Economic Development and Finance Committee
Standing Committee Meeting Agenda
Monday, October 29, 2012
6:00 PM

Location:
Municipal Office Building
701 N 7th Street
Kansas City, Kansas 66101
6th Floor Training Room

Name

- Commissioner Mark Holland, Chair
- Commissioner Nathan Barnes
- Commissioner Brian McKiernan
- Commissioner Tarence Maddox
- Commissioner Mike Kane
- David Alvey - BPU

Absent

I. Call to Order / Roll Call

II. Approval of standing committee minutes from September 10 and October 1, 2012.

III. Committee Agenda

Item No. 1 - QUARTERLY INVESTMENT REPORT AND BUDGET REVISIONS

Synopsis:
Third quarter investment report and budget revisions $10,000 or greater, submitted by Lew Levin, Chief Financial Officer.

No action required.
Tracking #: 970146
Item No. 2 - RESOLUTIONS: CMIP PROJECTS FOR 2013 AND ONGOING PROJECTS

Synopsis:
Requesting approval of various resolutions submitted by Lew Levin, Chief Financial Officer.

Schedule A: 2013 CMIP projects approved to be funded in the 2013 CMIP budget
Schedule B: Ongoing projects per the CMIP budget requiring an increase in authority and/or additional financing for the 2013 issue
Tracking #: 120287

Item No. 3 - DEVELOPMENT/LEASE AGREEMENTS: INDUSTRIAL REALTY GROUP

Synopsis:
Communication recommending approval of a development agreement and lease agreement with Industrial Realty Group (IRG) relative to assuming management responsibility of the Public Levee along with a phased redevelopment of the 46-acre site, submitted by George Brajkovic, Economic Development Director. The $30M redevelopment would consist of up to three new industrial buildings with a minimum total of 315,000 sq. ft. The project contemplates the use of TIF and subsequent IRBs. The redevelopment incorporates improvements to Kaw Point Park including access, signage, and a commitment by the UG to direct $10k of an annual lease payment toward park use.
Tracking #: 120288

Item No. 4 - AMENDED DEV. AGREEMENT: ARGENTINE BETTERMENT CORP.

Synopsis:
Communication recommending approval of an amended development agreement with Argentine Betterment Corporation (ABC) for Project Area 1 of the Metropolitan Avenue Redevelopment District, submitted by George Brajkovic, Economic Development Director. ABC has requested consideration of TIF structure changes. The $3M grocery store project, located at 21st & Metropolitan Ave., includes a property tax TIF, Home Rule agreement for sales tax generated by the grocery store and existing Dollar General, a 1% CID on the grocery store and underdeveloped pad site, and a possible RLF loan.
Tracking #: 120289
IV. GOALS AND OBJECTIVES

Item No. 1 - GOALS AND OBJECTIVES

Synopsis:
The Unified Government Commission conducted a strategic planning process resulting in specific goals and objectives adopted by the commission on May 17, 2012. Commission has directed that the goals and objectives appear monthly on respective standing committee agendas to assure follow-up and action toward implementation.

1. Economic Development: Foster an environment in which small and large businesses thrive, jobs are created, redevelopment continues, tourism continues to grow, and businesses locate in the community. - Home Builders' meeting

Tracking #: 120137

V. Adjourn
The meeting of the Economic Development and Finance Standing Committee was held on Monday, September 10, 2012, at 6:00 p.m., in the 6th Floor Human Resources Training Room of the Municipal Office Building. The following members were present: Chairman Holland, Chair; Commissioners Maddox, McKiernan, Barnes, and Kane; and BPU Board Member David Alvey.

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

II. Approval of standing committee minutes from August 13, 2012. On motion of Commissioner McKiernan, seconded by Commissioner Kane, the minutes were approved. Motion carried unanimously.

III. Committee Agenda:

Item No. 1 – 120248…Communication: Comparison of fund balances and goals

Synopsis: Information comparing the 2011 audited fund balances with policy goals, submitted by Rick Mikeskic, Accounting Director, and Lew Levin, Chief Financial Officer.

Rick Mikeskic, Accounting Director, said in May we came before this group—earlier than May, but in May we ended up with the full commission and the full commission approved the fund balance policies. The primary goal of the fund balance policies is to ensure that there’s going to be adequate liquid resources available in the event that we have some sort of unforeseen circumstance or occurrence that comes up. What we have done is we have put together, now that we have audited 2011 financial figures, a table which if you don’t have before you, I have extra copies I can pass around. I would encourage if you don’t have a color copy—I want to make sure everyone has a color copy because that will help out quite a bit as we go through this.
Very briefly, I’m going to kind of explain what we have before you tonight. In the first column, you have the titles of the various budgets: the General Fund, Special Revenue Fund, and the Debt Service Fund. The second column is the policy goals. These are the goals that were stated right here in the approved policy. There’s a block in 2011 and 2011 has the Fund Balance column. It shows the expenditures and transfers out during 2011. The third column is probably the most important column that has the various colors in it. It’s the percentage. It shows the fund balance as a percentage and it takes that calculation which needs to be compared to the goals that are stated in the policy, which we have listed. If it’s a red figure, then it’s under the goal. If it’s a blue figure, it is exceeding the goal. If it’s a black figure, it’s in the range of the goals that were listed. Quite quickly, visually you can see that the General Fund is under the goals that were stated in the Fund Balance policy. The vast majority of the Special Revenue funds are meeting or exceeding the balances. The Debt Service Fund in 2011 exceeds the balance that’s listed as the goal.

Over to the right for historical reference, we prepared and presented the same information from 2010 so you can get a direct view of where we were in 2010 to where we are in 2011. You can see that there have been some improvements in some of those figures from the prior year.

The last thing I want to address is up to now, I’ve been focusing on the budgetary basis. I presented, again, just for informational purposes—budgetary basis is one type of accounting. GAP basis is a different type of accounting. They are both very important. Both are used by different people, that’s why those are presented that way. If you look at the GAP basis for the General Fund, you will see that the fund balance is quite a bit higher and much closer to the 10% goal.

Chairman Holland asked can you explain in a sentence or less why that is. Mr. Mikeskie said the number one reason is because there’s a difference in budgetary basis and GAP basis on how revenue and expenditures are recognized. They’re recognized at different times under both bases. In other words, something recognized as revenue under GAP isn’t recognized under budgetary as revenue.

Commissioner Barnes said I need some explanation on several lines here, but I want to start out with the Environmental Trust Fund. How is it that you can deplete a fund source and then you are 14.8% above that fund source that you depleted? I know we’re talking about goals. I don’t
remember when the goals were set on the Environmental Trust Fund. We just took the $4 million and it went away and now we are rating it as if we’re doing well by putting one-fourth of the money back into the fund. Can you explain what’s going on there?

Mr. Mikeskic said what I can explain on the Fund Balance policy is the idea behind the goals that are set in the Fund Balance policy is to help ensure against unforeseen circumstances that may cause you spending it. The Fund Balance policy is based upon the expenditures out of that fund. Chairman Holland said the question is you’re aware that we borrowed $4 million a few years ago out of this account to pay the bills and we have not yet replenished that account. Your basis of this is simply on the expenditures for the year, not based on the bank account. Mr. Mikeskic said that is correct. Commissioner Barnes said I don’t know if you’re the one I need to talