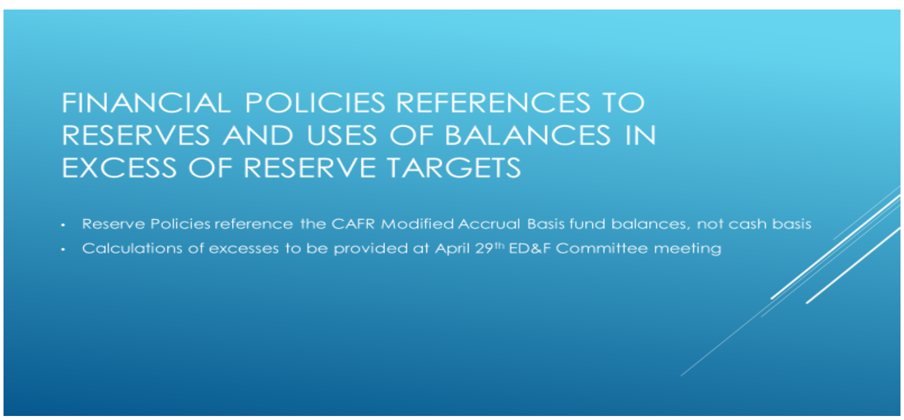
ALL UNIFIED GOVERNMENT TAX LEVY FUNDS

Here we have all Unified Government Tax Levy funds. On the left-hand side, we have the revenues. On the right-hand side in orange, we have the actuals for the expenditures. One of the key things we want to look for here is, it's good to be over 100% on this side. If you're over 100% over here, that's not such a good thing. You see we've got one fund, Aging, which was right at 100%. Most everything is under 100%.

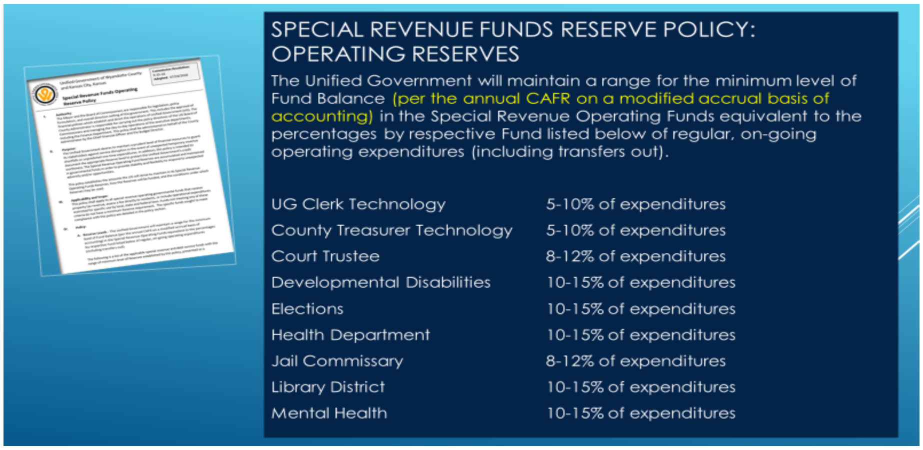


Other Funds	2018 Amended Budget	2018 YTD Actual	% of Budget	2018 Amended Budget	2018 YTD Actual	% of Budget
Wyandotte County 911	$ 815	$ 842	103.4%	$ 954	$ 878	92.0%
Alcohol	$ 515	$ 547	106.2%	$ 777	$ 335	43.1%
Court Trustee	$ 410	$ 437	106.5%	$ 580	$ 463	79.8%
Dedicated Sales Tax	$ 10,200	$ 10,469	102.6%	$ 10,943	$ 10,943	100.0%
Emergency Medical Services	$ 11,158	$ 11,779	105.6%	$ 11,539	$ 11,514	99.8%
Environmental Trust	$ 1,078	$ 1,086	100.7%	$ 1,130	$ 1,049	92.8%
Jail Commissary	$ 25	$ 54	214.7%	$ 60	$ 5	7.9%
Parks & Recreation	$ 515	$ 548	106.4%	$ 574	$ 527	91.9%
Public Levee	$ 335	$ 336	100.3%	$ 387	$ 320	82.7%
Register of Deeds Technology	$ 160	$ 163	101.8%	$ 130	$ 114	87.6%
Clerk Technology	$ 45	$ 40	88.5%	$ 50	$ 10	20.5%
Treasury Technology	$ 45	$ 40	88.5%	$ 39	$ 21	54.3%
Sewer System	$ 40,816	$ 37,401	91.6%	$ 45,356	$ 41,824	92.2%
Stormwater	$ 3,515	$ 3,530	100.4%	$ 4,235	$ 3,636	85.9%
Street & Highway	$ 7,030	$ 7,706	109.6%	$ 7,563	$ 7,276	96.2%
Sunflower Hills Golf Course	$ 875	$ 726	83.0%	$ 840	$ 718	85.4%
Travel & Tourism	$ 3,714	$ 3,619	97.4%	$ 4,348	$ 2,240	51.5%
Stadium	$ 443	$ 773	174.4%	$ 661	$ 599	90.7%
Special Assets	$ -	$ -		$ 4,250	$ 2,856	67.2%
Total Other Funds	**$ 81,694**	**$ 80,097**	**98.0%**	**$ 94,416**	**$ 85,328**	**90.4%**
Total Funds	**$ 350,402**	**$ 336,541**	**96.0%**	**$ 364,400**	**$ 335,642**	**92.1%**
County Library	$ 2,956	$ 2,955	99.9%	$ 3,124	$ 2,786	89.2%
Total ALL Funds	**$ 353,358**	**$ 339,496**	**96.1%**	**$ 367,524**	**$ 338,427**	**92.1%**

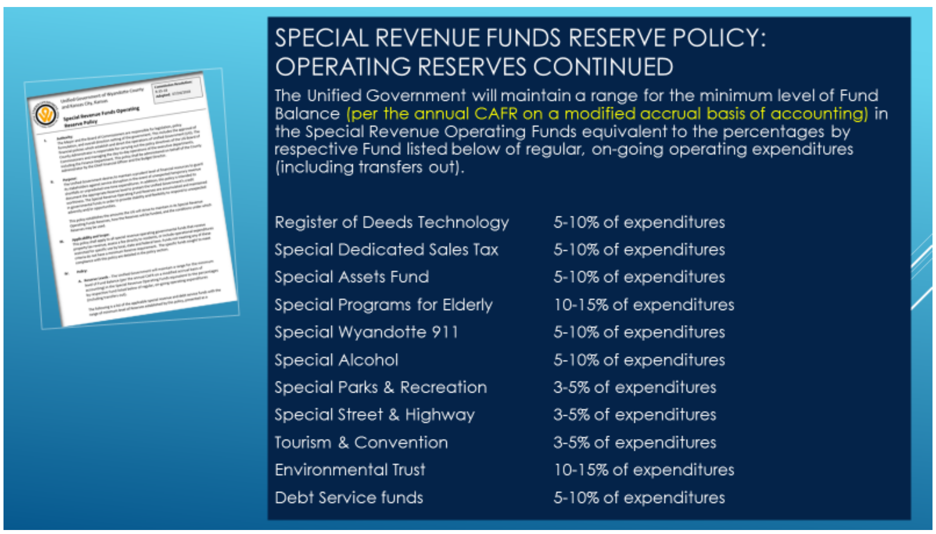
Here we have a view of all the funds. We have all the other funds that are included here. This includes like our Special Tax funds. Again, key thing to look for on the revenue side is it's good if we're over 100%; and then on the expenditure side, it's good if we're below 100%. We don't have anything over 100%. We have some things that are right at 100%. That means we spent up all the money.

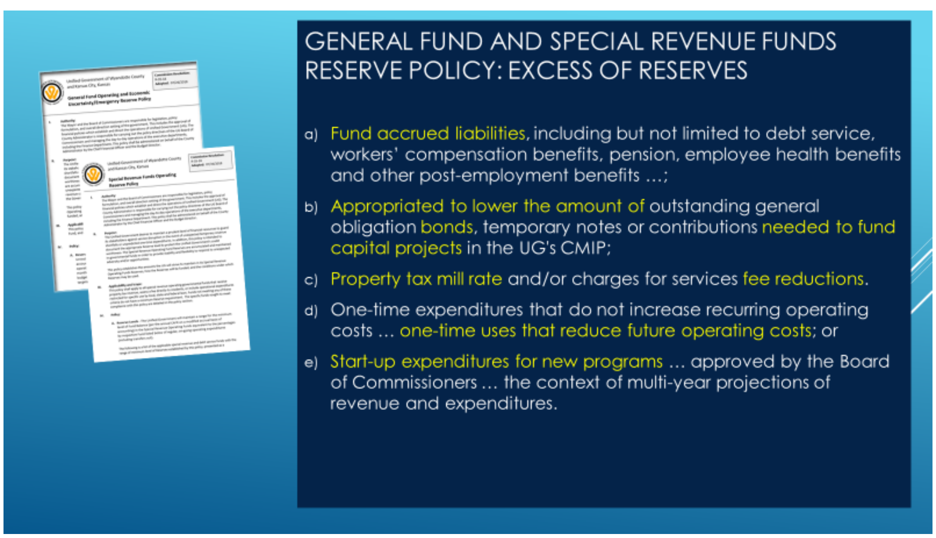


Ms. VonAchen said as I mentioned, just to rehash briefly, the financial policies reference the reserves and the use of the balances or the use of the excess above the target. Our Reserve Policy, as I mentioned, it refers to the CAFR modified accrual basis of fund balances, not the cash basis. We are going to be pulling all that together, those fund financial statements, in time for our next ED&F Committee meeting. At that time, we'll be doing those calculations and showing those to you. I think you remember last year, we demonstrated how, by fund, and how much the fund balance grew, or the net margin, and then what the new fund balance is. Then you can see what percentage of the expenditure that was and how that compares with the target for that fund.



For example, here are all the targets for the various Special Revenue funds.

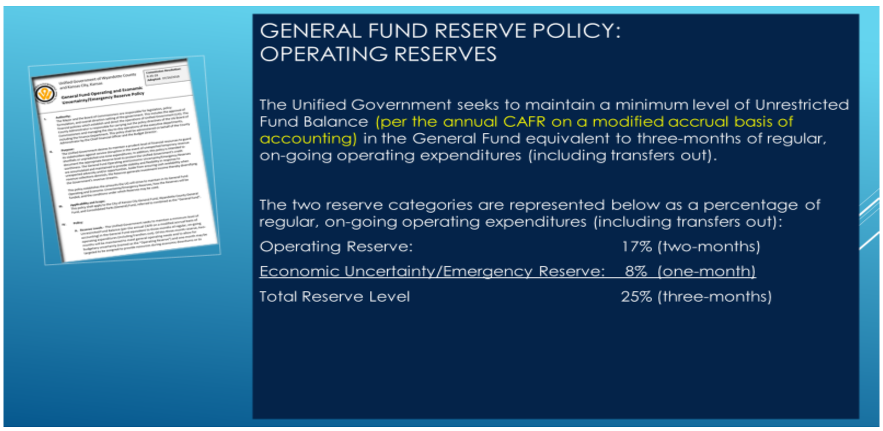




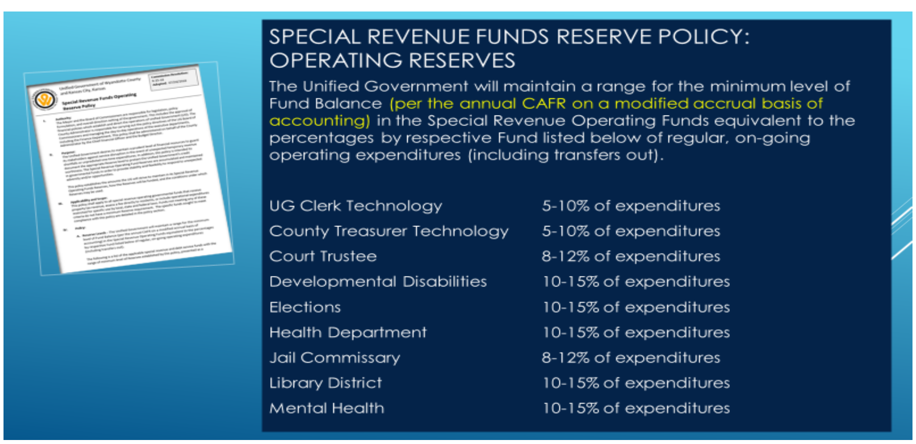
Here's the rest of the Special Revenue funds. There's quite a few of them.

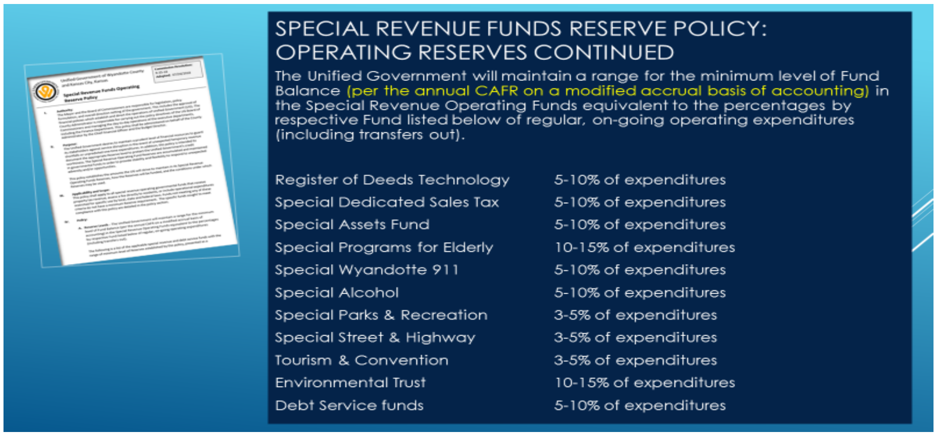
The excess of reserves—the five areas, just as a reminder, if there's excess, of course, we're not just talking General Fund, but also Special Revenue funds when they're available, is to fund maybe some accrued liabilities, pension, workers comp, and the Health Fund. We can also appropriate lower amounts toward special obligation bonds and increase the cash funded capital projects. We can reduce the property tax mill rate or any other kind of charges for services.

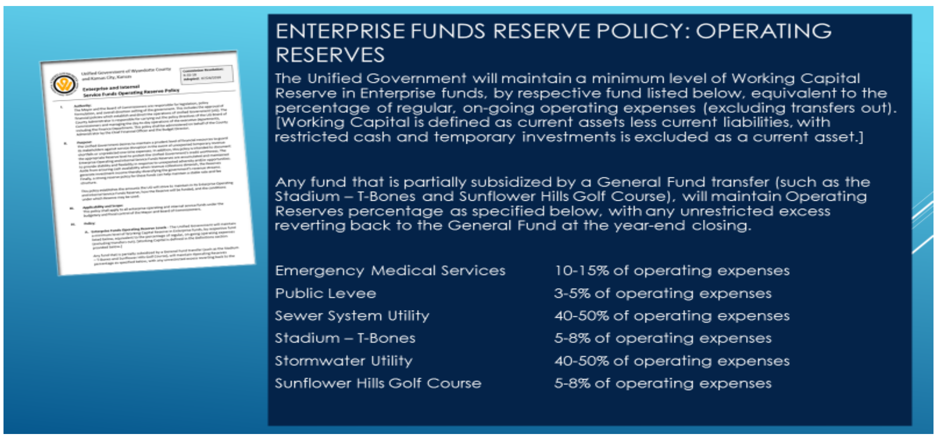
We can use one time, for one-time projects that would potentially—those projects would reduce operating costs in the future, or start a new program if that fits within the long-range financial plan.



This is the General Fund Reserve. It's a percentage. It's a minimum level of Unrestricted Fund balance based on the CAFR modified accrual basis. This is the target we're on right now. This would be one we may potentially work toward in the future.







These are all the targets for these respective funds. Then also the same applies for these Enterprise funds.

That's all I got for this presentation. **Chairman Burroughs** said I sincerely appreciate the time you've given us for our questions.

Action: For information only.

Item No. 2 – 19649…REPORT: FOURTH QUARTER BUDGET REVISIONS

Synopsis: Fourth Quarter Budget Revision Report, submitted by Reginald Lindsey, Budget Manager.

Reginald Lindsey, Budget Manager, said usually when we have budget revisions that are over $10,000, we send them to the County Administrator's Office. If they're over $50,000, they require the Mayor and the County Administrator's Office to sign off on. For the fourth quarter, we had 20 transactions. Of those, 5 transactions required funding from outside of the departments. The other 15 required funding from inside their departments.

Commissioner Murguia said over $10,000, the County Administrator; over 50 is the Mayor and the County Administrator. **Mr. Lindsey** said yes. **Commissioner Murguia** said no, I was here when we changed that policy. If it's over 50, it has to come back to the standing committee for the commissioners. **Mr. Lindsey** said if it's over $50,000 and its operational, it goes through the Mayor and the County Administrator. If it's a discretionary, it comes back to the Commission. That's like if we were going to be purchasing a piece of property or something like that; but if it's operational and something needed to make sure that operations at the Unified Government day-to-day can keep going. **Commissioner Walters** asked is that an interpretation that after our— **Ms. VonAchen** said no. **Commissioner Walters** said I remember them having that discussion when we made the new policy. **Ms. VonAchen** said no, I copied/pasted from the previous. The language was all—it didn't change. That part of the language didn't change.

Commissioner Walters said like Commissioner Murguia, I remember when we made the policy change. I don't remember having a discussion about whether it was operational or discretionary. I thought anything over $50,000 had to come to the Commission. **Ms. VonAchen** said whatever the language was prior to our changing of the policy, that's what it was in this regard. I didn't change it. We can always explore and discuss it and change the policy in the future.

Chairman Burroughs asked what would you guys like to do. I can have them restate the policy. **Commissioner Murguia** asked, Brian, were you here. **Commissioner McKiernan** said yes, absolutely I was. I'd like to just review because I thought I remembered anything $50,000 back here.

Chairman Burroughs said I might suggest at the next budget meeting that we have clarification on that piece of policy for the Commission's review. **Ms. VonAchen** said I can send you a link to our website that has all the policies and I can show you where it is. **Commissioner Murguia** said I believe that the policy—**Ms. VonAchen** said we can discuss at the next meeting. **Commissioner Murguia** said I believe you guys that what you're telling us is the policy. What we're saying is that that's not the policy change that we recommended or we talked about, or we approved. I believe you. Again, this has nothing to do with the two of you. We're just saying whoever. I don't remember who was here that we made the change with, but that wasn't what was said.

Commissioner Townsend said the benefit of this being taped is I'd like us to roll the tape because I remember both points. I remember, and I couldn't tell you what it was, but it had to do with the expediency of the change. I thought, I'm pretty sure there was discussion about a $50,000 amount. Just so we're all clear, I would like staff to go back the very last time this was discussed. I couldn't tell you when. We may have to enlist the assistance of Madam Clerk and her office on those key words and bring back the transcript so we can all, next time, be on footing. That's the value of having this taped and then we can go on. I think everybody's commissioner said, Commissioner Murguia said, we know you're cutting and pasting. You're bringing us what it was. Just so we, collectively, can recollect the discussion, I think I'd like to see the transcript so we can move on.

BPU Board Member Bryant said it may be that it is, it was the expediency factor that there may be situations come up that can't wait for the next meeting to be able to act upon. Even in those cases, it should come back and be notified of why it was made after the fact so that people are well aware; the public is well aware of why things are happening. Then we can kind of look at was it a one-time thing that was just an emergency, or did we not fund a situation correctly or expected result. **Commissioner Murguia** said that was the exact discussion that we had. **BPU Board Member Bryant** said I think so. **Commissioner Murguia** said is it to come back even after the fact.

Ms. VonAchen said I wanted to make two points. The first is that our accounting procedures require us to not exceed the budget at the fund level; any kind of revisions that are happening regardless of the amount. They're getting taken from other areas of the budget. We're not exceeding the budget, you understand. We're just moving funds amongst the line items. **Commissioner Murguia** said we're not spending money we didn't authorize. I don't think anybody is saying that. **Ms. VonAchen** said just wanted to make sure. **BPU Board Member Bryant** said I think most of it was understanding why the funds are needing to be transferred. The reasons behind the shortfall. **Chairman Burroughs** said when we see a budget revision of just $0.75M at the end of the year, $705,000, that's a significant amount of money. **Ms. VonAchen** said that's across all funds you realize, the $376M.

Chairman Burroughs said this is for information purposes only. We do have a commitment to bring back that information.

Commissioner McKiernan said I found the policy. **Commissioner Walters** asked four years ago. **Commissioner McKiernan** said it's the one that's currently posted on our website. **Commissioner Walters** said I think the whole thing is has there been (inaudible) over the years of what our original intent was. **Commissioner Murguia** said I'm not implying—I believe them that what the policy says it says, but the policy's not reflective of what we discussed then. That discussion that we had was about anything over $50,000, and we specifically said what Jeff said, that we understand some things require that action needed to be taken immediately, but the following meeting we should be notified.

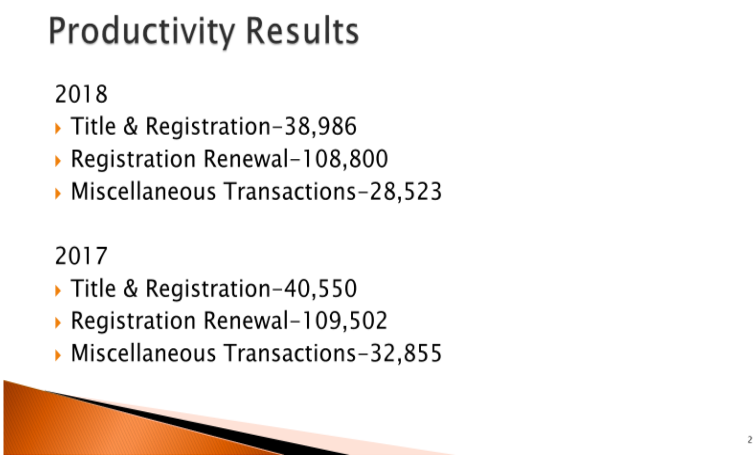
Commissioner McKiernan said that's what Item 7B here says, the County Administrator is authorized to approve budget revisions that exceed $50,000 for matters involving health and safety concerns, other emergencies, or to sustain ongoing operations, subject to the approval of the Mayor or the Mayor Pro-tem, if the Mayor is absent. These revisions will then be reported to the next scheduled meeting of the Economic Development and Finance Standing Committee. I guess the interpretation is, health and safety concerns, other emergencies, or to sustain ongoing operations. **Commissioner Murguia** said with that, I think we should look at the tape. I'm not sure that that policy reflects what was on the tape. **Commissioner McKiernan** said okay. **Commissioner Murguia** said I was here, and I do have a really good memory and stuff like that.

Action: For information only.

Item No. 3 – 19644…UPDATE: MOTOR VEHICLE REGISTRATION CUSTOMER SERVICE

Synopsis: Update on the performance of the customer service initiatives for the Motor Vehicle Registration Program of the Treasury Division from 2018, submitted by Kathleen VonAchen, Chief Financial Officer; Rick Mikesic, Director of Revenue/Treasury; and Andrea Parra, Deputy Treasurer.

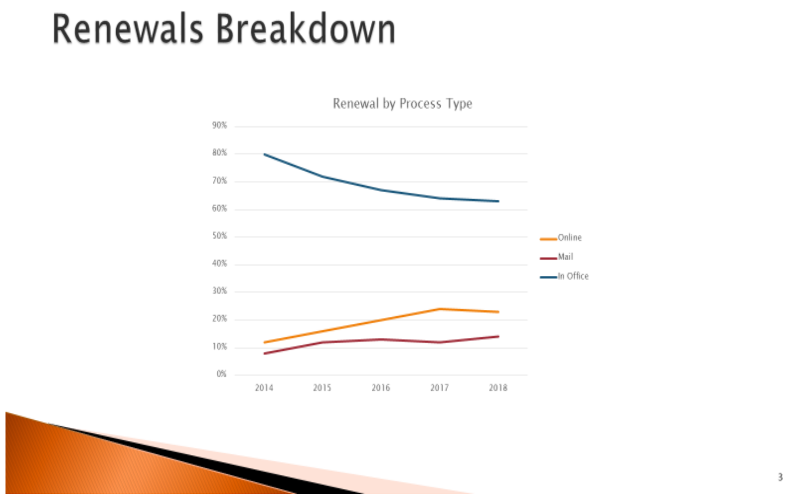
Kathleen VonAchen, Chief Financial Officer, said I'd like to introduce Rick Mikesic and Andrea Parra from the Treasury Division. They're going to be making this presentation. Andrea is going to be making the presentation, and Rick will answer any questions if you have any for him.



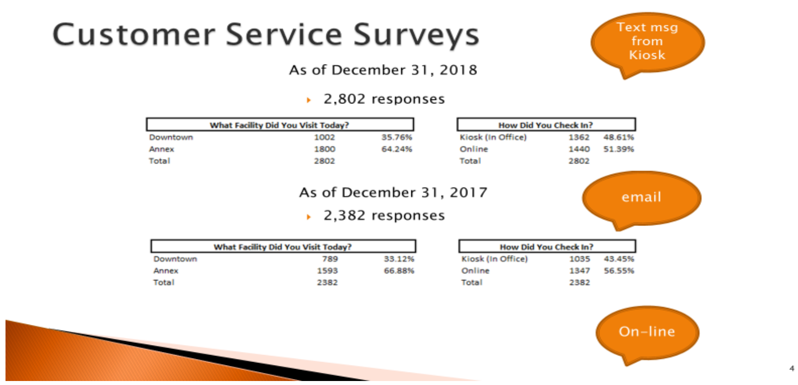
Andrea Parra, Deputy Treasurer, said we are here to present, kind of, what the last year looked like in Motor Vehicle. First thing we want to touch on is just kind of what we, as a team, produced. Just under 39,000 new titles and registration transactions. A little over 108,000 renewals; current, existing owners coming in to renew their vehicles.

I'd like to point out there was a section of about 30,000 miscellaneous transactions. That's going to include a lot of back office work. No cost transactions that are included in productivity at just a lower level of processing time. It is down from last year, as you probably can tell, either outside our control; people moving counties, leaving the state, things that we can't control.

Just some additional activity. We had a lot of staff leave in terms of going to different departments, getting promoted outside the organization, bettering their careers. There's some delay in business productivity, but we had more quality, I would say, than quantity this year.



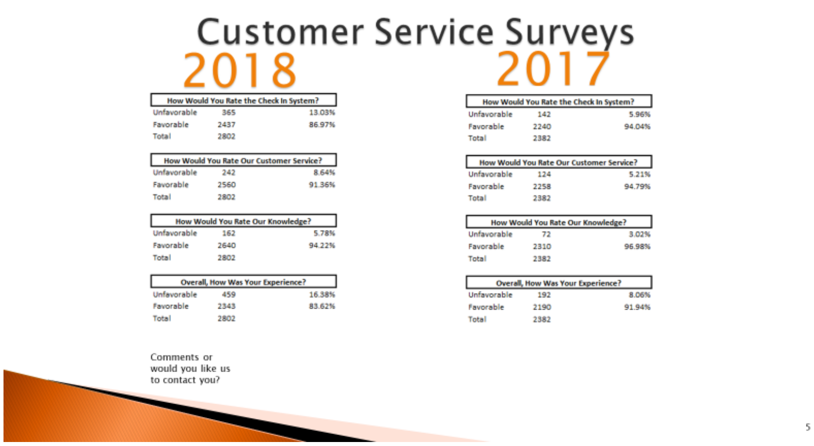
Quick idea, renewal breakdown. Rick and I have the idea that we're trying to get the lower percentage of what is the in-office to become online. We have lowered it by half. In 2018, about 23% of our renewals did their vehicles online, compared to 2014, it was only 12%. A few years difference. Obviously, PayIt is the ideal situation that went live this last April. We're about a year in from iKan through the motor vehicle at the state. Hopefully, those numbers and colors will be complete opposite here in a year or two is the goal.



If you do not know, we use the Awesome Q form site survey system conducted to each other. In 2018, we did about 2,800 surveys. We narrowed them down to about a 420 total count increase. Part of the whole idea of educating the county is also getting their feedback, good, bad or indifferent. Our staff pushed to make sure they talk about it at the beginning, the middle, and the end of every transaction, whether they got their ticket online or in the office. It's just something we mention. Hey, go online; rate our service; tell us how it was.

Chairman Burroughs said if I may, I just have to state, I had just went through this myself personally. The state's platform is horrible. I went through our local unit of government, streamlined, I was done in 20 minutes at the most. With the state, I spent three hours and still could not get into the portal. It was terrible. I just want to say thank you for the commitment to get this done for our community. **Ms. Parra** said unfortunately for motor vehicle, it was out of our control. We couldn't use PayIt. With the team, Allen, and PayIt themselves, we're making it more favorable for Wyandotte County specifically. Not just iKan, but myWyco is the goal. If we can make that better, he may address to that. We're willing to do what we can.

Alan Howze, Knowledge Director, said as Andrea gave an update, I think it was last month or the month before about the property tax payments. Again, the growth in online accounts, now we're above 4,000 in online accounts. A lot of that's due to the Treasury staff helping people get set up. That enables the ability to both turn them on to the tool and then allow for notification. Again, that graph she was showing in terms of the trendlines, you want to see more of that to go online. The more people we can kind of lock into online accounts, the more services we can layer on to that. It builds upon its own success.



The next slide just kind of shows a comparison of the results of those surveys. 2018 overall, you'll see the check-in system, 86% was favorable. A little bit low of 13% unfavorable. To be honest with you, the unfavorable is more foreseen circumstances that are not truly check-in, but our title exceeded the wait time. We can't help them. I think they kind of misunderstand sometimes what the actual check-in system issue is versus what I would throw in the customer service helping them or not being able to help them.

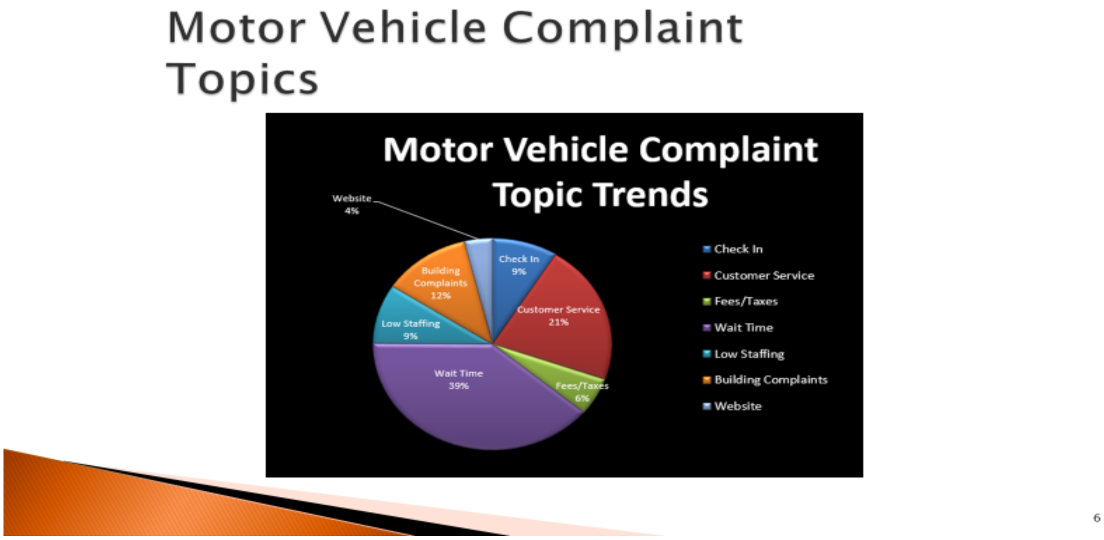
Hot topic for me, customer service is at 91%. My goal, personally, I can speak for Rick as well, is we would love that to always stay above 90%. We may not be able to help you, but how did we do while you were waiting. That's the goal, to make sure that we're always doing what we can even if the service is not provided at the time of business transaction.

Overall knowledge, 94%. A little lower than last year. We, I believe, personally, I've signed more PANs than I could ever tell you. Unfortunately, we're getting people in, they get promoted, or they leave our department; but we are strongly showing that education, elaborating on training, give them the understanding before they ever meet someone that they know what they're doing for the sake of first-time transactions.

Overall experience, 83%. Not as palatable as we usually are. We're usually at about 90% there. I just think we've been a little understaffed for the last few months. We're making do with what we have, but also making sure that customer service is not suffering for the sake of not having a full staff at the front-line level.

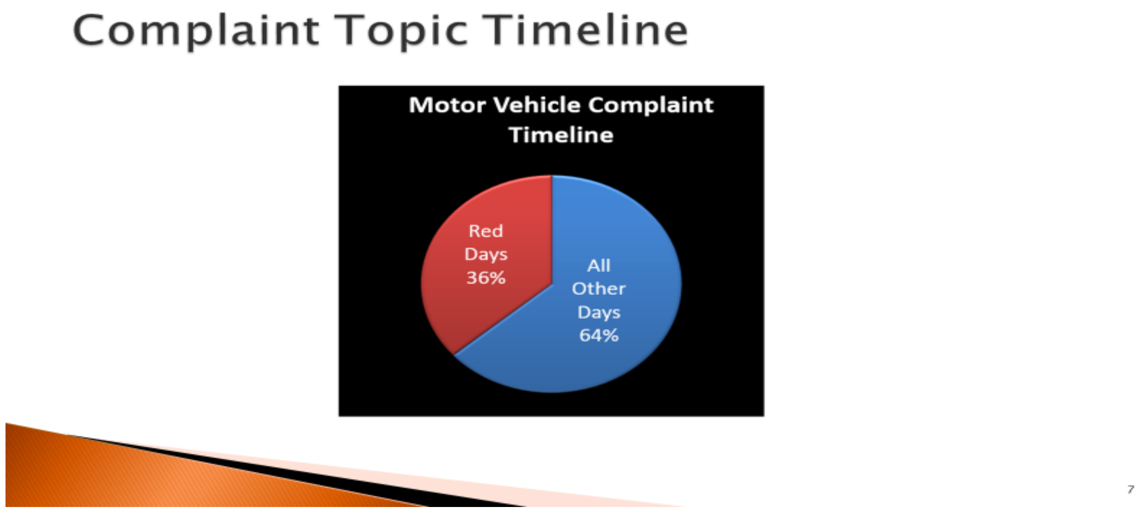
Commissioner Walters asked do you think the staff levels are responsible for the increase in unfavorable responses across the board. **Rick Mikesic, Director of Revenue/County Treasurer**, said Commissioner, during the year, we had 9 people that we lost from the front line. There's 14 people up there. The majority of the ones we lost, we lost 6 that transferred to other departments within the Unified Government, which I support because they're growing their career. Those are good people that are going and serving other parts of the government, but we have to replace them. I don't think there's any question that some of the areas where we started seeing some of our regression was due to having to replace such a large part of our group.

Of course, every time you lose a person, it takes us about 2 months to get them replaced in the door. Then there's a couple of weeks before they're really making contributions on the line. Nine people, that's 18 months of productivity we lost during the year on the line. I don't think there's any question that that played a role.



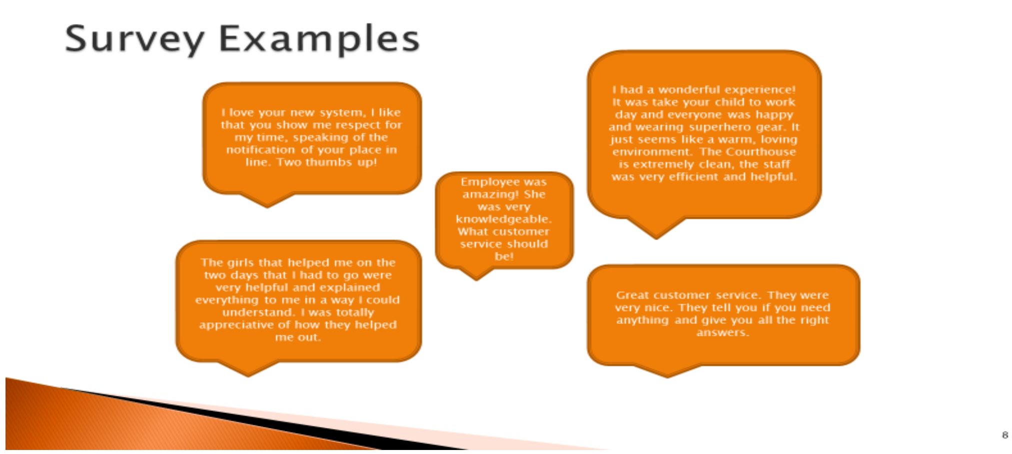
Ms. Parra said the next one would be a graph of what exactly you're looking at in terms of types of complaints. We mainly go through every survey every month and we track exactly the negative, or the not so palpable complaints; what they really attested to. Wait time will probably be the highest just because we are a large county with a lot of new titles, just under 38,000 new vehicles came in that 14 people have to register for the most part. The second highest would be customer service. Our goal is to lower those. There are some things outside our control here at the court house, area buildings. It's kind of high due to the parking situation that we see currently. Fees and taxes, out of our control.

We did this last year, add the website as a piece. That's not as strong a percent because I just added it Quarter 3 of 2017 and 2018. I noticed a big trend of people just having problems getting online. Checking in online. Seeing where those links are. Did some studies, other counties, and made it easier to see as best as we can. If we continue to see those surveys come back, we'll keep adjusting as we need.

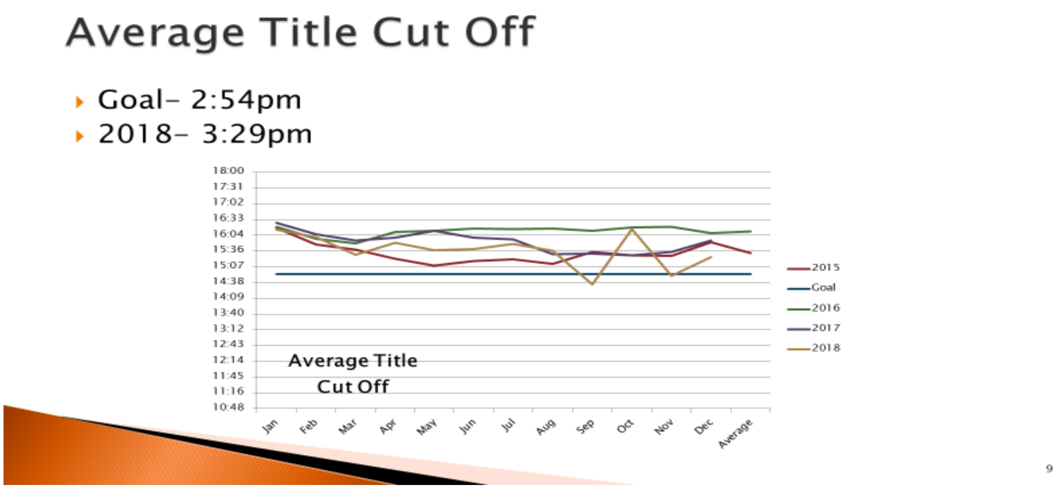


I just wanted to throw in this slide. It kind of dictates exactly what it looks like. With what you may have heard before, we call them red days. Four days out of every month we expect high volumes of service. They're the first two days of every month and the last two days of every month.

They only make up 20% of the whole month, but we only get 36% of our complaints on those days. We have everybody all hands-on deck, even staff to my level, if I need to, will be up there doing what I can to assist. If someone's gone, we have multiple staff that are out this last year as we mentioned, anybody that can do a motor vehicle transaction, we'll have somewhere helping out. The rest of the complaints would fall under the other days which is middle of the month, middle of the week, just random days, it's about 64%.

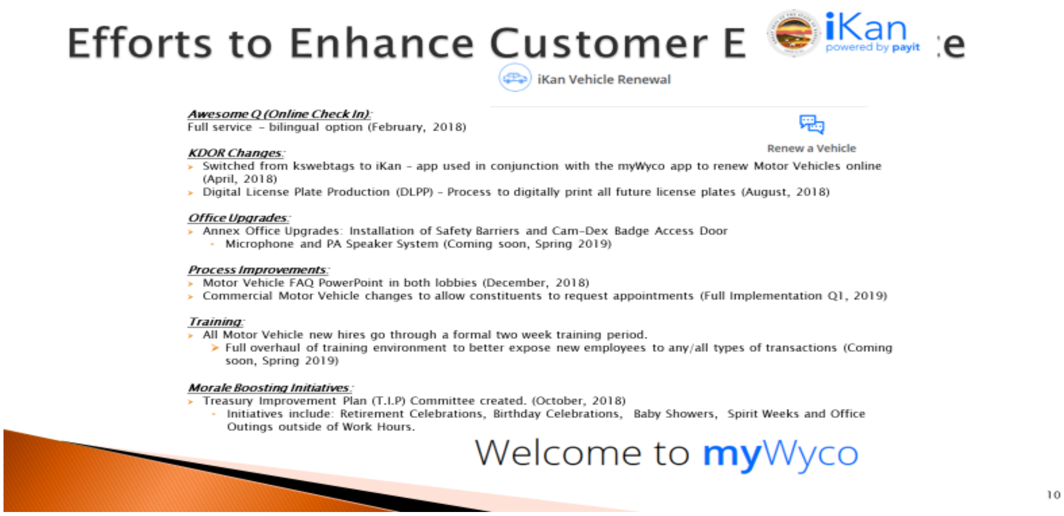


A few samples of some surveys exact from the website. Of course, names and personal information would have been pulled out. I can't tell you how many times I look just spot checking from time to time. Like Friday was a very busy day, 1 negative for 10 positives. It's really not just, you know, unfortunately, I had a bad situation. I'm here to report exactly how good they're doing. It's good to see, as a management level team member, that we really are doing what we say we want to do.



Title cut off slide kind of shows the goal. The goal is set up based on when we initially set up goals to cut title work off when we had one que for everything. It was a combination of five business days. Two days, Monday-Friday, we cut off; 2 was the goal. Then 3:30 is Tuesdays, Wednesdays, and Thursdays. Averaging out to get about 2.5. 2 p.m., no later than 3:00 is the goal to hit every day. As you see, we weren't at the goal, but we were very close to the goal.

It's noteworthy to know that this actually is the best year we've done in a really long time. 2016, 4:02 p.m. was the average time we cut off. 4:02 is amazing. We close at 5 p.m. We were fully staffed when I came back up in 2017. It was good to see and we're going to get there soon, but we're just not quite there yet.



A few efforts that Rick and the management team have started doing. It's kind of starting in a timeframe, full service, last February we added the bilingual option on our Awesome Q system. You walk in the office. You can fully start in Spanish to the end checking in and getting your tickets online or in office. That's a change to the kiosk. KDOR, as I mentioned earlier, we went live with iKan merging it with myWyco.

Another change that KDOR proposed, as you probably have heard, is the digital license plate production that went live last August. It's a huge change. 105 years getting your plate the same way can be quite hard to chew on, but we've got a lot of positive results. People are getting their plates quickly. From what I understand, there's not really a lot of issues there. The state is really receptive to helping out when something comes up.

Here at the local level, our office upgrades. We installed safety barriers and Cam-Dex badge access door out at the annex and are partially implemented with a new microphone and PA system there as well.

I started, again, a year-and-a-half ago. That was the first day that we did his walk-through. I told him that it's necessary. It's just a safety concern. We got it finally and we're almost finished with the full PA system, number system, that way anyone in the back of the office, front of the office can hear, lobby, you can hear your number called clearly.

As you may understand, the annex is probably our heavy volume office at this point. They are transitioning from what would have been the court house as our heavy hitter. The annex is now the busier office of the two. It was a very necessary need.

A few improvements. We added FAQ PowerPoint to both lobbies. One of our TVs was not really being utilized to its fullest so we took off what was on there, which was just an additional, where you are in line screen and now give them, I believe, it's a 20 plus page full: how do I do, what do I do, what do I need type of environment, if you haven't been to the lobbies. That way, if you are choosing to wait in line or if you need to sit in the lobby, you can kind of prep yourself on what you need before you get up to the window.

Another change we made that we, hopefully, have full implementation by the end of this last quarter. As far as I'm concerned, effective now, today, as we are pushing all constituents to do their CMV, commercial motor vehicle, transactions through email. They can request on an email address, we can review their paperwork, email it, send it in. They can even get to an invoice level, walk in and finish within 5-10 minutes. Commercial motor vehicle can take a minimum of an hour if you really are doing a full-service commercial transaction. It alleviated a lot of our wait time, and it's allowing upper-level staff to do this at the back-office level.

Training, as he mentioned, we do put the new hires through a 2-week training period. We've extended it a few days to allow for some additional training; some exposure from all levels of our staffing, from the front to the top, including myself and Rick. Shadowing, being able to really see what you're going to be doing before you're doing it. We're also going through a full overhaul of training, which is, we just started this last spring. Now, we're trying to get every person involved, again, like I said, up to Rick and I.

A few other items we did. We implemented what's called the Treasury Improvement Plan. It's called TIP. It's a committee of our own employees that are part of recruitment, retirement parties, birthday celebrations, all kinds of spirit weeks. They meet, they have a newsletter. It's pretty cool to see your own staff talking about what we want to improve on from our last October training and really working with each other.

Commissioner Walters said I have a comment. From my personal experience and from just the comments I get from residents, I think things are better in 2018 than in 2017. I'm sorry the data doesn't really bear that out. I'm glad to see the status of the process improving, so good for you. **Ms. Parra** said thank you. **Mr. Mikesic** said I'm happy to hear that. Thank you. **Chairman Burroughs** said thanks for all your work. It's really appreciated very much.

Action: For information only.

Item No. 4 – 19645…ORDINANCE: REDEVELOPMENT DISTRICT PLAN FOR PROJECT AREA 1 IN THE DOWNTOWN GROCERY REDEVELOPMENT DISTRICT

Synopsis: An ordinance making findings and adopting the Redevelopment District Plan for Project Area 1 in the Downtown Grocery Redevelopment District, submitted by Katherine Carttar, Director of Economic Development.

Downtown Grocery Store
Economic Development & Finance Committee
April 1, 2019

Katherine Carttar, Director of Economic Development, said we've got two items on the docket today. I will just first start kind of drawing your attention to the rendering of what is proposed to be the downtown grocery store. This is not exactly how it's going to look. We've already made some tweaks. Some of the colors, going to have some more of a brick type of facade, that canopy is not going to be quite so large, and some other things, but that's kind of the general idea of what it's going to look like.

This did go through the preliminary design plan. It went through the Planning Commission, as well as Full Commission just here last week. The final design plan will go to Planning Commission on the 8th of April, one week from today.

This is Chris Lucas, sorry. I should introduce my visitor. Chris Lucas is with Sunflower Development. They're assisting us on some of the financing. He'll be talking about new market tax credits so stay tuned.

Downtown Grocery Store Financing

- Requested actions tonight:
  1. Ordinance: Redevelopment District Plan for Project Area 1 in the Downtown Grocery Redevelopment District
     - If approved tonight, this ordinance will be voted on after the public hearing on April 11
  2. Resolution: Creation of Two Nonprofit Corporation
     - The resolution authorized the UG to create the two non-profit entities that are required to received the New Market Tax Credits

A couple of things. Tonight, what we're going to be looking at is an ordinance that would approve the project plan for the TIF. Back a couple of months ago, you approved the entire district, kind of the boundaries, and this would be specifically for that Project Area 1. The second is a resolution to create two nonprofit entities. This has to do with new market tax credits. We'll get into what all that means here in a minute.

Before we get more specifically into these two items, we do want to go through and give you an update on the grocery store financing. This is something we've been working on very diligently trying to make sure that we are the best stewards of public taxpayer money, as we possibly can, and make sure that we're able also to provide a grocery store that will be able to serve the entire community, a full-service grocery store, all of that.

Downtown Grocery Store Financing

Project Costs (Uses of Funds) Total sq. ft: 14,000

Item Description	Estimated Cost
Land Acquisition and Title Costs	$27,500
Construction Costs*	$3,197,625
Soft Costs – Professional Services*	$787,826
Fixtures, Furnishings & Equipment	$1,530,000
Contingency	$277,049
Cost of Issuance	$30,000
Opening – Start Up Fund	$150,000
Total Estimated Project Costs with Contingencies	**$6,000,000**

** Of these costs, only an estimated $913,021 are eligible to be paid with TIF dollars.*

I will draw your attention to—this is kind of the large bucket that we're looking at. Title costs, $27,000. The big ones, of course, are construction costs. That's hard costs, just over $3M. Soft costs, that's all your architects, engineering, all that good stuff. Fixtures, furnishings and equipment, $1.5M. That would be all the refrigeration, all of the shelving and lighting, and all of that, that would be inside of this store. Contingency, that's 5% of each of the construction costs, the soft costs, and the fixtures, furnishings, and equipment. Cost of issuance, there will be some bonds that are included in this project. Then the opening, kind of start-up funds, $150,000. This is just to ensure that we have all the staff trained and all the items are ready to go when we said they will be. All of that, we get to $6M. I do want to point out that if we are moving forward, ideally with a TIF, all of these costs, we only have about $900,000 of the costs that are TIF eligible costs.

I will pass it over to Kathleen to explain where the sources of these funds come from.

Downtown Grocery Store Financing

Project Funding (Sources of Funds) Constant $ Over 20-yr Period

Item Description	Estimated Cost
Property Tax Increment (GO TIF Bonds)*	$913,021
Sales & Use Tax Revenues (GO Bonds)*	$819,580
UG Cash Contribution (Special Asset Fund)	$2,050,000
LISC Loan (15-yr, 3% interest rate – Healthy Food Financing Initiative)	$1,237,500
New Market Tax Credits (Net of all fees & costs)	$1,000,000
Grocers' Revenue Sharing	TBD
Total Estimated Project Costs with Contingencies	**$6,020,101**
** Net present value = 3.3%*	

Kathleen VonAchen, Chief Financial Officer, said we have been working on a pro forma. We've worked closely with Chris Lucas, who's joined us, as well as other members of the financing team and bond counsel. Of course, these numbers will still move slightly, but this is our projections of the various sources of funds to pay for the $6M project.

We are anticipating to dedicate $913,000 in property tax increment. Keep in mind, that's the limit because there are state statutes that limit the type of costs that can be reimbursed from property tax TIF. In reality, if we were to provide 100% TIF for the entire 20-year period, the total on a net present value equates to $2M. There is an excess of the amount that we are able to spend which we hope to be able to utilize on other development projects for the other project plans, or project areas surrounding Project Area 1.

The sales tax, sales and use tax revenues, this is the revenue generated from the grocery store itself. I will talk about some of the assumptions in the following slides. This is over a 20-year period as well. UG cash contribution of $2M, which is coming from the Special Asset Fund. In 2018, there was a $4M appropriation for projects, and we utilized $2M. Actually, we transferred $2.4M at yearend because we were still working on this per forma. Since then, we finalized it. We transferred a little bit too much. Ultimately, at the end of the project, we'll move the funds back to the Special Asset Fund. $2M out of the $4M, there remains a substantial amount remaining in that fund for other projects as well.

We are also looking at a LISC loan. This is actually going to be paid for over 15 years, at a low interest rate of 3%. It's part of their healthy food financing initiative. These two amounts here are being funded at the moment by a temporary note that we issued for 2019. Once the project is completed, then we'll go to permanent financing, as we typically do, but they'll be a TIF and then a special obligation backed by the General Fund. Right now, during the construction period, they're part of the temp note that we issued in February. Whereas this one will be, because of the loan structure, this one will be a private placement, GO backed private placement, which we'll be doing later on this year.

The new market tax credits, we're estimating net of all fees and costs to be $1M. Then the grocer's revenue sharing is an amount to be determined. The total project estimate equates to the same amount as the project cost, or a little bit over. Our net present value, these are all net present value figures, we're using 3.3%, which is the same as the UG borrowing cost.

The next four or five slides have details of the assumptions for each of these revenue sources.

Commissioner Murguia asked what's the $150,000 startup fund for again. **Ms. VonAchen** said that was part of the development agreement. Katherine can talk about that. **Ms. Carttar** said that was something that was in the management agreement. It's basically to cover all opening costs. It's, I believe, fairly flexible. I'd have to go back and see exactly what that covers, but it's to make sure kind of the time between the time the building is complete and then the time that it actually opens it kind of gets everything in place for an opening.

Commissioner Murguia asked what in the world could cost $150,000 once the building is built and we have a grocery provider. What could cost $150,000? You mentioned earlier when you started, you said it was for staff training. Hopefully, we're not hiring and training staff for the grocery store because that's supposedly why we have a grocery tenant. I want to know what in the world could cost $150,000. I mean surely not a banner and balloons. I mean, I want to know. I mean I understand it's a $6M project, but I've just never seen that.

Ms. Carttar said I want to make sure I am explaining it correctly. If you are fine with it, I will email the entire group with exactly—**Commissioner Murguia** asked you said it's outlined in what agreement. **Ms. Carttar** said the management agreement with the Merc. **Commissioner Murguia** asked who saw that management agreement. Did we see that management agreement? **Ms. Carttar** said yes. It came through the Commission. **Commissioner Murguia** asked so the management agreement came through and it detailed there what the $150,000 was supposed to be assigned. **Ms. Carttar** said yes. **Commissioner Murguia** asked if I look up the management agreement, it will tell me that. **Ms. Carttar** said it should.

Commissioner Walters said I have a quick question on a slide before you—I'm confused by estimated cost. Is that the tax increment, for example? **Ms. VonAchen** said clearly the table got copied and pasted and someone forgot to change it. **Commissioner Walters** asked what should that be titled. **Ms. VonAchen** said Estimated Revenue. **Commissioner Walters** said estimated revenue. **Ms. VonAchen** said yes, sorry. **Commissioner Walters** said okay, thank you. **Ms. VonAchen** said see it's the same. **Ms. Carttar** said sorry about that. **Ms. VonAchen** said good catch.

Property Tax Increment (GO-TIF) Assumptions

- Market Value on property at $3 M above the base value
- 25% Commercial Assessment Ratio
- Property value future growth rate 2.9% (8 yr average)
- Total mills of 148.223 (Community College, USD 500 School District & Library, SMID. Excludes 29.5 mill reduction related to schools and the State of Kansas not subject to TIF due to statutory "hold harmless" provision)
- Project clock begins 2019 to 2038 (20 years)
- **Total est. TIF revenues - $2,845,742 or $2,032,262 NPV at 3.3% GO borrowing rate for 2019; Only $919,021 are for PA #1 TIF eligible costs**

Ms. VonAchen said property tax increment, I'm going to go over these real quick. We are valuing the property once it's completed. We're estimating it to be $3M. That has an assessment ratio of 25% because it's commercial. We're projecting that property value will increase by 2.9% annually. That's based on an eight-year prior year eight-year average. Over the future term, 2.9% per year. Total mills are 148.223 and includes all of those jurisdictions. It does exclude 29.9, which is the amount that is, by statute, we're required to hold harmless. That's why you're probably expecting about 180 or 170, a high 170, it's because we have to deduct out that 29.5 mills.

The clock would start, we're anticipating in 2019. The total revenues from TIF, as I mentioned before, are $2.8M, or $2M on a net present value basis. Only $919,000 can be paid for project costs in Project Area 1.

Sales & Use Tax Assumptions
[moderate scenario]

- Grocery Sales conservative assumption based on MERC Market Study
  - $385 per/sq ft. with 9,500 grocery retail space, or uninflated at maturity $3.65M
  - Taxable sales discounted by 40% to account for SNAP clientele
  - Sales Maturity Step-Up: 1st Year-25%; 2nd Year-75%; 3rd Year-80%; 4th Year-85%; 5th Year-90%; After 100%
- Annual sales growth rate (inflator factor) 2.5%
- Local sales & use tax rate – 1.0% City and 0.938% County (excludes Bonner Springs and Edwardsville portion of county sales tax rate)
- **Total est. revenues - $1,179,948 or $819,580 NPV at 3.3% GO borrowing rate for 2019**

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Sales tax assumptions. The grocery store is conservatively based on the latest Merc study, which included the grocery store in its current location. We had a previous study that had the grocery store on 10th and Minnesota, but we had them update that. Their projection is $385 per square foot. We have 9,500 retail space. That isn't the total space of the building. That's just the specific grocery store sellable square footage where actual sales happen.

If uninflated, if you just did the math, it's roughly $3.65M annually. We have had to discount the taxable sales, which is that number there, by 40% because this is based on to account for our expectations of SNAP clientele. That is based on data that we've determined from Sun Fresh. There is a ramp-up of the sales. We have the first year at 25% because there is a late opening. The second year is 75, third year 80, fourth year 85, 90 and 100. These are the same ramp-up or step-up percentages that Merc recommended in their study.

We are using a growth rate of 2.5%. Of course, the local sales tax is 1% for the city and .938% the county portion. There is no CID. The total actually over the 20-year period is $1.1M on a net present value of 819. That's how much those bond proceeds will be for tha, once we take it out.

General Obligation TIF Bond:
Secured by Property Tax Revenue Pledge

- Bond proceeds preliminary - $913,021
  - Includes Only TIF-eligible project costs
- Terms (preliminary) – 3.3% interest rate, level debt service for 20 years
  - Debt Service to be restructured at time of issuance
- Payments (preliminary) - $63,084 annually beginning in 2020
- No cap interest or debt reserve at this time
- To be included with UG annual GO issuance, as a TIF Bond
- Avg Annual Revenue Stream - $149,776
- Early pay-off expected with future revenues potentially used for other project areas

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Back to the bonds. On the TIF side, as I mentioned ,we issued temporary notes. In the future, we'll have general obligation TIF bonds, $913,000, which are only the projected TIF eligible costs. We're using a 3.3% interest rate over 20 years. The payments would work out, if we were to pay them on a level basis over the 20 years, would be $63,000 a year beginning in 2020. We don't have any capitalized interest because we're not issuing the bonds until after the construction is already completed. Since they're general obligation backed TIF, we don't need a debt reserve. The annual revenue stream is $149,000 or almost $150,000. You can tell that this bond issue is likely to get paid off early. We can use the difference between those funds, set them aside and dedicate them for another project area adjacent in the same TIF district.

General Obligation Bond:
Expected Repayment by Sales and Use Tax Revenue

- Bond proceeds preliminary - $819,580
  - Proceeds may be used for any project costs
- Terms (preliminary) – 3.3% interest rate, level debt service for 20 years
- Payments (preliminary) - $56,628 annually beginning in 2020
  - Debt Service to be restructured at time of issuance
- No cap interest or debt reserve at this time
- To be included with UG annual GO issuance
- Avg Annual Revenue Stream - $59,997
- Avg Debt Service Coverage-1.04x;
  - Debt Service to be restructured at time of issuance

On the sales tax side, if we were to issue these as special obligation general fund backed, the proceeds would be $820,000, same interest rate as with the assumption for the TIF. The payment would be $56,000 beginning in 2020, saying there's no cap interest, cap eye, there's no debt reserve. The annual revenue stream is averaging about $59,000 or $60,000, kind of depends because we have those initial years where there's a ramp-up so there's a little bit of shortfall at the beginning years but then it picks up at the tail end. The average coverage is 1.04.

UG Cash Contribution:
Special Asset Fund

- 2018 appropriation available - $4 M
- Plan of Finance – includes $2,050,000 cash (transferred to project in 2018)

As I mentioned, there is a $4M appropriation available in '18 out of the Special Asset Fund. We transferred $2.4M to this capital project for the downtown grocery store.

LISC Loan:
Private Placement Secured by UG Annual Appropriation Clause

- LISC Loan proceeds estimate - $1.25 M
- Terms (preliminary) – 3% interest rate; level loan pymts for 15-years
  - 3% preliminary blended rate considering the addition of 0% Healthy Food funding source
- Payments (preliminary) - $104,708 p/yr beginning 2020 to 2034
- 1% loan origination fee; no loan reserve
- Expected repayment source is Grocer's revenue sharing – more details on next slide; Secondary UG commitment to make annual appropriations sufficient to repay if revenue sharing is insufficient
- Average Annual Revenue Stream - $118,666
- Avg Loan Payment Coverage-1.02x; ranges from 0.09x to 1.27x
  - Loan payments could be restructured at time of closing

The LISC loan, as I mentioned, that's going to be a private placement secured by UG annual appropriation clause. The loan itself is $1.25%. It's going to be 3% for 15 years. That's sort of a blended amount. They have a 0% healthy food funding source, which they are going to be supplementing with some other funding sources within their organization internally in order to get the 3% low rate. The payments would be roughly $105,000 a year. It does include a 1% loan origination fee which would be netted from the loan proceeds.

We're still discussing the expected repayment source, but we're still working through that. The actual backing would be an annual appropriation from the fund that we'll discuss in the future with you. We haven't decided which fund to go with.

Now we're going to get to the new market tax credits where I'm going to have Chris Lucas talk more about this.

New Market Tax Credits:
Central Bank of KC

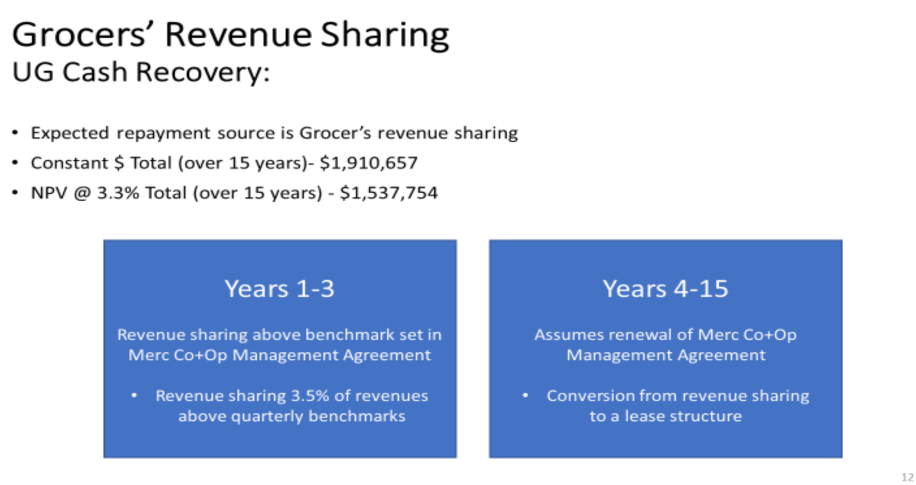
- Term sheet from CBKC for $7 million in allocation
  - Gross NMTC equity net of closing fees = $1,556,300
- Annual fees = $59,500
- Estimated **net** benefit after 7 year compliance period = $960,000
- NMTCs is a soft loan which is purchased by UG's non-profit for $1,000 at the end of compliance period
- UG's non-profit forgives loan effectively making it a grant

Chris Lucas, Sunflower Development, said we've been working to help secure new market tax credits to help offset the costs of development for this project. We were fortunate enough to have more than one CD actually look at this project and want to invest in the project. We're in final negotiations on the term sheet with Central Bank of Kansas City, which has committed $7M of new market tax credits. That $7M of tax credits nets to about $1.55M in gross new market tax credit equity after closing fees, attorneys fees, and CD fees. The CD is Central Bank of Kansas City. They are the group that has the allocation of tax credits. That's what it's called.

The annual fee, with the new market tax credits over the 7-year compliance period, will be $59,500. Then we're estimating your net benefit at the end of the day to be $960,000. When

I say that, I mean that's every fee paid, the 7 years of compliance, everything to when you close the transaction in 7 years. That will be with the UG nets.

New market tax credits, I don't know how familiar you are with them. It's essentially a soft loan to the Unified Government, which gets purchased at the end of the 7-year period for $1,000. The UG is able to buy that loan to themselves for $1,000 and just extinguish it. Essentially, it's written off; the nonprofit writes it off. That's how all the nonprofit transactions occur. It's a great benefit to these types of projects that serve communities.



Ms. VonAchen said the grocer's revenue sharing piece, this is an estimate that they expect. It's kind of broken up between years 1 and 3 and then years four 4 through 15. Years 1 and 3 is the discussion of what is included in the management agreement with Merc that was approved back in October. In there, it says that there is a revenue sharing back to the Unified Government, 3.5% of revenues above the quarterly benchmarks, which are detailed in the exhibit of the agreement. Then after that, assuming that we continue with the Merc, the assumption here with these figures above is that we would convert it from a management agreement to a lease structure.

Based on a lease structure, given certain percentage per square foot, an annual inflator, what we're estimating is that on a constant dollar basis over the 15-year period, will generate $1.9M in grocer's revenue sharing back to the UG. On a net present value basis, that totals $1.5M. These are the amounts that we're expecting will offset or pay back the UG for the $2M that we're contributing in cash up front.

Ms. Carttar said, Commissioner Murguia, I did just pull up the management agreement. It's in Section 5.2, called Grand Opening Fund. It states it's basically a fund to pay for things 60 days prior to the opening. That includes program for employing and training grocery store personnel, advertising, promoting and marketing the grocery store, and initiating and carrying out all such other and further activities reasonably deemed necessary, such as initial inventory and another startup costs.

Commissioner Murguia said so it does say training employees. **Ms. Carttar** said yes, it does. **Commissioner Murguia** asked what is the Merc doing. Why are we involved in the Merc's HR? Why are we training employees? **Ms. Carttar** said I think it's more of a startup before they actually get money coming in. **Commissioner Murguia** said I've never in my life heard of anybody training other businesses employees, anywhere. Not in business, not in government, anywhere. Why are we training another businesses employees? I don't understand.

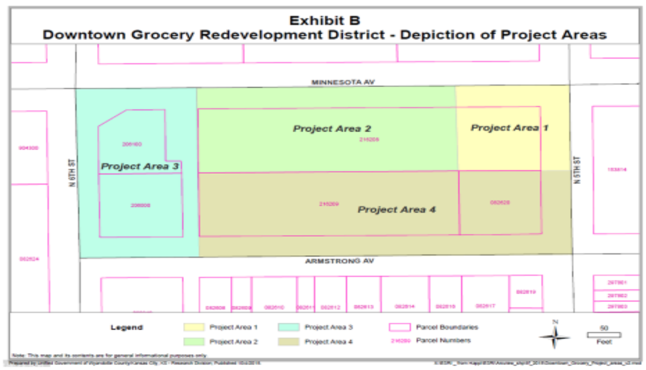
Ms. VonAchen said I think it's actually to provide the working capital up front so that they have the funds so that they train the employees, not—**Commissioner Murguia** said so now we're paying the Merc to train their own employees. **Ms. Carttar** said these would all be new employees from the community, but yes. **Commissioner Murguia** said that's fine; ridiculous.

Commissioner Townsend said I just had a question to follow up on that. Whose employees are they really? They're working at the Merc. **Ms. Carttar** said they're Merc employees. We will not be employing any of them. **Commissioner Townsend** said okay.

Commissioner Walters asked all the numbers projected revenue, all that came from Merc, right? **Ms. Carttar** said no. **Commissioner Walters** asked the sales revenue. **Ms. Carttar** said it was a third-party market study that we had done. **Commissioner Walters** asked that's Merc's projections. **Ms. VonAchen** said well it is a third-party consultant. **Commissioner Walters** said its third party. **Ms. Carttar** said market study. **Ms. VonAchen** said yes.

BPU Board Member Bryant asked will there be any requirements for hiring from within the county. **Ms. Carttar** said it should be 100%.

Redevelopment District
Project Area 1



Ms. VonAchen said I think there are a few more slides. **Chairman Burroughs** said okay. **Ms. Carttar** said we are ready for the actual action. Just a reminder, Project Area 1, that's all we're talking about in terms of the TIF area and project area that we're approving tonight.

Commission Actions for TIF Formation

Action Items	Dates
Resolutions: Authorize execution of Merc Co+Op Management Agreement Authorize CAO spend up to $6 M for design and construction of grocery store Set public hearing date establishing TIF District	ED&F – August 20th Commission – August 30th
Public Hearing & Ordinance: Approve formation of TIF District	Commission – October 11th
Present Project Area #1 Project Plan for finding of conformity with Master Plan	Planning Commission – February 11th
Resolution setting project plan public hearing date	ED&F – March 4th Commission – March 7th
Ordinance: Approve Project Area #1 Project Plan	ED&F – April 1st
Public Hearing & Ordinance: Approve Project Area #1 Project Plan	Commission – April 11th

Just a reminder of, kind of, what we've done to get here in terms of the TIF formation.

Commissioner McKiernan said I'm just curious. Are we supposed to—we've got two items, Items 4 and 5 on our agenda. Are we supposed to take action on four at this time? **Ms. Carttar** said yes. **Commissioner McKiernan** asked or wait until we've gone through everything. We're now at requested action for tonight, No. 1, ordinance, redevelopment district plan. **Carttar** said yes correct.

Chairman Burroughs said I think there has been a little bit of confusion, Katherine, with everything that's been presented in this presentation. Is there any overlap between the two in this presentation, between four and five on the agenda this evening? **Ms. Carttar** said it all has to do with financing which is why we have a long presentation about the financing. At this point for Item No. 4, the ordinance, that is specifically to approve the project plan for the TIF area, which has to do with the—**Commissioner McKiernan** said if you're asking for action on this, I would move that we approve the ordinance for the Redevelopment District Plan for Project Area 1.

Action: **Commissioner McKiernan made a motion, seconded by Commissioner Townsend, to approve the ordinance.** Roll call was taken and there were six "Ayes," Bryant, Walters, Murguia, Townsend, McKiernan, Burroughs.

Item No. 5 – 19650…RESOLUTION: CREATION OF TWO NONPROFIT CORPORATIONS

Synopsis: A resolution authorizing the creation of two Kansas nonprofit corporations (KCK 501 Minnesota, Inc. and KCK 501 Minnesota ALL, Inc.) and applications to the IRS for status as exempt organizations under 501(c)(3), submitted by Katherine Carttar, Director of Economic Development.

Chris Lucas, Sunflower Development, said without getting into the weeds on all the tax credit intricacies, every new market tax credit project similar to this has two entities that are created. One that essentially becomes kind of takes your aggregate capital that you have and invest it through the new market structure to leverage those tax credits.

The second being the owner of the project, which in this case, is another nonprofit that you guys own and control. Both of those entities are 100% controlled by the Unified Government; have decision-making authority, are only enacted specifically for this project, and that's it. At the end of the 7-year period, they essentially get dissolved. I'm happy if you want to talk one-on-one or now about that structure, but it's just part of the new market tax credit structure on these projects.

Commissioner Walters said I have a question knowing nothing about this. Who manages these not-for-profits? **Mr. Lucas** said it's a Board that's, I don't remember. They were talking about who were going to be members of the Board, but it city folks. **Katherine Carttar, Director of**

Economic Development, said effectively, it's a pass-through, kind of thing. The County Administrator, the CFO, Director of Economic Development, Director of Public Works, and the Executive Director of the Wyandotte Economic Development Council will be one, and then those same four UG employees plus the Director of the Downtown Shareholders for the other one. There are two different Boards.

Commissioner Walters asked are all the outside parties volunteering their time for this. **Ms. Carttar** said correct. **Commissioner Walters** said, alright, thank you.

BPU Board Member Bryant said my comment isn't necessarily about this, but it's about the previous thing we were talking about. Looking at the repayment, roughly the $2M, the UG is outlaying the $2M now. The value of $2M today, with a repayment of roughly $2M 15 years from now, will not have the same value that it has today. **Kathleen VonAchen, Chief Financial Officer,** said I applied the net present value. **BPU Board Member Bryant** said yes, but it will not buy—then you're also outlaying $150,000. In my opinion, it almost looks like a start-up fund that hopefully when it comes time to do the ownership agreement with them and they move on into the lease area, that something can be done to recoup that money. As more as, this is not necessarily a gift. This is a loan to help you get started but expected to be repaid in time.

Ms. VonAchen said the grocer's revenue assumption assumes that revenue sharing, that from year 4 on, it would be a lease structure. The Merc could also decide to buy the building from us and then we get the money all upfront. **BPU Board Member Bryant** said if the revenue picks up at a quicker pace than the expectation that's great because the revenue sharing would bring more dollars back. If it caps out where it's expected before it switches over to a lease, then you have a set number of dollars and that's all you're going to bring in from the Merc. Mine is that making sure that when the agreement is done at the end, that those outlay dollars are recouped as much as possible, so they understand it was not a gift. This is a business proposition.

Chairman Burroughs said I would draw your attention to the information in your book in reference to the articles of incorporation and the Board of Directors, the additional member. It clearly explains what the responsibilities of the Board members are. I know that was a question that I raised when I initially saw this information. I would encourage you to read over that. If you have any questions, the fiduciary responsibility falls back on the LLC. Once we give them the authority to do what they need to do, it will fall in their lap and it would be out of our hands. It does have to approve the LLC.

BPU Board Member Bryant asked do we have to act on that to move this. **Chairman Burroughs** said yes. We do have to take action on this item this evening.

Action: Commissioner Townsend made a motion, seconded by Commissioner Bryant, to approve.

Commissioner Murguia said I don't have a question. I just want to make a statement publicly. I am totally in favor of a grocery store in the Northeast area of our community, but I can't continue to vote yes and not say this. This is the worst deal I've ever seen in my life. It's going to put a 20-year financial huge burden on the Unified Government. These two non-for-profits are going to take a lot of time. We already can't get projects done that are sitting on the back burner. Now, we're asking staff to do more by setting up these two non-for-profits.

This is a project that will never stop taking from us. I think there's a better way to do it. Obviously, we did it twice in Argentine. Not the same deal at all and the same demographics, the same economic base, it's ridiculous. I'll continue to vote for it because I support a grocery store in the Northeast. It's a terrible financial deal for us and for our taxpayers.

Commissioner Townsend said just to clarify. I'm glad commissioner's going to support Northeast, but that's yet to come. Just so we know, this is downtown. That will serve a lot of citizens from everywhere and out of the county.

Chairman Burroughs said I do know there's been a tremendous amount of input in reference to the need for the grocery store downtown. There's been tremendous community support and partner support. I know there's been many questions raised along this. I truly believe this project will be a sense of good will for the community. The $2M has come from the previous project downtown. It's being reinvested in another project downtown, and it's scheduled for a repayment back so that we'll have additional dollars moving forward. Is it the perfect project? Time will tell.

With that I sincerely appreciate the committee's indulgence. Katherine, thank you for your presentation this evening.

Roll call was taken on the previous motion and there were six "Ayes," Bryant, Walters, Murguia, Townsend, McKiernan, Burroughs.

Adjourn

Chairman Burroughs adjourned the meeting at 7:21 p.m.

mbb

Staff Request for Commission Action

Tracking No. 19751

Full Commission Meeting Date: NA

Committee: Economic Development & Finance

Date of Standing Committee Action: 6/3/19 (If none, please explain):

Publication Required: No

Date:	Contact Name:	Contact Phone:	Contact Email:	Department/Division:
5/20/2019	Kathleen VonAchen	x5186	kvonachen@wycokck.org	Finance

Item Description: Industrial Revenue Bond (IRB) real property tax projection report.
Action Requested: *For Information Only*
Budget Impact: (if applicable) Amount: Source: Included In Budget: Other (explain):
Attachments List:

Staff Request for Commission Action

Tracking No. 19756

Full Commission Meeting Date: 6/13/19

Committee: Economic Development & Finance

Date of Standing Committee Action: 6/3/19 (If none, please explain):

Publication Required: No

Date:	Contact Name:	Contact Phone:	Contact Email:	Department/Division:
5/22/2019	Katherine Carttar	x5176	kcarttar@wycokck.org	Finance

Item Description:

Ordinance and Resolution authorizing the issuance of $1,420,000 principal amount of Taxable General Obligation Improvement Bonds, Series 2019-C for the purpose of providing funds for the Downtown Grocery project, with such bonds to be purchased by the Local Initiatives Support Corporation (LISC).

Action Requested:

Please approve

Budget Impact: (if applicable)

Amount:

Source:

Included In Budget:

Other (explain):

Attachments List:

Bond Ordinance and Resolution (UG Taxable GOB 2019-C)

[G.O. BASIC DOCUMENTS]

A. Excerpt of Minutes of Meeting approving sale, approving Ordinance/Bond Resolution
B. Ordinance
C. Ordinance Summary for Publication
D. Bond Resolution

EXCERPT OF MINUTES OF A MEETING
OF THE GOVERNING BODY OF
THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS
HELD ON JUNE 13, 2019

The governing body met in regular session at the usual meeting place in the Unified Government, at 7:00 p.m., the following members being present and participating, to-wit:

Present: ____

Absent: ____

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

* * * * * * * * * * * * * *
(Other Proceedings)

Thereupon, there was presented an Ordinance entitled:

AN ORDINANCE AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF TAXABLE GENERAL OBLIGATION IMPROVEMENT BONDS, SERIES 2019-C, OF THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS; PROVIDING FOR THE LEVY AND COLLECTION OF AN ANNUAL TAX FOR THE PURPOSE OF PAYING THE PRINCIPAL OF AND INTEREST ON SAID BONDS AS THEY BECOME DUE; AUTHORIZING CERTAIN OTHER DOCUMENTS AND ACTIONS IN CONNECTION THEREWITH; AND MAKING CERTAIN COVENANTS WITH RESPECT THERETO.

Commissioner ________ moved that the Ordinance be passed. The motion was seconded by Commissioner ________. The 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 as follows:

Yea: ____.

Nay: ____.

The Mayor/CEO declared the Ordinance duly passed and the Ordinance was then duly numbered Ordinance No.__-19, was signed and approved by the Mayor/CEO and attested by the Clerk and the Ordinance or a summary thereof was directed to be published one time in the official newspaper of the Unified Government.

There was presented a Resolution entitled:

A RESOLUTION PRESCRIBING THE FORM AND DETAILS OF AND AUTHORIZING AND DIRECTING THE SALE AND DELIVERY OF TAXABLE GENERAL OBLIGATION IMPROVEMENT BONDS, SERIES 2019-C, OF THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS, PREVIOUSLY AUTHORIZED BY ORDINANCE NO. __-19 OF THE ISSUER; MAKING CERTAIN COVENANTS AND AGREEMENTS TO PROVIDE

FOR THE PAYMENT AND SECURITY THEREOF; AND AUTHORIZING CERTAIN OTHER DOCUMENTS AND ACTIONS CONNECTED THEREWITH.

Commissioner ________ moved that the Resolution be adopted. The motion was seconded by Commissioner ________. The Resolution was duly read and considered, and upon being put, the motion for the adoption of the Resolution was carried by the vote of the Governing Body as follows:

Yea: ____.

Nay: ____.

The Mayor/CEO declared the Resolution duly adopted and the Resolution was then duly numbered Resolution No. _______ and was signed by the Mayor/CEO and attested by the Clerk.

* * * * * * * * * * * * * *

(Other Proceedings)

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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)

____
Clerk

ORDINANCE NO. __-19

OF

UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS

PASSED

JUNE 13, 2019

____

TAXABLE GENERAL OBLIGATION IMPROVEMENT BONDS
SERIES 2019-C

(PUBLISHED IN THE *WYANDOTTE ECHO* ON JUNE 20, 2019)

ORDINANCE NO. __-19

AN ORDINANCE AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF TAXABLE GENERAL OBLIGATION IMPROVEMENT BONDS, SERIES 2019-C, OF THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS; PROVIDING FOR THE LEVY AND COLLECTION OF AN ANNUAL TAX FOR THE PURPOSE OF PAYING THE PRINCIPAL OF AND INTEREST ON SAID BONDS AS THEY BECOME DUE; AUTHORIZING CERTAIN OTHER DOCUMENTS AND ACTIONS IN CONNECTION THEREWITH; AND MAKING CERTAIN COVENANTS WITH RESPECT THERETO.

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

WHEREAS, pursuant to Article 12, Section 5 of the Constitution of Kansas, as amended, Ordinance No. O-__-19, and other provisions of the laws of the State of Kansas applicable thereto, by proceedings duly had, the governing body of the Unified Government has authorized an economic development grant for the purpose of facilitating the construction of a downtown grocery store in the Unified Government (the "Improvements"); and

WHEREAS, the governing body of the Unified Government is authorized by law to issue general obligation bonds of the Unified Government to pay a portion of the costs of the Improvements; and

WHEREAS, the governing body of the Unified Government has advertised the sale of the Bonds in accordance with the law and at a meeting held in the Unified Government on this date awarded the sale of such Bonds to the best bidder.

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

Section 1. Definitions of Words and Terms. In addition to words and terms defined elsewhere herein, the following words and terms in this Ordinance shall have the meanings hereinafter set forth. Unless the context shall otherwise indicate, words importing the singular number shall include the plural and vice versa, and words importing persons shall include firms, associations and corporations, including public bodies, as well as natural persons.

"Act" means the Constitution, including Article 12, Section 5 thereof, and statutes of the State including K.S.A. 10-101 to 10-125, inclusive, and K.S.A. 10-620 *et seq*., all as amended and supplemented from time to time.

"Bond and Interest Fund" means the Bond and Interest Fund of the Unified Government for its general obligation bonds.

"Bond Resolution" means the resolution to be adopted by the governing body prescribing the terms and details of the Bonds and making covenants with respect thereto.

"Bonds" means the Unified Government's Taxable General Obligation Improvement Bonds, Series 2019-C, dated July 3, 2019, authorized by this Ordinance.

"Clerk" means the duly appointed and acting Clerk of the Unified Government or, in the Clerk's absence, the duly appointed Deputy Clerk or Acting Clerk.

"Governing Body" means the Board of Commissioners of the Unified Government of Wyandotte County/Kansas City, Kansas.

"Improvements" means the improvements referred to in the preamble to this Ordinance.

"Mayor/CEO" means the duly elected and acting Mayor/CEO of the Unified Government or, in the Mayor/CEO's absence, the duly appointed and/or elected Vice Mayor/CEO or Acting Mayor/CEO of the Unified Government.

"Ordinance" means this Ordinance authorizing the issuance of the Bonds.

"State" means the State of Kansas.

"Unified Government" means the Unified Government of Wyandotte County/Kansas City, Kansas.

Section 2. Authorization of the Bonds. There shall be issued and hereby are authorized and directed to be issued the Taxable General Obligation Improvement Bonds, Series 2019-C, of the Unified Government in the principal amount of $1,420,000, for the purpose of providing funds to: (a) pay a portion of the costs of the Improvements; and (b) pay costs of issuance of the Bonds.

Section 3. Security for the Bonds. The Bonds shall be general obligations of the Unified Government payable as to both principal and interest from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the Issuer, excluding the incorporated areas of Bonner Springs, Edwardsville and Lake Quivira, and excluding the unincorporated area of the Issuer with the balance paid from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the Unified Government, excluding the incorporated areas of Bonner Springs, Edwardsville and Lake Quivira, and excluding the unincorporated area of the Issuer. The full faith, credit and resources of the Unified Government are hereby irrevocably pledged for the prompt payment of the principal of and interest on the Bonds as the same become due.

Section 4. Terms, Details and Conditions of the Bonds. The Bonds shall be dated and bear interest, shall mature and be payable at such times, shall be in such forms, shall be subject to redemption and payment prior to the maturity thereof, and shall be issued and delivered in the manner prescribed and subject to the provisions, covenants and agreements set forth in the Bond Resolution hereafter adopted by the Governing Body.

Section 5. Levy and Collection of Annual Tax. The Governing Body shall annually make provision for the payment of principal of, premium, if any, and interest on the Bonds as the same become due by levying and collecting the necessary taxes upon all of the taxable tangible property within the Unified Government, excluding the incorporated areas of Bonner Springs, Edwardsville and Lake Quivira and excluding the unincorporated area of the Unified Government, in the manner provided by law.

The taxes above referred to shall be extended upon the tax rolls in each of the several years, respectively, and shall be levied and collected at the same time and in the same manner as the general ad valorem taxes of the Unified Government are levied and collected, shall be used solely for the payment of the principal of and interest on the Bonds as and when the same become due and the fees and expenses of the paying agent for the Bonds. The proceeds derived from said taxes shall be deposited in the Bond and Interest Fund.

If at any time said taxes are not collected in time to pay the principal of or interest on the Bonds when due, the Treasurer is hereby authorized and directed to pay said principal or interest out of the general funds of the Unified Government and to reimburse said general funds for money so expended when said taxes are collected.

Section 6. Further Authority. The Mayor/CEO, Clerk and other Unified Government officials are hereby further authorized and directed to execute any and all documents and take such actions as they may deem necessary or advisable in order to carry out and perform the purposes of the Ordinance, and to make alterations, changes or additions in the foregoing agreements, statements, instruments and other documents herein approved, authorized and confirmed which they may approve, and the execution or taking of such action shall be conclusive evidence of such necessity or advisability.

Section 7. Governing Law. This Ordinance and the Bonds shall be governed exclusively by and construed in accordance with the applicable laws of the State.

Section 8. Effective Date. This Ordinance shall take effect and be in full force from and after its passage by the Governing Body, approval by the Mayor/CEO and publication of the Ordinance or a summary thereof in the official Unified Government newspaper.

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PASSED by the governing body of the Unified Government on June 13, 2019 and **APPROVED AND SIGNED** by the Mayor/CEO.

(SEAL)

____
Mayor/CEO

ATTEST:

____
Clerk

(Published in the ***Wyandotte Echo*** on June 20, 2019)

SUMMARY OF ORDINANCE NO. __-19

On June 13, 2019, the governing body of the Unified Government of Wyandotte County/Kansas City, Kansas passed an ordinance entitled:

AN ORDINANCE AUTHORIZING AND PROVIDING FOR THE ISSUANCE OF TAXABLE GENERAL OBLIGATION IMPROVEMENT BONDS, SERIES 2019-C, OF THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS; PROVIDING FOR THE LEVY AND COLLECTION OF AN ANNUAL TAX FOR THE PURPOSE OF PAYING THE PRINCIPAL OF AND INTEREST ON SAID BONDS AS THEY BECOME DUE; AUTHORIZING CERTAIN OTHER DOCUMENTS AND ACTIONS IN CONNECTION THEREWITH; AND MAKING CERTAIN COVENANTS WITH RESPECT THERETO.

The Series 2019-C Bonds approved by the Ordinance are being issued in the principal amount of $1,420,000, to finance an economic development grant to be made by the Unified Government in connection with the downtown grocery store project, and constitute general obligations of the Unified Government payable as to both principal and interest, to the extent necessary, from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the Unified Government, excluding the incorporated areas of Bonner Springs, Edwardsville and Lake Quivira, and excluding the unincorporated area of the Unified Government. A complete text of the Ordinance may be obtained or viewed free of charge at the office of the Clerk of the Unified Government, 701 N. 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 http://public.wycokck.org/sites/ugordinancesresolutions/Pages/default.aspx.

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

DATED: June 13, 2019

____

Chief Counsel

RESOLUTION NO. R-__-19

OF

THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS

ADOPTED

JUNE 13, 2019

TAXABLE GENERAL OBLIGATION IMPROVEMENT BONDS
SERIES 2019-C

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RESOLUTION NO. R-__-19

A RESOLUTION PRESCRIBING THE FORM AND DETAILS OF AND AUTHORIZING AND DIRECTING THE SALE AND DELIVERY OF TAXABLE GENERAL OBLIGATION IMPROVEMENT BONDS, SERIES 2019-C, OF THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS, PREVIOUSLY AUTHORIZED BY ORDINANCE NO. __-19 OF THE ISSUER; MAKING CERTAIN COVENANTS AND AGREEMENTS TO PROVIDE FOR THE PAYMENT AND SECURITY THEREOF; AND AUTHORIZING CERTAIN OTHER DOCUMENTS AND ACTIONS CONNECTED THEREWITH.

WHEREAS, the Unified Government of Wyandotte County/Kansas City, Kansas (the "Issuer") has passed the Ordinance authorizing the issuance of the Bonds; and

WHEREAS, the Ordinance authorized the Governing Body of the Issuer to adopt a resolution prescribing certain details and conditions and to make certain covenants with respect to the issuance of the Bonds.

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

ARTICLE I

DEFINITIONS

Section 101. Definitions of Words and Terms. In addition to words and terms defined elsewhere herein, the following words and terms as used in this Bond Resolution shall have the meanings hereinafter set forth. Unless the context shall otherwise indicate, words importing the singular number shall include the plural and vice versa, and words importing persons shall include firms, associations and corporations, including public bodies, as well as natural persons.

"Act" means the Constitution, including Article 12, Section 5 thereof, and statutes of the State including K.S.A. 10-101 to 10-125, inclusive, and K.S.A. 10-620 *et seq*., all as amended and supplemented from time to time.

"Authorized Denomination" means $5,000 or any integral multiples thereof.

"Beneficial Owner" of the Bonds includes any Owner of the Bonds and any other Person who, directly or indirectly has the investment power with respect to such Bonds.

"Bond and Interest Fund" means the Bond and Interest Fund of the Issuer for its general obligation bonds.

"Bond Counsel" means the firm of Gilmore & Bell, P.C., or any other attorney or firm of attorneys whose expertise in matters relating to the issuance of obligations by states and their political subdivisions is nationally recognized and acceptable to the Issuer.

"Bond Payment Date" means any date on which principal of or interest on any Bond is payable.

"Bond Purchase Agreement" means the Bond Purchase Agreement dated as of June 13, 2019, between the Issuer and the Purchaser.

"Bond Register" means the books for the registration, transfer and exchange of Bonds kept at the office of the Bond Registrar.

"Bond Registrar" means the State Treasurer, and any successors and assigns.

"Bond Resolution" means this resolution relating to the Bonds.

"Bonds" or **"Bond"** means the Taxable General Obligation Improvement Bonds, Series 2019-C, authorized and issued by the Issuer pursuant to the Ordinance and this Bond Resolution.

"Business Day" means a day other than a Saturday, Sunday or any day designated as a holiday by the Congress of the United States or by the Legislature of the State and on which the Paying Agent is scheduled in the normal course of its operations to be open to the public for conduct of its operations.

"Clerk" means the duly appointed and/or elected Clerk or, in the Clerk's absence, the duly appointed Deputy Clerk or Acting Clerk of the Issuer.

"Costs of Issuance" means all costs of issuing the Bonds, including but not limited to all publication, printing, signing and mailing expenses in connection therewith, registration fees, financial advisory fees, all legal fees and expenses of Bond Counsel and other legal counsel, all expenses incurred in connection with receiving ratings on the Bonds, and any premiums or expenses incurred in obtaining municipal bond insurance on the Bonds.

"Dated Date" means July 3, 2019.

"Debt Service Account" means the Debt Service Account for Taxable General Obligation Improvement Bonds, Series 2019-C created within the Bond and Interest Fund pursuant to ***Section 501*** hereof.

"Debt Service Requirements" means the aggregate principal payments (whether at maturity or pursuant to scheduled mandatory sinking fund redemption requirements) and interest payments on the Bonds for the period of time for which calculated; provided, however, that for purposes of calculating such amount, principal and interest shall be excluded from the determination of Debt Service Requirements to the extent that such principal or interest is payable from amounts deposited in trust, escrowed or otherwise set aside for the payment thereof with the Paying Agent or other commercial bank or trust company located in the State and having full trust powers.

"Defaulted Interest" means interest on any Bond which is payable but not paid on any Interest Payment Date.

"Defeasance Obligations" means any of the following obligations:

(a) United States Government Obligations that are not subject to redemption in advance of their maturity dates; or

(b) obligations of any state or political subdivision of any state, the interest on which is excluded from gross income for federal income tax purposes and which meet the following conditions:

(1) the obligations are (i) not subject to redemption prior to maturity or (ii) the trustee for such obligations has been given irrevocable instructions concerning their calling and redemption and the issuer of such obligations has covenanted not to redeem such obligations other than as set forth in such instructions;

(2) the obligations are secured by cash or United States Government Obligations that may be applied only to principal of, premium, if any, and interest payments on such obligations;

(3) such cash and the principal of and interest on such United States Government Obligations (plus any cash in the escrow fund) are sufficient to meet the liabilities of the obligations;

(4) such cash and United States Government Obligations serving as security for the obligations are held in an escrow fund by an escrow agent or a trustee irrevocably in trust;

(5) such cash and United States Government Obligations are not available to satisfy any other claims, including those against the trustee or escrow agent; and

(6) such obligations are rated in a rating category by Moody's or Standard & Poor's that is no lower than the rating category then assigned by that Rating Agency to United States Government Obligations.

"Derivative" means any investment instrument whose market price is derived from the fluctuating value of an underlying asset, index, currency, futures contract, including futures, options and collateralized mortgage obligations.

"Escrow Agent" means Security Bank of Kansas City, Kansas City, Kansas, and its successors and assigns.

"Escrow Agreement" means the Escrow Trust Agreement dated as of the Dated Date, among the Issuer, the Escrow Agent and the Purchaser.

"Event of Default" means each of the following occurrences or events:

(a) Payment of the principal and of the redemption premium, if any, of any of the Bonds shall not be made when the same shall become due and payable, either at Stated Maturity or by proceedings for redemption or otherwise;

(b) Payment of any installment of interest on any of the Bonds shall not be made when the same shall become due; or

(c) The Issuer shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Bonds or in this Bond Resolution on the part of the Issuer to be performed, and such default shall continue for thirty (30) days after written notice specifying such default and requiring same to be remedied shall have been given to the Issuer by the Owner of any of the Bonds then Outstanding.

"Fiscal Year" means the twelve month period ending on December 31.

"Funds and Accounts" means funds and accounts created pursuant to or referred to in ***Section 501*** hereof.

"Governing Body" means the Board of Commissioners of the Unified Government of Wyandotte County/Kansas City, Kansas.

"Improvement Fund" means the Improvement Fund for Taxable General Obligation Improvement Bonds, Series 2019-C created pursuant to ***Section 501*** hereof.

"Improvements" means the economic development grant authorized pursuant to Ordinance No. O-__-19 of the Unified Government.

"Independent Accountant" means an independent certified public accountant or firm of independent certified public accountants at the time employed by the Issuer for the purpose of carrying out the duties imposed on the Independent Accountant by this Bond Resolution.

"Interest Payment Date(s)" means the Stated Maturity of an installment of interest on any Bond which shall be February 1 and August 1 of each year, commencing February 1, 2020.

"Issue Date" means the date when the Issuer delivers the Bonds to the Purchaser in exchange for the Purchase Price.

"Issuer" means the Unified Government and any successors or assigns.

"Maturity" when used with respect to any Bond means the date on which the principal of such Bond becomes due and payable as therein and herein provided, whether at the Stated Maturity thereof or call for redemption or otherwise.

"Mayor/CEO" means the duly elected and acting Mayor/CEO, or in the Mayor/CEO's absence, the duly appointed and/or elected Vice Mayor/CEO or Acting Mayor/CEO of the Issuer.

"Moody's" means Moody's Investors Service, a corporation organized and existing under the laws of the State of Delaware, and its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "Moody's" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Issuer.

"Notice Address" means with respect to the following entities:

(a) To the Issuer at:

Unified Government of Wyandotte County/Kansas City, Kansas
701 N. 7th Street
Kansas City, Kansas 66101
Fax: (913)573-5003
Attn: Chief Counsel

(b) To the Paying Agent at:

State Treasurer of the State of Kansas
Landon Office Building
900 Southwest Jackson, Suite 201

Topeka, Kansas 66612-1235
Fax: (785) 296-6976

(c) To the Purchaser:

Local Initiatives Support Corporation
501 Seventh Avenue 7th Floor
New York, New York 10018
Attn: General Counsel

or such other address as is furnished in writing to the other parties referenced herein.

"Notice Representative" means:

(a) With respect to the Issuer, the Clerk.

(b) With respect to the Bond Registrar and Paying Agent, the Director of Fiscal Services.

(c) With respect to any Purchaser, the manager of its Municipal Bond Department.

(d) With respect to any Rating Agency, any Vice President thereof.

"Ordinance" means Ordinance No. O-__-19 of the Issuer authorizing the issuance of the Bonds, as amended from time to time.

"Outstanding" means, when used with reference to the Bonds, as of a particular date of determination, all Bonds previously authenticated and delivered, except the following Bonds:

(a) Bonds previously canceled by the Paying Agent or delivered to the Paying Agent for cancellation;

(b) Bonds deemed to be paid in accordance with the provisions of ***Article VII*** hereof; and

(c) Bonds in exchange for or in lieu of which other Bonds have been authenticated and delivered hereunder.

"Owner" when used with respect to any Bond means the Person in whose name such Bond is registered on the Bond Register.

"Paying Agent" means the State Treasurer, and any successors and assigns.

"Permitted Investments" shall mean the investments hereinafter described, provided, however, no moneys or funds shall be invested in a Derivative: (a) investments authorized by K.S.A. 12-1675 and amendments thereto; (b) the municipal investment pool established pursuant to K.S.A. 12-1677a, and amendments thereto; (c) direct obligations of the United States Government or any agency thereof; (d) the Issuer's temporary notes issued pursuant to K.S.A. 10-123 and amendments thereto; (e) interest-bearing time deposits in commercial banks or trust companies located in the county or counties in which the Issuer is located which are insured by the Federal Deposit Insurance Corporation or collateralized by securities described in (c); (f) obligations of the federal national mortgage association, federal home loan banks, federal home loan mortgage corporation or government national mortgage association; (g) repurchase agreements for securities described in (c) or (f); (h) investment agreements or other obligations of a financial institution the obligations of which at the time of investment are rated in either of the three highest rating categories by Moody's or Standard & Poor's; (i) investments and shares or units of a money market fund or trust, the portfolio of which is comprised entirely of securities described in (c) or (f); (j) receipts evidencing ownership interests in securities or portions thereof described in (c) or (f); (k) municipal bonds or other obligations issued by any municipality of the State as defined in K.S.A. 10-1101 which are general obligations of the municipality issuing the same; or (l) bonds of any municipality of the State as defined in K.S.A. 10-1101 which have been refunded in advance of their maturity and are fully secured as to payment of principal and interest thereon by deposit in trust, under escrow agreement with a bank, of securities described in (c) or (f); or (m) other investment obligations authorized by the laws of the State, all as may be further restricted or modified by amendments to applicable State law.

"Person" means any natural person, corporation, partnership, joint venture, association, firm, joint-stock company, trust, unincorporated organization, or government or any agency or political subdivision thereof or other public body.

"Purchase Price" means the amount set forth in the Bond Purchase Agreement.

"Purchaser" means Local Initiatives Support Corporation, New York, New York, the original purchaser of the Bonds, and any successor and assigns.

"Rating Agency" means any company, agency or entity that provides, pursuant to request of the Issuer, financial ratings for the Bonds.

"Record Dates" for the interest payable on any Interest Payment Date means the fifteenth day (whether or not a Business Day) of the calendar month next preceding such Interest Payment Date.

"Redemption Date" means, when used with respect to any Bond to be redeemed, the date fixed for the redemption of such Bond pursuant to the terms of this Bond Resolution.

"Redemption Price" means, when used with respect to any Bond to be redeemed, the price at which such Bond is to be redeemed pursuant to the terms of this Bond Resolution, including the applicable redemption premium, if any, but excluding installments of interest whose Stated Maturity is on or before the Redemption Date.

"Special Record Date" means the date fixed by the Paying Agent pursuant to ***Article II*** hereof for the payment of Defaulted Interest.

"Standard & Poor's" or "S&P" means S&P Global Ratings, a division of S&P Global Inc., a corporation organized and existing under the laws of the State of New York, and its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, Standard & Poor's shall be deemed to refer to any other nationally recognized securities rating agency designated by the Issuer.

"State" means the state of Kansas.

"State Treasurer" means the duly elected Treasurer or, in the Treasurer's absence, the duly appointed Deputy Treasurer or acting Treasurer of the State.

"Stated Maturity" when used with respect to any Bond or any installment of interest thereon means the date specified in such Bond and this Bond Resolution as the fixed date on which the principal of such Bond or such installment of interest is due and payable.

"Treasurer" means the duly appointed and/or elected Treasurer of the Issuer or, in the Treasurer's absence, the duly appointed Deputy Treasurer or acting Treasurer of the Issuer.

"Unified Government" means the Unified Government of Wyandotte County/Kansas City, Kansas.

"United States Government Obligations" means bonds, notes, certificates of indebtedness, treasury bills or other securities constituting direct obligations of, or obligations the principal of and interest on which are fully and unconditionally guaranteed as to full and timely payment by, the United States of America, including evidences of a direct ownership interest in future interest or principal payment on obligations issued by the United States of America (including the interest component of obligations of the Resolution Funding Corporation), or securities which represent an undivided interest in such obligations, which obligations are rated in the highest rating category by a nationally recognized rating service and such obligations are held in a custodial account for the benefit of the Issuer.

ARTICLE II

AUTHORIZATION AND DETAILS OF THE BONDS

Section 201. Authorization of the Bonds. The Bonds have been previously authorized and directed to be issued pursuant to the Ordinance in the principal amount of $1,420,000, for the purpose of providing funds to: (a) pay a portion of the costs of the Improvements; and (b) pay Costs of Issuance.

Section 202. Description of the Bonds. The Bonds shall consist of fully registered bonds in an Authorized Denomination, and shall be numbered in such manner as the Bond Registrar shall determine. All of the Bonds shall be dated as of the Dated Date, shall become due in the amounts, on the Stated Maturities, subject to redemption and payment prior to their Stated Maturities as provided in ***Article III*** hereof, and shall bear interest at the rates per annum as follows:

SERIAL BONDS

Stated Maturity August 1	Principal Amount	Annual Rate of Interest	Stated Maturity August 1	Principal Amount	Annual Rate of Interest
2020	$120,000	3.00%	2025	$145,000	3.00%
2021	130,000	3.00	2026	150,000	3.00
2022	130,000	3.00	2027	155,000	3.00
2023	135,000	3.00	2028	155,000	3.00
2024	140,000	3.00	2029	160,000	3.00

The Bonds shall bear interest at the above specified rates (computed on the basis of a 360-day year of twelve 30-day months) from the later of the Dated Date or the most recent Interest Payment Date to which interest has been paid on the Interest Payment Dates in the manner set forth in ***Section 204*** hereof.

Each of the Bonds, as originally issued or issued upon transfer, exchange or substitution, shall be printed in accordance with the format required by the Attorney General of the State and shall be substantially in the form attached hereto as ***EXHIBIT A*** or as may be required by the Attorney General pursuant to the Notice of Systems of Registration for Kansas Municipal Bonds, 2 Kan. Reg. 921 (1983), in accordance with the Kansas Bond Registration Law, K.S.A. 10-620 *et seq.*

Section 203. Designation of Paying Agent and Bond Registrar. The State Treasurer is hereby designated as the Paying Agent for the payment of principal of and interest on the Bonds and Bond Registrar with respect to the registration, transfer and exchange of Bonds. The Mayor/CEO of the Issuer is hereby authorized and empowered to execute on behalf of the Issuer an agreement with the Bond Registrar and Paying Agent for the Bonds.

The Issuer will at all times maintain a Paying Agent and Bond Registrar meeting the qualifications herein described for the performance of the duties hereunder. The Issuer reserves the right to appoint a successor Paying Agent or Bond Registrar by (a) filing with the Paying Agent or Bond Registrar then performing such function a certified copy of the proceedings giving notice of the termination of such Paying Agent or Bond Registrar and appointing a successor, and (b) causing notice of appointment of the successor Paying Agent and Bond Registrar to be given by first class mail to each Owner. No resignation or removal of the Paying Agent or Bond Registrar shall become effective until a successor has been appointed and has accepted the duties of Paying Agent or Bond Registrar.

Every Paying Agent or Bond Registrar appointed hereunder shall at all times meet the requirements of K.S.A. 10-501 *et seq*. and K.S.A. 10-620 *et seq*., respectively.

Section 204. Method and Place of Payment of the Bonds. The principal of, or Redemption Price, and interest on the Bonds shall be payable in any coin or currency which, on the respective dates of payment thereof, is legal tender for the payment of public and private debts.

The principal or Redemption Price of each Bond shall be paid at Maturity to the Person in whose name such Bond is registered on the Bond Register at the Maturity thereof, upon presentation and surrender of such Bond at the principal office of the Paying Agent.

The interest payable on each Bond on any Interest Payment Date shall be paid to the Owner of such Bond as shown on the Bond Register at the close of business on the Record Date for such interest by check or draft mailed by the Paying Agent to the address of such Owner shown on the Bond Register or at such other address as is furnished to the Paying Agent in writing by such Owner.

Notwithstanding the foregoing provisions of this Section, any Defaulted Interest with respect to any Bond shall cease to be payable to the Owner of such Bond on the relevant Record Date and shall be payable to the Owner in whose name such Bond is registered at the close of business on the Special Record Date for the payment of such Defaulted Interest, which Special Record Date shall be fixed as hereinafter specified in this paragraph. The Issuer shall notify the Paying Agent in writing of the amount of Defaulted Interest proposed to be paid on each Bond and the date of the proposed payment (which date shall be at least 30 days after receipt of such notice by the Paying Agent) and shall deposit with the Paying Agent at the time of such notice an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Paying Agent for such deposit prior to the date of the proposed payment. Following receipt of such funds the Paying Agent shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than 15 nor less than 10 days prior to the date of the proposed payment. The Paying Agent shall promptly notify the Issuer of such Special Record Date and, in the name and at the expense of the Issuer, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefore to be mailed, by first class mail, postage prepaid, to each Owner of a Bond entitled to such notice at the address of such Owner as it appears on the Bond Register not less than 10 days prior to such Special Record Date.

The Paying Agent shall keep a record of payment of principal and Redemption Price of and interest on all Bonds and at least annually shall forward a copy or summary of such records to the Issuer.

Section 205. Payments Due on Saturdays, Sundays and Holidays. In any case where a Bond Payment Date is not a Business Day, then payment of principal, Redemption Price or interest need not be made on such Bond Payment Date but may be made on the next succeeding Business Day with the same force and effect as if made on such Bond Payment Date, and no interest shall accrue for the period after such Bond Payment Date.

Section 206. Registration, Transfer and Exchange of Bonds. The Issuer covenants that, as long as any of the Bonds remain Outstanding, it will cause the Bond Register to be kept at the office of the Bond Registrar as herein provided. Each Bond when issued shall be registered in the name of the Owner thereof on the Bond Register.

Bonds may be transferred and exchanged only on the Bond Register as provided in this Section. Upon surrender of any Bond at the principal office of the Bond Registrar, the Bond Registrar shall transfer or exchange such Bond for a new Bond or Bonds in any Authorized Denomination of the same Stated Maturity and in the same aggregate principal amount as the Bond that was presented for transfer or exchange.

Bonds presented for transfer or exchange shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in a form and with guarantee of signature satisfactory to the Bond Registrar, duly executed by the Owner thereof or by the Owner's duly authorized agent.

In all cases in which the privilege of transferring or exchanging Bonds is exercised, the Bond Registrar shall authenticate and deliver Bonds in accordance with the provisions of this Bond Resolution. The Issuer shall pay the fees and expenses of the Bond Registrar for the registration, transfer and exchange of Bonds provided for by this Bond Resolution and the cost of printing a reasonable supply of registered bond blanks. Any additional costs or fees that might be incurred in the secondary market, other than fees of the Bond Registrar, are the responsibility of the Owners of the Bonds. In the event any Owner fails to provide a correct taxpayer identification number to the Paying Agent, the Paying Agent may make a charge against such Owner sufficient to pay any governmental charge required to be paid as a result of such failure. In compliance with Internal Revenue Code § 3406, such amount may be deducted by the Paying Agent from amounts otherwise payable to such Owner hereunder or under the Bonds.

The Issuer and the Bond Registrar shall not be required (a) to register the transfer or exchange of any Bond that has been called for redemption after notice of such redemption has been mailed by the Paying Agent pursuant to ***Article III*** hereof and during the period of 15 days next preceding the date of mailing of such notice of redemption; or (b) to register the transfer or exchange of any Bond during a period beginning at the opening of business on the day after receiving written notice from the Issuer of its intent to pay Defaulted Interest and ending at the close of business on the date fixed for the payment of Defaulted Interest pursuant to this ***Article II***.

The Issuer and the Paying Agent may deem and treat the Person in whose name any Bond is registered on the Bond Register as the absolute Owner of such Bond, whether such Bond is overdue or not, for the purpose of receiving payment of, or on account of, the principal or Redemption Price of and interest on said Bond and for all other purposes. All payments so made to any such Owner or upon the Owner's order shall be valid and effective to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the Issuer nor the Paying Agent shall be affected by any notice to the contrary.

At reasonable times and under reasonable regulations established by the Bond Registrar, the Bond Register may be inspected and copied by the Owners (or a designated representative thereof) of 10% or more in principal amount of the Bonds then Outstanding or any designated representative of such Owners whose authority is evidenced to the satisfaction of the Bond Registrar.

Section 207. Execution, Registration, Authentication and Delivery of Bonds. Each of the Bonds, including any Bonds issued in exchange or as substitutions for the Bonds initially delivered, shall be executed for and on behalf of the Issuer by the manual or facsimile signature of the Mayor/CEO, attested by the manual or facsimile signature of the Clerk, and the seal of the Issuer shall be affixed thereto or imprinted thereon. The Mayor/CEO and Clerk are hereby authorized and directed to prepare and execute the Bonds in the manner herein specified, and to cause the Bonds to be registered in the office of the Clerk, which registration shall be evidenced by the manual or facsimile signature of the Clerk with the seal of the Issuer affixed thereto or imprinted thereon. The Bonds shall also be registered in the office of the State Treasurer, which registration shall be evidenced by the manual or facsimile signature of the State Treasurer with the seal of the State Treasurer affixed thereto or imprinted thereon. In case any officer whose signature appears on any Bonds ceases to be such officer before the delivery of such Bonds, such signature shall nevertheless be valid and sufficient for all purposes, as if such person had remained in office until delivery. Any Bond may be signed by such persons who at the actual time of the execution of such Bond are the proper officers to sign such Bond although at the date of such Bond such persons may not have been such officers.

The Mayor/CEO and Clerk are hereby authorized and directed to prepare and execute the Bonds as herein specified, and when duly executed, to deliver the Bonds to the Bond Registrar for authentication.

The Bonds shall have endorsed thereon a certificate of authentication substantially in the form attached hereto as ***EXHIBIT A*** hereof, which shall be manually executed by an authorized officer or employee of the Bond Registrar, but it shall not be necessary that the same officer or employee sign the certificate of authentication on all of the Bonds that may be issued hereunder at any one time. No Bond shall be entitled to any security or benefit under this Bond Resolution or be valid or obligatory for any purpose unless and until such certificate of authentication has been duly executed by the Bond Registrar. Such executed certificate of authentication upon any Bond shall be conclusive evidence that such Bond has been duly authenticated and delivered under this Bond Resolution. Upon authentication, the Bond Registrar shall deliver the Bonds to the Purchaser upon instructions of the Issuer or its representative.

Section 208. Mutilated, Lost, Stolen or Destroyed Bonds. If (a) any mutilated Bond is surrendered to the Bond Registrar or the Bond Registrar receives evidence to its satisfaction of the destruction, loss or theft of any Bond, and (b) there is delivered to the Issuer and the Bond Registrar such security or indemnity as may be required by each of them, then, in the absence of notice to the Issuer or the Bond Registrar that such Bond has been acquired by a bona fide purchaser, the Issuer shall execute and, upon the Issuer's request, the Bond Registrar shall authenticate and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Bond, a new Bond of the same Stated Maturity and of like tenor and principal amount.

If any such mutilated, destroyed, lost or stolen Bond has become or is about to become due and payable, the Issuer, in its discretion, may pay such Bond instead of issuing a new Bond.

Upon the issuance of any new Bond under this Section, the Issuer and the Paying Agent may require the payment by the Owner of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Paying Agent) connected therewith.

Every new Bond issued pursuant to this Section shall constitute a replacement of the prior obligation of the Issuer, and shall be entitled to all the benefits of this Bond Resolution equally and ratably with all other Outstanding Bonds.

Section 209. Cancellation and Destruction of Bonds Upon Payment. All Bonds that have been paid or redeemed or that otherwise have been surrendered to the Paying Agent, either at or before Maturity, shall be cancelled by the Paying Agent immediately upon the payment, redemption and surrender thereof to the Paying Agent and subsequently destroyed in accordance with the customary practices of the Paying Agent. The Paying Agent shall execute a certificate in duplicate describing the Bonds so cancelled and destroyed and shall file an executed counterpart of such certificate with the Issuer.

Section 210. Nonpresentment of Bonds. If any Bond is not presented for payment when the principal thereof becomes due at Maturity, if funds sufficient to pay such Bond have been made available to the Paying Agent all liability of the Issuer to the Owner thereof for the payment of such Bond shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Paying Agent to hold such funds, without liability for interest thereon, for the benefit of the Owner of such Bond, who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on his part under this Bond Resolution or on, or with respect to, said Bond. If any Bond is not presented for payment within four (4) years following the date when such Bond becomes due at Maturity, the Paying Agent shall repay, without liability for interest thereon, to the Issuer the funds previously held by it for payment of such Bond, and such Bond shall, subject to the defense of any applicable statute of limitation, thereafter be an unsecured obligation of the Issuer, and the Owner thereof shall be entitled to look only to the Issuer for payment, and then only to the extent of the amount so repaid to it by the Paying Agent, and the Issuer shall not be liable for any interest thereon and shall not be regarded as a trustee of such money.

Section 211. Sale of the Bonds – Bond Purchase Agreement. The Mayor/CEO is hereby authorized to enter into the Bond Purchase Agreement between the Issuer and the Purchaser in substantially the form submitted to the Governing Body concurrently with the adoption of this Resolution, with such changes therein as shall be approved by the Mayor/CEO, such officer's signature thereon being conclusive evidence of the approval thereof. Pursuant to the Bond Purchase Agreement, the Issuer agrees to sell the Bonds to the Purchaser for the Purchase Price, upon the terms and conditions set forth therein.

Section 212. Continuing Covenant Agreement. The Mayor/CEO is hereby authorized to enter into the Continuing Covenant Agreement between the Issuer and the Purchaser in substantially the form submitted to the Governing Body concurrently with the adoption of this Resolution, with such changes therein as shall be approved by the Mayor/CEO, such officer's signature thereon being conclusive evidence of the approval thereof.

ARTICLE III

REDEMPTION OF BONDS

Section 301. Redemption by Issuer.

Optional Redemption. At the option of the Issuer, Bonds maturing on August 1 in the years 2023, and thereafter, will be subject to redemption and payment prior to their Stated Maturity on August 1, 2022, and thereafter, as a whole at any time, at the Redemption Price of 100% (expressed as a percentage of the principal amount), plus accrued interest to the Redemption Date.

Extraordinary Mandatory Redemption. The Bonds shall be called for redemption and payment on February 1, 2020, prior to their Stated Maturity, in whole, at the Redemption Price of 100% of the principal amount thereof, plus accrued interest thereon to the Redemption Date, in the event that the Unified Government does not make the economic development grant contemplated as part of the Improvements by December 15, 2019.

Section 302. Notice and Effect of Call for Redemption. In the event the Issuer desires to call the Bonds for redemption prior to maturity, written notice of such intent shall be provided to the Bond Registrar in accordance with K.S.A. 10-129, as amended, not less than 45 days prior to the Redemption Date. The Bond Registrar shall call Bonds for redemption and payment and shall give notice of such redemption as herein provided upon receipt by the Bond Registrar at least 45 days prior to the Redemption Date of written instructions of the Issuer specifying the principal amount, Stated Maturities, Redemption Date and Redemption Prices of the Bonds to be called for redemption.

Unless waived by any Owner of Bonds to be redeemed, if the Issuer shall call any Bonds for redemption and payment prior to the Stated Maturity thereof, the Issuer shall give written notice of its intention to call and pay said Bonds to the Bond Registrar, the State Treasurer, and the Purchaser. In addition, the Issuer shall cause the Bond Registrar to give written notice of redemption to the Owners of said Bonds. Each of said written notices shall be deposited in the United States first class mail not less than 30 days prior to the Redemption Date.

All official notices of redemption shall be dated and shall contain the following information:

(a) the Redemption Date;

(b) the Redemption Price;

(c) a statement that on the Redemption Date the Redemption Price will become due and payable upon each such Bond or portion thereof called for redemption and that interest thereon shall cease to accrue from and after the Redemption Date; and

(d) the place where such Bonds are to be surrendered for payment of the Redemption Price, which shall be the principal office of the Paying Agent.

The failure of any Owner to receive notice given as previously provided or an immaterial defect therein shall not invalidate any redemption.

Prior to any Redemption Date, the Issuer shall deposit with the Paying Agent an amount of money sufficient to pay the Redemption Price of all the Bonds that are to be redeemed on such Redemption Date.

Official notice of redemption having been given as aforesaid, the Bonds to be redeemed shall become due and payable on the Redemption Date, at the Redemption Price therein specified, and from and after the Redemption Date (unless the Issuer defaults in the payment of the Redemption Price) such Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with such notice, the Redemption Price of such Bonds shall be paid by the Paying Agent. Installments of interest due on or prior to the Redemption Date shall be payable as herein provided for payment of interest. All Bonds that have been surrendered for redemption shall be cancelled and destroyed by the Paying Agent as provided herein and shall not be reissued.

Further notice may be given by the Issuer or the Bond Registrar on behalf of the Issuer as set out below, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if official notice thereof is given as above prescribed:

(a) Each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus (1) the identification numbers of all Bonds being redeemed; (2) the date of issue of the Bonds as originally issued; (3) the rate of interest borne by each Bond being redeemed; (4) the maturity date of each Bond being redeemed; and (5) any other descriptive information needed to identify accurately the Bonds being redeemed.

(b) Each further notice of redemption shall be sent at least one day before the mailing of notice to Owners by first class, registered or certified mail or overnight delivery, as determined by the Bond Registrar, to all registered securities depositories then in the business of holding substantial amounts of obligations of types comprising the Bonds and to one or more national information services that disseminate notices of redemption of obligations such as the Bonds.

(c) Each check or other transfer of funds issued for the payment of the Redemption Price of Bonds being redeemed shall bear or have enclosed the identification number of the Bonds being redeemed with the proceeds of such check or other transfer.

The Paying Agent is also directed to comply with any mandatory standards then in effect for processing redemptions of municipal securities established by the State or the Securities and Exchange Commission. Failure to comply with such standards shall not affect or invalidate the redemption of any Bond.

ARTICLE IV

SECURITY FOR BONDS

Section 401. Security for the Bonds. The Bonds shall be general obligations of the Issuer payable as to both principal and interest from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the Issuer, excluding the incorporated areas of Bonner Springs, Edwardsville and Lake Quivira, and excluding the unincorporated area of the Issuer. The full faith, credit and resources of the Issuer are hereby irrevocably pledged for the prompt payment of the principal of and interest on the Bonds as the same become due.

Section 402. Levy and Collection of Annual Tax; Transfer to Debt Service Account. The Governing Body shall annually make provision for the payment of principal of, premium, if any, and interest on the Bonds as the same become due by, to the extent necessary, levying and collecting the necessary taxes upon all of the taxable tangible property within the Issuer, excluding the incorporated areas of Bonner Springs, Edwardsville and Lake Quivira, and excluding the unincorporated area of the Issuer, in the manner provided by law.

The taxes referred to above shall be extended upon the tax rolls in each of the several years, respectively, and shall be levied and collected at the same time and in the same manner as the other ad valorem taxes of the Issuer are levied and collected. The proceeds derived from said taxes shall be deposited in the Bond and Interest Fund, shall be kept separate and apart from all other funds of the Issuer shall thereafter be transferred to the Debt Service Account and shall be used solely for the payment of the principal of and interest on the Bonds as and when the same become due, taking into account any scheduled mandatory redemptions, and the fees and expenses of the Paying Agent.

If at any time said taxes are not collected in time to pay the principal of or interest on the Bonds when due, the Treasurer is hereby authorized and directed to pay said principal or interest out of the general funds of the Issuer and to reimburse said general funds for money so expended when said taxes are collected.

ARTICLE V

ESTABLISHMENT OF FUNDS AND ACCOUNTS
DEPOSIT AND APPLICATION OF BOND PROCEEDS

Section 501. Creation of Funds and Accounts. Simultaneously with the issuance of the Bonds, there shall be created within the Treasury of the Issuer the Debt Service Account for Taxable General Obligation Improvement Bonds, Series 2019-C (within the Bond and Interest Fund).

In addition to the Funds and Accounts described above, the Escrow Agreement establishes the Improvement Fund to be held and administered by the Escrow Agent in accordance with the provisions of the Escrow Agreement.

The Funds and Accounts established herein shall be administered in accordance with the provisions of this Bond Resolution so long as the Bonds are Outstanding.

Section 502. Deposit of Bond Proceeds. The net proceeds received from the sale of the Bonds shall be deposited simultaneously with the delivery of the Bonds in the Improvement Fund.

Section 503. Application of Moneys in the Improvement Fund. Moneys in the Improvement Fund shall be used for the sole purpose of paying the costs of the Improvements and paying Costs of Issuance, all in accordance with the terms of the Escrow Agreement.

Section 504. Application of Moneys in Debt Service Account. All amounts paid and credited to the Debt Service Account shall be expended and used by the Issuer for the sole purpose of paying the principal or Redemption Price of and interest on the Bonds as and when the same become due and the usual and customary fees and expenses of the Bond Registrar and Paying Agent. The Treasurer is authorized and directed to withdraw from the Debt Service Account sums sufficient to pay both principal or Redemption Price of and interest on the Bonds and the fees and expenses of the Bond Registrar and Paying Agent as and when the same become due, and to forward such sums to the Paying Agent in a manner which ensures that the Paying Agent will receive immediately available funds in such amounts on or before the Business Day immediately preceding the dates when such principal, interest and fees of the Bond Registrar and Paying Agent will become due. If, through the lapse of time or otherwise, the Owners of Bonds are no longer entitled to enforce payment of the Bonds or the interest thereon, the Paying Agent shall return said funds to the Issuer. All moneys deposited with the Paying Agent shall be deemed to be deposited in accordance with and subject to all of the provisions contained in this Bond Resolution and shall be held in trust by the Paying Agent for the benefit of the Owners of the Bonds entitled to payment from such moneys.

Any moneys or investments remaining in the Debt Service Account after the retirement of the Bonds shall be transferred and paid into the Bond and Interest Fund.

Section 505. Deposits and Investment of Moneys. Moneys in each of the Funds and Accounts shall be deposited in accordance with laws of the State, in a bank, savings and loan association or savings bank organized under the laws of the State, any other state or the United States: (a) which has a main or branch office located in the Issuer; or (b) if no such entity has a main or branch office located in the Issuer, with such an entity that has a main or branch office located in the county or counties in which the Issuer is located. All such depositaries shall be members of the Federal Deposit Insurance Corporation, or otherwise as permitted by State law. All such deposits shall be invested in Permitted Investments as set forth in this Article or shall be adequately secured as provided by the laws of the State. All moneys held in the Funds and Accounts shall be kept separate and apart from all other funds of the Issuer so that there shall be no commingling with any other funds of the Issuer.

Moneys held in any Fund or Account may be invested in accordance with this Bond Resolution in Permitted Investments; provided, however, that no such investment shall be made for a period extending longer than to the date when the moneys invested may be needed for the purpose for which such fund was created. All earnings on any investments held in any Fund or Account shall accrue to and become a part of such Fund or Account.

ARTICLE VI

DEFAULT AND REMEDIES

Section 601. Remedies. The provisions of the Bond Resolution, including the covenants and agreements herein contained, shall constitute a contract between the Issuer and the Owners of the Bonds. If an Event of Default occurs and shall be continuing, the Owner or Owners of not less than 10% in principal amount of the Bonds at the time Outstanding shall have the right for the equal benefit and protection of all Owners of Bonds similarly situated:

(a) by mandamus or other suit, action or proceedings at law or in equity to enforce the rights of such Owner or Owners against the Issuer and its officers, agents and employees, and to require and compel duties and obligations required by the provisions of the Bond Resolution or by the Constitution and laws of the State;

(b) by suit, action or other proceedings in equity or at law to require the Issuer, its officers, agents and employees to account as if they were the trustees of an express trust; and

(c) by suit, action or other proceedings in equity or at law to enjoin any acts or things which may be unlawful or in violation of the rights of the Owners of the Bonds.

Section 602. Limitation on Rights of Owners. The covenants and agreements of the Issuer contained herein and in the Bonds shall be for the equal benefit, protection, and security of the Owners of any or all of the Bonds, all of which Bonds shall be of equal rank and without preference or priority of one Bond over any other Bond in the application of the funds herein pledged to the payment of the principal of and the interest on the Bonds, or otherwise, except as to rate of interest, date of maturity and right of prior redemption as provided in this Bond Resolution. No one or more Owners secured hereby shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security granted and provided for herein, or to enforce any right hereunder, except in the manner herein provided, and all proceedings at law or in equity shall be instituted, had and maintained for the equal benefit of all Outstanding Bonds.

Section 603. Remedies Cumulative. No remedy conferred herein upon the Owners is intended to be exclusive of any other remedy, but each such remedy shall be cumulative and in addition to every other remedy and may be exercised without exhausting and without regard to any other remedy conferred herein. No waiver of any default or breach of duty or contract by the Owner of any Bond shall extend to or affect any subsequent default or breach of duty or contract or shall impair any rights or remedies thereon. No delay or omission of any Owner to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein. Every substantive right and every remedy conferred upon the Owners of the Bonds by this Bond Resolution may be enforced and exercised from time to time and as often as may be deemed expedient. If action or proceedings taken by any Owner on account of any default or to enforce any right or exercise any remedy has been discontinued or abandoned for any reason, or shall have been determined adversely to such Owner, then, and in every such case, the Issuer and the Owners of the Bonds shall, subject to any determination in such action or proceeding or applicable law of the State, be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Owners shall continue as if no such suit, action or other proceedings had been brought or taken.

ARTICLE VII

DEFEASANCE

Section 701. Defeasance. When any or all of the Bonds, redemption premium, if any, or scheduled interest payments thereon have been paid and discharged, then the requirements contained in this Bond Resolution and the pledge of the Issuer's faith and credit hereunder and all other rights granted hereby shall terminate with respect to the Bonds or scheduled interest payments thereon so paid and discharged. Bonds, redemption premium, if any, or scheduled interest payments thereon shall be deemed to have been paid and discharged within the meaning of this Bond Resolution if there has been deposited with the Paying Agent, or other commercial bank or trust company located in the State and having full trust powers, at or prior to the Stated Maturity or Redemption Date of said Bonds or the interest payments thereon, in trust for and irrevocably appropriated thereto, moneys and/or Defeasance Obligations which, together with the interest to be earned on any such Defeasance Obligations, will be sufficient for the payment of the principal of or Redemption Price of said Bonds and/or interest accrued to the Stated Maturity or Redemption Date, or if default in such payment has occurred on such date, then to the date of the tender of such payments. If the amount to be so deposited is based on the Redemption Price of any Bonds, no such satisfaction shall occur until (a) the Issuer has elected to redeem such Bonds, and (b) either notice of such redemption has been given, or the Issuer has given irrevocable instructions, or shall have provided for an escrow agent to give irrevocable instructions, to the Bond Registrar to give such notice of redemption in compliance with ***Article III*** hereof. Any money and Defeasance Obligations that at any time shall be deposited with the Paying Agent or other commercial bank or trust company by or on behalf of the Issuer, for the purpose of paying and discharging any of the Bonds, shall be and are hereby assigned, transferred and set over to the Paying Agent or other bank or trust company in trust for the respective Owners of the Bonds, and such moneys shall be and are hereby irrevocably appropriated to the payment and discharge thereof. All money and Defeasance Obligations deposited with the Paying Agent or such bank or trust company shall be deemed to be deposited in accordance with and subject to all of the provisions of this Bond Resolution.

ARTICLE VIII

[RESERVED]

ARTICLE IX

MISCELLANEOUS PROVISIONS

Section 901. Annual Audit. Annually, promptly after the end of the Fiscal Year, the Issuer will cause an audit to be made of the financial statements of the Issuer for the preceding Fiscal Year by an Independent Accountant. Within 30 days after the completion of each such audit, a copy thereof shall be filed in the office of the Clerk. Such audit shall at all times during the usual business hours be open to the examination and inspection by any taxpayer, any Owner of any of the Bonds, or by anyone acting for or on behalf of such taxpayer or Owner. Upon payment of the reasonable cost of preparing and mailing the same, a copy of any annual audit will, upon request, be sent to any Owner or prospective Owner. As soon as possible after the completion of the annual audit, the Governing Body shall review such audit, and if the audit discloses that proper provision has not been made for all of the requirements of this Bond Resolution, the Issuer shall promptly cure such deficiency.

Section 902. Amendments. The rights and duties of the Issuer and the Owners, and the terms and provisions of the Bonds or of this Bond Resolution, may be amended or modified at any time in any respect by ordinance or resolution of the Issuer with the written consent of the Owners of not less than a majority in principal amount of the Bonds then Outstanding, such consent to be evidenced by an instrument or instruments executed by such Owners and duly acknowledged or proved in the manner of a deed to be recorded, and such instrument or instruments shall be filed with the Clerk, but no such modification or alteration shall:

(a) extend the maturity of any payment of principal or interest due upon any Bond;

(b) effect a reduction in the amount which the Issuer is required to pay as principal of or interest on any Bond;

(c) permit preference or priority of any Bond over any other Bond; or

(d) reduce the percentage in principal amount of Bonds required for the written consent to any modification or alteration of the provisions of this Bond Resolution.

Any provision of the Bonds or of this Bond Resolution may, however, be amended or modified by ordinance or resolution duly adopted by the Governing Body at any time in any legal respect with the written consent of the Owners of all of the Bonds at the time Outstanding.

Without notice to or the consent of any Owners, the Issuer may amend or supplement this Bond Resolution for the purpose of curing any formal defect, omission, inconsistency or ambiguity herein, to grant to or confer upon the Owners any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Owners, to more precisely identify the Improvements, to reallocate proceeds of the Bonds among Improvements, or in connection with any other change therein which is not materially adverse to the interests of the Owners.

Every amendment or modification of the provisions of the Bonds or of this Bond Resolution, to which the written consent of the Owners is given, as above provided, shall be expressed in a resolution or ordinance adopted by the Governing Body amending or supplementing the provisions of this Bond Resolution and shall be deemed to be a part of this Bond Resolution. A certified copy of every such amendatory or supplemental ordinance or resolution, if any, and a certified copy of this Bond Resolution shall always be kept on file in the office of the Clerk, and shall be made available for inspection by the

Owner of any Bond or a prospective purchaser or owner of any Bond authorized by this Bond Resolution, and upon payment of the reasonable cost of preparing the same, a certified copy of any such amendatory or supplemental ordinance or resolution or of this Bond Resolution will be sent by the Clerk to any such Owner or prospective Owner.

Any and all modifications made in the manner hereinabove provided shall not become effective until there has been filed with the Clerk a copy of the ordinance or resolution of the Issuer hereinabove provided for, duly certified, as well as proof of any required consent to such modification by the Owners of the Bonds then Outstanding. It shall not be necessary to note on any of the Outstanding Bonds any reference to such amendment or modification.

The Issuer shall furnish to the Paying Agent a copy of any amendment to the Bonds or this Bond Resolution which affects the duties or obligations of the Paying Agent under this Bond Resolution.

Section 903. Notices, Consents and Other Instruments by Owners. Any notice, consent, request, direction, approval or other instrument to be signed and executed by the Owners may be in any number of concurrent writings of similar tenor and may be signed or executed by such Owners in person or by agent appointed in writing. Proof of the execution of any such instrument or of the writing appointing any such agent and of the ownership of Bonds, if made in the following manner, shall be sufficient for any of the purposes of this Bond Resolution, and shall be conclusive in favor of the Issuer and the Paying Agent with regard to any action taken, suffered or omitted under any such instrument, namely:

(a) The fact and date of the execution by any person of any such instrument may be proved by a certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the person signing such instrument acknowledged before such officer the execution thereof, or by affidavit of any witness to such execution.

(b) The fact of ownership of Bonds, the amount or amounts, numbers and other identification of Bonds, and the date of holding the same shall be proved by the Bond Register.

In determining whether the Owners of the requisite principal amount of Bonds Outstanding have given any request, demand, authorization, direction, notice, consent or waiver under this Bond Resolution, Bonds owned by the Issuer shall be disregarded and deemed not to be Outstanding under this Bond Resolution, except that, in determining whether the Owners shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Bonds which the Owners know to be so owned shall be so disregarded. Notwithstanding the foregoing, Bonds so owned which have been pledged in good faith shall not be disregarded as aforesaid if the pledgee establishes to the satisfaction of the Owners the pledgee’s right so to act with respect to such Bonds and that the pledgee is not the Issuer.

Section 904. Notices. Any notice, request, complaint, demand or other communication required or desired to be given or filed under this Bond Resolution shall be in writing, given to the Notice Representative at the Notice Address and shall be deemed duly given or filed if the same shall be: (a) duly mailed by registered or certified mail, postage prepaid; or (b) communicated via fax, with electronic or telephonic confirmation of receipt. Copies of such notices shall also be given to the Paying Agent. The Issuer, the Paying Agent and the Purchaser may from time to time designate, by notice given hereunder to the others of such parties, such other address to which subsequent notices, certificates or other communications shall be sent.

All notices given by: (a) certified or registered mail as aforesaid shall be deemed duly given as of the date they are so mailed; (b) fax as aforesaid shall be deemed duly given as of the date of confirmation of receipt. If, because of the temporary or permanent suspension of regular mail service or for any other reason, it is impossible or impractical to mail any notice in the manner herein provided, then such other form of notice as shall be made with the approval of the Paying Agent shall constitute a sufficient notice.

Section 905. Electronic Transactions. The issuance of the Bonds and the transactions related thereto and described herein may be conducted and documents may be stored by electronic means.

Section 906. Further Authority. The officers and officials of the Issuer, including the Mayor/CEO and Clerk, are hereby authorized and directed to execute all documents and take such actions as they may deem necessary or advisable in order to carry out and perform the purposes of this Bond Resolution and to make ministerial alterations, changes or additions in the foregoing agreements, statements, instruments and other documents herein approved, authorized and confirmed which they may approve, and the execution or taking of such action shall be conclusive evidence of such necessity or advisability.

Section 907. Severability. If any section or other part of this Bond Resolution, whether large or small, is for any reason held invalid, the invalidity thereof shall not affect the validity of the other provisions of this Bond Resolution.

Section 908. Governing Law. This Bond Resolution shall be governed exclusively by and construed in accordance with the applicable laws of the State.

Section 909. Effective Date. This Bond Resolution shall take effect and be in full force from and after its adoption by the Governing Body.

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ADOPTED by the governing body of the Issuer on June 13, 2019.

(SEAL)

____

Mayor/CEO

ATTEST:

____

Clerk

EXHIBIT A
(FORM OF BONDS)

REGISTERED **REGISTERED**
NUMBER __ **$**

UNITED STATES OF AMERICA
STATE OF KANSAS
COUNTY OF WYANDOTTE
UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY
TAXABLE GENERAL OBLIGATION BOND
SERIES 2019-C

Interest	Maturity	Dated
Rate: 3.00%	**Date: August 1, 20___**	**Date: July 3, 2019**

REGISTERED OWNER:

PRINCIPAL AMOUNT:

KNOW ALL PERSONS BY THESE PRESENTS: That the Unified Government of Wyandotte County/Kansas City, in the County of Wyandotte, State of Kansas (the "Issuer"), for value received, hereby acknowledges itself to be indebted and promises to pay to the Registered Owner shown above, or registered assigns, but solely from the source and in the manner herein specified, the Principal Amount shown above on the Maturity Date shown above, unless called for redemption prior to said Maturity Date, and to pay interest thereon at the Interest Rate per annum shown above (computed on the basis of a 360-day year of twelve 30-day months), from the Dated Date shown above, or from the most recent date to which interest has been paid or duly provided for, payable semiannually on February 1 and August 1 of each year, commencing February 1, 2020 (the "Interest Payment Dates"), until the Principal Amount has been paid.

Method and Place of Payment. The principal or redemption price of this Bond shall be paid at maturity or upon earlier redemption to the person in whose name this Bond is registered at the maturity or redemption date thereof, upon presentation and surrender of this Bond at the principal office of the Treasurer of the State of Kansas, Topeka, Kansas (the "Paying Agent" and "Bond Registrar"). The interest payable on this Bond on any Interest Payment Date shall be paid to the person in whose name this Bond is registered on the registration books maintained by the Bond Registrar at the close of business on the Record Date(s) for such interest, which shall be the 15th day (whether or not a business day) of the calendar month next preceding the Interest Payment Date. Such interest shall be payable by check or draft mailed by the Paying Agent to the address of such Registered Owner shown on the Bond Register or at such other address as is furnished to the Paying Agent in writing by such Registered Owner. The principal or redemption price of and interest on the Bonds shall be payable in any coin or currency that, on the respective dates of payment thereof, is legal tender for the payment of public and private debts. Interest not punctually paid will be paid in the manner established in the within defined Bond Resolution.

Definitions. Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the hereinafter defined Bond Resolution.

Authorization of Bonds. This Bond is one of an authorized series of Bonds of the Issuer designated "Taxable General Obligation Improvement Bonds, Series 2019-C," aggregating the principal amount of $1,420,000 (the "Bonds") issued for the purposes set forth in the Ordinance of the Issuer authorizing the issuance of the Bonds and the Resolution of the Issuer prescribing the form and details of the Bonds (collectively, the "Bond Resolution"). The Bonds are issued by the authority of and in full compliance with the provisions, restrictions and limitations of the Constitution, including Article 12, Section 5 thereof, and laws of the State of Kansas, all as amended, and all other provisions of the laws of the State of Kansas applicable thereto.

General Obligations. The Bonds constitute general obligations of the Issuer payable as to both principal and interest from ad valorem taxes which may be levied without limitation as to rate or amount upon all the taxable tangible property, real and personal, within the territorial limits of the Issuer, excluding the incorporated areas of Bonner Springs, Edwardsville and Lake Quivira, and excluding the unincorporated area of the Issuer. The full faith, credit and resources of the Issuer are hereby irrevocably pledged for the prompt payment of the principal of and interest on the Bonds as the same become due.

Redemption Prior to Maturity. The Bonds are subject to redemption prior to maturity as set forth in the Bond Resolution.

Transfer and Exchange. This Bond may be transferred or exchanged, as provided in the Bond Resolution, only on the Bond Register kept for that purpose at the principal office of the Bond Registrar, upon surrender of this Bond, together with a written instrument of transfer or authorization for exchange satisfactory to the Bond Registrar duly executed by the Registered Owner or the Registered Owner's duly authorized agent, and thereupon a new Bond or Bonds in any Authorized Denomination of the same maturity and in the same aggregate principal amount shall be issued to the transferee in exchange therefor as provided in the Bond Resolution and upon payment of the charges therein prescribed. The Issuer shall pay all costs incurred in connection with the issuance, payment and initial registration of the Bonds and the cost of a reasonable supply of bond blanks. The Issuer and the Paying Agent may deem and treat the person in whose name this Bond is registered on the Bond Register as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes. The Bonds are issued in fully registered form in Authorized Denominations.

Authentication. This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the hereinafter defined Bond Resolution until the Certificate of Authentication and Registration hereon shall have been lawfully executed by the Bond Registrar.

IT IS HEREBY DECLARED AND CERTIFIED that all acts, conditions, and things required to be done and to exist precedent to and in the issuance of this Bond have been properly done and performed and do exist in due and regular form and manner as required by the Constitution and laws of the State of Kansas, and that the total indebtedness of the Issuer, including this series of bonds, does not exceed any constitutional or statutory limitation.

IN WITNESS WHEREOF, the Issuer has caused this Bond to be executed by the manual or facsimile signature of its Mayor/CEO and attested by the manual or facsimile signature of its Clerk, and its seal to be affixed hereto or imprinted hereon.

UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS

(Facsimile Seal)

By: _____(facsimile)_____
Mayor/CEO

ATTEST:

By: _____(facsimile)_____
Clerk

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Bond is one of a series of Taxable General Obligation Improvement Bonds, Series 2019-C, of the Unified Government of Wyandotte County/Kansas City, Kansas, described in the within-mentioned Bond Resolution.

Registration Date: ________________

Office of the State Treasurer,
Topeka, Kansas,
as Bond Registrar and Paying Agent

By: ____________________________________

Registration Number: ______________

CERTIFICATE OF CLERK

STATE OF KANSAS)
) SS.
COUNTY OF WYANDOTTE)

The undersigned, Clerk of the Unified Government of Wyandotte County/Kansas City, Kansas, does hereby certify that the within Bond has been duly registered in my office according to law as of July 3, 2019.

WITNESS my hand and official seal.

(Facsimile Seal)

By: (facsimile)
Clerk

CERTIFICATE OF STATE TREASURER

OFFICE OF THE TREASURER, STATE OF KANSAS

JAKE LATURNER, Treasurer of the State of Kansas, does hereby certify that a transcript of the proceedings leading up to the issuance of this Bond has been filed in the office of the State Treasurer, and that this Bond was registered in such office according to law on ________________.

WITNESS my hand and official seal.

(Facsimile Seal)

By: [(facsimile)]
Treasurer of the State of Kansas

BOND ASSIGNMENT

FOR VALUE RECEIVED, the undersigned do(es) hereby sell, assign and transfer to

____

(Name and Address)

____

(Social Security or Taxpayer Identification No.)

the Bond to which this assignment is affixed in the outstanding principal amount of $___________, standing in the name of the undersigned on the books of the Bond Registrar. The undersigned do(es) hereby irrevocably constitute and appoint ____________________ as agent to transfer said Bond on the books of said Bond Registrar with full power of substitution in the premises.

Dated ______________________

____
Name

____
Social Security or
Taxpayer Identification No.

____
Signature (Sign here exactly as name(s)
appear on the face of Certificate)

Signature guarantee:

By _______________________________________

LEGAL OPINION

The following is a true and correct copy of the approving legal opinion of Gilmore & Bell, P.C., Bond Counsel, which was dated and issued as of the date of original issuance and delivery of such Bonds:

GILMORE & BELL, P.C.
Attorneys at Law
2405 Grand Boulevard
Suite 1100
Kansas City, Missouri 64108

(PRINTED LEGAL OPINION)

Staff Request for Commission Action

Tracking No. 19760

Full Commission Meeting Date: 6/13/19
Committee: Economic Development & Finance

Date of Standing Committee Action: 6/3/19 (If none, please explain):

Publication Required: Yes 6/20/2019

Date:	Contact Name:	Contact Phone:	Contact Email:	Department/Division:
5/22/2019	Katherine Carttar	x5176	kcarttar@wycokck.org	Economic Development

Item Description:

Tax Credits in connection with the Downtown Grocery project.Ordinance authorizing a home rule economic development grant to 501 Minnesota ALL, Inc., a Kansas non-profit corporation; authorizing the issuance of general obligation bonds to fund the grant; authorizing a ground lease and lease agreement with KCK 501 Minnesota, Inc., a Kansas non-profit corporation; and authorizing various other documents and actions, all for the purpose of obtaining New Market

Action Requested:
Approve and advance to June 13th

Budget Impact: (if applicable)
Amount:
Source:
Included In Budget:
Other (explain):

Attachments List:
ED&F Item No. 3 - Home Rule Economic Development Ordinance (Grocery) - revised

(Published in ***The Wyandotte Echo*** on June 20, 2019)

ORDINANCE NO. ______

AN ORDINANCE OF THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS, AUTHORIZING A HOME RULE ECONOMIC DEVELOPMENT GRANT TO KCK 501 MINNESOTA ALL, INC., A KANSAS NON-PROFIT CORPORATION; AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS TO FUND THE GRANT; AUTHORIZING A GROUND LEASE AND LEASE AGREEMENT WITH KCK 501 MINNESOTA, INC., A KANSAS NON-PROFIT CORPORATION; AND AUTHORIZING VARIOUS OTHER DOCUMENTS AND ACTIONS, ALL FOR THE PURPOSE OF OBTAINING NEW MARKET TAX CREDITS IN CONNECTION WITH THE DOWNTOWN GROCERY PROJECT.

WHEREAS, pursuant to Article 12, § 5 of the Constitution of the State of Kansas, the Unified Government of Wyandotte County/Kansas City, Kansas (the "Unified Government") previously passed Charter Ordinance No. 03-09 (the "Charter Ordinance") relating to certain improvements in the City of Kansas City, Kansas (the "City"), including the acquisition or construction of public buildings and the acquisition of land therefor, and the issuance of general obligation bonds of the Unified Government to finance the costs thereof; and

WHEREAS, after publication of the Charter Ordinance according to the law and expiration of the prescribed protest period with no sufficient protest, the Charter Ordinance became effective; and

WHEREAS, Article 12, § 5 of the Constitution of the State of Kansas (the "Home Rule Amendment") empowers cities to determine their local affairs and government and provides that such power and authority granted thereby to cities shall be liberally construed for the purpose of giving to cities the largest measure of self-government; and

WHEREAS, the Unified Government, acting in its capacity as a city of the first class, is a city within the meaning of the Home Rule Amendment; and

WHEREAS, the governing body of the Unified Government has considered the needs of the City for a downtown grocery store, and associated infrastructure for the stimulation and fostering of economic development in the City and its environs in order to enhance and provide for the general and economic development and welfare of the City and its citizens; and

WHEREAS, the Unified Government will develop, construct, equip and acquire an approximately 14,000 square foot grocery store generally located at 5th & Minnesota Avenue in the City (the "Project"); and

WHEREAS, the Project when constructed will be owned by the Unified Government and operated by The Community Mercantile, Inc. ("The Merc") pursuant to that certain Grocery Store Management Agreement by and between the Unified Government and The Merc dated August 30, 2018; and

WHEREAS, the total costs of the Project are approximately $7,000,000, with not to exceed $5,500,000 of such funds provided by Unified Government funds and the balance of such funds to be provided by New Market Tax Credits to be obtained by or on behalf of the Unified Government in connection with the Project; and

WHEREAS, the Unified Government hereby finds and determines that it is necessary and advisable to issue general obligation bonds and/or temporary notes in an amount not to exceed $5,500,000 to pay and provide for the costs of a portion of the Project, including making an economic development grant of such funds to a KCK 501 Minnesota ALL, Inc., a Kansas non-profit corporation, for the purpose of obtaining New Market Tax Credits, all for use in connection with the Project; and

WHEREAS, the Unified Government hereby finds and determines that it is necessary and advisable to authorize certain other documents and actions as necessary to obtain New Market Tax Credits for use in connection with the Project.

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

Section 1. **Authorization**. The governing body of the Unified Government hereby finds and determines pursuant to the Home Rule Amendment and the Charter Ordinance that it is necessary and appropriate for the Unified Government to provide for the acquisition, construction and equipping of the Project as described above, and to issue general obligation bonds and/or temporary notes in an amount not to exceed $5,500,000 to pay and provide for the costs of a portion of the Project, including making an economic development grant to KCK 501 Minnesota ALL, Inc., a Kansas non-profit corporation for the purpose of obtaining New Market Tax Credits, all for use in connection with the Project. The governing body of the Unified Government further finds and determines that the Project and the proposed financing thereof will stimulate and foster economic development in the City and its environs in order to enhance and provide for the general and economic development and welfare of the City and its citizens.

The following documents are hereby approved in substantially the forms presented to the governing body of the Unified Government at this meeting, and the Unified Government is hereby authorized to execute and deliver each of such documents (the "NMTC Documents") with such changes therein as shall be approved by the officer or officers of the Unified Government executing such documents, such officers' signatures thereon being conclusive evidence of their approval and the Unified Government's approval thereof:

(a) Base Lease Agreement dated as of the date stated therein (the "Base Lease"), between the Unified Government, as lessor and KCK 501 Minnesota, Inc., as lessee.

(b) Lease Agreement dated as of the date stated therein (the "Lease Agreement"), between KCK 501 Minnesota, Inc., as lessor the Unified Government, as lessee.

(c) Community Benefits Agreement dated as of the date set forth therein (the "Community Benefits Agreement") among the Unified Government, KCK 501 Minnesota ALL, Inc., KCK 501 Minnesota, Inc., and the other parties named therein.

Section 2. **Reimbursement**. The Unified Government may make expenditures related to the Project prior to the issuance of general obligation bonds and/or temporary notes described in Section 1 hereof, and the proceeds of such general obligation bonds and/or temporary notes may be used to reimburse expenditures made on or after the date which is 60 days before the date of this Ordinance, pursuant to Treasury Regulation §1.150-2.

Section 3. **Execution of Documents and Further Authority.** The Mayor/CEO of the Unified Government is hereby authorized and directed to execute the NMTC Documents and such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance, with such changes as the Mayor/CEO deems necessary or appropriate, for and on behalf of and as the act and deed of the Unified Government. The Unified Government Clerk is hereby authorized and directed to attest to and affix the seal of the Unified Government to the NMTC Documents and such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance. The Mayor/CEO, County Administrator, Chief Financial Officer, Chief Counsel, Unified Government Clerk and other Unified Government officials are hereby further authorized and directed to execute any and all documents and take such actions as they may deem necessary or advisable in order to carry out and perform the purposes of the Ordinance, and the execution or taking of such action shall be conclusive evidence of such necessity or advisability.

Section 4. **Effective Date**. This Ordinance shall be effective from and after final passage by the governing body, approval and signature by the Mayor and publication once in the official Unified Government newspaper.

PASSED by the governing body of the Unified Government of Wyandotte County/Kansas City, Kansas, on June 13, 2019 and **APPROVED AND SIGNED** by the Mayor/CEO.

(SEAL)

____
Mayor/CEO

ATTEST:

____
Unified Government Clerk

Staff Request for Commission Action

Tracking No. 19752

Full Commission Meeting Date: 6/13/19

Committee: Economic Development & Finance

Date of Standing Committee Action: 6/3/19 (If none, please explain): 6/3/19

Publication Required: No

Date:	Contact Name:	Contact Phone:	Contact Email:	Department/Division:
5/21/2019	Katherine Carttar	x5176	kcarttar@wycokck.org	Economic Development

Item Description:
A resolution Authorizing the sale and lease of property at 834 Armstrong Avenue.

Action Requested:
Approve and advance to June 13th Full Commission.

Budget Impact: (if applicable)
Amount:
Source:
Included In Budget:
Other (explain):

Attachments List:
ED&F Item No. 4 - Resolution Authorizing Sale and Lease - 834 Armstrong - revised, Exhibit A - deed, Exhibit B - ED&F Item No. 4

RESOLUTION NO. R-______________

A RESOLUTION AUTHORIZING THE SALE AND LEASE OF CERTAIN PROPERTY LOCATED AT 834 ARMSTRONG AVENUE, KANSAS CITY, KANSAS

WHEREAS, in 1996 the City of Kansas City, Kansas (the "City") sold property located at 834 Armstrong Avenue, Kansas City, Kansas (the "Property") to the YMCA of Kansas City, Kansas Wyandotte County, now known as the YMCA of Greater Kansas City ("YMCA"); and

WHEREAS, the deed to the Property contained a reversionary interest in which the Property would revert back to the City upon certain conditions, as shown in the deed attached hereto as Exhibit A; and

WHEREAS, the Unified Government of Wyandotte County/Kansas City, Kansas ("Unified Government") as successor in interest to the City, believes that those conditions for reverter have been or will soon be met, and therefore anticipates that the Unified Government will soon be the owner of the Property again; and

WHEREAS, it is the policy of the Unified Government that it should dispose of surplus real property in a manner that will provide the best and highest return to the government and its taxpayers; and

WHEREAS, the Unified Government has adopted procedures for the disposal of real property as authorized and provided for in K.S.A. 19-211(b) and as authorized by the Unified Government's home rule power; and

WHEREAS, Y Lofts, LP is interested in purchasing part of the Property and leasing part of the Property for the use of the residents and employees in a redevelopment of the 8^{th} St. YMCA facility (the "8^{th} St. YMCA Facility") into senior housing, which 8^{th} St. YMCA Facility is adjacent to the Property; and

WHEREAS, the Unified Government, the YMCA, and Y Lofts, LP have reached an agreement whereby (1) upon the conveyance of the 8^{th} St. YMCA Facility by the YMCA to the Y Lofts, LP, the YMCA will deed the Property back to the Unified Government; (2) the Property will be subdivided via a lot split application, as shown in Exhibit B attached hereto; (3) the eastern lot of the Property will be sold to Y Lofts, LP and (4) the western lot of the Property will be leased to Y Lofts, LP.

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

Section 1. That contingent upon the deeding of the Property back to the Unified Government, and the approval of a lot split application by the Planning Director and any other appropriate governmental authorities, the Unified Government Board of Commissioners hereby approves the sale of the eastern lot of the Property, by the Unified Government to Y Lofts, LP for consideration of the sum of One Dollar ($1.00) and other good and valuable considerations, which shall be agreed upon by the parties. The deed to the lot shall contain a reversionary interest whereby the property shall revert back to the Unified Government if the senior housing facility is not completed within three years.

Section 2. That contingent upon the deeding of the Property back to the Unified Government, and the approval of a lot split application by the Planning Director and any other appropriate governmental authorities, the Unified Government Board of Commissioners hereby approves the lease of the western lot of the Property, by the Unified Government to Y Lofts, LP for consideration of the sum of One Dollar ($1.00) per year, and other good and valuable considerations, which shall be agreed upon by the parties. Said lease shall contain a clause whereby the Unified Government may terminate the lease at any time without cause.

Section 3. That the County Administrator is hereby authorized to negotiate the terms and conditions of such sale and lease and to execute in the name of the Unified Government of Wyandotte County/Kansas City, Kansas, the deed, the lease and such other documents, including any other certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Resolution and to take any further action necessary to effectuate the sale and lease.

ADOPTED BY THE BOARD OF COMMISSIONERS OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS, THIS 13th DAY OF JUNE 2019.

David Alvey
Mayor/CEO

Attest:

Unified Government Clerk

Exhibit A

1216822

MAPPING

QUIT CLAIM DEED (1996) BOOK 3803 PAGE 424

The City of Kansas City, Kansas, a public body corporate and politic, Grantor, grants, bargains, sells, releases and forever quit claims to the YMCA of Kansas City, Kansas, Wyandotte County, Grantee, for the sum of ten dollars ($10.00), the receipt of which is hereby acknowledged, the following described property situated in Wyandotte County, Kansas:

> All of parking lot ten located on Armstrong Avenue between 8th and 9th Street, on Block 129, Wyandotte City, except for the East 5.0 feet of Lot 44 and all of lots 45 and 46 in Block 129 in Wyandotte City, a subdivision of land in Kansas City, Wyandotte County, Kansas G10030.

subject to easements, rights of entry, and restrictions of record and the following condition and covenant previously agreed to by the parties, which bind said parties, and run with the land or any part thereof to all successors and assigns:

Conditions Creating a Possibility of Reverter to Grantor

1. Grantee covenants and agrees to use, operate and maintain the property for public parking purposes including but not limited to parking for its employees, members, residents, visitors and customers of merchants in the surrounding area.

2. Grantee, for itself and its successors and assigns, further covenants and agrees that the aforesaid covenant shall be a covenant running with the land and that it shall, in any event, and without regard to technical classification or designation, legal or otherwise, be binding to the full extent permitted by law and equity for the benefit of and in favor of and enforceable by Grantor, its successors and assigns, against the Grantee, its successors and assigns, and every successor in interest to the property or any part thereof or any interest therein and any party in possession or occupancy of the property or any part thereof.

CITY OF KANSAS CITY, KANSAS 0003

By Dennis M. Hays
Dennis M. Hays
City Administrator

ATTEST:

Tom G. Roberts
Tom G. Roberts
City Clerk

STATE OF KANSAS, WYANDOTTE COUNTY
Entered in transfer record in my office this 14 Day of March 1996
Edward J. Mayfield County Clerk
By TG Deputy

Exhibit A

BOOK 3803 PAGE 425

2

ACKNOWLEDGMENT

STATE OF KANSAS, COUNTY OF WYANDOTTE, SS.

BE IT REMEMBERED, that on this 12 day of March, 1996, before me, the undersigned, a Notary Public in and for the County and State aforesaid, came Dennis Hays, City Administrator of the City of Kansas City, Kansas, and Tom G. Roberts, City Clerk of said City, who are personally known to me to be the same persons who executed the foregoing instrument, and duly acknowledged the execution of the same.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my notarial seal on the day and year last above written.

Donna M. Teasley
Notary Public

~~My Appointment Expires:~~

DONNA M. TEASLEY
NOTARY PUBLIC
STATE OF KANSAS
My Appointment Expires 12-7-98

1216822
STATE OF KS.
WYANDOTTE COUNTY
RECEIVED FOR RECORD
96 MAR 14 P 3:32
THOMAS W. GRONEMAN
REGISTER OF DEEDS
BY [signature] DEP.

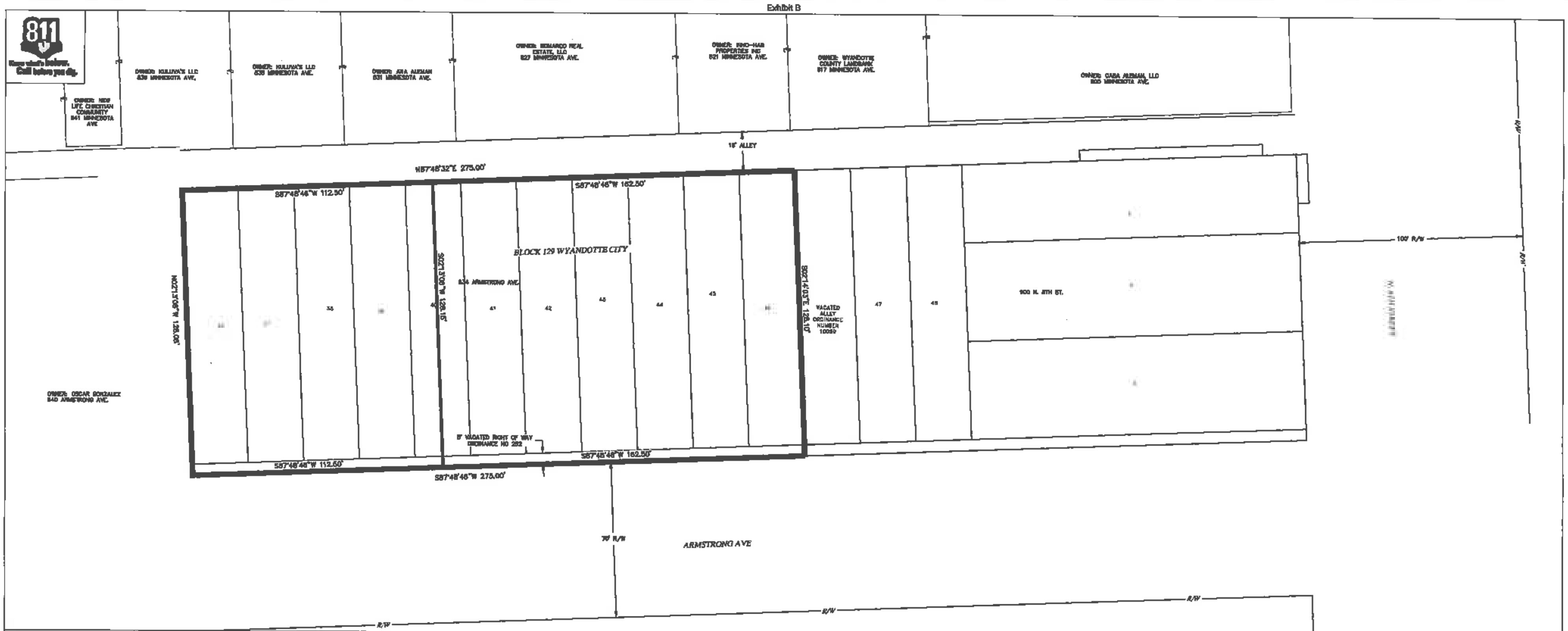
Diana Brauneil

CODED — ENTERED — VERIFIED — VERIFIED

GUARANTEE TITLE OF WYANDOTTE COUNTY

Bill Hutton Atty Security BK Bldg Suite 302 One Security Plaza KCK 66101

Exhibit B



TITLE NOTES

The following title exceptions are shown to provide general information as to easements, setbacks, right-of-way or other general land restrictions. The exceptions were provided to this surveyor by First American Title Insurance Company, in File No. NCS-938926-OMHA, effective December 12, 2018, at 8:00 a.m., as shown on schedule B. The owner is advised to refer to the actual title commitment for the full list of requirements and exceptions. All documents shown on this drawing referenced by a book and page number are records filed with the Recorder of Deeds office of Wyandotte County, Kansas.

KEY NOTE:	SCH. B NUMBER:	ITEM DESCRIPTION:
	#1:	Any defect, lien, encumbrance, adverse claim, or other matter that appears for the first time in the Public Records or is created, attaches, or is disclosed between the Commitment Date and the date on which all of the Schedule B, Part I-Requirements are met.
	#2:	Rights or claims of parties in possession not shown by the Public Records.
	#3:	Easements, or claims of easements, not shown by the Public Records.
	#4:	Any encroachment, encumbrance, violation, variation or adverse circumstances affecting Title that would be disclosed by an accurate and complete survey of the Land or that could be ascertained by an inspection of the Land.
	#5:	Any lien, or right to lien, for services, labor, or material heretofore or hereafter furnished, imposed by law and not shown by the Public Records.
	#6:	Taxes, or special assessments, if any, not shown as existing liens by the Public Records.
	#7:	The lien of the general taxes for the year 2019, and thereafter. Taxes for the year 2018 are EXEMPT. This amount includes the following installments for special assessments: NONE TAX PARCEL NO. 081331 Taxes for the year 2018 are EXEMPT. This amount includes the following installments for special assessments: NONE TAX PARCEL NO. 081410
	#8:	Easements, restrictions and setback lines as per plat, recorded in Plat Book 1, Page 4.
	#9:	Easements and Rights as set out by the City of Kansas City, Kansas in condemnation proceedings as shown in Ordinance filed August 8, 1960, in Book 1733, Page 174, as Document No. 617962 for the purpose of public parking. This exception affects Lots 36-46 Block 129, and is not a survey matter.
	#10:	Any rights reserved unto the City of Kansas City, Kansas, for re-entry onto vacated alleys and streets for installation and maintenance of utilities.
	#11:	Benefit district for grading and paving the East-West alley in Block 129, Wyandotte City, created by Ordinance No. 42903 recorded in Book 1781, Page 374.
12	#12:	Permanent Easement for East-West alley improvement on the North 2.5 feet of Lot 47, the North 2.5 feet of Lot 48 and the North 2.5 feet of the West 7.5 feet of Lot 4, all as above described as taken in Condemnation Proceedings filed at Register's File No. 831652 and recorded in Book 1785, Page 132 of the records in the Office of the Register of Deeds in and for Wyandotte County, Kansas. This exception affects the subject property and is plotted hereon.
	#13:	Terms and provisions of Ordinance No. O-72-08 for and/creating the establishment of the Downtown Kansas City, Kansas Self Supported Municipal Improvement District recorded as Document No. 2008R-17508 in Book 5558, Page 71. This exception affects Lot 47 and 48. This exception is not a survey matter.
	#14:	Terms, provisions and covenants as set out in Quit Claim Deed recorded March 14, 1995 as Document No. 1218822 in Book 3803, Page 4240. See Surveyor's Report note number 19.
	#15:	Construction Easements for installing public parking facilities in the Downtown Minnesota Avenue District of Kansas City, Kansas as described in Ordinance No. 42728 and recorded as Document No. 828553 in Book 1775, Page 333. This construction easement has expired by the terms of the document.
	#16:	Tenancy rights, either as month to month, or by virtue of written leases of persons in possession of any part of the subject property.

TITLE DESCRIPTION

The South 33 feet of Lot 4 and all of Lots 5, 6, 47 and 48 in Block 129 in Northrup's part of Wyandotte City, now in and a part of Kansas City, Wyandotte County, Kansas; also that part of the North and South alley in said Block 129, East of said Lot 48 vacated by Ordinance No. 10059 of the City of Kansas City, Wyandotte County, Kansas; also a strip of land 5 feet wide lying South of all the aforesaid property vacated by Ordinance No. 252 of the City of Kansas City, Wyandotte County, Kansas, and all of Lots 36 through 46, inclusive, Block 129, Wyandotte City, a subdivision in the City of Kansas City, Wyandotte County, Kansas.

SURVEYOR'S REPORT

1. The basis of bearing for this survey is Kansas State Plane, North Zone, North American Datum, 1983.
2. The easements shown on this survey have been taken from the title commitment NCS-938926-OMHA, dated December 19, 2018, provided by First American Title Company of Kansas.
3. A 1/2" x 24" rebar with a plastic cap marked CCEI 1361 has been set at all property corners, unless otherwise noted.
4. All addresses and adjacent property ownership shown on this survey were taken from the Unified Government GIS and Appraisers information.
5. The subject property lies in Zone X – Areas determined to be outside the 0.2% annual chance floodplain, as shown on Flood Insurance Rate Map 20209C0160E, effective Feb. 3, 2014. The average elevation of the parking lot is 865.8. Refer to drawing for finished floor elevations.
6. The gross land area of the subject property is 64,049 square feet, or 1.47 acres.
7. No zoning report was provided. The subject property is listed as C-D, Central Business District, as show on the Unified Government GIS website.
8. There is one brick/block building on the subject property. The height of the building is 42.34 feet as measured at the northeast corner. The building contains 22,117 square feet at ground level.
9. All substantial visible improvements have been shown on this survey.
10. There are 80 parking spaces including 5 handicap spots on the subject property.
11. There are no party walls on the subject property.
12. Utility information shown on this survey was taken from visible evidence of utility components and utility locating service or maps and plans were used for utility information. This surveyor does not warrant or guarantee the location or size of any underground utility. This surveyor does not warrant or guarantee that all utility lines, cables, pipes, or wires (active or inactive) are shown on this survey, only visible evidence of their presence.
13. There is no evidence of earth moving work or recent construction on the subject property.
14. This surveyor is unaware of any proposed changes to the adjacent street right-of-way. There is no evidence of recent sidewalk construction or repair on the subject property.
15. According to the wetlands report dated February 27th 2018 prepared by Continental Consulting Engineers, there are no wetlands on the subject property
16. There are no offsite easements that affect the subject property.
17. Continental Consulting Engineers, Inc. carries professional liability insurance in the amount of $2,000,000.
18. No document was provided for exception number 11.
19. Exception 14 may contain a reverter to grantor condition.
20. Utility locates indicate buried telephone duct bank that runs underneath a portion of the building and through the property with no easement.
21. Utility locates indicate a sewer line that runs underneath a portion of the building and through the property with no easement.
22. Utility locates indicate an overhead power line that runs underneath a portion of the building and through the property with no easement.
23. (1) All streets abutting the subject property ("the Premises") and all means of ingress to and egress from the Premises have been completed, dedicated and accepted for public maintenance and public use by the City of Wyandotte City, Kansas, (2) all utilities serving the Premises enter the Premises from abutting public streets; (3) except as shown, the Premises does not serve any adjoining property for drainage, utilities, or ingress or egress; and (4) all setback restrictions disclosed by applicable zoning or building codes are plotted on the survey.
24. There is a 5 foot by 82 foot area for the purpose of constructing and maintaining an area way under the surface of the alley as described in Ordinance Number 42027 dated August 3rd, 1961. There is also a 5 feet by 22 foot area for the purpose of constructing and maintaining a stair well as described in Ordinance Number 42027 dated August 3rd, 1961. This ordinance dated a franchise to the YMCA for the use of said areas. The franchise expired 20 years from the date of the ordinance. The stairwell and area way were to be removed per the ordinance. The stair well still exists but does not appear to be in use. This surveyor has not verified if the area way under the alley still exists. Refer to Ordinance for more details.

SYMBOL LEGEND

- Sanitary sewer manhole
- Storm water manhole
- Telephone manhole
- Traffic signal
- Traffic signal manhole
- Sign
- Street light
- Power pole
- Anchor
- Telephone riser
- Found property corner as noted
- Set property corner with 1/2" X 24" rebar and cap CCEI 1361
- —T— Buried telephone line
- —G— Buried gas line
- —OHP— Overhead power line
- —OHT— Overhead telephone line
- —OHCATV— Overhead cable tv line
- —E— Buried electric line
- Fence line
- Deciduous Tree
- Coniferous Tree
- Concrete pavement
- Property line
- Center line
- R/W Right of way
- Building

CERTIFICATION

The undersigned hereby certifies to Y Lofts, LP, a Kansas limited partnership, AEP Housing Fund 215, LLC, a Delaware limited liability company, Stoley & Company, Inc., and First American Title Insurance Company, that this map or plat and the survey on which it is based were made in accordance with the 2016 Minimum Standard Detail Requirements for ALTA/NSPS Land Title Surveys, jointly established and adopted by ALTA and NSPS, and includes Items 1-4, 6 through 11, and 13-31 of Table A thereof. The fieldwork was completed on 02/25/2019.

Date of Plat or Map: 03/04/2019

Date: __________

____
Signature

Printed Name Samuel Duffield
Registration/License No. 1351

GRAPHIC SCALE
(IN FEET)
1 INCH = 20 FT.

No.	Iss. Date	Notes/Comments	By	App.

ALTA SURVEY OF YMCA BUILDING
900 N. 8TH ST.
KANSAS CITY, WYANDOTTE COUNTY, KANSAS

Continental Consulting Engineers, Inc.

9000 STATE LINE ROAD
LEAWOOD, KANSAS 66206

1006 PARALLEL PARKWAY
KANSAS CITY, KANSAS 66104

TEL. (913) 642-6642
FAX (913) 642-6644

Drafted:	HD
Reviewed:	SD/CS
Approved:	SD
Date:	02/27/2019
Proj#	

SHEET 1 OF 1

Staff Request for Commission Action

Tracking No. 19755

Full Commission Meeting Date: 6/13/19

Committee: Economic Development & Finance

Date of Standing Committee Action: 6/3/19 (If none, please explain):

Publication Required: No

Date:	Contact Name:	Contact Phone:	Contact Email:	Department/Division:
5/22/2019	Katherine Carttar	x5176	kcarttar@wycokck.org	Economic Development

Item Description:
A public hearing on the Resolution of Intent to issue IRB's in an amount not to exceed $155,000,000 for the benefit of Turner Logistics.

Action Requested:
Hold a public hearing.

Budget Impact: (if applicable)
Amount:
Source:
Included In Budget:
Other (explain):

Attachments List:
Resolution of Intent (Master) - Turner Logistics Center, Turner Logistics CBA

RESOLUTION NO. R-____-19

RESOLUTION DETERMINING THE INTENT OF THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS, TO ISSUE ITS INDUSTRIAL REVENUE BONDS IN MULTIPLE SERIES IN THE AGGREGATE AMOUNT OF APPROXIMATELY $155,000,000 TO FINANCE THE COSTS OF ACQUIRING, CONSTRUCTING, IMPROVING AND EQUIPPING A LOGISTICS CENTER FOR THE BENEFIT OF NORTHPOINT DEVELOPMENT, LLC, AND ITS SUCCESSORS AND ASSIGNS (MASTER RESOLUTION OF INTENT)

WHEREAS, the Unified Government of Wyandotte County/Kansas City, Kansas (the "Unified Government"), desires to promote, stimulate and develop the general welfare and economic prosperity of the Unified Government and its inhabitants and thereby to further promote, stimulate and develop the general welfare and economic prosperity of the State of Kansas; and

WHEREAS, the Unified Government is authorized and empowered under the provisions of K.S.A. 12-1740 to 12-1749d, inclusive (the "Act"), to issue revenue bonds to pay the cost of certain facilities (as defined in the Act) for the purposes set forth in the Act and to lease such facilities to private persons, firms or corporations; and

WHEREAS, NorthPoint Development, LLC, a Missouri limited liability company (the "Company"), has submitted to the Unified Government an Application for the Issuance of Industrial Revenue Bonds (the "Application") requesting that the Unified Government finance the cost of acquiring, constructing, improving and equipping a logistics center, including industrial, distribution, and manufacturing facilities as more fully described in the Application, located approximately at the intersection of Interstate 70 and Turner Diagonal Freeway in Kansas City, Kansas (collectively, the "Project") through the issuance of its revenue bonds in multiple series in the aggregate amount of approximately $155,000,000 (collectively, the "Bonds"), and to lease the Project to the Company or its successors and assigns in accordance with the Act; and

WHEREAS, it is hereby found and determined to be advisable and in the interest and for the welfare of the Unified Government and its inhabitants that the Unified Government finance the costs of the Project by the issuance of multiple series of Bonds in an aggregate principal amount of approximately $155,000,000, said Bonds to be payable solely out of rentals, revenues and receipts derived from the lease of the Project by the Unified Government to the Company or its successors and assigns.

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

Section 1. Approval of Project. The Governing Body of the Unified Government hereby finds and determines that the acquiring, constructing, improving and equipping of the Project will promote the general welfare and economic prosperity of the Unified Government, and the issuance of the Unified Government's revenue bonds to pay such costs will be in furtherance of the public purposes set forth in the Act.

Section 2. Intent to Issue Bonds. The Governing Body of the Unified Government hereby determines and declares the intent of the Unified Government to acquire, construct, improve and equip the Project out of the proceeds of the Bonds in an aggregate principal amount of approximately $155,000,000 to be issued pursuant to the Act.

Section 3. Provision for the Bonds. Subject to the conditions of this Resolution, the Unified

Government hereby expresses its intent to (i) issue its Bonds in one or more series to pay the costs of acquiring, constructing, improving and equipping the Project, with such maturities, interest rates, redemption terms and other provisions as may be determined by ordinance of the Unified Government; (ii) provide for the lease (with an option to purchase) of each Project to the Company; and (iii) to effect the foregoing, adopt such resolutions and ordinances and authorize the execution and delivery of such instruments and the taking of such action as may be necessary or advisable for the authorization and issuance of each series of Bonds by the Unified Government and take or cause to be taken such other action as may be required to implement the aforesaid.

Section 4. Conditions to Issuance. The issuance of each series of Bonds and the execution and delivery of any documents related to each series of Bonds are subject to (i) obtaining any necessary governmental approvals, including passage and publication of an ordinance authorizing each series of Bonds; (ii) agreement by the Unified Government, the Company and the purchaser of each series of Bonds upon (a) mutually acceptable terms for the Bonds and for the sale and delivery thereof and (b) mutually acceptable terms and conditions of any documents related to the issuance of the Bonds and the Project; (iii) the Company's compliance with the Unified Government's policies relating to the issuance of revenue bonds and ad valorem tax abatement; and (iv) the receipt and approval by the Unified Government of appropriate applications for the issuance of each series of Bonds.

Section 5. Sale of the Bonds. The sale of each series of Bonds shall be the responsibility of the Company; provided, however, arrangements for the sale of each series of Bonds shall be acceptable to the Unified Government.

Section 6. Limited Obligations of the Unified Government. Each series of Bonds and the interest thereon shall be special, limited obligations of the Unified Government payable solely out of the amounts derived by the Unified Government under a Lease Agreement and as provided herein and are secured by a transfer, pledge and assignment of and a grant of a security interest in the Trust Estate to the Trustee and in favor of the owners of each series of Bonds, as provided in the respective Indenture. Each series of Bonds shall not constitute a general obligation of the Unified Government, the State or of any other political subdivision thereof within the meaning of any State constitutional provision or statutory limitation and shall not constitute a pledge of the full faith and credit of the Unified Government, the State or of any other political subdivision thereof and shall not be payable in any manner by taxation, but shall be payable solely from the funds provided for as provided in the respective Indenture. The issuance of each series of Bonds shall not, directly, indirectly or contingently, obligate the Unified Government, the State or any other political subdivision thereof to levy any form of taxation therefor or to make any appropriation for their payment.

Section 7. Ad Valorem Tax Abatement. Subject to the conditions in **Section 4** and compliance with K.S.A. 12-1749c and 12-1749d and in consideration of the Company's decision to acquire, construct and equip the Project, the Unified Government hereby agrees to take all appropriate action to request the Kansas Board of Tax Appeals to approve a 100% ad valorem property tax abatement (not including special assessments and taxes that may not be abated by the Unified Government under Kansas law) for all property (including real property and building improvements) financed with the proceeds of each series of Bonds.

In consideration of the City's agreement to request such 100% abatement, the Company will agree to make payments in lieu of tax for each Project as set forth below, subject to adjustment in accordance with the Performance Agreement for each series of Bonds:

[1]Year	[2]Per Square Foot PILOT
2020	$0.14
2021	0.16
2022	0.18
2023	0.18
2024	0.20
2025	0.20
2026	0.22
2027	0.30
2028	0.32
2029	0.34
2030	0.34
2031	0.36
2032	0.38
2033	0.48
2034	0.48
2035	0.48
2036	0.48
2037	0.48
2038	0.48
2039	0.48

[1] PILOTs for a portion of the Project will begin the calendar year after a series of Bonds is issued to finance such portion of the Project and will continue for up to 10 years thereafter, as provided by Kansas law.

[2] Per-Square-Foot PILOT rates are subject to adjustment based on certain performance metrics, as set forth in that certain Development Agreement for Turner Logistics Center, dated as of June 13, 2019, between the Unified Government and the Company.

The Unified Government and the Company shall enter into a Performance Agreement for each series of Bonds related to the Project. The Project financed with the proceeds of each series of Bonds shall be entitled to a 10-year tax abatement, with the first year of the abatement being the year beginning on the January 1 following the year such Bonds are issued by the Unified Government.

Section 8. Required Disclosure. Any disclosure document prepared in connection with the offering any series of Bonds shall contain the following disclaimer:

> NONE OF THE INFORMATION IN THIS OFFICIAL STATEMENT, OTHER THAN WITH RESPECT TO INFORMATION CONCERNING THE UNIFIED GOVERNMENT CONTAINED UNDER THE CAPTIONS “THE UNIFIED GOVERNMENT” AND “LITIGATION -- THE UNIFIED GOVERNMENT” HEREIN, HAS BEEN SUPPLIED OR VERIFIED BY THE UNIFIED GOVERNMENT, AND THE UNIFIED GOVERNMENT MAKES NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION.

Section 9. Termination. This Resolution shall terminate upon the earlier of (a) December 31, 2029 (which is also the last date on which Bonds may be issued pursuant to this Resolution), or (b) any date when the Company's rights hereunder are earlier terminated pursuant to that certain Development Agreement for Turner Logistics Center, dated as of June 13, 2019, between the Unified Government and the Company.

Section 10. Benefit of Resolution. This Resolution will inure to the benefit of the Unified Government and the Company. The Unified Government may, at the request of the Company, assign all or a portion of the Company's interest in this Resolution to another entity, and such assignee will be entitled to the benefits of the portion of this Resolution assigned and the proceedings related hereto.

Section 11. Further Action. Counsel to the Unified Government and Gilmore & Bell, P.C., Bond Counsel for the Unified Government, together with the officers and employees of the Unified Government, are hereby authorized to work with the purchaser of each series of Bonds, the Company, their respective counsel and others, to prepare for submission to and final action by the Unified Government all documents necessary to effect the authorization, issuance and sale of the Bonds and other actions contemplated hereunder.

Section 12. Effective Date. This Resolution shall take effect and be in full force immediately after its adoption by the Governing Body of the Unified Government.

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ADOPTED BY THE COMMISSION OF THE UNIFIED GOVENMENTOF WYANDOTTE COUNTY/KANSAS CITY, KANSAS THIS 13TH DAY OF JUNE, 2019.

By: ____
Mayor/CEO

(Seal)

Attest:

By: _____________________________________
Unified Government Clerk

A Tax Abatement Cost-Benefit Analysis of
Northpoint Development, LLC (Turner Logistics Center)
for the Unified Government of Kansas City/Wyandotte County

Completed by

Municipal Consulting, LLC

5/17/2019

CONTENTS:

ABOUT THIS REPORT:

This report uses data that was collected from the firm involved and budget reports from each of the taxing entities where the project is to be located. This data is summarized on pages 4 and 5. In addition, various calculations were applied to the data using rates and information gathered from the current economic and financial conditions.

DEFINITIONS USED:

- **Rate of Return**: Incentives and tax abatements granted by the taxing entities are equivalent to a public investment in the firm. Comparing these investments to the various benefits received over the 10-year project period by the public entity produces an average annual rate of return for the period. Generally, a rate of return that exceeds the entity's cost of capital would be considered a favorable investment.
- **Net Present Value:** This is the amount that a future series of payments is worth today, given an assumed discount rate. The only way to accurately compare payments to be made or received in the future to the dollar value at present is with Net Present Value. Generally a positive net present value represents and acceptable investment opportunity.
- **Benefit - Cost Ratio**: Typically referred to as the "Cost-Benefit Ratio," this is the ratio of the public entity benefits received over the 10-year project life to the public costs incurred over the same period. If the ratio is above 1.0, then the benefits exceed the costs, and if it is less than 1.0, the costs exceed the benefits. Generally, a public entity would like to have a Benefit-to-Cost ratio of 1.3 or better in order to grant a tax abatement and/or other incentives. However, the governing body may take into account the other economic benefits of the project in making that decision.

DISCLAIMER:

This report is prepared using a variety of assumptions regarding discount rate, inflation rate, and other economic variables. It also uses information submitted by the firm based on its best estimates of what they expect to occur in the next decade. Future business results and economic factors are not and cannot be guaranteed. Therefore, we provide no guarantee on the future performance of the firm, or that conditions within the taxing entities will remain as they are today. The governing body should make its decision on the best information presented, while fully recognizing that future performance could be substantially different.

COMMENTS SPECIFIC TO THIS PROJECT:

The overall costs and benefits for each taxing entity are:

Taxing Entity	Benefit to Cost Ratio	Average Return on Investment
City of Kansas City	3.26	13%
Wyandotte County	2.39	8%
Turner USD 202	5.28	25%
KC Community College	2.50	9%
Wyandotte Co. Library	2.03	6%
Turner Recreation Commission	2.02	6%
State of Kansas	7.16	36%

The Development agreement for this project provides for a 10-year property tax abatement for each individual phase. Our assumption was that one phase would be built annually for seven years. Phase 7 would become eligible for the 10-year abatement beginning in Year 7 so the total length of the agreement could cover 17 years or longer. Thus, we used a 17-year period of the analysis in order to get a true cost-benefit comparison. This results in the ratios for all of the taxing entities being in excess of the desired 1.3. There is also a graduated PILOT based on the actual square footage constructed taken into consideration. See Attachment A.

If you have any questions or comments, you may reach me with the contact information below.

R. Steven Robb

Digitally signed by R. Steven Robb
DN: cn=R. Steven Robb, o=Municipal Consulting, LLC, ou, email=steverobb@ckt.net, c=US
Date: 2019.05.17 08:53:39 -05'00'

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www.municipalconsulting.biz
2207 N. Free King Hwy, Pittsburg, KS 66762-8418

Column1	Column2	Column3	Column4	Column5	Column6
COST-BENEFIT ANALYSIS PROJECT SUMMARY					
PROJECT NAME:		Northpoint Development, LLC (Turner Logistics Center)			
DATE:			5/17/2019		
GOVERNMENTAL ENTITIES INVOLVED:					
CITY:			City of Kansas City		
COUNTY:			Wyandotte County		
SCHOOL DISTRICT:			Turner USD 202		
SPECIAL TAXING DISTRICT #1			KC Community College		
SPECIAL TAXING DISTRICT #2			Wyandotte Co. Library		
SPECIAL TAXING DISTRICT #3			Turner Recreation Commission		
STATE:			State of Kansas		
INFLATION RATE:		2.00%	DISCOUNT RATE:		3.00%

Northpoint Development, LLC (Turner Logistics Center)

Column1	Column2	Column3	Column4	Column6	Column7	Column8	Column11
Community Data Inputs:							
	City of Kansas City	**Wyandotte County**	**Turner USD 202**	**KC Community College**	**Wyandotte Co. Library**	**Rec. Commission**	**State**
Mill Levy	38.137860	39.010762	53.639853	27.475764	6.067506	7.000000	1.500000
Market Value New Home	$131,300	$138,900	$142,600	$138,900	$131,300	$142,600	$239,700
Sales Tax	1.625%	1.000%	n/a	n/a	n/a	n/a	6.50%
Transient Guest Tax	8.00%	0.00%	n/a	n/a	n/a	n/a	n/a
Utility Revenue/HsHld	$48.33	n/a	n/a	n/a	n/a	n/a	n/a
Franchise Fees/HsHld	$792.91	n/a	n/a	n/a	n/a	n/a	n/a
Other Revenues/Res.	$222.79	$62.63	n/a	$251.56	$33.54	$56.94	$1,078.69
Marg. Cost/Res./Student	$92.08	$31.51	$1,181.80	$23.10	$9.49	$19.90	$185.04
Other Revenues/Worker	$215.44	$60.57	n/a	$243.26	$32.43	$55.07	$936.49
Marginal Cost/New Worker	$89.04	$30.47	n/a	$22.34	$9.18	$19.24	$160.65
State Funding/Pupil	n/a	n/a	$9,790.95	n/a	n/a	n/a	n/a
Federal Funding/Pupil	n/a	n/a	$1,206.31	n/a	n/a	n/a	n/a
Visitor Daily Spending	$37.50	$37.50					$75.00
Average Hotel Room Rate	$100	$100					n/a
Retail Pull Factor	0.97	0.98					n/a
Percent of County Share	90.80%	100.00%					n/a
Ann. Local Per Capita Sales Tax	$211	$154					n/a
Ann. State Per Capita Sales Tax	$919	$937					$952
Annual Per Capita Retail Sales	$14,143	$14,409					$14,654
Average Household Size	2.68	2.67					2.49
Housing Vacancy Rate	13.00%	12.50%					10.90%

Northpoint Development, LLC (Turner Logistics Center)

Column1 Column2	Column3	Column4	Column5	Column6	Column7	Column8	Column9	Column10	Column11	Column1	Column1	Column1	olumn14	olumn14	olumn14	olumn14	olumn14	olumn14	olumn14	Column15
Firm Data Inputs:																				
			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Total
Project Phase #			I	II	III	IV	V	VI	VII											
Investment in Land			$9,000,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$9,000,000
Investment in Building			$16,807,713	$19,835,485	$10,372,550	$22,410,284	$22,410,284	$20,026,211	$16,037,474	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$127,900,000
Building Square Feet			366,600	432,640	226,240	488,800	488,800	436,800	349,800	0	0	0	0	0	0	0	0	0	0	2,789,680
Investment in Equipment[1]			$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	0
Investment in Private Infrastructure			$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	0
Investment in Public Infrastructure			$1,500,000																	$1,500,000
Other Project Costs			$18,100,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$18,100,000
Total Project Costs			$45,407,713	$19,835,485	$10,372,550	$22,410,284	$22,410,284	$20,026,211	$16,037,474	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$156,500,000
UG Infrastructure Investment			$7,500,000																	$7,500,000
	Growth	**Const. Per.**	**Yr. 1**	**Yr. 2**	**Yr. 3**	**Yr. 4**	**Yr. 5**	**Yr. 6**	**Yr. 7**	**Yr. 8**	**Yr. 9**	**Yr. 10**	**Yr. 11**	**Yr. 12**	**Yr. 13**	**Yr. 14**	**Yr. 15**	**Yr. 16**	**Yr. 17**	**Total**
Net City Util. Revenue	3.00%	$0	$2,286	$4,985	$6,396	$9,444	$12,492	$15,217	$17,398	$17,920	$18,458	$19,011	$19,582	$20,169	$20,774	$21,397	$22,039	$22,701	$23,382	$123,606
Franchise Fees	3.00%	$0	$37,512	$81,780	$104,930	$154,945	$204,961	$249,655	$285,448	$294,011	$302,832	$311,917	$311,917	$321,274	$330,912	$340,840	$351,065	$361,597	$372,445	$2,027,991
PILOT- City		$0	$11,325	$28,218	$40,732	$60,147	$88,402	$107,679	$135,428	$184,675	$196,987	$209,298	$181,794	$158,119	$147,933	$135,089	$83,316	$37,050	$0	$1,062,892
PILOT - County		$0	$11,585	$28,864	$41,664	$61,523	$90,425	$110,144	$138,528	$188,902	$201,495	$214,089	$185,955	$161,738	$151,319	$138,181	$85,223	$37,898	$0	$1,087,219
PILOT - State		$0	$445	$1,110	$1,602	$2,366	$3,477	$4,235	$5,327	$7,263	$7,748	$8,232	$7,150	$6,219	$5,818	$5,313	$3,277	$1,457	$0	$41,805
PILOT - School		$0	$15,929	$39,688	$57,288	$84,595	$124,335	$151,448	$190,476	$259,741	$277,057	$294,373	$248,585	$222,390	$208,063	$189,999	$117,182	$52,110	$0	$1,494,928
PILOT - Comm. Coll.		$0	$8,159	$20,329	$29,344	$43,332	$63,688	$77,576	$97,567	$133,046	$141,916	$150,785	$130,970	$113,914	$106,576	$97,323	$60,024	$26,692	$0	$765,742
PILOT- Library		$0	$1,802	$4,489	$6,480	$9,569	$14,064	$17,131	$21,546	$29,381	$31,339	$33,298	$28,922	$25,156	$23,535	$21,492	$13,255	$5,895	$0	$169,100
PILOT - Rec Comm		$0	$2,376	$5,919	$8,544	$12,617	$18,544	$22,587	$28,408	$38,738	$41,321	$43,904	$31,031	$33,168	$31,031	$28,337	$17,477	$7,772	$0	$222,958
New Jobs Created		0	237	279	146	315	315	282	226	0	0	0	0	0	0	0	0	0	0	1,800
Households new to the city		20%	47	56	29	63	63	56	45	0	0	0	0	0	0	0	0	0	0	360.0
Households new to the county		30%	71	84	44	95	95	85	68	0	0	0	0	0	0	0	0	0	0	540.0
Households new to the state		5.0%	12	14	7	16	16	14	11	0	0	0	0	0	0	0	0	0	0	90.1
New students in K-12			47	56	29	63	63	56	45	0	0	0	0	0	0	0	0	0	0	360.0
New employee average salary[3]		2.00%	$50,475	$51,485	$52,514	$53,564	$54,636	$55,728	$56,843	$57,980	$59,140	$60,322	$61,529	$62,759	$64,015	$65,295	$66,601	$67,933	$69,291	N/A
Tax Abatement-Land			0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	N/A
Tax Abatement-Bldg.			100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	N/A
			City	**County**	**State**															
Percentage of sales taxable in the			0%	0%	0%															
Percentage of purchases taxable in the			0%	0%	0%															
Assumed Inflation Rate			2.00%																	

[1] Fixtures, furniture and equipment costs are exempt from sales taxes, but are included here to reflect the firm's total investments.

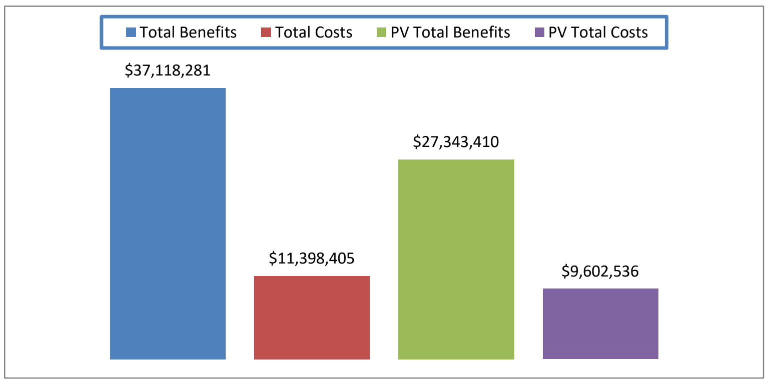
[2] Totals may not be precise due to rounding.

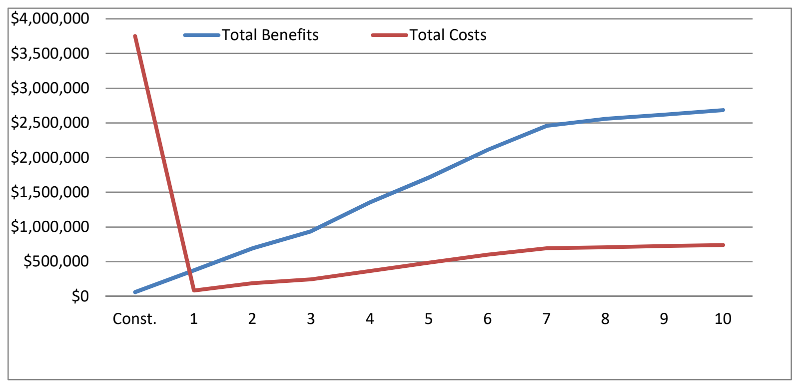
[3] Mean salary for all occupations from the 2018 Kansas Wage Survey for Wyanditte County, available at the Kansas Labor Information Center.

Column1	Column2	Column3	Column4	Column5	Column6	Column7	Column8	Column9
COST-BENEFIT ANALYSIS PROJECT SUMMARY								
PROJECT NAME:	**Northpoint Development, LLC (Turner Logistics Center)**							
DATE:		5/17/2019						
Entity	**Total Benefits**	**Total Costs & Incentives**	**Net Benefits**	**Net Present Value of Net Benefits**	**NPV of Incentives & Taxes Abated**	**Ratio of NPV of Net Benefits to NPV of Incentives and Taxes Abated**	**Actual Benefit to Actual Cost Ratio**	**Avg. Annual Rate of Return**
City of Kansas City	$37,118,281	$11,398,405	$25,719,876	$17,720,304	$8,543,569	2.07	3.26	13%
Wyandotte County	$25,736,982	$10,790,896	$14,946,085	$9,794,135	$8,627,723	1.14	2.39	8%
Turner USD 202	$83,391,995	$15,798,738	$67,593,256	$49,276,495	$6,709,086	7.34	5.28	25%
KC Community College	$12,023,955	$4,802,916	$7,221,039	$5,145,579	$3,435,441	1.50	2.50	9%
Wyandotte Co. Library	$2,295,140	$1,132,449	$1,162,691	$827,963	$758,653	1.09	2.03	6%
Turner Recreation Commission	$2,938,366	$1,452,901	$1,485,465	$1,051,287	$875,247	1.20	2.02	6%
State of Kansas	$115,165,975	$16,081,750	$99,084,225	$73,495,585	$187,553	391.87	7.16	36%

SUMMARY OF COSTS AND BENEFITS FOR:	City of Kansas City	Ratio of Actual Benefits to Actual Costs Over the 17-Year Period:	3.26
PROJECT:	Northpoint Development, LLC (Turner Logistics Center)	Ratio of Present Value of Total Benefits to Present Value of Total Costs:	2.85
DATE: 5/17/2019	DISCOUNT RATE: 3.00%	(Typical desired ratio would be 1.3 to 1) Average ROI	13.27%

Year	Sales Taxes	New Property Taxes	Utilities and Franchise Fees	PILOT Payment	Other City Revenues	Total Benefits	Net Present Value of Total Benefits	Incentives and Cost of Various City Services	Property Taxes Abated	Other Costs & Incentives	Total Costs	Net Present Value of Total Costs	Net Benefits or Costs	Cumulative Net Benefits or Costs	Net Present Value of Net Benefits	Net Present Value of Incentives & Taxes Abated
Const.	$60,759	$0	$0	$0	$0	$60,759	$60,759	$0	$0	$3,750,000	$3,750,000	$3,750,000	-$3,689,241	-$3,689,241	-$3,689,241	$3,750,000
1	$208,140	$85,792	$39,798	$11,325	$28,457	$373,513	$362,634	$11,761	$73,716	$0	$85,477	$82,988	$288,036	-$3,401,205	$279,646	$71,569
2	$340,895	$174,504	$86,765	$28,218	$63,281	$693,662	$653,843	$26,154	$162,186	$0	$188,340	$177,528	$505,322	-$2,895,883	$476,315	$152,876
3	$478,079	$223,486	$111,325	$40,732	$82,817	$936,440	$856,975	$34,228	$210,922	$0	$245,151	$224,347	$691,289	-$2,204,593	$632,628	$193,024
4	$679,069	$326,244	$164,389	$60,147	$124,738	$1,354,588	$1,203,534	$51,554	$313,429	$0	$364,983	$324,283	$989,605	-$1,214,989	$879,251	$278,478
5	$806,928	$431,057	$217,453	$88,402	$168,303	$1,712,143	$1,476,910	$69,559	$417,986	$0	$487,545	$420,561	$1,224,598	$9,609	$1,056,349	$360,558
6	$1,002,547	$527,511	$264,872	$107,679	$209,104	$2,111,713	$1,768,526	$86,422	$514,177	$0	$600,600	$502,993	$1,511,113	$1,520,722	$1,265,533	$430,616
7	$1,169,206	$608,399	$302,846	$135,428	$243,865	$2,459,744	$1,999,997	$100,789	$594,799	$0	$695,588	$565,577	$1,764,156	$3,284,878	$1,434,420	$483,626
8	$1,192,590	$620,567	$311,931	$184,675	$248,742	$2,558,505	$2,019,708	$102,805	$606,695	$0	$709,500	$560,086	$1,849,005	$5,133,884	$1,459,622	$478,931
9	$1,216,442	$632,978	$321,289	$196,987	$253,717	$2,621,413	$2,009,095	$104,861	$618,829	$0	$723,690	$554,648	$1,897,723	$7,031,607	$1,454,447	$474,281
10	$1,240,771	$645,638	$330,928	$209,298	$258,791	$2,685,426	$1,998,209	$106,958	$631,206	$0	$738,164	$549,263	$1,947,262	$8,978,869	$1,448,946	$469,676
11	$1,265,586	$658,550	$331,498	$181,794	$263,967	$2,701,396	$1,951,546	$109,097	$553,970	$0	$663,067	$479,014	$2,038,328	$11,017,197	$1,472,532	$400,200
12	$1,290,898	$671,721	$341,443	$158,119	$269,246	$2,731,428	$1,915,769	$111,279	$459,002	$0	$570,281	$399,984	$2,161,146	$13,178,344	$1,515,785	$321,935
13	$1,316,716	$685,156	$351,687	$147,933	$274,631	$2,776,122	$1,890,404	$113,505	$412,727	$0	$526,232	$337,768	$2,249,890	$15,428,234	$1,532,066	$281,047
14	$1,343,050	$698,859	$362,237	$135,089	$280,124	$2,819,359	$1,863,929	$115,775	$301,169	$0	$416,944	$275,649	$2,402,415	$17,830,649	$1,588,280	$224,098
15	$1,369,911	$712,836	$373,104	$83,316	$285,726	$2,824,894	$1,813,192	$118,090	$187,380	$0	$305,470	$196,070	$2,519,424	$20,350,073	$1,617,122	$120,272
16	$1,397,309	$727,093	$384,297	$37,050	$291,441	$2,837,191	$1,768,044	$120,452	$84,060	$0	$204,513	$127,445	$2,632,678	$22,982,751	$1,640,598	$52,384
17	$1,425,255	$741,635	$395,826	$0	$297,270	$2,859,986	$1,730,339	$122,861	$0	$0	$122,861	$74,333	$2,737,125	$25,719,876	$1,656,006	$0
Total	$17,804,150	$9,172,026	$4,691,690	$1,806,193	$3,644,222	$37,118,281	$27,343,410	$1,506,151	$6,142,254	$3,750,000	$11,398,405	$9,602,536	$25,719,876	$25,719,876	$17,720,304	$8,543,569





SUMMARY OF COSTS AND BENEFITS FOR: Wyandotte County

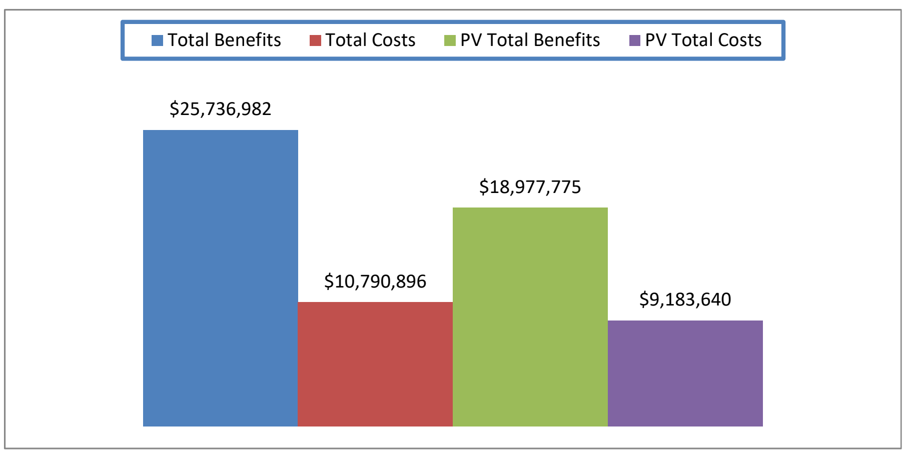
PROJECT: Northpoint Development, LLC (Turner Logistics Center)

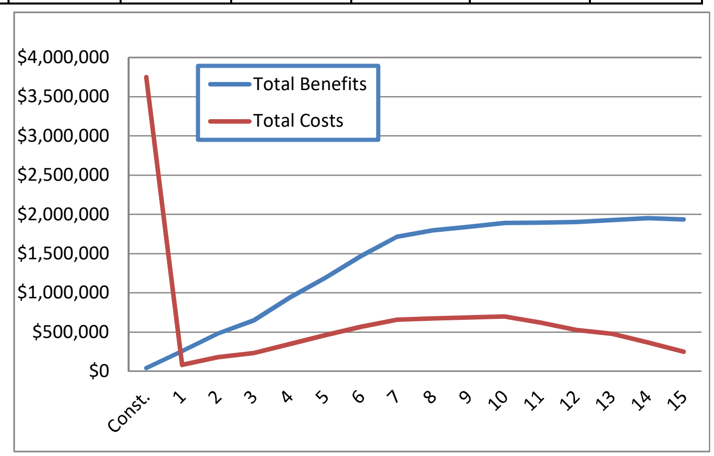
DATE: 5/17/2019

DISCOUNT RATE: 3.00%

Ratio of Actual Benefits to Actual Costs Over the 17-Year Period:	2.39
Ratio of Present Value of Total Benefits to Present Value of Total Costs:	2.07
Average ROI	8.15%

Year	Sales Taxes	New Property Taxes	PILOT Payment	Other County Revenues	Total Benefits	Net Present Value of Total Benefits	Cost of Various County Services	Property Taxes Abated	Total Costs	Net Present Value of Total Costs	Net Benefits or Costs	Cumulative Net Benefits or Costs	Net Present Value of Net Benefits	Net Present Value of Taxes Abated
Const.	$41,179	$0	$0	$0	$41,179	$41,179	$3,750,000	$0	$3,750,000	$3,750,000	-$3,708,821	-$3,708,821	-$3,708,821	$3,750,000
1	$148,360	$87,756	$11,585	$11,765	$259,466	$251,909	$5,919	$75,403	$81,323	$78,954	$178,143	-$3,530,678	$172,954	$73,207
2	$247,261	$178,498	$28,864	$26,162	$480,785	$453,186	$13,163	$165,898	$179,062	$168,783	$301,724	-$3,228,954	$284,403	$156,375
3	$345,245	$228,601	$41,664	$34,240	$649,750	$594,613	$17,227	$215,750	$232,977	$213,207	$416,772	-$2,812,182	$381,406	$197,442
4	$492,211	$333,711	$61,523	$51,571	$939,017	$834,304	$25,948	$320,603	$346,550	$307,906	$592,466	-$2,219,716	$526,399	$284,851
5	$590,035	$440,923	$90,425	$69,583	$1,190,966	$1,027,337	$35,010	$427,553	$462,562	$399,010	$728,403	-$1,491,313	$628,327	$368,811
6	$733,074	$539,584	$110,144	$86,451	$1,469,253	$1,230,476	$43,497	$525,946	$569,443	$476,900	$899,810	-$591,503	$753,576	$440,472
7	$854,936	$622,324	$138,528	$100,822	$1,716,611	$1,395,762	$50,728	$608,413	$659,141	$535,942	$1,057,470	$465,967	$859,820	$494,695
8	$872,035	$634,770	$188,902	$102,839	$1,798,546	$1,419,789	$51,742	$620,581	$672,324	$530,738	$1,126,223	$1,592,190	$889,051	$489,892
9	$889,476	$647,466	$201,495	$104,895	$1,843,333	$1,412,761	$52,777	$632,993	$685,770	$525,586	$1,157,563	$2,749,753	$887,175	$485,136
10	$907,265	$660,415	$214,089	$106,993	$1,888,763	$1,405,417	$53,833	$645,653	$699,485	$520,483	$1,189,277	$3,939,030	$884,934	$480,426
11	$925,411	$673,623	$185,955	$109,133	$1,894,122	$1,368,354	$54,910	$566,649	$621,559	$449,027	$1,272,563	$5,211,593	$919,327	$409,360
12	$943,919	$687,096	$161,738	$111,316	$1,904,069	$1,335,476	$56,008	$469,508	$525,516	$368,586	$1,378,553	$6,590,147	$966,889	$329,303
13	$962,797	$700,838	$151,319	$113,542	$1,928,496	$1,313,212	$57,128	$422,174	$479,302	$326,381	$1,449,194	$8,039,341	$986,831	$287,480
14	$982,053	$714,854	$138,181	$115,813	$1,950,902	$1,289,776	$58,270	$308,062	$366,333	$242,189	$1,584,569	$9,623,910	$1,047,587	$203,665
15	$1,001,694	$729,152	$85,223	$118,129	$1,934,198	$1,241,488	$59,436	$191,668	$251,104	$161,174	$1,683,094	$11,307,004	$1,080,314	$123,025
16	$1,021,728	$743,735	$37,898	$120,492	$1,923,853	$1,198,882	$60,625	$85,984	$146,609	$91,362	$1,777,244	$13,084,248	$1,107,520	$53,583
17	$1,042,163	$758,609	$0	$122,902	$1,923,674	$1,163,854	$61,837	$0	$61,837	$37,412	$1,861,837	$14,946,085	$1,126,442	$0
Total	$13,000,843	$9,381,956	$1,847,533	$1,506,649	$25,736,982	$18,977,775	$4,508,058	$6,282,838	$10,790,896	$9,183,640	$14,946,085	$14,946,085	$9,794,135	$8,627,723





SUMMARY OF COSTS AND BENEFITS FOR: **Turner USD 202**

PROJECT: **Northpoint Development, LLC (Turner Logistics Center)**

DATE: 5/17/2019

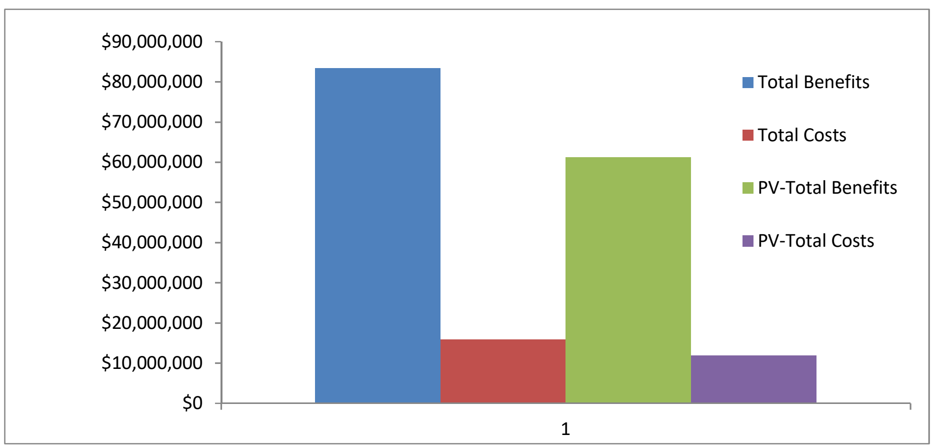
DISCOUNT RATE: 3.00%

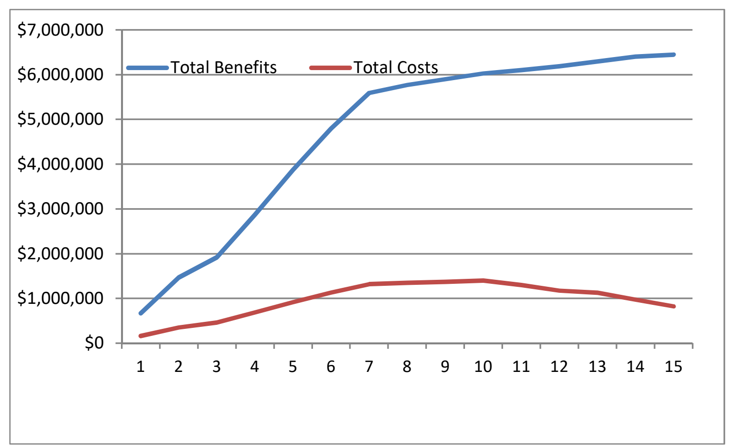
Ratio of Actual Benefits to Actual Costs Over the 17-Year Period: **5.28**

Ratio of Present Value of Total Benefits to Present Value of Total Costs: **5.12**

(Typical desired ratio would be 1.3 to 1) **Average ROI** **25.17%**

Year	New Property Taxes	PILOT Payment	District Capital Outlay Taxes	Additional State, Federal and Other Funding	Total Benefits	Net Present Value of Total Benefits	Additional Costs	Property Taxes Abated	Total Costs	Net Present Value of Total Costs	Net Benefits or Costs	Cumulative Net Benefits or Costs	Net Present Value of Net Benefits	Net Present Value of Taxes Abated
1	$102,668	$15,929	$17,996	$530,671	$667,264	$647,829	$55,909	$103,680	$159,589	$154,941	$507,675	$507,675	$492,889	$100,660
2	$208,830	$39,688	$36,605	$1,180,077	$1,465,200	$1,381,091	$124,328	$228,110	$352,438	$332,207	$1,112,761	$1,620,437	$1,048,884	$215,016
3	$267,448	$57,288	$46,880	$1,544,402	$1,916,017	$1,753,427	$162,712	$296,656	$459,368	$420,387	$1,456,649	$3,077,086	$1,333,040	$271,483
4	$390,419	$84,595	$68,435	$2,326,160	$2,869,608	$2,549,610	$245,074	$440,829	$685,904	$609,416	$2,183,704	$5,260,790	$1,940,193	$391,671
5	$515,849	$124,335	$90,421	$3,138,570	$3,869,175	$3,337,584	$330,667	$587,885	$918,552	$792,351	$2,950,623	$8,211,413	$2,545,233	$507,115
6	$631,276	$151,448	$110,653	$3,899,439	$4,792,816	$4,013,908	$410,829	$723,177	$1,134,005	$949,711	$3,658,811	$11,870,224	$3,064,197	$605,649
7	$728,075	$190,476	$127,621	$4,547,663	$5,593,835	$4,548,300	$479,123	$836,569	$1,315,691	$1,069,777	$4,278,144	$16,148,368	$3,478,523	$680,207
8	$742,637	$259,741	$130,173	$4,638,616	$5,771,167	$4,555,812	$488,705	$853,300	$1,342,005	$1,059,391	$4,429,162	$20,577,530	$3,496,421	$673,603
9	$757,489	$277,057	$132,777	$4,731,388	$5,898,711	$4,520,871	$498,479	$870,366	$1,368,845	$1,049,106	$4,529,866	$25,107,396	$3,471,765	$667,063
10	$772,639	$294,373	$135,432	$4,826,016	$6,028,460	$4,485,741	$508,449	$887,773	$1,396,222	$1,038,920	$4,632,238	$29,739,634	$3,446,820	$660,587
11	$788,092	$248,585	$138,141	$4,922,537	$6,097,355	$4,404,859	$518,618	$779,144	$1,297,761	$937,530	$4,799,593	$34,539,228	$3,467,328	$562,870
12	$803,854	$222,390	$140,904	$5,020,987	$6,188,135	$4,340,233	$528,990	$645,574	$1,174,564	$823,816	$5,013,571	$39,552,799	$3,516,418	$452,793
13	$819,931	$208,063	$143,722	$5,121,407	$6,293,123	$4,285,311	$539,570	$580,490	$1,120,060	$762,706	$5,173,064	$44,725,862	$3,522,605	$395,285
14	$836,330	$189,999	$146,596	$5,223,835	$6,396,760	$4,229,012	$550,361	$423,586	$973,947	$643,894	$5,422,813	$50,148,675	$3,585,118	$280,040
15	$853,056	$117,182	$149,528	$5,328,312	$6,448,078	$4,138,776	$561,369	$263,544	$824,913	$529,480	$5,623,165	$55,771,840	$3,609,296	$169,159
16	$870,117	$52,110	$152,519	$5,434,878	$6,509,625	$4,056,583	$572,596	$118,229	$690,825	$430,499	$5,818,800	$61,590,640	$3,626,084	$75,887
17	$887,520	$0	$155,569	$5,543,576	$6,586,664	$3,985,040	$584,048	$0	$584,048	$353,359	$6,002,617	$67,593,256	$3,631,682	$0
Total	$10,976,230	$2,533,258	$1,923,973	$67,958,534	$83,391,995	$61,233,988	$7,159,827	$8,638,911	$15,798,738	$11,957,493	$67,593,256	$67,593,256	$49,276,495	$6,709,086





SUMMARY OF COSTS AND BENEFITS FOR: **KC Community College**

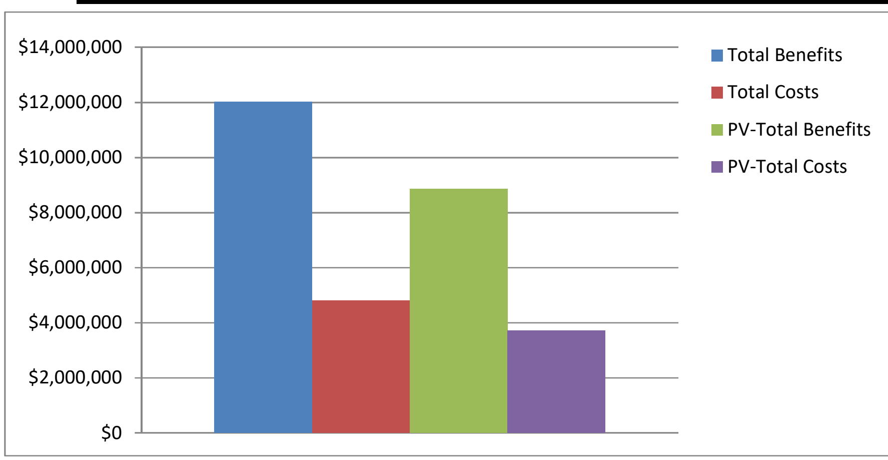
PROJECT: **Northpoint Development, LLC (Turner Logistics Center)**

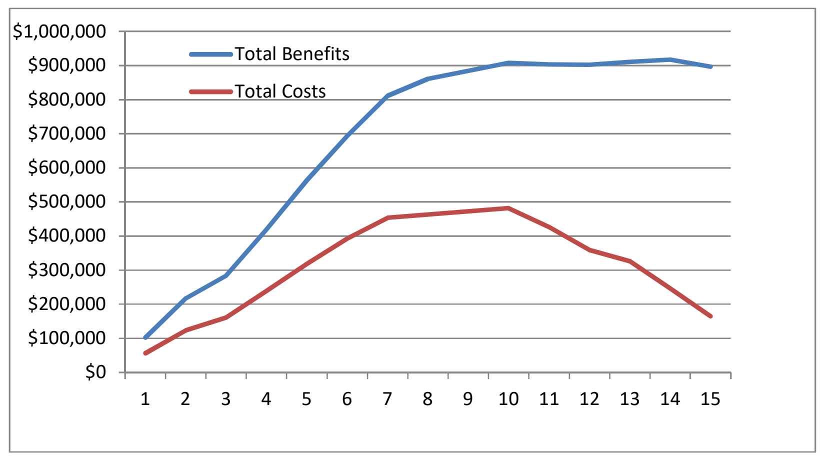
DATE: 5/17/2019

DISCOUNT RATE: 3.00%

Ratio of Actual Benefits to Actual Costs Over the 17-Year Period:	**2.50**
Ratio of Present Value of Total Benefits to Present Value of Total Costs:	**2.38**
(Typical desired ratio would be 1.3 to 1) **Average ROI**	**8.84%**

Year	New District Property Taxes	PILOT Payment	Other District Revenues	Total Benefits	Net Present Value of Total Benefits	Other District Costs	District Property Taxes Abated	Total Costs	Net Present Value of Total Costs	Net Benefits or Costs	Cumulative Net Benefits or Costs	Net Present Value of Net Benefits	Net Present Value of Taxes Abated
1	$61,808	$8,159	$32,132	$102,099	$99,125	$2,950	$53,108	$56,058	$54,425	$46,041	$46,041	$44,700	$51,561
2	$125,718	$20,329	$71,454	$217,501	$205,016	$6,561	$116,844	$123,405	$116,321	$94,096	$140,137	$88,695	$110,137
3	$161,007	$29,344	$93,513	$283,865	$259,776	$8,587	$151,955	$160,542	$146,919	$123,323	$263,460	$112,858	$139,061
4	$235,037	$43,332	$140,849	$419,218	$372,469	$12,933	$225,804	$238,737	$212,115	$180,480	$443,940	$160,354	$200,624
5	$310,548	$63,688	$190,040	$564,276	$486,749	$17,450	$301,131	$318,580	$274,810	$245,695	$689,635	$211,939	$259,758
6	$380,036	$77,576	$236,111	$693,722	$580,981	$21,680	$370,430	$392,110	$328,386	$301,612	$991,247	$252,595	$310,230
7	$438,310	$97,567	$275,361	$811,238	$659,611	$25,284	$428,513	$453,797	$368,978	$357,442	$1,348,689	$290,633	$348,420
8	$447,077	$133,046	$280,868	$860,991	$679,674	$25,790	$437,083	$462,873	$365,396	$398,118	$1,746,807	$314,278	$345,037
9	$456,018	$141,916	$286,485	$884,419	$677,834	$26,305	$445,825	$472,130	$361,848	$412,289	$2,159,096	$315,985	$341,687
10	$465,139	$150,785	$292,215	$908,139	$675,741	$26,832	$454,741	$481,573	$358,335	$426,566	$2,585,662	$317,405	$338,370
11	$474,441	$130,970	$298,059	$903,471	$652,687	$27,368	$399,098	$426,466	$308,088	$477,005	$3,062,667	$344,598	$288,317
12	$483,930	$113,914	$304,021	$901,865	$632,550	$27,916	$330,680	$358,596	$251,512	$543,269	$3,605,936	$381,038	$231,933
13	$493,609	$106,576	$310,101	$910,285	$619,860	$28,474	$297,342	$325,816	$221,865	$584,469	$4,190,405	$397,995	$202,476
14	$503,481	$97,323	$316,303	$917,107	$606,315	$29,043	$216,972	$246,015	$162,645	$671,091	$4,861,496	$443,670	$143,444
15	$513,551	$60,024	$322,629	$896,203	$575,239	$29,624	$134,994	$164,619	$105,662	$731,584	$5,593,080	$469,576	$86,648
16	$523,822	$26,692	$329,082	$879,596	$548,135	$30,217	$60,560	$90,777	$58,266	$788,819	$6,381,899	$491,566	$37,739
17	$534,298	$0	$335,663	$869,961	$526,341	$30,821	$0	$30,821	$19,207	$839,140	$7,221,039	$507,694	$0
Total	$6,607,828	$1,301,241	$4,114,886	$12,023,955	$8,858,103	$377,835	$4,425,081	$4,802,916	$3,714,780	$7,221,039	$7,221,039	$5,145,579	$3,435,441

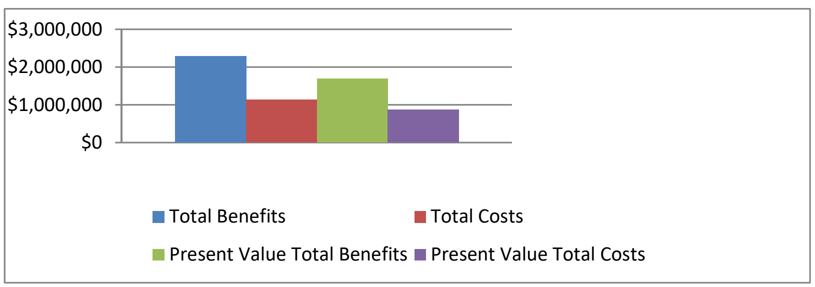


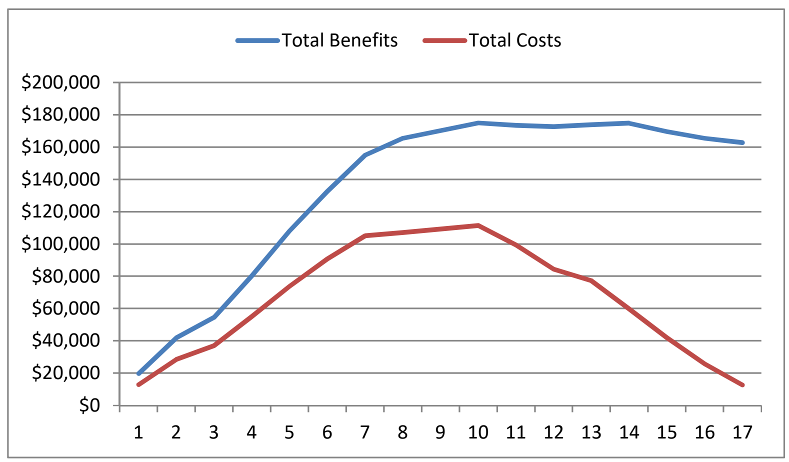


SUMMARY OF COSTS AND BENEFITS FOR: Wyandotte Co. Library
PROJECT: Northpoint Development, LLC (Turner Logistics Center)
DATE: 5/17/2019 **DISCOUNT RATE:** 3.00%

Ratio of Actual Benefits to Actual Costs Over the 17-Year Period: 2.03
Ratio of Present Value of Total Benefits to Present Value of Total Costs: 1.94
(Typical desired ratio would be 1.3 to 1) **Average ROI** 6.04%

Year	New District Property Taxes	PILOT Payment	Other District Revenues	Total Benefits	Net Present Value of Total Benefits	Other District Costs	District Property Taxes Abated	Total Costs	Net Present Value of Total Costs	Net Benefits or Costs	Cumulative Net Benefits or Costs	Net Present Value of Net Benefits	Net Present Value of Taxes Abated
1	$13,649	$1,802	$4,284	$19,735	$19,160	$1,212	$11,728	$12,940	$12,563	$6,794	$6,794	$6,596	$11,386
2	$27,763	$4,489	$9,526	$41,778	$39,379	$2,696	$25,803	$28,499	$26,863	$13,279	$20,073	$12,517	$24,322
3	$35,555	$6,480	$12,467	$54,502	$49,877	$3,528	$33,556	$37,085	$33,938	$17,417	$37,491	$15,939	$30,709
4	$51,904	$9,569	$18,777	$80,250	$71,301	$5,314	$49,865	$55,179	$49,026	$25,071	$62,561	$22,275	$44,304
5	$68,579	$14,064	$25,335	$107,978	$93,143	$7,170	$66,499	$73,669	$63,548	$34,309	$96,870	$29,595	$57,363
6	$83,924	$17,131	$31,477	$132,532	$110,993	$8,908	$81,803	$90,711	$75,969	$41,821	$138,691	$35,024	$68,508
7	$96,793	$21,546	$36,709	$155,048	$126,068	$10,389	$94,629	$105,018	$85,389	$50,030	$188,720	$40,679	$76,942
8	$98,728	$29,381	$37,444	$165,553	$130,689	$10,597	$96,522	$107,119	$84,560	$58,434	$247,154	$46,128	$76,195
9	$100,703	$31,339	$38,192	$170,235	$130,471	$10,809	$98,452	$109,261	$83,739	$60,974	$308,128	$46,731	$75,455
10	$102,717	$33,298	$38,956	$174,972	$130,195	$11,025	$100,421	$111,446	$82,926	$63,525	$371,654	$47,269	$74,723
11	$104,771	$28,922	$39,735	$173,429	$125,289	$11,246	$88,133	$99,379	$71,794	$74,050	$445,704	$53,495	$63,669
12	$106,867	$25,156	$40,530	$172,553	$121,025	$11,471	$73,025	$84,495	$59,263	$88,058	$533,761	$61,762	$51,218
13	$109,004	$23,535	$41,341	$173,880	$118,404	$11,700	$65,662	$77,362	$52,680	$96,518	$630,279	$65,724	$44,713
14	$111,184	$21,492	$42,168	$174,844	$115,592	$11,934	$47,914	$59,848	$39,567	$114,995	$745,275	$76,026	$31,677
15	$113,408	$13,255	$43,011	$169,674	$108,907	$12,173	$29,811	$41,984	$26,948	$127,690	$872,965	$81,960	$19,135
16	$115,676	$5,895	$43,871	$165,442	$103,098	$12,416	$13,374	$25,790	$16,071	$139,652	$1,012,617	$87,027	$8,334
17	$117,990	$0	$44,749	$162,738	$98,459	$12,664	$0	$12,664	$7,662	$150,074	$1,162,691	$99,216	$0
Total	$1,459,215	$287,355	$548,571	$2,295,140	$1,692,050	$155,253	$977,196	$1,132,449	$872,507	$1,162,691	$1,162,691	$827,963	$758,653

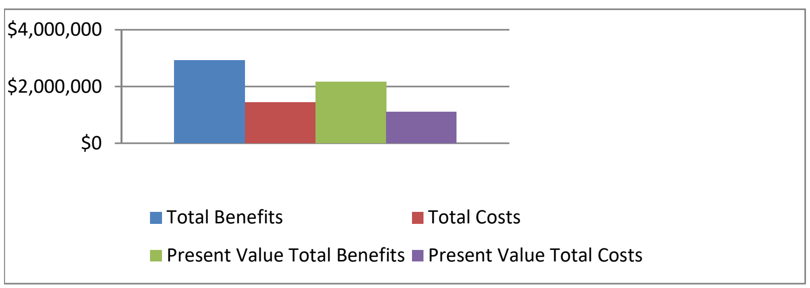


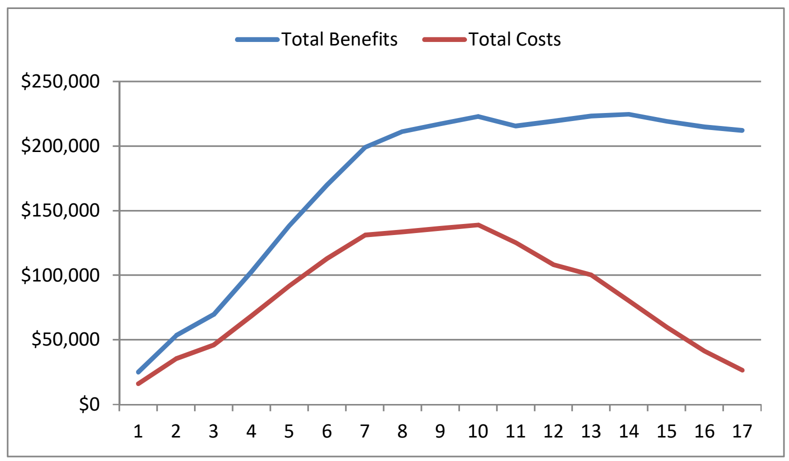


SUMMARY OF COSTS AND BENEFITS FOR: **Turner Recreation Commission**
PROJECT: **Northpoint Development, LLC (Turner Logistics Center)**
DATE: 5/17/2019
DISCOUNT RATE: 3.00%

Ratio of Actual Benefits to Actual Costs Over the 17-Year Period: **2.02**
Ratio of Present Value of Total Benefits to Present Value of Total Costs: **1.94**
(Typical desired ratio would be 1.3 to 1) **Average ROI** **6.01%**

Year	District Property Taxes	District PILOT Payment	Other District Revenues	Total Benefits	Net Present Value of Total Benefits	Other District Costs	District Property Taxes Abated	Total Costs	Net Present Value of Total Costs	Net Benefits or Costs	Cumulative Net Benefits or Costs	Net Present Value of Net Benefits	Net Present Value of Taxes Abated
1	$15,747	$2,079	$7,274	$25,099	$24,368	$2,542	$13,530	$16,072	$15,604	$9,027	$9,027	$8,764	$13,136
2	$32,029	$5,179	$16,174	$53,383	$50,319	$5,653	$29,768	$35,421	$33,388	$17,962	$26,989	$16,931	$28,060
3	$41,020	$7,476	$21,168	$69,664	$63,752	$7,398	$38,714	$46,111	$42,198	$23,552	$50,541	$21,554	$35,428
4	$59,880	$11,040	$31,883	$102,803	$91,339	$11,142	$57,528	$68,671	$61,013	$34,132	$84,674	$30,326	$51,113
5	$79,118	$16,226	$43,018	$138,362	$119,352	$15,034	$76,719	$91,753	$79,147	$46,609	$131,283	$40,205	$66,179
6	$96,822	$19,764	$53,447	$170,032	$142,399	$18,678	$94,375	$113,053	$94,680	$56,979	$188,262	$47,719	$79,037
7	$111,668	$24,857	$62,331	$198,857	$161,689	$21,783	$109,172	$130,956	$106,479	$67,901	$256,163	$55,210	$88,767
8	$113,902	$33,896	$63,578	$211,376	$166,862	$22,219	$111,356	$133,575	$105,445	$77,801	$333,965	$61,417	$87,905
9	$116,180	$36,156	$64,850	$217,185	$166,454	$22,663	$113,583	$136,246	$104,421	$80,939	$414,904	$62,033	$87,052
10	$118,503	$38,416	$66,147	$223,066	$165,982	$23,117	$115,854	$138,971	$103,408	$84,094	$498,998	$62,574	$86,207
11	$120,873	$27,152	$67,470	$215,495	$155,678	$23,579	$101,678	$125,257	$90,489	$90,238	$589,236	$65,190	$73,455
12	$123,291	$27,152	$68,819	$219,262	$153,786	$24,051	$84,247	$108,298	$75,958	$110,964	$700,200	$77,828	$59,089
13	$125,757	$27,152	$70,195	$223,104	$151,923	$24,532	$75,754	$100,286	$68,290	$122,819	$823,018	$83,634	$51,585
14	$128,272	$24,795	$71,599	$224,666	$148,531	$25,022	$55,278	$80,300	$53,088	$144,366	$967,384	$95,443	$36,545
15	$130,837	$15,292	$73,031	$219,161	$140,671	$25,523	$34,393	$59,915	$38,457	$159,245	$1,126,629	$102,214	$22,075
16	$133,454	$6,800	$74,492	$214,746	$133,823	$26,033	$15,429	$41,462	$25,838	$173,284	$1,299,914	$107,985	$9,615
17	$136,123	$0	$75,982	$212,105	$128,327	$26,554	$0	$26,554	$16,066	$185,551	$1,485,465	$112,261	$0
Total	$1,683,476	$323,432	$931,457	$2,938,366	$2,165,255	$325,523	$1,127,378	$1,452,901	$1,113,968	$1,485,465	$1,485,465	$1,051,287	$875,247

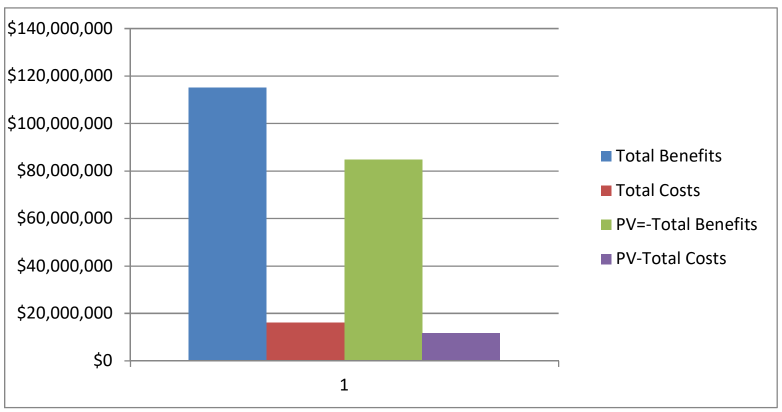


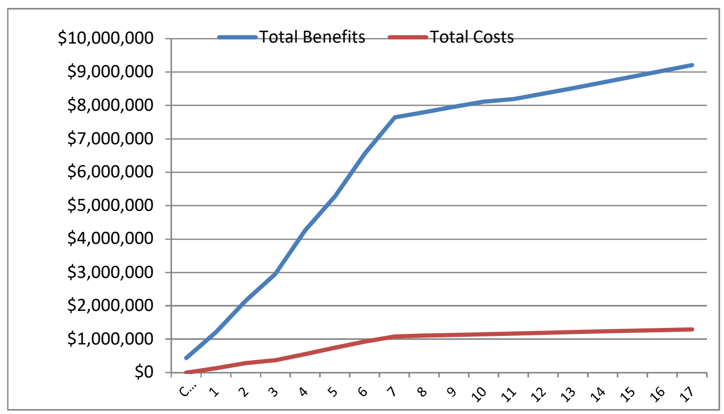


SUMMARY OF COSTS AND BENEFITS FOR: State of Kansas
PROJECT: Northpoint Development, LLC (Turner Logistics Center)
DATE: 5/17/2019
DISCOUNT RATE: 3.00%

Ratio of Actual Benefits to Actual Costs Over the 17-Year Period:	7.16
Ratio of Present Value of Total Benefits to Present Value of Total Costs:	7.19
(Typical desired ratio would be 1.3 to 1) Average ROI	36.24%

Year	Sales Taxes	New Property Taxes	Corporate and Personal Income Taxes	PILOT Payment	Other State Revenues	Total Benefits	Net Present Value of Total Benefits	Cost of Various State Services	Cost of Educating New Students	Property Taxes Abated	Other Costs & Incentives	Total Costs	Net Present Value of Total Costs	Net Benefits or Costs	Cumulative Net Benefits or Costs	Net Present Value of Net Benefits	Present Value of Taxes Abated and Incentives
Const.	$267,663	$0	$168,077	$0	$0	$435,740	$435,740	$0	$0	$0	$0	$0	$0	$435,740	$435,740	$435,740	$0
1	$910,324	$15,747	$250,730	$445	$32,938	$1,210,184	$1,174,936	$5,577	$118,115	$2,899	$0	$126,591	$122,904	$1,083,593	$1,519,332	$1,052,032	$2,815
2	$1,487,074	$32,029	$557,559	$1,110	$73,246	$2,151,018	$2,027,540	$12,401	$262,658	$6,379	$0	$281,438	$265,282	$1,869,580	$3,388,912	$1,762,258	$6,013
3	$2,086,882	$41,020	$729,695	$1,602	$95,859	$2,955,058	$2,704,296	$16,230	$343,748	$8,296	$0	$368,274	$337,023	$2,586,784	$5,975,696	$2,367,273	$7,592
4	$2,962,587	$59,880	$1,099,058	$2,366	$144,381	$4,268,271	$3,792,304	$24,445	$517,750	$12,327	$0	$554,522	$492,686	$3,713,749	$9,689,445	$3,299,618	$10,953
5	$3,515,744	$79,118	$1,482,903	$3,477	$194,806	$5,276,048	$4,551,165	$32,983	$698,574	$16,440	$0	$747,996	$645,228	$4,528,052	$14,217,497	$3,905,937	$14,181
6	$4,368,049	$96,822	$1,842,396	$4,235	$242,032	$6,553,535	$5,488,482	$40,978	$867,926	$20,223	$0	$929,127	$778,129	$5,624,408	$19,841,904	$4,710,353	$16,937
7	$5,094,172	$111,668	$2,148,667	$5,327	$282,266	$7,642,101	$6,213,727	$47,790	$1,012,205	$23,394	$0	$1,083,390	$880,895	$6,558,711	$26,400,615	$5,332,832	$19,021
8	$5,196,056	$113,902	$2,191,641	$7,263	$287,912	$7,796,773	$6,154,845	$48,746	$1,032,449	$23,862	$0	$1,105,057	$872,343	$6,691,716	$33,092,331	$5,282,502	$18,837
9	$5,299,977	$116,180	$2,235,473	$7,748	$293,670	$7,953,048	$6,095,349	$49,721	$1,053,098	$24,339	$0	$1,127,159	$863,873	$6,825,889	$39,918,220	$5,231,475	$18,654
10	$5,405,976	$118,503	$2,280,183	$8,232	$299,543	$8,112,438	$6,036,416	$50,716	$1,074,160	$24,826	$0	$1,149,702	$855,486	$6,962,736	$46,880,956	$5,180,929	$18,473
11	$5,514,096	$120,873	$2,235,473	$7,150	$305,534	$8,183,127	$5,911,665	$51,730	$1,095,643	$21,788	$0	$1,169,162	$844,627	$7,013,965	$53,894,921	$5,067,038	$15,740
12	$5,624,378	$123,291	$2,280,183	$6,219	$311,645	$8,345,715	$5,853,517	$52,765	$1,117,556	$18,053	$0	$1,188,374	$833,502	$7,157,341	$61,052,263	$5,020,015	$12,662
13	$5,736,865	$125,757	$2,325,786	$5,818	$317,878	$8,512,105	$5,796,329	$53,820	$1,139,907	$16,233	$0	$1,209,960	$823,924	$7,302,144	$68,354,407	$4,972,405	$11,054
14	$5,851,603	$128,272	$2,372,302	$5,313	$324,235	$8,681,725	$5,739,643	$54,896	$1,162,706	$11,845	$0	$1,229,447	$812,809	$7,452,278	$75,806,685	$4,926,834	$7,831
15	$5,968,635	$130,837	$2,419,748	$3,277	$330,720	$8,853,217	$5,682,543	$55,994	$1,185,960	$7,370	$0	$1,249,324	$801,893	$7,603,893	$83,410,579	$4,880,650	$4,730
16	$6,088,007	$133,454	$2,468,143	$1,457	$337,334	$9,028,396	$5,626,198	$57,114	$1,209,679	$3,306	$0	$1,270,099	$791,484	$7,758,297	$91,168,876	$4,834,714	$2,060
17	$6,209,768	$136,123	$2,517,506	$0	$344,081	$9,207,478	$5,570,676	$58,256	$1,233,872	$0	$0	$1,292,129	$781,759	$7,915,349	$99,084,225	$5,232,978	$0
Total	$77,587,854	$1,683,476	$31,605,525	$71,039	$4,218,081	$115,165,975	$84,855,370	$714,162	$15,126,007	$241,581	$0	$16,081,750	$11,803,847	$99,084,225	$99,084,225	$73,495,585	$187,553





Northpoint Development, LLC (Turner Logistics Center)
Other Economic Impacts of the Project

	In the First Year	Over 17 Years
Permanent jobs created	237	1800
Construction jobs created	189	1035
Number of New Residents in the Community	127	965
Number of Additional Students in the Local School District	47	360
Increase in Local Personal Incomes	$11,939,521	$705,633,571
Increase in Local Retail Sales	$20,695,857	$34,832,063,117
Increase in the Community's Property Tax Base	$25,807,713	$136,900,000

		Property Taxes
Estimated new annual tax revenues after 10 years:	City	$658,550
	County	$673,623
	School	$926,233
	Comm. Coll.	$474,441
	Library	$104,771
	Rec. Comm.	$136,123
	State	$120,873
	Totals	**$3,094,616**

ATTACHMENT A

PILOT COMPUTATION

	Year	SqFtAmt	SqFT	Total
1	2020	$0.14	366,600	$51,324
2	2021	$0.16	799,240	$127,878
3	2022	$0.18	1,025,480	$184,586
4	2023	$0.18	1,514,280	$272,570
5	2024	$0.20	2,003,080	$400,616
6	2025	$0.20	2,439,880	$487,976
7	2026	$0.22	2,789,680	$613,730
8	2027	$0.30	2,789,680	$836,904
9	2028	$0.32	2,789,680	$892,698
10	2029	$0.34	2,789,680	$948,491
11	2030	$0.34	2,423,080	$823,847
12	2031	$0.36	1,990,440	$716,558
13	2032	$0.38	1,764,200	$670,396
14	2033	$0.48	1,275,400	$612,192
15	2034	$0.48	786,600	$377,568
16	2035	$0.48	349,800	$167,904
17	2036	$0.48	0	$0
18	2037	$0.48	0	$0
19	2038	$0.48	0	$0
20	2039	$0.48	0	$0

ATTACHMENT B

Building Property Tax Calculation:

	Tax																
Phase:	**Year 1**	**Year 2**	**Year 3**	**Year 4**	**Year 5**	**Year 6**	**Year 7**	**Year 8**	**Year 9**	**Year 10**	**Year 11**	**Year 12**	**Year 13**	**Year 14**	**Year 15**	**Year 16**	**Year 17**
I	334,064	340,746	347,560	354,512	361,602	368,834	376,211	383,735	391,409	399,238	407,222	415,367	423,674	432,148	440,791	449,606	458,599
II	0	394,243	402,128	410,171	418,374	426,741	435,276	443,982	452,861	461,919	471,157	480,580	490,192	499,996	509,996	520,195	530,599
III	0	0	206,161	210,284	214,490	218,780	223,155	227,619	232,171	236,814	241,551	246,382	251,309	256,336	261,462	266,691	272,025
IV	0	0	0	445,419	454,327	463,414	472,682	482,136	491,779	501,614	511,646	521,879	532,317	542,963	553,823	564,899	576,197
V	0	0	0	0	445,419	454,327	463,414	472,682	482,136	491,779	501,614	511,646	521,879	532,317	542,963	553,823	564,899
VI	0	0	0	0	0	398,034	405,995	414,115	422,397	430,845	439,462	448,251	457,216	466,360	475,687	485,201	494,905
VII	0	0	0	0	0	0	318,755	325,130	331,633	338,266	345,031	351,932	358,970	366,150	373,473	380,942	388,561
Totals:	334,064	734,989	955,850	1,420,386	1,894,212	2,330,131	2,695,488	2,749,398	2,804,386	2,860,474	2,917,683	2,976,037	3,035,558	3,096,269	3,158,194	3,221,358	3,285,785
Exist.	54,726	55,821	56,937	58,076	59,238	60,422	61,631	62,863	64,121	65,403	66,711	68,045	69,406	70,794	72,210	73,654	75,127
Gr. Tot.	388,791	790,810	1,012,787	1,478,462	1,953,450	2,390,553	2,757,119	2,812,261	2,868,507	2,925,877	2,984,394	3,044,082	3,104,964	3,167,063	3,230,404	3,295,012	3,360,913

Taxes Abated:

	Phase:	**Year 1**	**Year 2**	**Year 3**	**Year 4**	**Year 5**	**Year 6**	**Year 7**	**Year 8**	**Year 9**	**Year 10**	**Year 11**	**Year 12**	**Year 13**	**Year 14**	**Year 15**	**Year 16**	**Year 17**
	I	334,064	340,746	347,560	354,512	361,602	368,834	376,211	383,735	391,409	399,238	0	0	0	0	0	0	0
	II	0	394,243	402,128	410,171	418,374	426,741	435,276	443,982	452,861	461,919	471,157	0	0	0	0	0	0
	III	0	0	206,161	210,284	214,490	218,780	223,155	227,619	232,171	236,814	241,551	246,382	0	0	0	0	0
	IV	0	0	0	445,419	454,327	463,414	472,682	482,136	491,779	501,614	511,646	521,879	532,317	0	0	0	0
	V	0	0	0	0	445,419	454,327	463,414	472,682	482,136	491,779	501,614	511,646	521,879	532,317	0	0	0
	VI	0	0	0	0	0	398,034	405,995	414,115	422,397	430,845	439,462	448,251	457,216	466,360	475,687	0	0
	VII	0	0	0	0	0	0	318,755	325,130	331,633	338,266	345,031	351,932	358,970	366,150	373,473	380,942	0
	Totals:	**334,064**	**734,989**	**955,850**	**1,420,386**	**1,894,212**	**2,330,131**	**2,695,488**	**2,749,398**	**2,804,386**	**2,860,474**	**2,510,461**	**2,080,090**	**1,870,382**	**1,364,827**	**849,160**	**380,942**	**0**
22.066%	City	73,716.17	162,186.04	210,922.25	313,428.92	417,985.73	514,177.48	594,799.05	606,695.03	618,828.93	631,205.51	553,970.01	459,002.34	412,727.29	301,169.03	187,379.61	84,060.44	0.00
22.572%	County	75,403.39	165,898.16	215,749.85	320,602.70	427,552.62	525,946.01	608,412.85	620,581.10	632,992.73	645,652.58	566,649.32	469,508.01	422,173.82	308,062.21	191,668.37	85,984.42	0.00
31.036%	School	103,679.77	228,110.21	296,656.35	440,829.17	587,885.45	723,176.51	836,568.53	853,299.90	870,365.90	887,773.21	779,143.61	645,574.18	580,489.60	423,585.98	263,544.28	118,228.70	0.00
15.897%	Comm Coll	53,107.55	116,844.13	151,955.30	225,804.46	301,130.62	370,430.30	428,512.72	437,082.98	445,824.64	454,741.13	399,098.15	330,680.32	297,342.26	216,972.04	134,994.41	60,559.90	0.00
3.51%	Library	11,727.80	25,802.83	33,556.47	49,864.67	66,499.04	81,802.57	94,628.98	96,521.56	98,451.99	100,421.03	88,133.32	73,024.53	65,662.45	47,914.20	29,810.98	13,373.51	0.00
4.050%	Rec Comm	13,530.21	29,768.38	38,713.65	57,528.20	76,719.04	94,374.52	109,172.18	111,355.62	113,582.74	115,854.39	101,678.23	84,247.42	75,753.88	55,277.96	34,392.52	15,428.84	0.00
0.868%	State	2,899.33	6,378.94	8,295.78	12,327.47	16,439.79	20,223.11	23,394.04	23,861.92	24,339.16	24,825.94	21,788.19	18,053.02	16,232.98	11,845.28	7,369.83	3,306.18	0.00
100.000%		334,064.23	734,988.68	955,849.64	1,420,385.60	1,894,212.28	2,330,130.50	2,695,488.34	2,749,398.11	2,804,386.07	2,860,473.79	2,510,460.84	2,080,089.83	1,870,382.29	1,364,826.70	849,159.99	380,942.00	0.00

Staff Request for Commission Action

Tracking No. 19759

Full Commission Meeting Date: 6/13/19

Committee: Economic Development & Finance

Date of Standing Committee Action: 6/3/19 (If none, please explain):

Publication Required: No

Date:	Contact Name:	Contact Phone:	Contact Email:	Department/Division:
5/22/2019	Katherine Carttar	x5176	kcarttar@wycokck.org	Economic Development

Item Description: An ordinance creating the Turner Logistics Community Improvement District (CID).
Action Requested:
Budget Impact: (if applicable) Amount: Source: Included In Budget: Other (explain):
Attachments List: ED&F Item No. 6 - CID Ordinance (Turner Logistics Center), CID Petition

(Published in ***The Wyandotte Echo*** on June __, 2019)

ORDINANCE NO. O-____-19

AN ORDINANCE AUTHORIZING THE CREATION OF THE TURNER LOGISTICS CENTER COMMUNITY IMPROVEMENT DISTRICT IN THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS; AUTHORIZING THE MAKING OF CERTAIN PROJECT IMPROVEMENTS RELATING THERETO; APPROVING THE ESTIMATED COSTS OF SUCH PROJECT IMPROVEMENTS; LEVYING SPECIAL ASSSEMENTS WITHIN SUCH DISTRICT AND PROVIDING FOR THE METHOD OF FINANCING THE SAME.

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 community improvement district sales tax and/or levy special assessments upon property within the district to finance projects; and

WHEREAS, a petition (the "Petition") was filed with the Unified Government Clerk on _____________ __, 2019, proposing the creation of the Turner Logistics Center Community Improvement District ("CID") under the Act with the imposition of a special assessments in order to pay the costs of the Project (defined herein); 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 create the CID and to levy community improvement district special assessments as requested in the Petition (the "CID Special Assessments"); and

WHEREAS, the Governing Body hereby finds and determines it to be advisable to create the CID and set forth the boundaries thereof, authorize the Project relating thereto, approve the estimated costs of the Project and approve the method of financing the same, all in accordance with the provisions of the Act.

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

SECTION 1. Findings. The Governing Body hereby finds that the Petition is in conformance with the Act, and specifically K.S.A. 12-6a28, and the Governing Body may proceed without notice or hearing to make findings as to the nature, advisability and estimated cost of the Project, the boundaries of the CID, and the amount and method of imposing the CID Special Assessments.

SETION 2. Creation of Community Improvement District; Boundaries. That the Governing Body hereby finds and determines that it is advisable to create, in accordance with the provisions of the Act, the CID within the Unified Government to be referred to as the Turner Logistics Center Community Improvement District. A legal description of the boundaries of 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**, attached hereto and incorporated by reference herein.

SECTION 3. Authorization of Community Improvement District Project. The general nature of the project is approved as follows (collectively, the "Project"):

The design and construction of a new interchange to replace the existing Interstate 70 and Turner Diagonal interchange, along with all necessary and related public infrastructure improvements necessary to serve the CID, with all such improvements to be located contiguous to the CID.

SECTION 4. Estimated Costs; Method of Financing; Imposition of Special Assessments.

(a) The estimated cost of the Project plus interest is $30,000,000. The costs of the Project will be financed through a combination of private equity, private debt, certain public funds provided by the Kansas Department of Transportation, the U.S. Department of Transportation and the Unified Government, the CID Special Assessments, and other available funds.

(b) There will be no CID sales tax.

(c) There will be no issuance of bonds under the Act for the Project, including full faith and credit bonds issued pursuant to the Act.

(d) CID Special Assessments are hereby imposed within the CID in an aggregate amount not to exceed $7,500,000, as set forth in the Development Agreement for Turner Logistics Center, dated as of June 13, 2019, among the Unified Government, NorthPoint Development, LLC, and Turner Land, LLC (the "Development Agreement"). The method of assessment will be equally per square foot of all property located within the CID. Such assessments will not be levied prior to June 30, 2025, and when levied will be payable in equal annual installments for a term not to exceed 10 years, all as more fully provided in the Development Agreement.

SECTION 5. Effective Date. This Ordinance shall take effect and be in force from and after its passage, approval, and publication in the official Unified Government newspaper.

PASSED by the Governing Body of the Unified Government on June 13, 2019 and **APPROVED AND SIGNED** by the Mayor/CEO.

____
Mayor/CEO

[SEAL]

ATTEST:

____
Unified Government Clerk

EXHIBIT A

LEGAL DESCRIPTION OF THE TURNER LOGISTICS CENTER COMMUNITY IMPROVEMENT DISTRICT

The following property located in Wyandotte County, Kansas City, Kansas:

PARCEL A

TRACT 1: BEGINNING AT A POINT ON THE EAST AND WEST CENTERLINE OF SECTION 10, TOWNSHIP 11, RANGE 24, IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS, SAID POINT BEING 218.0 FEET WEST OF THE SOUTHEAST CORNER OF THE WEST ONE-HALF OF THE NORTHWEST QUARTER OF SAID SECTION 10; THENCE NORTH 89° 59' 05" WEST, ALONG THE EAST AND WEST CENTERLINE OF SECTION 10, TOWNSHIP 11, RANGE 24, 172.82 FEET; THENCE NORTH 0° 01' 00" EAST, 253.77 FEET; THENCE SOUTH 89° 59' 00" EAST, 172.82 FEET TO A POINT ON THE WEST LINE OF 69TH STREET; THENCE SOUTH 0° 01' 00" WEST, ALONG SAID WEST LINE, 253.77 FEET, TO THE POINT OF BEGINNING, EXCEPT THE FOLLOWING DESCRIBED PROPERTY: A TRACT OF LAND IN THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 10, TOWNSHIP 11, RANGE 24, WYANDOTTE COUNTY, KANSAS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT A POINT ON THE EAST AND WEST CENTERLINE OF SAID SECTION 10, SAID POINT BEING 218.0 FEET WEST OF THE SOUTHEAST CORNER OF THE WEST HALF OF THE NORTHWEST QUARTER OF SAID SECTION 10; THENCE NORTH 89° 59' 05" WEST ALONG SAID EAST AND WEST CENTERLINE OF SECTION 10, 172.82 FEET; THENCE NORTH 00° 01' 00" EAST 253.77 FEET; THENCE SOUTH 89° 59' 00" EAST, 82.82 FEET; THENCE SOUTH 51° 04' 47" EAST, 115.65 FEET; THENCE SOUTH 00° 01' 00" WEST, 181.14 FEET, TO THE POINT OF BEGINNING.

TRACT 2: BEGINNING AT A POINT ON THE WEST RIGHT-OF-WAY LINE OF 69TH STREET, SAID POINT BEING 218.0 FEET WEST OF AND 253.77 FEET NORTH OF THE SOUTHEAST CORNER OF THE WEST ONE-HALF OF THE NORTHWEST QUARTER OF SECTION 10, TOWNSHIP 11, RANGE 24, IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS; THENCE NORTH 89° 59' 00" WEST, 204.38 FEET; THENCE NORTH 0° 01' 00" EAST, 214.59 FEET; THENCE SOUTH 89° 59' 00" EAST, 204.38 FEET, TO A POINT ON THE WEST RIGHT-OF-WAY LINE OF 69TH STREET; THENCE SOUTH 0° 00" WEST, ALONG SAID RIGHT OF WAY LINE, 214.59 FEET, TO THE POINT OF BEGINNING, ALSO

TRACT 3: BEGINNING AT A POINT 253.77 FEET NORTH OF AND 422.38 FEET WEST OF THE SOUTHEAST CORNER OF THE WEST ONE-HALF OF THE NORTHWEST QUARTER OF SECTION 10, TOWNSHIP 11, RANGE 24, IN KANSAS CITY, WYANDOTTE COUNTY KANSAS; THENCE NORTH 0° 01' 00" EAST, 214.59 FEET; THENCE NORTH 89° 59' 00" WEST, 233.30 FEET, TO A POINT ON THE EASTERLY RIGHT-OF-WAY LINE OF TUNER EXPRESSWAY; THENCE SOUTH 15° 04' 26" EAST, ALONG SAID EASTERLY RIGHT-OF-WAY LINE, 222.26 FEET; THENCE SOUTH 89° 59' 00" EAST, 175.43 FEET, TO THE POINT OF BEGINNING, EXCEPT THAT PART OF

ABOVE TRACTS 2 AND 3 DESCRIBED AS FOLLOWS: A TRACT OF LAND IN THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 10, TOWNSHIP 11, RANGE 24, WYANDOTTE COUNTY, KANSAS; BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT A POINT ON THE SOUTH LINE OF SAID SOUTHWEST QUARTER OF THE NORTHWEST QUARTER, SAID POINT BEING 390.82 FEET WEST OF THE SOUTHEAST CORNER OF THE WEST HALF OF THE NORTHWEST QUARTER OF SAID SECTION 10; THENCE WEST ALONG SAID SOUTH LINE 138.58 FEET, MORE OR LESS, TO A POINT ON THE EASTERLY RIGHT-OF-WAY LINE OF THE U.S. HIGHWAY 40 INTERCHANGE ROAD; THENCE NORTHWESTERLY ALONG SAID EASTERLY RIGHT-OF-WAY LINE 477.0 FEET; THENCE EAST 100.0 FEET; THENCE SOUTHEASTERLY 322.6 FEET, MORE OR LESS, TO A POINT ON THE NORTH LINE OF TRACT "A", AS CONVEYED TO JOHN E. GOSNELL; THENCE NORTH 89° 59' 00" WEST 82.82 FEET; THENCE SOUTH 00° 01' 00" WEST, 253.77 FEET TO THE POINT OF BEGINNING.

PARCEL B

TRACT 1:
A TRACT OF LAND IN THE NORTHWEST ¼ OF SECTION 10, TOWNSHIP 11, RANGE 24, IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS, MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT A POINT ON THE EAST LINE OF SAID NORTHWEST QUARTER, 430.42 FEET NORTH OF THE CENTER OF SECTION 10, TOWNSHIP 11, RANGE 24; THENCE WEST 1318.00 FEET; THENCE NORTH 100.00 FEET; THENCE EAST 20.00 FEET; THENCE NORTH 129.48 FEET; THENCE WEST 220.00 FEET, TO A POINT ON THE EAST LINE OF 69TH STREET, AS NOW ESTABLISHED; THENCE NORTH ALONG SAID EAST LINE 199.76 FEET; THENCE EAST 435.60 FEET; THENCE NORTH 100.00 FEET, TO A POINT WHICH IS 344.34 FEET SOUTH OF THE NORTHEAST ¼ OF THE NORTHWEST ¼ OF SAID SECTION 10; THENCE EAST 1082.40 FEET TO A POINT IN THE EAST LINE OF SAID NORTHWEST QUARTER; THENCE SOUTH ALONG SAID EAST LINE 529.24 FEET TO THE POINT OF BEGINNING.

TRACT 2:
A TRACT OF LAND IN THE NORTHWEST ¼ AND THE SOUTHWEST ¼ OF SECTION 10, TOWNSHIP 11, RANGE 24, IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS, DESCRIBED AS FOLLOWS: COMMENCING AT THE SOUTHEAST CORNER OF THE NORTHWEST ¼ OF SECTION 10, TOWNSHIP 11, RANGE 24; THENCE NORTH 430.42 FEET; THENCE WEST 1518 FEET; THENCE SOUTH 430.42 FEET; THENCE EAST 198 FEET; THENCE SOUTH 410.5 FEET; THENCE EAST 1320 FEET; THENCE NORTH 412.5 FEET TO BEGINNING, IN WYANDOTTE COUNTY, KANSAS, LESS ANY PART TAKEN FOR ROAD PURPOSES,

AND ALSO EXCEPT THE WEST 250 FEET OF THE NORTH 380 FEET OF THE ABOVE DESCRIBED TRACT, SAID EXCEPTION BEING MORE PARTICULARLY DESCRIBED AS BEGINNING 430.42 FEET NORTH AND 1268 FEET WEST OF THE SOUTHEAST CORNER OF THE NORTHWEST ¼ OF SECTION 10, TOWNSHIP 11, RANGE 24; THENCE WEST 250 FEET; THENCE SOUTH 380 FEET; THENCE EAST 250 FEET; THENCE NORTH 380 FEET TO THE POINT OF BEGINNING,

AND ALSO EXCEPT THE FOLLOWING DESCRIBED TRACT OF LAND: A TRACT OF LAND IN THE WEST HALF OF SECTION 10, TOWNSHIP 11, RANGE 24, WYANDOTTE COUNTY, KANSAS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHWEST CORNER OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 10; THENCE WEST 198.0 FEET; THENCE NORTH 50.42 FEET; THENCE EAST 131.58 FEET; THENCE IN A SOUTHEASTERLY DIRECTION 118.97 FEET, MORE OR LESS, TO A POINT ON THE SOUTH LINE OF THE SOUTHEAST QUARTER OF SAID NORTHWEST QUARTER, SAID POINT BEING 17.00 FEET EAST OF THE POINT OF BEGINNING; THENCE IN A SOUTHEASTERLY DIRECTION 447.76 FEET, MORE OR LESS TO THE POINT ON THE NORTH LINE OF AN EIGHT FOOT STRIP OF LAND CONVEYED TO THE COUNTY; THENCE WEST ALONG SAID NORTH LINE 253.87 FEET TO A POINT ON THE WEST LINE OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 10; THENCE NORTH 402.5 FEET TO THE POINT OF BEGINNING.

TRACT 3:
A TRACT OF LAND IN THE SOUTHWEST QUARTER OF SECTION 10, TOWNSHIP 11 RANGE 24, IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE WEST LINE OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 10, TOWNSHIP 11, RANGE 24, SAID POINT BEING 410.5 FEET SOUTH OF THE NORTHWEST CORNER OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 10; THENCE SOUTH 89° 45' 03" EAST, 1328.54 FEET

TO A POINT ON THE NORTH AND SOUTH CENTERLINE OF SAID SECTION 10; THENCE SOUTH 0° 06' 00" EAST, ALONG SAID NORTH AND SOUTH CENTERLINE 642.37 FEET, TO A POINT ON THE NORTH RIGHT-OF-WAY LINE OF THE KANSAS TURNPIKE; THENCE NORTH 89° 06' 57" WEST ALONG SAID NORTH RIGHT-OF-WAY LINE, 433.07 FEET;

PARCEL C
TRACT 1:

ALL THAT PART OF THE NORTHEAST QUARTER OF SECTION 9, TOWNSHIP 11 SOUTH, RANGE 24 EAST, IN THE CITY OF KANSAS CITY, WYANDOTTE COUNTY, KANSAS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: COMMENCING AT THE SOUTHWEST CORNER OF THE NORTHEAST QUARTER OF SAID SECTION 9, THENCE NORTH 85 DEGREES 52 MINUTES 18 SECONDS EAST, WITH THE SOUTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 9, A DISTANCE OF 1587.05 FEET TO THE INTERSECTION OF THE OF THE SOUTH LINE NORTHEAST QUARTER OF SAID SECTION 9 AND THE WYANDOTTE AND DELAWARE RESERVE LINE; THENCE NORTH 86 DEGREES 46 MINUTES 40 SECONDS EAST (NORTH 88°40' EAST DEED), WITH THE SOUTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 9, A DISTANCE OF 40.01 FEET TO POINT ON THE EAST RIGHT-OF-WAY LINE OF N. 74TH DRIVE, , SAID POINT BEING THE POINT OF BEGINNING; THENCE CONTINUING NORTH 86 DEGREES 46 MINUTES 40 SECONDS EAST (NORTH 88°40' EAST DEED), WITH THE SOUTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 9, A DISTANCE OF 520.96 FEET TO A FOUND ½ INCH SQUARE REBAR; THENCE NORTH 01 DEGREE 27 MINUTES 38 SECONDS EAST (NORTH 03°20' EAST DEED), A DISTANCE OF 775.60 FEET (775.90 FEET DEED); THENCE NORTH 44 DEGREES 47 MINUTES 22 SECONDS WEST (NORTH 43°00' WEST DEED), A DISTANCE OF 336.48 FEET (337.50 FEET DEED) TO A FOUND½ INCH SQUARE BAR; THENCE NORTH 10 DEGREES 22 MINUTES 22 SECONDS WEST (NORTH 8°35' WEST DEED), A DISTANCE OF 298.06 FEET (300.13 FEET DEED) TO A FOUND 1/2 INCH SQUARE BAR, SAID POINT BEING ON THE NORTH LINE OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 9; THENCE SOUTH 87 DEGREES 38 MINUTES 42 SECONDS WEST (SOUTH 89°26'04" WEST DEED), WITH THE NORTH LINE OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 9, A DISTANCE OF 330.61 FEET (330.30 FEET DEED) TO A POINT ON THE WYANDOTTE AND DELAWARE RESERVE LINE; THENCE SOUTH 01 DEGREES 46 MINUTES 49 SECONDS EAST (SOUTH DEED), WITH THE WYANDOTTE AND DELAWARE RESERVE LINE, A DISTANCE OF 1074.31 FEET TO A POINT ON THE EASTERLY RIGHT-OF-WAY LINE OF N. 74TH DRIVE; THENCE WITH THE EASTERLY RIGHT-OF-WAY LINE OF N. 74TH DRIVE ON A CURVE TO THE RIGHT HAVING A RADIUS OF 640.00 FEET, A CENTRAL ANGLE OF 20 DEGREES 21 MINUTES 51 SECONDS, WITH AN INITIAL TANGENT BEARING OF SOUTH 22 DEGREES 08 MINUTES 40 SECONDS EAST, AN ARC DISTANCE OF 227.47 FEET; THENCE SOUTH 01 DEGREE 46 MINUTES 49 SECONDS EAST, CONTINUING WITH THE EAST RIGHT-OF-WAY LINE OF N. 74TH DRIVE, A DISTANCE OF 27.89 FEET TO THE POINT OF BEGINNING, EXCEPT THAT PART TAKEN, USED OR DEDICATED FOR STREETS, ROADS AND PUBLIC RIGHTS OF WAY.

TRACT 2:

ALL THAT PART OF THE NORTHEAST QUARTER OF SECTION 9, TOWNSHIP 11 SOUTH, RANGE 24 EAST, IN THE CITY OF KANSAS Cin', WYANDOTTE COUNn', KANSAS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: COMMENCING AT THE SOUTHWEST CORNER OF THE NORTHEAST QUARTER OF SAID SECTION 9, THENCE NORTH 85 DEGREES 52 MINUTES 18 SECONDS EAST, WITH THE SOUTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 9, A DISTANCE OF 1587.05 FEET TO THE INTERSECTION OF THE OF THE SOUTH LINE NORTHEAST QUARTER OF SAID SECTION 9 AND THE WYANDOTTE AND DELAWARE RESERVE LINE; THENCE NORTH 01 DEGREE 46 MINUTES 49 SECONDS WEST, WITH THE WYANDOTTE AND DELAWARE RESERVE LINE, A DISTANCE OF 251.61 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING NORTH 01 DEGREE 46 MINUTES 49 SECONDS WEST, WITH THE WYANDOTTE AND DELAWARE RESERVE LINE, A

DISTANCE OF 368.39 FEET; THENCE SOUTH 88 DEGREES 13 MINUTES 11 SECONDS WEST, A DISTANCE OF 321.15 FEET TO A POINT ON THE EASTERLY RIGHT-OF-WAY LINE OF N. 74TH DRIVE; THENCE SOUTH 54 DEGREES so MINUTES 04 SECONDS EAST, WITH THE EASTERLY RIGHT-OF-WAY LINE OF N. 74TH DRIVE, A DISTANCE OF 132.45 FEET TO A POINT OF CURVATURE; THENCE CONTINUING WITH THE EASTERLY RIGHT-OF-WAY LINE OF N. 74TH DRIVE ON A CURVE TO THE RIGHT HAVING A RADIUS OF 640.00 FEET, A CENTRAL ANGLE OF 32 DEGREES 41 MINUTES 23 SECONDS, AN ARC DISTANCE OF 365.15 FEET TO THE POINT OF BEGINNING, EXCEPT THAT PART TAKEN, USED OR DEDICATED FOR STREETS, ROADS AND PUBLIC RIGHTS OF WAY.

PARCEL D
A TRACT OF LAND IN THE SOUTHEAST QUARTER OF SECTION 9 TOWNSHIP 11 SOUTH, RANGE 24 EAST OF THE SIXTH PRINCIPAL MERIDIAN IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE WYANDOTTE-DELAWARE RESERVE LINE 330.01 FEET SOUTH OF THE NORTH LINE OF SAID SOUTHEAST QUARTER; THENCE SOUTH 01 ° 34' 26"
EAST ALONG SAID WYANDOTTE-DELAWARE RESERVE LINE A DISTANCE OF 331.32 FEET; THENCE SOUTH 85° 51' 59" WEST A DISTANCE OF 280.00 FEET; THENCE SOUTH 01° 34' 26" EAST PARALLEL TO SAID WYANDOTTE-DELAWARE RESERVE LINE A DISTANCE OF 150.00 FEET; THENCE NORTH 85° 51' 59" EAST A DISTANCE OF 89.20 FEET; THENCE SOUTH 01° 34' 26" EAST PARALLEL TO SAID WYANDOTTE-DELAWARE RESERVE LINE A DISTANCE OF
148.00 FEET TO A POINT 25.00 FEET NORTH OF THE NORTHERLY RIGHT-OF-WAY LINE OF INTERSTATE 70, AS SAID RIGHT-OF-WAY NOW EXIST; THENCE NORTHEASTERLY ALONG A LINE 25.00 FEET NORTH OF AND PARALLEL TO THE SAID NORTHERLY RIGHT-OF-WAY LINE ON A CURVE TO THE RIGHT HAVING A RADIUS OF 11,684.16 FEET, A CENTRAL ANGLE OF 00° 56' 08" WHOSE INITIAL TANGENT BEARING OF NORTH 85° 42' 30" EAST, AN ARC DISTANCE OF 190.76 FEET TO SAID WYANDOTTE-DELAWARE RESERVE LINE; THENCE SOUTH 01° 34' 26" EAST ALONG SAID WYANDOTTE-DELAWARE RESERVE LINE DISTANCE OF 25.00 FEET TO SAID NORTHERLY RIGHT-OF-WAY LINE; THENCE SOUTHWESTERLY ALONG SAID NORTHERLY RIGHT-OF-WAY LINE ON A CURVE TO THE LEFT HAVING A RADIUS OF 11,659.16 FEET, A CENTRAL ANGLE OF 02° 37' 26" WHOSE INITIAL TANGENT BEARING OF SOUTH 86° 38' 24" WEST, AN ARC DISTANCE OF 533.93 FEET; THENCE NORTH 52° 52' 11" Ill/EST CONTINUING ALONG SAID NORTHERLY RIGHT-OF-WAY LINE A DISTANCE OF 353.46 FEET; THENCE NORTH 01° 41' 11" WEST PARALLEL TO THE WEST LINE OF SAID SOUTHEAST QUARTER A DISTANCE OF 427.00 FEET; THENCE NORTH 85° 51' 59" EAST PARALLEL TO THE NORTH LINE OF SAID SOUTHEAST QUARTER A DISTANCE OF 810.58 FEET TO THE POINT OF BEGINNING, LESS THAT PART TAKEN OR USED FOR ROAD PURPOSES.

PARCEL E

COMMENCING AT A POINT 198 FEET WEST AND 172.17 FEET SOUTH OF THE SOUTHWEST CORNER OF THE NORTHEAST¼ OF THE NORTHWEST¼ OF SECTION 10, TOWNSHIP 11, RANGE 24, THENCE SOUTH 172.17 FEET, THENCE EAST 1518 FEET, THENCE NORTH 172.17 FEET, THENCE WEST 1518 FEET TO THE POINT OF BEGINNING, LESS THAT PART THEREOF USED FOR ROAD PURPOSES, IN WYANDOTTE COUNTY, KANSAS;

LESS AND EXCEPT THE FOLLOWING DESCRIBED TRACT OF LAND CONVEYED IN BOOK 4246, PAGE 517, TO-WIT:

A TRACT OF LAND IN THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 10, TOWNSHIP 11 WEST, RANGE 24 EAST OF THE SIXTH PRINCIPAL MERIDIAN IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

NOTE: THE BEARINGS SHOWN ON THIS SURVEY ARE BASED ON GRID NORTH, KANSAS STATE PLANE, NORTH ZONE, NORTH AMERICAN DATUM 1983, DERIVED FROM GLOBAL POSITIONING SYSTEM OBSERVATIONS. THE DISTANCES AND DIRECTION WERE ESTABLISHED HOLDING THE FOLLOWING GPS MONUMENTS: WYCO 29, WYCO 30, WYCO 31, WYCO 36 AND WYCO 41. THE COMBINED ADJUSTMENT FACTOR IS 0.999967056. THE CONVERGENCE IS 02° 03' 58".

COMMENCING AT THE NORTHEAST CORNER OF THE NORTHWEST QUARTER OF SAID SECTION 10; THENCE SOUTH 01° 17' 50" EAST 1319.19 FEET, ALONG THE EAST LINE OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 10, TO THE NORTHEAST CORNER OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 10; THENCE SOUTH 88° 02' 49" WEST 1329.66 FEET, ALONG THE NORTH LINE OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 10, TO THE NORTHWEST CORNER OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 10 AND THE POINT OF BEGINNING; THENCE NORTH 88° 02' 49" EAST 64.04 FEET, ALONG THE NORTH LINE OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 10; THENCE SOUTH 01° 50' 48" EAST 172.17 FEET, PARALLEL WITH THE WEST LINE OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 10, TO A ONE-HALF INCH REINFORCING BAR SET WITH SURVEY CAP LS-533 AND THE TRUE POINT OF BEGINNING; THENCE NORTH 88° 02' 49" EAST 1265.22 FEET, ALONG THE SOUTH LINE OF A TRACT OF LAND DESCRIBED IN A DOCUMENT FILED FOR RECORD IN BOOK 2326, PAGE 5, TO A ONE-HALF INCH REINFORCING BAR SET WITH SURVEY CAP LS-533 AND A POINT ON THE EAST LINE OF SAID QUARTER-QUARTER SECTION; THENCE SOUTH 01° 42' 54" EAST 172.17 FEET, ALONG SAID EAST LINE, TO A ONE-HALF INCH REINFORCING BAR SET WITH SURVEY CAP LS-533; THENCE SOUTH 88° 02' 49" WEST 1264.83 FEET, TO A ONE-HALF INCH REINFORCING BAR SET WITH SURVEY CAP LS-533; THENCE NORTH 01° 50' 48" WEST 172.17 FEET, PARALLEL WITH THE WEST LINE OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 10, TO THE TRUE POINT OF BEGINNING OF THE TRACT HEREIN DESCRIBED.

NOTE: THE ABOVE DESCRIBED "EXCEPTED" TRACT IN BOOK 4246, PAGE 517 IS ALSO DESCRIBED AS TRACT VIII IN DOCUMENT NO. 2012R-05277 AND ALSO DESCRIBED AS TRACT 6 IN DOCUMENT NO. 2016R-10452, TO-WIT:

A TRACT OF LAND IN THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 10, TOWNSHIP 11 SOUTH, RANGE 24 EAST OF THE SIXTH PRINCIPAL MERIDIAN IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF THE NORTHWEST QUARTER OF SAID SECTION 10; THENCE SOUTH 01 ° 47' 23" EAST 1321.67 FEET, ALONG THE EAST LINE OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 10, TO THE NORTHEAST CORNER OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 10; THENCE SOUTH 88° 07' 30" WEST 1338.57 FEET, ALONG THE NORTH LINE OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 10, TO THE NORTHWEST CORNER OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 10 AND THE POINT OF BEGINNING; THENCE SOUTH 01 ° 58' 55" EAST 172.17 FEET ALONG THE WEST LINE OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 10, TO A POINT ON THE SOUTH LINE OF A TRACT OF LAND DESCRIBED IN A DOCUMENT FILED FOR RECORD IN BOOK 2326, PAGE 5; THENCE NORTH 88° 07' 30" EAST
72.68 FEET, ALONG SAID SOUTH LINE, TO A ONE-HALF INCH REINFORCING BAR SET WITH SURVEY CAP LS-533 AND THE TRUE POINT OF BEGINNING; THENCE NORTH 88° 07' 30" EAST 1265.32 FEET, ALONG THE SOUTH LINE OF SAID CERTAIN TRACT OF LAND DESCRIBED IN A DOCUMENT FILED FOR RECORD IN BOOK 2326, PAGE 5, TO A ONE-HALF INCH REINFORCING BAR SET WITH SURVEY CAP LS-533 AND A POINT ON THE EAST LINE OF SAID QUARTER- QUARTER SECTION; THENCE SOUTH 01° 47' 23" EAST 172.17 FEET, ALONG SAID EAST LINE, TO A ONE-HALF INCH REINFORCING BAR SET WITH SURVEY CAP LS-533; THENCE SOUTH 88° 07' 30" WEST 1264.74 FEET, TO A ONE-HALF INCH REINFORCING BAR SET WITH SURVEY CAP LS-533; THENCE NORTH 01° 58' 55" WEST 172.17 FEET, PARALLEL WITH THE WEST LINE OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 10, TO THE TRUE POINT OF BEGINNING OF THE TRACT HEREIN DESCRIBED.

PARCEL F
A TRACT OF LAND IN THE SOUTHEAST QUARTER OF SECTION 9, TOWNSHIP 11, RANGE 24 AND THE SOUTHWEST QUARTER OF SECTION 10, TOWNSHIP 11, RANGE 24, WYANDOTTE COUNTY, KANSAS, DESCRIBED AS FOLLOWS: BEGINNING AT THE INTERSECTION OF THE NORTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 9 AND THE WYANDOTTE-DELAWARE RESERVE LINE; THENCE SOUTH 89° 52' 51" EAST ALONG THE NORTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 9, 866.90 FEET TO THE NORTHEAST CORNER OF THE SOUTHEAST QUARTER OF SAID SECTION 9; THENCE SOUTH 89° 53' 03" EAST ALONG THE NORTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 10,412.50 FEET TO A POINT ON THE WESTERLY RIGHT OF WAY LINE OF THE TURNER DIAGONAL, AS NOW ESTABLISHED; THENCE SOUTH 0° 36' 54" WEST ALONG SAID WESTERLY RIGHT OF WAY LINE 810.48 FEET TO A POINT ON THE NORTHERLY RIGHT OF WAY LINE OF THE KANSAS TURNPIKE AS NOW ESTABLISHED; THENCE SOUTH 57° 47' 18" WEST ALONG SAID NORTHERLY RIGHT OF WAY LINE 423.93 FEET; THENCE CONTINUING ALONG SAID RIGHT OF WAY LINE NORTH 88° 41' 47" WEST 421.45 FEET; THENCE WESTERLY ON A CURVE TO THE LEFT HAVING A RADIUS OF 11,609.16 FEET, AN ARC DISTANCE OF 499.25 FEET TO A POINT ON THE WYANDOTTE-DELAWARE RESERVE LINE; THENCE NORTH 0° 28' 20" EAST ALONG SAID WYANDOTTE-DELAWARE RESERVE LINE 1028.84 FEET TO THE POINT OF BEGINNING, EXCEPT THAT PART ON THE WEST NOW BEING USED FOR RIGHT OF WAY FOR 72ND STREET;

ALSO LESS AND EXCEPT THE FOLLOWING:
A TRACT OF LAND IN THE SOUTHEAST QUARTER OF SECTION 9, TOWNSHIP 11, RANGE 24 IN WYANDOTTE COUNTY, KANSAS DESCRIBED AS FOLLOWS: BEGINNING AT THE INTERSECTION OF THE NORTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 9 AND THE WYANDOTTE-DELAWARE RESERVE LINE BEING ALSO THE CENTER LINE OF 72ND STREET AS NOW ESTABLISHED THENCE SOUTH 89° 52' 51" EAST ALONG THE NORTH LINE OF SAID SOUTHEAST QUARTER 37.0 FEET, THENCE SOUTH 0° 28' 20" EAST 37.0 FEET FROM AND PARALLEL TO THE WYANDOTTE-DELAWARE RESERVE LINE BEING ALSO THE CENTER LINE OF 72ND STREET 892.70 FEET, THENCE NORTH 89° 52' 51" WEST 37.0 FEET TO THE CENTER OF SAID 72ND STREET BEING ALSO THE WYANDOTTE-DELAWARE RESERVE LINE THENCE NORTH 0° 20' 20" WEST ALONG THE WYANDOTTE-DELAWARE RESERVE LINE BEING ALSO THE CENTER OF 72ND STREET AS NOW ESTABLISHED 892.70 FEET TO THE POINT OF BEGINNING.

THE ABOVE BEING MORE PARTICULARLY DESCRIBED BY SURVEYOR AS FOLLOWS:

ALL THAT PART OF THE SOUTHEAST QUARTER OF SECTION 09, TOWNSHIP 11 SOUTH, RANGE 24 EAST, KANSAS CITY, WYANDOTTE COUNTY, KANSAS AND

THE SOUTHWEST QUARTER OF SECTION 10, TOWNSHIP 11 SOUTH, RANGE 24 EAST, KANSAS CITY, WYANDOTTE COUNTY, KANSAS DESCRIBED AS FOLLOWS: COMMENCING AT THE INTERSECTION OF THE NORTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 09 AND THE WYANDOTTE-DELAWARE RESERVE LINE; THENCE NORTH 88 DEGREES 04 MINUTES 25 SECONDS EAST (MEASURED) (SOUTH 89 DEGREES 52 MINUTES 51 SECONDS EAST DEED) ALONG THE NORTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 09, A DISTANCE OF 37.00 FEET TO THE POINT OF BEGINNING: THENCE CONTINUING ALONG SAID NORTH LINE NORTH 88 DEGREES 04 MINUTES 25 SECONDS EAST (MEASURED) (SOUTH 89 DEGREES 52 MINUTES 51 SECONDS EAST DEED) A DISTANCE OF 829.96 FEET TO THE NORTHEAST CORNER OF THE SOUTHEAST QUARTER OF SAID SECTION 09; THENCE NORTH 88 DEGREES 04 MINUTES 13 SECONDS EAST (SOUTH89 DEGREES 53 MINUTES 03 SECONDS EAST DEED) ALONG THE NORTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 10, A DISTANCE OF 412.50 FEET TO A POINT ON THE WESTERLY LINE OF THE TURNER DIAGONAL AS NOW ESTABLISHED; THENCE SOUTH 01 DEGREES 25 MINUTES 50 SECONDS EAST (SOUTH 00 DEGREES 36 MINUTES 54 SECONDS WEST DEED) ALONG SAID WEST RIGHT OF WAY LINE, A DISTANCE OF 810.48 FEET TO A POINT ON THE NORTH RIGHT OF WAY LINE OF THE KANSAS TURNPIKE (1-70); THENCE SOUTH 55 DEGREES 44 MINUTES 34 SECONDS WEST (SOUTH 57 DEGREES 47 MINUTES 18 SECONDS WEST DEED) ALONG SAID NORTH RIGHT OF WAY LINE, A DISTANCE OF 423.93 FEET; THENCE SOUTH 89 DEGREES 15 MINUTES 29 SECONDS WEST (NORTH 88 DEGREES 41 MINUTES 47 SECONDS WEST DEED) ALONG SAID NORTH RIGHT OF WAY LINE, A DISTANCE OF 421.25 FEET; THENCE WESTERLY ON A CURVE TO THE LEFT HAVING A RADIUS OF 11609.16 FEET, A CENTRAL ANGLE OF 02 DEGREES 27 MINUTES 50 SECONDS, A DISTANCE OF 499.25 FEET TO A POINT ON THE WYANDOTTE DELAWARE RESERVE LINE; THENCE NORTH 01 DEGREES 34 MINUTES 24 SECONDS WEST (NORTH 00 DEGREES 20 MINUTES 20 SECONDS WEST DEED) ALONG THE WYANDOTTE DELAWARE RESERVE LINE, A DISTANCE OF 135.94 FEET; THENCE NORTH 88 DEGREES 04 MINUTES 25 SECONDS EAST (MEASURED) (NORTH 89 DEGREES 52 MINUTES 51 SECONDS WEST DEED), A DISTANCE OF 37.00 FEET; THENCE NORTH 01 DEGREES 34 MINUTES 24 SECONDS WEST (MEASURED) (NORTH 00 DEGREES 28 MINUTES 20 SECONDS WEST DEED), A DISTANCE OF 892.93 FEET (MEASURED) (892.70' DEED) TO THE POINT OF BEGINNING, EXCEPT THAT PART IN ROADS AND EASEMENTS.

PARCEL G

A TRACT OF LAND IN THE SOUTHEAST QUARTER OF SECTION 9 TOWNSHIP 11 SOUTH RANGE 24 EAST OF THE SIXTH PRINCIPLE MERIDIAN IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS, BEING MORE PARTICULARLY AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF THE SOUTHEAST QUARTER OF SAID SECTION 9; THENCE SOUTH 01° 41' 11" EAST ALONG THE WEST LINE OF SAID SOUTHEAST QUARTER A DISTANCE OF 687.20 FEET TO THE NORTH RIGHT-OF-WAY LINE OF INTERSTATE 70 AS SAID RIGHT-OF-WAY NOW EXIST; THENCE NORTH 83° 12' 49" EAST ALONG SAID RIGHT-OF-WAY LINE A DISTANCE OF 659.20 FEET; THENCE SOUTH 52° 52' 11" EAST CONTINUING ALONG SAID RIGHT-OF-WAY LINE A DISTANCE OF 151.97 FEET; THENCE NORTH 01° 41' 11" WEST PARALLEL TO THE WEST LINE OF SAID SOUTHEAST QUARTER A DISTANCE OF 427.00 FEET; THENCE NORTH 85° 51' 59" EAST PARALLEL TO THE NORTH LINE OF SAID SOUTHEAST QUARTER A DISTANCE OF 641.24 FEET; THENCE NORTH 01° 34' 26" WEST PARALLEL TO THE WYANDOTTE-DELAWARE RESERVE LINE A DISTANCE OF 165.00 FEET TO THE SOUTHEAST CORNER OF MEYER SUBDIVISION, A SUBDIVISION OF LAND IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS, ACCORDING TO THE RECORDED PLAT THEREOF; THENCE SOUTH 85° 51' 59" WEST ALONG THE SOUTH LINE OF SAID MEYER SUBDIVISION AND ITS WESTERLY EXTENSION A DISTANCE OF 755.49 FEET; THENCE SOUTH 01° 41' 11" EAST A DISTANCE OF 43.70 FEET; THENCE SOUTH 85° 51' 59" WEST A DISTANCE OF 208.71 FEET; THENCE NORTH 01° 41' 11" WEST A DISTANCE OF 208.71 FEET TO THE NORTH LINE OF SAID SOUTHEAST QUARTER; THENCE SOUTH 85° 51' 59" WEST ALONG SAID NORTH LINE A DISTANCE OF 451.89 FEET TO THE POINT OF BEGINNING.

LESS THAT PART TAKEN FOR ROAD RIGHT-OF-WAY.

PARCEL H

ALL THAT PART OF THE NORTHEAST QUARTER OF SECTION 9, TOWNSHIP 11 SOUTH, RANGE 24 EAST, IN THE CITY OF KANSAS CITY, WYANDOTTE COUNTY, KANSAS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF THE NORTHEAST QUARTER OF SAID SECTION 9, THENCE NORTH 85 DEGREES 52 MINUTES 18 SECONDS EAST, WITH THE SOUTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 9, A DISTANCE OF 1587.05 FEET TO THE INTERSECTION OF THE SOUTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 9 AND THE WYANDOTTE AND DELAWARE RESERVE LINE; THENCE NORTH 01 DEGREE 46 MINUTES 49 SECONDS WEST, WITH THE WYANDOTTE AND DELAWARE RESERVE LINE, A DISTANCE OF 251.61 FEET TO A POINT ON THE EASTERLY RIGHT-OF-WAY LINE OF N. 74TH DRIVE; THENCE WITH THE EASTERLY RIGHT-OF-WAY LINE OF N. 74TH DRIVE ON A CURVE TO THE LEFT HAVING A RADIUS OF 640.00 FEET, A CENTRAL ANGLE OF 32 DEGREES 41 MINUTES 23 SECONDS, WITH AN INITIAL TANGENT BEARING OF NORTH 22 DEGREES 08 MINUTES 40 SECONDS WEST, AN ARC DISTANCE OF 365.15 FEET; THENCE NORTH 54 DEGREES 50 MINUTES 04 SECONDS WEST, CONTINUING WITH THE EASTERLY RIGHT-OF-WAY LINE OF N. 74TH DRIVE, A DISTANCE OF 132.45 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING NORTH 54 DEGREES 50 MINUTES 04 SECONDS WEST, CONTINUING WITH THE EASTERLY RIGHT-OF-WAY LINE OF N. 74TH DRIVE, A DISTANCE OF 1274.02 FEET TO A POINT OF CURVATURE; THENCE CONTINUING WITH THE EASTERLY RIGHT-OF-WAY LINE OF N. 74TH DRIVE ON A CURVE TO THE RIGHT HAVING A RADIUS OF 560.00 FEET, A CENTRAL ANGLE OF 52 DEGREES 29 MINUTES 16 SECONDS, AN ARC DISTANCE OF 513.01 FEET; THENCE NORTH 02 DEGREES 17 MINUTES 26 SECONDS WEST, CONTINUING WITH THE EASTERLY RIGHT-OF- WAY LINE OF N. 74TH DRIVE, A DISTANCE OF 111.86 FEET TO A POINT OF CURVATURE; THENCE CONTINUING WITH THE EASTERLY RIGHT-OF-WAY LINE OF N. 74TH DRIVE ON A CURVE TO THE LEFT HAVING A RADIUS OF 439.71 FEET, A CENTRAL ANGLE OF 06 DEGREES 19 MINUTES 44 SECONDS, AN ARC DISTANCE OF 48.58 FEET TO A POINT ON THE SOUTH LINE OF LOT 4, JENKINS STATUTORY REQUIREMENT PLAT, A SUBDIVISION IN THE CITY OF KANSAS CITY, WYANDOTTE COUNTY, KANSAS; THENCE NORTH 85 DEGREES 43 MINUTES 03 SECONDS EAST, WITH THE SOUTH LINE OF SAID LOT 4, A DISTANCE OF 701.36 FEET TO THE SOUTHWEST CORNER OF LOT 2, JENKINS STATUTORY REQUIREMENT PLAT; THENCE SOUTH 02 DEGREE 00 MINUTES 21 SECONDS EAST, A DISTANCE OF 500.00 FEET; THENCE NORTH 85 DEGREES 43 MINUTES 03 SECONDS EAST, A DISTANCE OF 400.00 FEET; THENCE NORTH 02 DEGREE 00 MINUTES 21 SECONDS WEST, A DISTANCE OF 500.00 FEET TO A POINT ON THE SOUTH LINE OF AFORESAID LOT 2; THENCE NORTH 85 DEGREES 43 MINUTES 03 SECONDS EAST, WITH THE SOUTH LINE OF SAID LOT 2, A DISTANCE OF 466.99 FEET TO A POINT ON THE WYANDOTTE AND DELAWARE RESERVE LINE; THENCE SOUTH 01 DEGREE 46 MINUTES 49 SECONDS EAST, WITH THE

WYANDOTTE AND DELAWARE RESERVE LINE, A DISTANCE OF 1436.57 FEET; THENCE SOUTH 88 DEGREES 13 MINUTES 11 SECONDS WEST, A DISTANCE OF 321.15 FEET TO THE POINT OF BEGINNING, EXCEPT ANY PART USED OR DEDICATED FOR STREETS, ROADS AND PUBLIC RIGHTS OF WAY.

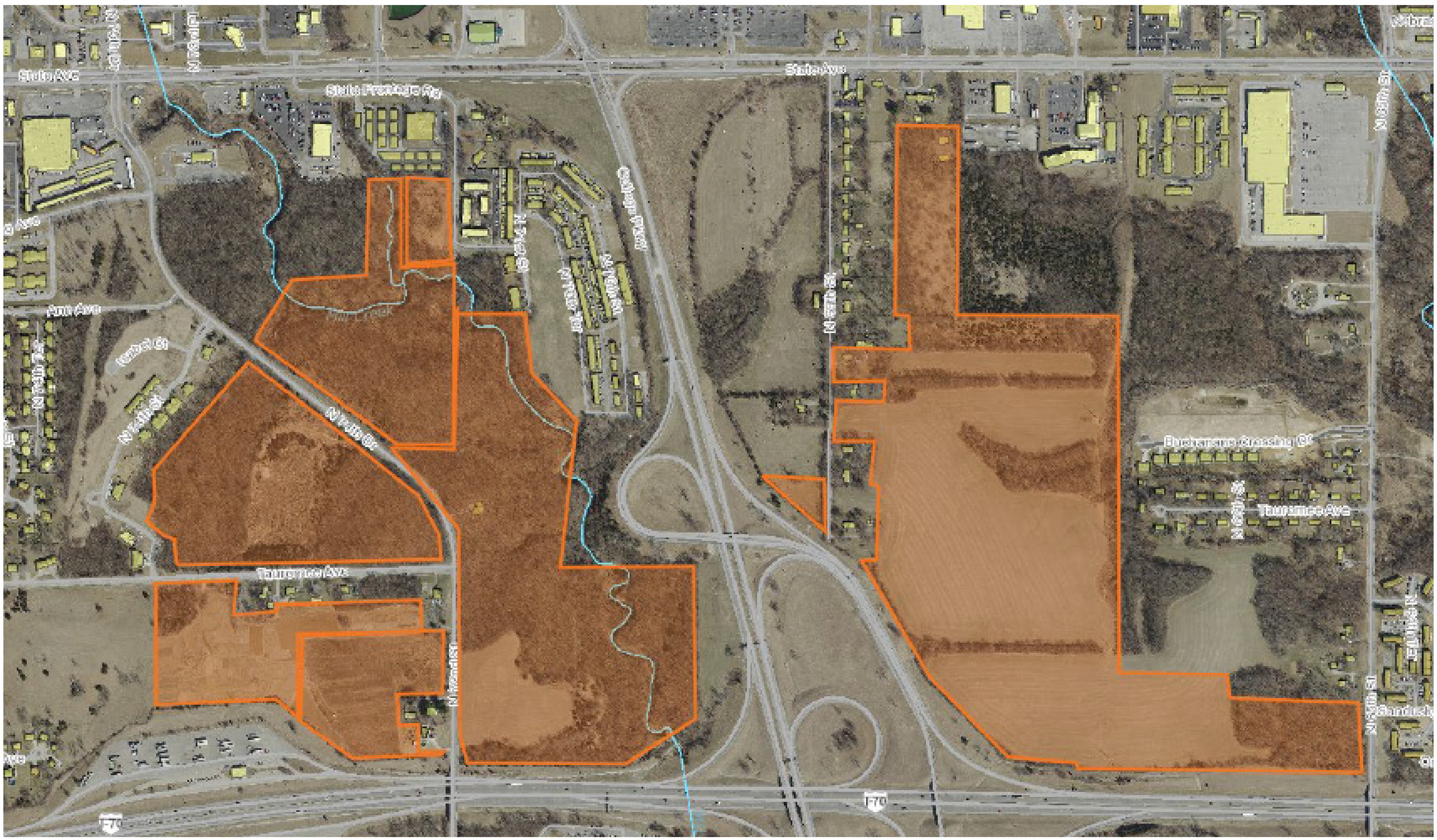
BEING ALSO DESCRIBED AS FOLLOWS:

ALL THAT PART OF THE NORTHEAST QUARTER OF SECTION 9, TOWNSHIP 11 SOUTH, RANGE 24 EAST, IN THE CITY OF KANSAS CITY, WYANDOTTE COUNTY, KANSAS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: COMMENCING AT THE SOUTHWEST CORNER OF THE NORTHEAST QUARTER OF SAID SECTION 9, THENCE NORTH 85 DEGREES 52 MINUTES 18 SECONDS EAST, WITH THE SOUTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 9, A DISTANCE OF 1587.05 FEET TO THE INTERSECTION OF THE OF THE SOUTH LINE NORTHEAST QUARTER OF SAID SECTION 9 AND THE WYANDOTTE AND DELAWARE RESERVE LINE; THENCE NORTH 01 DEGREE 46 MINUTES 49 SECONDS WEST, WITH THE WYANDOTTE AND DELAWARE RESERVE LINE, A DISTANCE OF 251.61 FEET TO A POINT ON THE EASTERLY RIGHT-OF-WAY LINE OF N. 74TH DRIVE; THENCE WITH THE EASTERLY RIGHT-OF-WAY LINE OF N. 74TH DRIVE ON A CURVE TO THE LEFT HAVING A RADIUS OF 640.00 FEET, A CENTRAL ANGLE OF 32 DEGREES 41 MINUTES 23 SECONDS, WITH AN INITIAL TANGENT BEARING OF NORTH 22 DEGREES 08 MINUTES 40 SECONDS WEST, AN ARC DISTANCE OF 365.15 FEET; THENCE NORTH 54 DEGREES 50 MINUTES 04 SECONDS WEST, CONTINUING WITH THE EASTERLY RIGHT-OF-WAY LINE OF N. 74TH DRIVE, A DISTANCE OF 132.45 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING NORTH 54 DEGREES 50 MINUTES 04 SECONDS WEST, CONTINUING WITH THE EASTERLY RIGHT-OF-WAY LINE OF N. 74TH DRIVE, A DISTANCE OF 1274.02 FEET TO A POINT OF CURVATURE; THENCE CONTINUING WITH THE EASTERLY RIGHT-OF-WAY LINE OF N. 74TH DRIVE ON A CURVE TO THE RIGHT HAVING A RADIUS OF 560.00 FEET, A CENTRAL ANGLE OF 52 DEGREES 29 MINUTES 16 SECONDS, AN ARC DISTANCE OF 513.01 FEET; THENCE NORTH 02 DEGREES 17 MINUTES 26 SECONDS WEST, CONTINUING WITH THE EASTERLY RIGHT-OF-WAY LINE OF N. 74TH DRIVE, A DISTANCE OF 111.86 FEET TO A POINT OF CURVATURE; THENCE CONTINUING WITH THE EASTERLY RIGHT-OF-WAY LINE OF N. 74TH DRIVE ON A CURVE TO THE LEFT HAVING A RADIUS OF 439.71 FEET, A CENTRAL ANGLE OF 06 DEGREES 19 MINUTES 44 SECONDS, AN ARC DISTANCE OF 48.58 FEET TO A POINT ON THE SOUTH LINE OF LOT 4, JENKINS STATUTORY REQUIREMENT PLAT, A SUBDIVISION IN THE CITY OF KANSAS CITY, WYANDOTTE COUNTY, KANSAS; THENCE NORTH 85 DEGREES 43 MINUTES 03 SECONDS EAST, WITH THE SOUTH LINE OF SAID LOT 4, A DISTANCE OF 701.36 FEET TO THE SOUTHWEST CORNER OF LOT 2, JENKINS STATUTORY REQUIREMENT PLAT; THENCE SOUTH 02 DEGREE 00 MINUTES 21 SECONDS EAST, A DISTANCE OF 500.00 FEET; THENCE NORTH 85 DEGREES 43 MINUTES 03 SECONDS EAST, A DISTANCE OF 400.00 FEET; THENCE NORTH 02 DEGREE 00 MINUTES 21 SECONDS WEST, A DISTANCE OF 500.00 FEET TO A POINT ON THE SOUTH LINE OF AFORESAID LOT 2; THENCE NORTH 85 DEGREES 43 MINUTES 03 SECONDS EAST, WITH THE SOUTH LINE OF

SAID LOT 2, A DISTANCE OF 466.99 FEET TO A POINT ON THE WYANDOTTE AND DELAWARE RESERVE LINE; THENCE SOUTH 01 DEGREE 46 MINUTES 49 SECONDS EAST, WITH THE WYANDOTTE AND DELAWARE RESERVE LINE, A DISTANCE OF 1436.57 FEET; THENCE SOUTH 88 DEGREES 13 MINUTES 11 SECONDS WEST, A DISTANCE OF 321.15 FEET TO THE POINT OF BEGINNING.

EXHIBIT B

MAP OF TURNER LOGISTICS CENTER COMMUNITY IMPROVEMENT DISTRICT



PETITION FOR THE CREATION OF A COMMUNITY IMPROVEMENT DISTRICT

TO: **The Governing Body**
Unified Government of Wyandotte County/Kansas City, Kansas

The undersigned, being the owners of record, whether resident or not, of all of the land area within the proposed community improvement district, hereby petition the Unified Government of Wyandotte County/Kansas City, Kansas (the "**Unified Government**") to create a community improvement district (the "**CID**") and authorize the proposed 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 petitioners state as follows:

1. GENERAL NATURE

The general nature of the proposed project (the "**Project**") is as follows:

> The design and construction of a new interchange to replace the existing Interstate 70 and Turner Diagonal interchange, along with all necessary and related public infrastructure improvements necessary to serve the CID, with all such improvements to be located contiguous to the CID.

Petitioner hereby acknowledges and agrees that such infrastructure is related to a project within the CID and is substantially for the benefit of the CID.

2. BUT FOR

The petitioner certifies to the Unified Government that but for the creation of the CID and the anticipated revenue from the Special Assessments (as defined below) the Project would not occur.

3. ESTIMATED COST

The estimated cost of the Project plus interest is $30,000,000, with an amount not to exceed $7,500,000 to be paid through the CID.

4. PROPOSED METHOD OF FINANCING

It is proposed that the total costs of the Project be financed through a combination of private equity, private debt, certain public funds provided by the Kansas Department of Transportation, the U.S. Department of Transportation and the Unified Government, the Special Assessments, and other available funds.

5. PROPOSED METHOD AND AMOUNT OF ASSESSMENT

It is proposed that the Projects be financed through the levy of special assessments on property within the boundaries of the CID to pay a portion of the costs of the Projects for not exceed $7,500,000 (the "**Special Assessments**").

The method of assessment will be equally per square foot of all property located within the CID.

FILED
MAY 29 2019 cgr
UNIFIED GOVERNMENT CLERK

6. PROPOSED AMOUNT OF SALES TAX

A community improvement district sales tax is not requested.

7. MAP AND LEGAL DESCRIPTION OF THE PROPOSED CID

A map of the proposed CID is attached hereto as **EXHIBIT A**.

The legal description of the CID is attached hereto as **EXHIBIT B**.

8. LIMITATION ON USE OF REVENUE

Revenue produced from the Special Assessments shall be limited to the reimbursement of costs associated with the Project as permitted in the Act and the Development Agreement.

9. NOTICE TO PETITION SIGNERS

NAMES MAY NOT BE WITHDRAWN FROM THIS PETITION BY THE SIGNERS HEREOF AFTER THE UNIFIED GOVERNMENT COMMENCES CONSIDERATION OF THIS PETITION, OR LATER THAN SEVEN (7) DAYS AFTER THE FILING HEREOF WITH THE UNIFIED GOVERNMENT CLERK, WHICHEVER OCCURS FIRST. SIGNERS HEREBY CONSENT TO ANY ASSESSMENTS TO THE EXTENT DESCRIBED HEREIN WITHOUT REGARD TO BENEFITS CONFERRED BY THE PROJECT.

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IN WITNESS WHEREOF, the undersigned petitioners have executed the above foregoing petition to create the district at the dates set forth opposite their respective signatures below:

TURNER LAND, LLC,
a Missouri limited liability company
By: NorthPoint Development, LLC, its manager

By: ______________________________

Title: Manager

Date: 5-28-19

ACKNOWLEDGMENT

STATE OF Missouri)
) ss.
COUNTY OF Platte)

BE IT REMEMBERED, that on this 28th day of May, 2019, before me, the undersigned, a Notary Public in and for said County and State, came Nathaniel Hagedorn as manager of NorthPoint Development, LLC Manager of Turner Land, LLC, who is known to me to be the same person who executed the within instrument, and such person duly acknowledged the execution of the same.

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

(Seal)

Heather R. Pfender
Notary Public in and for said County and State

My Commission Expires:

2.24.23

HEATHER R. PFENDER
Notary Public - Notary Seal
Clay County - State of Missouri
Commission Number 15633521
My Commission Expires Feb 24, 2023

EXHIBIT A

MAP OF DISTRICT

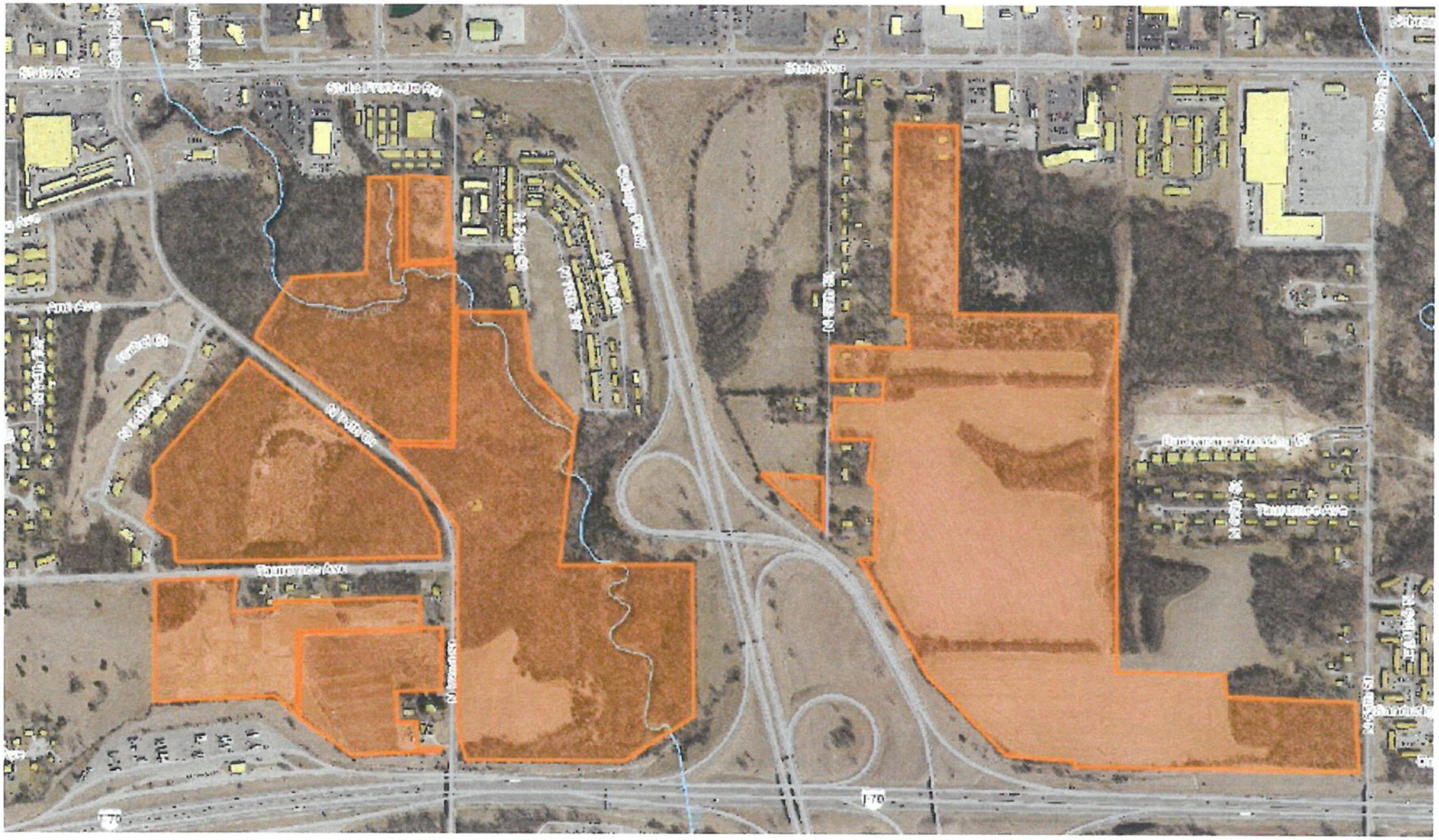

EXHIBIT B

LEGAL DESCRIPTION

PARCEL A

TRACT 1: BEGINNING AT A POINT ON THE EAST AND WEST CENTERLINE OF SECTION 10, TOWNSHIP 11, RANGE 24, IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS, SAID POINT BEING 218.0 FEET WEST OF THE SOUTHEAST CORNER OF THE WEST ONE-HALF OF THE NORTHWEST QUARTER OF SAID SECTION 10; THENCE NORTH 89° 59' 05" WEST, ALONG THE EAST AND WEST CENTERLINE OF SECTION 10, TOWNSHIP 11, RANGE 24, 172.82 FEET; THENCE NORTH 0° 01' 00" EAST, 253.77 FEET; THENCE SOUTH 89° 59' 00" EAST, 172.82 FEET TO A POINT ON THE WEST LINE OF 69TH STREET; THENCE SOUTH 0° 01' 00" WEST, ALONG SAID WEST LINE, 253.77 FEET, TO THE POINT OF BEGINNING, EXCEPT THE FOLLOWING DESCRIBED PROPERTY: A TRACT OF LAND IN THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 10, TOWNSHIP 11, RANGE 24, WYANDOTTE COUNTY, KANSAS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT A POINT ON THE EAST AND WEST CENTERLINE OF SAID SECTION 10, SAID POINT BEING 218.0 FEET WEST OF THE SOUTHEAST CORNER OF THE WEST HALF OF THE NORTHWEST QUARTER OF SAID SECTION 10; THENCE NORTH 89° 59' 05" WEST ALONG SAID EAST AND WEST CENTERLINE OF SECTION 10, 172.82 FEET; THENCE NORTH 00° 01' 00" EAST 253.77 FEET; THENCE SOUTH 89° 59' 00" EAST, 82.82 FEET; THENCE SOUTH 51° 04' 47" EAST, 115.65 FEET; THENCE SOUTH 00° 01' 00" WEST, 181.14 FEET, TO THE POINT OF BEGINNING.

TRACT 2: BEGINNING AT A POINT ON THE WEST RIGHT-OF-WAY LINE OF 69TH STREET, SAID POINT BEING 218.0 FEET WEST OF AND 253.77 FEET NORTH OF THE SOUTHEAST CORNER OF THE WEST ONE-HALF OF THE NORTHWEST QUARTER OF SECTION 10, TOWNSHIP 11, RANGE 24, IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS; THENCE NORTH 89° 59' 00" WEST, 204.38 FEET; THENCE NORTH 0° 01' 00" EAST, 214.59 FEET; THENCE SOUTH 89° 59' 00" EAST, 204.38 FEET, TO A POINT ON THE WEST RIGHT-OF-WAY LINE OF 69TH STREET; THENCE SOUTH 0° 00" WEST, ALONG SAID RIGHT OF WAY LINE, 214.59 FEET, TO THE POINT OF BEGINNING, ALSO

TRACT 3: BEGINNING AT A POINT 253.77 FEET NORTH OF AND 422.38 FEET WEST OF THE SOUTHEAST CORNER OF THE WEST ONE-HALF OF THE NORTHWEST QUARTER OF SECTION 10, TOWNSHIP 11, RANGE 24, IN KANSAS CITY, WYANDOTTE COUNTY KANSAS; THENCE NORTH 0° 01' 00" EAST, 214.59 FEET; THENCE NORTH 89° 59' 00" WEST, 233.30 FEET, TO A POINT ON THE EASTERLY RIGHT-OF-WAY LINE OF TUNER EXPRESSWAY; THENCE SOUTH 15° 04' 26" EAST, ALONG SAID EASTERLY RIGHT-OF-WAY LINE, 222.26 FEET; THENCE SOUTH 89° 59' 00" EAST, 175.43 FEET, TO THE POINT OF BEGINNING, EXCEPT THAT PART OF ABOVE TRACTS 2 AND 3 DESCRIBED AS FOLLOWS: A TRACT OF LAND IN THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 10, TOWNSHIP 11, RANGE 24, WYANDOTTE COUNTY, KANSAS; BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT A POINT ON THE SOUTH LINE OF SAID SOUTHWEST QUARTER OF THE NORTHWEST QUARTER, SAID POINT BEING 390.82 FEET WEST OF THE SOUTHEAST CORNER OF THE WEST HALF OF THE NORTHWEST QUARTER OF SAID SECTION 10; THENCE WEST ALONG SAID SOUTH LINE 138.58 FEET, MORE OR LESS, TO A POINT ON THE EASTERLY RIGHT-OF-WAY LINE OF THE U.S. HIGHWAY 40 INTERCHANGE ROAD; THENCE NORTHWESTERLY ALONG SAID EASTERLY RIGHT-OF-WAY LINE 477.0 FEET; THENCE EAST 100.0 FEET; THENCE SOUTHEASTERLY 322.6 FEET, MORE OR LESS, TO A POINT ON THE NORTH LINE OF TRACT "A", AS CONVEYED TO JOHN E. GOSNELL; THENCE NORTH 89° 59' 00" WEST 82.82 FEET; THENCE SOUTH 00° 01' 00" WEST, 253.77 FEET TO THE POINT OF BEGINNING.

PARCEL B

TRACT 1:
A TRACT OF LAND IN THE NORTHWEST ¼ OF SECTION 10, TOWNSHIP 11, RANGE 24, IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS, MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT A POINT ON THE EAST LINE OF SAID NORTHWEST QUARTER, 430.42 FEET NORTH OF THE CENTER OF SECTION 10, TOWNSHIP 11, RANGE 24; THENCE WEST 1318.00 FEET; THENCE NORTH 100.00 FEET; THENCE EAST 20.00 FEET; THENCE NORTH 129.48 FEET; THENCE WEST 220.00 FEET, TO A POINT ON THE EAST LINE OF 69TH STREET, AS NOW ESTABLISHED; THENCE NORTH ALONG SAID EAST LINE 199.76 FEET; THENCE EAST 435.60 FEET; THENCE NORTH 100.00 FEET, TO A POINT WHICH IS 344.34 FEET SOUTH OF THE NORTHEAST ¼ OF THE NORTHWEST ¼ OF SAID SECTION 10; THENCE EAST 1082.40 FEET TO A POINT IN THE EAST LINE OF SAID NORTHWEST QUARTER; THENCE SOUTH ALONG SAID EAST LINE 529.24 FEET TO THE POINT OF BEGINNING.

TRACT 2:
A TRACT OF LAND IN THE NORTHWEST ¼ AND THE SOUTHWEST ¼ OF SECTION 10, TOWNSHIP 11, RANGE 24, IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS, DESCRIBED AS FOLLOWS: COMMENCING AT THE SOUTHEAST CORNER OF THE NORTHWEST ¼ OF SECTION 10, TOWNSHIP 11, RANGE 24; THENCE NORTH 430.42 FEET; THENCE WEST 1518 FEET; THENCE SOUTH 430.42 FEET; THENCE EAST 198 FEET; THENCE SOUTH 410.5 FEET; THENCE EAST 1320 FEET; THENCE NORTH 412.5 FEET TO BEGINNING, IN WYANDOTTE COUNTY, KANSAS, LESS ANY PART TAKEN FOR ROAD PURPOSES,

AND ALSO EXCEPT THE WEST 250 FEET OF THE NORTH 380 FEET OF THE ABOVE DESCRIBED TRACT, SAID EXCEPTION BEING MORE PARTICULARLY DESCRIBED AS BEGINNING 430.42 FEET NORTH AND 1268 FEET WEST OF THE SOUTHEAST CORNER OF THE NORTHWEST ¼ OF SECTION 10, TOWNSHIP 11, RANGE 24; THENCE WEST 250 FEET; THENCE SOUTH 380 FEET; THENCE EAST 250 FEET; THENCE NORTH 380 FEET TO THE POINT OF BEGINNING,

AND ALSO EXCEPT THE FOLLOWING DESCRIBED TRACT OF LAND: A TRACT OF LAND IN THE WEST HALF OF SECTION 10, TOWNSHIP 11, RANGE 24, WYANDOTTE COUNTY, KANSAS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHWEST CORNER OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 10; THENCE WEST 198.0 FEET; THENCE NORTH 50.42 FEET; THENCE EAST 131.58 FEET; THENCE IN A SOUTHEASTERLY DIRECTION 118.97 FEET, MORE OR LESS, TO A POINT ON THE SOUTH LINE OF THE SOUTHEAST QUARTER OF SAID NORTHWEST QUARTER, SAID POINT BEING 17.00 FEET EAST OF THE POINT OF BEGINNING; THENCE IN A SOUTHEASTERLY DIRECTION 447.76 FEET, MORE OR LESS TO THE POINT ON THE NORTH LINE OF AN EIGHT FOOT STRIP OF LAND CONVEYED TO THE COUNTY; THENCE WEST ALONG SAID NORTH LINE 253.87 FEET TO A POINT ON THE WEST LINE OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 10; THENCE NORTH 402.5 FEET TO THE POINT OF BEGINNING.

TRACT 3:
A TRACT OF LAND IN THE SOUTHWEST QUARTER OF SECTION 10, TOWNSHIP 11 RANGE 24, IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE WEST LINE OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 10, TOWNSHIP 11, RANGE 24, SAID POINT BEING 410.5 FEET SOUTH OF THE NORTHWEST CORNER OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 10; THENCE SOUTH 89° 45' 03" EAST, 1328.54 FEET

TO A POINT ON THE NORTH AND SOUTH CENTERLINE OF SAID SECTION 10; THENCE SOUTH 0° 06' 00" EAST, ALONG SAID NORTH AND SOUTH CENTERLINE 642.37 FEET, TO A POINT ON THE NORTH RIGHT-OF-WAY LINE OF THE KANSAS TURNPIKE; THENCE NORTH 89° 06' 57" WEST ALONG SAID NORTH RIGHT-OF-WAY LINE, 433.07 FEET;

PARCEL C
TRACT 1:

ALL THAT PART OF THE NORTHEAST QUARTER OF SECTION 9, TOWNSHIP 11 SOUTH, RANGE 24 EAST, IN THE CITY OF KANSAS CITY, WYANDOTTE COUNTY, KANSAS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: COMMENCING AT THE SOUTHWEST CORNER OF THE NORTHEAST QUARTER OF SAID SECTION 9, THENCE NORTH 85 DEGREES 52 MINUTES 18 SECONDS EAST, WITH THE SOUTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 9, A DISTANCE OF 1587.05 FEET TO THE INTERSECTION OF THE OF THE SOUTH LINE NORTHEAST QUARTER OF SAID SECTION 9 AND THE WYANDOTTE AND DELAWARE RESERVE LINE; THENCE NORTH 86 DEGREES 46 MINUTES 40 SECONDS EAST (NORTH 88°40' EAST DEED), WITH THE SOUTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 9, A DISTANCE OF 40.01 FEET TO POINT ON THE EAST RIGHT-OF-WAY LINE OF N. 74TH DRIVE, , SAID POINT BEING THE POINT OF BEGINNING; THENCE CONTINUING NORTH 86 DEGREES 46 MINUTES 40 SECONDS EAST (NORTH 88°40' EAST DEED), WITH THE SOUTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 9, A DISTANCE OF 520.96 FEET TO A FOUND ½ INCH SQUARE REBAR; THENCE NORTH 01 DEGREE 27 MINUTES 38 SECONDS EAST (NORTH 03°20' EAST DEED), A DISTANCE OF 775.60 FEET (775.90 FEET DEED); THENCE NORTH 44 DEGREES 47 MINUTES 22 SECONDS WEST (NORTH 43°00' WEST DEED), A DISTANCE OF 336.48 FEET (337.50 FEET DEED) TO A FOUND½ INCH SQUARE BAR; THENCE NORTH 10 DEGREES 22 MINUTES 22 SECONDS WEST (NORTH 8°35' WEST DEED), A DISTANCE OF 298.06 FEET (300.13 FEET DEED) TO A FOUND 1/2 INCH SQUARE BAR, SAID POINT BEING ON THE NORTH LINE OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 9; THENCE SOUTH 87 DEGREES 38 MINUTES 42 SECONDS WEST (SOUTH 89°26'04" WEST DEED), WITH THE NORTH LINE OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 9, A DISTANCE OF 330.61 FEET (330.30 FEET DEED) TO A POINT ON THE WYANDOTTE AND DELAWARE RESERVE LINE; THENCE SOUTH 01 DEGREES 46 MINUTES 49 SECONDS EAST (SOUTH DEED), WITH THE WYANDOTTE AND DELAWARE RESERVE LINE, A DISTANCE OF 1074.31 FEET TO A POINT ON THE EASTERLY RIGHT-OF-WAY LINE OF N. 74TH DRIVE; THENCE WITH THE EASTERLY RIGHT-OF-WAY LINE OF N. 74TH DRIVE ON A CURVE TO THE RIGHT HAVING A RADIUS OF 640.00 FEET, A CENTRAL ANGLE OF 20 DEGREES 21 MINUTES 51 SECONDS, WITH AN INITIAL TANGENT BEARING OF SOUTH 22 DEGREES 08 MINUTES 40 SECONDS EAST, AN ARC DISTANCE OF 227.47 FEET; THENCE SOUTH 01 DEGREE 46 MINUTES 49 SECONDS EAST, CONTINUING WITH THE EAST RIGHT-OF-WAY LINE OF N. 74TH DRIVE, A DISTANCE OF 27.89 FEET TO THE POINT OF BEGINNING, EXCEPT THAT PART TAKEN, USED OR DEDICATED FOR STREETS, ROADS AND PUBLIC RIGHTS OF WAY.

TRACT 2:

ALL THAT PART OF THE NORTHEAST QUARTER OF SECTION 9, TOWNSHIP 11 SOUTH, RANGE 24 EAST, IN THE CITY OF KANSAS Cin', WYANDOTTE COUNn', KANSAS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: COMMENCING AT THE SOUTHWEST CORNER OF THE NORTHEAST QUARTER OF SAID SECTION 9, THENCE NORTH 85 DEGREES 52 MINUTES 18 SECONDS EAST, WITH THE SOUTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 9, A DISTANCE OF 1587.05 FEET TO THE INTERSECTION OF THE OF THE SOUTH LINE NORTHEAST QUARTER OF SAID SECTION 9 AND THE WYANDOTTE AND DELAWARE RESERVE LINE; THENCE NORTH 01 DEGREE 46 MINUTES 49 SECONDS WEST, WITH THE WYANDOTTE AND DELAWARE RESERVE LINE, A DISTANCE OF 251.61 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING NORTH 01 DEGREE 46 MINUTES 49 SECONDS WEST, WITH THE WYANDOTTE AND DELAWARE RESERVE LINE, A

DISTANCE OF 368.39 FEET; THENCE SOUTH 88 DEGREES 13 MINUTES 11 SECONDS WEST, A DISTANCE OF 321.15 FEET TO A POINT ON THE EASTERLY RIGHT-OF-WAY LINE OF N. 74TH DRIVE; THENCE SOUTH 54 DEGREES so MINUTES 04 SECONDS EAST, WITH THE EASTERLY RIGHT-OF-WAY LINE OF N. 74TH DRIVE, A DISTANCE OF 132.45 FEET TO A POINT OF CURVATURE; THENCE CONTINUING WITH THE EASTERLY RIGHT-OF-WAY LINE OF N. 74TH DRIVE ON A CURVE TO THE RIGHT HAVING A RADIUS OF 640.00 FEET, A CENTRAL ANGLE OF 32 DEGREES 41 MINUTES 23 SECONDS, AN ARC DISTANCE OF 365.15 FEET TO THE POINT OF BEGINNING, EXCEPT THAT PART TAKEN, USED OR DEDICATED FOR STREETS, ROADS AND PUBLIC RIGHTS OF WAY.

PARCEL D

A TRACT OF LAND IN THE SOUTHEAST QUARTER OF SECTION 9 TOWNSHIP 11 SOUTH, RANGE 24 EAST OF THE SIXTH PRINCIPAL MERIDIAN IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE WYANDOTTE-DELAWARE RESERVE LINE 330.01 FEET SOUTH OF THE NORTH LINE OF SAID SOUTHEAST QUARTER; THENCE SOUTH 01 ° 34' 26"
EAST ALONG SAID WYANDOTTE-DELAWARE RESERVE LINE A DISTANCE OF 331.32 FEET; THENCE SOUTH 85° 51' 59" WEST A DISTANCE OF 280.00 FEET; THENCE SOUTH 01° 34' 26" EAST PARALLEL TO SAID WYANDOTTE-DELAWARE RESERVE LINE A DISTANCE OF 150.00 FEET; THENCE NORTH 85° 51' 59" EAST A DISTANCE OF 89.20 FEET; THENCE SOUTH 01° 34' 26" EAST PARALLEL TO SAID WYANDOTTE-DELAWARE RESERVE LINE A DISTANCE OF
148.00 FEET TO A POINT 25.00 FEET NORTH OF THE NORTHERLY RIGHT-OF-WAY LINE OF INTERSTATE 70, AS SAID RIGHT-OF-WAY NOW EXIST; THENCE NORTHEASTERLY ALONG A LINE 25.00 FEET NORTH OF AND PARALLEL TO THE SAID NORTHERLY RIGHT-OF-WAY LINE ON A CURVE TO THE RIGHT HAVING A RADIUS OF 11,684.16 FEET, A CENTRAL ANGLE OF 00° 56' 08" WHOSE INITIAL TANGENT BEARING OF NORTH 85° 42' 30" EAST, AN ARC DISTANCE OF 190.76 FEET TO SAID WYANDOTTE-DELAWARE RESERVE LINE; THENCE SOUTH 01° 34' 26" EAST ALONG SAID WYANDOTTE-DELAWARE RESERVE LINE DISTANCE OF 25.00 FEET TO SAID NORTHERLY RIGHT-OF-WAY LINE; THENCE SOUTHWESTERLY ALONG SAID NORTHERLY RIGHT-OF-WAY LINE ON A CURVE TO THE LEFT HAVING A RADIUS OF 11,659.16 FEET, A CENTRAL ANGLE OF 02° 37' 26" WHOSE INITIAL TANGENT BEARING OF SOUTH 86° 38' 24" WEST, AN ARC DISTANCE OF 533.93 FEET; THENCE NORTH 52° 52' 11" Ill/EST CONTINUING ALONG SAID NORTHERLY RIGHT-OF-WAY LINE A DISTANCE OF 353.46 FEET; THENCE NORTH 01° 41' 11" WEST PARALLEL TO THE WEST LINE OF SAID SOUTHEAST QUARTER A DISTANCE OF 427.00 FEET; THENCE NORTH 85° 51' 59" EAST PARALLEL TO THE NORTH LINE OF SAID SOUTHEAST QUARTER A DISTANCE OF 810.58 FEET TO THE POINT OF BEGINNING, LESS THAT PART TAKEN OR USED FOR ROAD PURPOSES.

PARCEL E
COMMENCING AT A POINT 198 FEET WEST AND 172.17 FEET SOUTH OF THE SOUTHWEST CORNER OF THE NORTHEAST¼ OF THE NORTHWEST¼ OF SECTION 10, TOWNSHIP 11, RANGE 24, THENCE SOUTH 172.17 FEET, THENCE EAST 1518 FEET, THENCE NORTH 172.17 FEET, THENCE WEST 1518 FEET TO THE POINT OF BEGINNING, LESS THAT PART THEREOF USED FOR ROAD PURPOSES, IN WYANDOTTE COUNTY, KANSAS;

LESS AND EXCEPT THE FOLLOWING DESCRIBED TRACT OF LAND CONVEYED IN BOOK 4246, PAGE 517, TO-WIT:

A TRACT OF LAND IN THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 10, TOWNSHIP 11 WEST, RANGE 24 EAST OF THE SIXTH PRINCIPAL MERIDIAN IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

NOTE: THE BEARINGS SHOWN ON THIS SURVEY ARE BASED ON GRID NORTH, KANSAS STATE PLANE, NORTH ZONE, NORTH AMERICAN DATUM 1983, DERIVED FROM GLOBAL POSITIONING SYSTEM OBSERVATIONS. THE DISTANCES AND DIRECTION WERE ESTABLISHED HOLDING THE FOLLOWING GPS MONUMENTS: WYCO 29, WYCO 30, WYCO 31, WYCO 36 AND WYCO 41. THE COMBINED ADJUSTMENT FACTOR IS 0.999967056. THE CONVERGENCE IS 02° 03' 58".

COMMENCING AT THE NORTHEAST CORNER OF THE NORTHWEST QUARTER OF SAID SECTION 10; THENCE SOUTH 01° 17' 50" EAST 1319.19 FEET, ALONG THE EAST LINE OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 10, TO THE NORTHEAST CORNER OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 10; THENCE SOUTH 88° 02' 49" WEST 1329.66 FEET, ALONG THE NORTH LINE OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 10, TO THE NORTHWEST CORNER OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 10 AND THE POINT OF BEGINNING; THENCE NORTH 88° 02' 49" EAST 64.04 FEET, ALONG THE NORTH LINE OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 10; THENCE SOUTH 01° 50' 48" EAST 172.17 FEET, PARALLEL WITH THE WEST LINE OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 10, TO A ONE-HALF INCH REINFORCING BAR SET WITH SURVEY CAP LS-533 AND THE TRUE POINT OF BEGINNING; THENCE NORTH 88° 02' 49" EAST 1265.22 FEET, ALONG THE SOUTH LINE OF A TRACT OF LAND DESCRIBED IN A DOCUMENT FILED FOR RECORD IN BOOK 2326, PAGE 5, TO A ONE-HALF INCH REINFORCING BAR SET WITH SURVEY CAP LS-533 AND A POINT ON THE EAST LINE OF SAID QUARTER-QUARTER SECTION; THENCE SOUTH 01° 42' 54" EAST 172.17 FEET, ALONG SAID EAST LINE, TO A ONE-HALF INCH REINFORCING BAR SET WITH SURVEY CAP LS-533; THENCE SOUTH 88° 02' 49" WEST 1264.83 FEET, TO A ONE-HALF INCH REINFORCING BAR SET WITH SURVEY CAP LS-533; THENCE NORTH 01° 50' 48" WEST 172.17 FEET, PARALLEL WITH THE WEST LINE OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 10, TO THE TRUE POINT OF BEGINNING OF THE TRACT HEREIN DESCRIBED.

NOTE: THE ABOVE DESCRIBED "EXCEPTED" TRACT IN BOOK 4246, PAGE 517 IS ALSO DESCRIBED AS TRACT VIII IN DOCUMENT NO. 2012R-05277 AND ALSO DESCRIBED AS TRACT 6 IN DOCUMENT NO. 2016R-10452, TO-WIT:

A TRACT OF LAND IN THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 10, TOWNSHIP 11 SOUTH, RANGE 24 EAST OF THE SIXTH PRINCIPAL MERIDIAN IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF THE NORTHWEST QUARTER OF SAID SECTION 10; THENCE SOUTH 01 ° 47' 23" EAST 1321.67 FEET, ALONG THE EAST LINE OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 10, TO THE NORTHEAST CORNER OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 10; THENCE SOUTH 88° 07' 30" WEST 1338.57 FEET, ALONG THE NORTH LINE OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 10, TO THE NORTHWEST CORNER OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 10 AND THE POINT OF BEGINNING; THENCE SOUTH 01 ° 58' 55" EAST 172.17 FEET ALONG THE WEST LINE OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 10, TO A POINT ON THE SOUTH LINE OF A TRACT OF LAND DESCRIBED IN A DOCUMENT FILED FOR RECORD IN BOOK 2326, PAGE 5; THENCE NORTH 88° 07' 30" EAST
72.68 FEET, ALONG SAID SOUTH LINE, TO A ONE-HALF INCH REINFORCING BAR SET WITH SURVEY CAP LS-533 AND THE TRUE POINT OF BEGINNING; THENCE NORTH 88° 07' 30" EAST 1265.32 FEET, ALONG THE SOUTH LINE OF SAID CERTAIN TRACT OF LAND DESCRIBED IN A DOCUMENT FILED FOR RECORD IN BOOK 2326, PAGE 5, TO A ONE-HALF INCH REINFORCING BAR SET WITH SURVEY CAP LS-533 AND A POINT ON THE EAST LINE OF SAID QUARTER- QUARTER SECTION; THENCE SOUTH 01° 47' 23" EAST 172.17 FEET, ALONG SAID EAST LINE, TO A ONE-HALF INCH REINFORCING BAR SET WITH SURVEY CAP LS-533; THENCE SOUTH 88° 07' 30" WEST 1264.74 FEET, TO A ONE-HALF INCH REINFORCING BAR SET WITH SURVEY CAP LS-533; THENCE NORTH 01° 58' 55" WEST 172.17 FEET, PARALLEL WITH THE WEST LINE OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 10, TO THE TRUE POINT OF BEGINNING OF THE TRACT HEREIN DESCRIBED.

PARCEL F
A TRACT OF LAND IN THE SOUTHEAST QUARTER OF SECTION 9, TOWNSHIP 11, RANGE 24 AND THE SOUTHWEST QUARTER OF SECTION 10, TOWNSHIP 11, RANGE 24, WYANDOTTE COUNTY, KANSAS, DESCRIBED AS FOLLOWS: BEGINNING AT THE INTERSECTION OF THE NORTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 9 AND THE WYANDOTTE-DELAWARE RESERVE LINE; THENCE SOUTH 89° 52' 51" EAST ALONG THE NORTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 9, 866.90 FEET TO THE NORTHEAST CORNER OF THE SOUTHEAST QUARTER OF SAID SECTION 9; THENCE SOUTH 89° 53' 03" EAST ALONG THE NORTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 10,412.50 FEET TO A POINT ON THE WESTERLY RIGHT OF WAY LINE OF THE TURNER DIAGONAL, AS NOW ESTABLISHED; THENCE SOUTH 0° 36' 54" WEST ALONG SAID WESTERLY RIGHT OF WAY LINE 810.48 FEET TO A POINT ON THE NORTHERLY RIGHT OF WAY LINE OF THE KANSAS TURNPIKE AS NOW ESTABLISHED; THENCE SOUTH 57° 47' 18" WEST ALONG SAID NORTHERLY RIGHT OF WAY LINE 423.93 FEET; THENCE CONTINUING ALONG SAID RIGHT OF WAY LINE NORTH 88° 41' 47" WEST 421.45 FEET; THENCE WESTERLY ON A CURVE TO THE LEFT HAVING A RADIUS OF 11,609.16 FEET, AN ARC DISTANCE OF 499.25 FEET TO A POINT ON THE WYANDOTTE-DELAWARE RESERVE LINE; THENCE NORTH 0° 28' 20" EAST ALONG SAID WYANDOTTE-DELAWARE RESERVE LINE 1028.84 FEET TO THE POINT OF BEGINNING, EXCEPT THAT PART ON THE WEST NOW BEING USED FOR RIGHT OF WAY FOR 72ND STREET;

ALSO LESS AND EXCEPT THE FOLLOWING:
A TRACT OF LAND IN THE SOUTHEAST QUARTER OF SECTION 9, TOWNSHIP 11, RANGE 24 IN WYANDOTTE COUNTY, KANSAS DESCRIBED AS FOLLOWS: BEGINNING AT THE INTERSECTION OF THE NORTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 9 AND THE WYANDOTTE-DELAWARE RESERVE LINE BEING ALSO THE CENTER LINE OF 72ND STREET AS NOW ESTABLISHED THENCE SOUTH 89° 52' 51" EAST ALONG THE NORTH LINE OF SAID SOUTHEAST QUARTER 37.0 FEET, THENCE SOUTH 0° 28' 20" EAST 37.0 FEET FROM AND PARALLEL TO THE WYANDOTTE-DELAWARE RESERVE LINE BEING ALSO THE CENTER LINE OF 72ND STREET 892.70 FEET, THENCE NORTH 89° 52' 51" WEST 37.0 FEET TO THE CENTER OF SAID 72ND STREET BEING ALSO THE WYANDOTTE-DELAWARE RESERVE LINE THENCE NORTH 0° 20' 20" WEST ALONG THE WYANDOTTE-DELAWARE RESERVE LINE BEING ALSO THE CENTER OF 72ND STREET AS NOW ESTABLISHED 892.70 FEET TO THE POINT OF BEGINNING.

THE ABOVE BEING MORE PARTICULARLY DESCRIBED BY SURVEYOR AS FOLLOWS:

ALL THAT PART OF THE SOUTHEAST QUARTER OF SECTION 09, TOWNSHIP 11 SOUTH, RANGE 24 EAST, KANSAS CITY, WYANDOTTE COUNTY, KANSAS AND

THE SOUTHWEST QUARTER OF SECTION 10, TOWNSHIP 11 SOUTH, RANGE 24 EAST, KANSAS CITY, WYANDOTTE COUNTY, KANSAS DESCRIBED AS FOLLOWS: COMMENCING AT THE INTERSECTION OF THE NORTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 09 AND THE WYANDOTTE-DELAWARE RESERVE LINE; THENCE NORTH 88 DEGREES 04 MINUTES 25 SECONDS EAST (MEASURED) (SOUTH 89 DEGREES 52 MINUTES 51 SECONDS EAST DEED) ALONG THE NORTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 09, A DISTANCE OF 37.00 FEET TO THE POINT OF BEGINNING: THENCE CONTINUING ALONG SAID NORTH LINE NORTH 88 DEGREES 04 MINUTES 25 SECONDS EAST (MEASURED) (SOUTH 89 DEGREES 52 MINUTES 51 SECONDS EAST DEED) A DISTANCE OF 829.96 FEET TO THE NORTHEAST CORNER OF THE SOUTHEAST QUARTER OF SAID SECTION 09; THENCE NORTH 88 DEGREES 04 MINUTES 13 SECONDS EAST (SOUTH89 DEGREES 53 MINUTES 03 SECONDS EAST DEED) ALONG THE NORTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 10, A DISTANCE OF 412.50 FEET TO A POINT ON THE WESTERLY LINE OF THE TURNER DIAGONAL AS NOW ESTABLISHED; THENCE SOUTH 01 DEGREES 25 MINUTES 50 SECONDS EAST (SOUTH 00 DEGREES 36 MINUTES 54 SECONDS WEST DEED) ALONG SAID WEST RIGHT OF WAY LINE, A DISTANCE OF 810.48 FEET TO A POINT ON THE NORTH RIGHT OF WAY LINE OF THE KANSAS TURNPIKE (1-70); THENCE SOUTH 55 DEGREES 44 MINUTES 34 SECONDS WEST (SOUTH 57 DEGREES 47 MINUTES 18 SECONDS WEST DEED) ALONG SAID NORTH RIGHT OF WAY LINE, A DISTANCE OF 423.93 FEET; THENCE SOUTH 89 DEGREES 15 MINUTES 29 SECONDS WEST (NORTH 88 DEGREES 41 MINUTES 47 SECONDS WEST DEED) ALONG SAID NORTH RIGHT OF WAY LINE, A DISTANCE OF 421.25 FEET; THENCE WESTERLY ON A CURVE TO THE LEFT HAVING A RADIUS OF 11609.16 FEET, A CENTRAL ANGLE OF 02 DEGREES 27 MINUTES 50 SECONDS, A DISTANCE OF 499.25 FEET TO A POINT ON THE WYANDOTTE DELAWARE RESERVE LINE; THENCE NORTH 01 DEGREES 34 MINUTES 24 SECONDS WEST (NORTH 00 DEGREES 20 MINUTES 20 SECONDS WEST DEED) ALONG THE WYANDOTTE DELAWARE RESERVE LINE, A DISTANCE OF 135.94 FEET; THENCE NORTH 88 DEGREES 04 MINUTES 25 SECONDS EAST (MEASURED) (NORTH 89 DEGREES 52 MINUTES 51 SECONDS WEST DEED), A DISTANCE OF 37.00 FEET; THENCE NORTH 01 DEGREES 34 MINUTES 24 SECONDS WEST (MEASURED) (NORTH 00 DEGREES 28 MINUTES 20 SECONDS WEST DEED), A DISTANCE OF 892.93 FEET (MEASURED) (892.70' DEED) TO THE POINT OF BEGINNING, EXCEPT THAT PART IN ROADS AND EASEMENTS.

PARCEL G

A TRACT OF LAND IN THE SOUTHEAST QUARTER OF SECTION 9 TOWNSHIP 11 SOUTH RANGE 24 EAST OF THE SIXTH PRINCIPLE MERIDIAN IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS, BEING MORE PARTICULARLY AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF THE SOUTHEAST QUARTER OF SAID SECTION 9; THENCE SOUTH 01° 41' 11" EAST ALONG THE WEST LINE OF SAID SOUTHEAST QUARTER A DISTANCE OF 687.20 FEET TO THE NORTH RIGHT-OF-WAY LINE OF INTERSTATE 70 AS SAID RIGHT-OF-WAY NOW EXIST; THENCE NORTH 83° 12' 49" EAST ALONG SAID RIGHT-OF-WAY LINE A DISTANCE OF 659.20 FEET; THENCE SOUTH 52° 52' 11" EAST CONTINUING ALONG SAID RIGHT-OF-WAY LINE A DISTANCE OF 151.97 FEET; THENCE NORTH 01° 41' 11" WEST PARALLEL TO THE WEST LINE OF SAID SOUTHEAST QUARTER A DISTANCE OF 427.00 FEET; THENCE NORTH 85° 51' 59" EAST PARALLEL TO THE NORTH LINE OF SAID SOUTHEAST QUARTER A DISTANCE OF 641.24 FEET; THENCE NORTH 01° 34' 26" WEST PARALLEL TO THE WYANDOTTE-DELAWARE RESERVE LINE A DISTANCE OF 165.00 FEET TO THE SOUTHEAST CORNER OF MEYER SUBDIVISION, A SUBDIVISION OF LAND IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS, ACCORDING TO THE RECORDED PLAT THEREOF; THENCE SOUTH 85° 51' 59" WEST ALONG THE SOUTH LINE OF SAID MEYER SUBDIVISION AND ITS WESTERLY EXTENSION A DISTANCE OF 755.49 FEET; THENCE SOUTH 01° 41' 11" EAST A DISTANCE OF
43.70 FEET; THENCE SOUTH 85° 51' 59" WEST A DISTANCE OF 208.71 FEET; THENCE NORTH 01° 41' 11" WEST A DISTANCE OF 208.71 FEET TO THE NORTH LINE OF SAID SOUTHEAST QUARTER; THENCE SOUTH 85° 51' 59" WEST ALONG SAID NORTH LINE A DISTANCE OF 451.89 FEET TO THE POINT OF BEGINNING.

LESS THAT PART TAKEN FOR ROAD RIGHT-OF-WAY.

PARCEL H

ALL THAT PART OF THE NORTHEAST QUARTER OF SECTION 9, TOWNSHIP 11 SOUTH, RANGE 24 EAST, IN THE CITY OF KANSAS CITY, WYANDOTTE COUNTY, KANSAS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF THE NORTHEAST QUARTER OF SAID SECTION 9, THENCE NORTH 85 DEGREES 52 MINUTES 18 SECONDS EAST, WITH THE SOUTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 9, A DISTANCE OF 1587.05 FEET TO THE INTERSECTION OF THE SOUTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 9 AND THE WYANDOTTE AND DELAWARE RESERVE LINE; THENCE NORTH 01 DEGREE 46 MINUTES 49 SECONDS WEST, WITH THE WYANDOTTE AND DELAWARE RESERVE LINE, A DISTANCE OF 251.61 FEET TO A POINT ON THE EASTERLY RIGHT-OF-WAY LINE OF N. 74TH DRIVE; THENCE WITH THE EASTERLY RIGHT-OF-WAY LINE OF N. 74TH DRIVE ON A CURVE TO THE LEFT HAVING A RADIUS OF 640.00 FEET, A CENTRAL ANGLE OF 32 DEGREES 41 MINUTES 23 SECONDS, WITH AN INITIAL TANGENT BEARING OF NORTH 22 DEGREES 08 MINUTES 40 SECONDS WEST, AN ARC DISTANCE OF 365.15 FEET; THENCE NORTH 54 DEGREES 50 MINUTES 04 SECONDS WEST, CONTINUING WITH THE EASTERLY RIGHT-OF-WAY LINE OF N. 74TH DRIVE, A DISTANCE OF 132.45 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING NORTH 54 DEGREES 50 MINUTES 04 SECONDS WEST, CONTINUING WITH THE EASTERLY RIGHT-OF-WAY LINE OF N. 74TH DRIVE, A DISTANCE OF 1274.02 FEET TO A POINT OF CURVATURE; THENCE CONTINUING WITH THE EASTERLY RIGHT-OF-WAY LINE OF N. 74TH DRIVE ON A CURVE TO THE RIGHT HAVING A RADIUS OF 560.00 FEET, A CENTRAL ANGLE OF 52 DEGREES 29 MINUTES 16 SECONDS, AN ARC DISTANCE OF 513.01 FEET; THENCE NORTH 02 DEGREES 17 MINUTES 26 SECONDS WEST, CONTINUING WITH THE EASTERLY RIGHT-OF- WAY LINE OF N. 74TH DRIVE, A DISTANCE OF 111.86 FEET TO A POINT OF CURVATURE; THENCE CONTINUING WITH THE EASTERLY RIGHT-OF-WAY LINE OF N. 74TH DRIVE ON A CURVE TO THE LEFT HAVING A RADIUS OF 439.71 FEET, A CENTRAL ANGLE OF 06 DEGREES 19 MINUTES 44 SECONDS, AN ARC DISTANCE OF 48.58 FEET TO A POINT ON THE SOUTH LINE OF LOT 4, JENKINS STATUTORY REQUIREMENT PLAT, A SUBDIVISION IN THE CITY OF KANSAS CITY, WYANDOTTE COUNTY, KANSAS; THENCE NORTH 85 DEGREES 43 MINUTES 03 SECONDS EAST, WITH THE SOUTH LINE OF SAID LOT 4, A DISTANCE OF 701.36 FEET TO THE SOUTHWEST CORNER OF LOT 2, JENKINS STATUTORY REQUIREMENT PLAT; THENCE SOUTH 02 DEGREE 00 MINUTES 21 SECONDS EAST, A DISTANCE OF 500.00 FEET; THENCE NORTH 85 DEGREES 43 MINUTES 03 SECONDS EAST, A DISTANCE OF 400.00 FEET; THENCE NORTH 02 DEGREE 00 MINUTES 21 SECONDS WEST, A DISTANCE OF 500.00 FEET TO A POINT ON THE SOUTH LINE OF AFORESAID LOT 2; THENCE NORTH 85 DEGREES 43 MINUTES 03 SECONDS EAST, WITH THE SOUTH LINE OF SAID LOT 2, A DISTANCE OF 466.99 FEET TO A POINT ON THE WYANDOTTE AND DELAWARE RESERVE LINE; THENCE SOUTH 01 DEGREE 46 MINUTES 49 SECONDS EAST, WITH THE WYANDOTTE AND DELAWARE RESERVE LINE, A DISTANCE OF 1436.57 FEET; THENCE SOUTH 88 DEGREES 13 MINUTES 11 SECONDS WEST, A DISTANCE OF 321.15 FEET TO THE POINT OF BEGINNING, EXCEPT ANY PART USED OR DEDICATED FOR STREETS, ROADS AND PUBLIC RIGHTS OF WAY.

BEING ALSO DESCRIBED AS FOLLOWS:

ALL THAT PART OF THE NORTHEAST QUARTER OF SECTION 9, TOWNSHIP 11 SOUTH, RANGE 24 EAST, IN THE CITY OF KANSAS CITY, WYANDOTTE COUNTY, KANSAS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: COMMENCING AT THE SOUTHWEST CORNER OF THE NORTHEAST QUARTER OF SAID SECTION 9, THENCE NORTH 85 DEGREES 52 MINUTES 18 SECONDS EAST, WITH THE SOUTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 9, A DISTANCE OF 1587.05 FEET TO THE INTERSECTION OF THE OF THE SOUTH LINE NORTHEAST QUARTER OF SAID SECTION 9 AND THE WYANDOTTE AND DELAWARE RESERVE LINE; THENCE NORTH 01 DEGREE 46 MINUTES 49 SECONDS WEST, WITH THE WYANDOTTE AND DELAWARE RESERVE LINE, A DISTANCE OF 251.61 FEET TO A POINT ON THE EASTERLY RIGHT-OF-WAY LINE OF N. 74TH DRIVE; THENCE WITH THE EASTERLY RIGHT-OF-WAY LINE OF N. 74TH DRIVE ON A CURVE TO THE LEFT HAVING A RADIUS OF 640.00 FEET, A CENTRAL ANGLE OF 32 DEGREES 41 MINUTES 23 SECONDS, WITH AN INITIAL TANGENT BEARING OF NORTH 22 DEGREES 08 MINUTES 40 SECONDS WEST, AN ARC DISTANCE OF 365.15 FEET; THENCE NORTH 54 DEGREES 50 MINUTES 04 SECONDS WEST, CONTINUING WITH THE EASTERLY RIGHT-OF-WAY LINE OF N. 74TH DRIVE, A DISTANCE OF 132.45 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING NORTH 54 DEGREES 50 MINUTES 04 SECONDS WEST, CONTINUING WITH THE EASTERLY RIGHT-OF-WAY LINE OF N. 74TH DRIVE, A DISTANCE OF 1274.02 FEET TO A POINT OF CURVATURE; THENCE CONTINUING WITH THE EASTERLY RIGHT-OF-WAY LINE OF N. 74TH DRIVE ON A CURVE TO THE RIGHT HAVING A RADIUS OF 560.00 FEET, A CENTRAL ANGLE OF 52 DEGREES 29 MINUTES 16 SECONDS, AN ARC DISTANCE OF 513.01 FEET; THENCE NORTH 02 DEGREES 17 MINUTES 26 SECONDS WEST, CONTINUING WITH THE EASTERLY RIGHT-OF-WAY LINE OF N. 74TH DRIVE, A DISTANCE OF 111.86 FEET TO A POINT OF CURVATURE; THENCE CONTINUING WITH THE EASTERLY RIGHT-OF-WAY LINE OF N. 74TH DRIVE ON A CURVE TO THE LEFT HAVING A RADIUS OF 439.71 FEET, A CENTRAL ANGLE OF 06 DEGREES 19 MINUTES 44 SECONDS, AN ARC DISTANCE OF 48.58 FEET TO A POINT ON THE SOUTH LINE OF LOT 4, JENKINS STATUTORY REQUIREMENT PLAT, A SUBDIVISION IN THE CITY OF KANSAS CITY, WYANDOTTE COUNTY, KANSAS; THENCE NORTH 85 DEGREES 43 MINUTES 03 SECONDS EAST, WITH THE SOUTH LINE OF SAID LOT 4, A DISTANCE OF 701.36 FEET TO THE SOUTHWEST CORNER OF LOT 2, JENKINS STATUTORY REQUIREMENT PLAT; THENCE SOUTH 02 DEGREE 00 MINUTES 21 SECONDS EAST, A DISTANCE OF 500.00 FEET; THENCE NORTH 85 DEGREES 43 MINUTES 03 SECONDS EAST, A DISTANCE OF 400.00 FEET; THENCE NORTH 02 DEGREE 00 MINUTES 21 SECONDS WEST, A DISTANCE OF 500.00 FEET TO A POINT ON THE SOUTH LINE OF AFORESAID LOT 2; THENCE NORTH 85 DEGREES 43 MINUTES 03 SECONDS EAST, WITH THE SOUTH LINE OF SAID LOT 2, A DISTANCE OF 466.99 FEET TO A POINT ON THE WYANDOTTE AND DELAWARE RESERVE LINE; THENCE SOUTH 01 DEGREE 46 MINUTES 49 SECONDS EAST, WITH THE WYANDOTTE AND DELAWARE RESERVE LINE, A DISTANCE OF 1436.57 FEET; THENCE SOUTH 88 DEGREES 13 MINUTES 11 SECONDS WEST, A DISTANCE OF 321.15 FEET TO THE POINT OF BEGINNING.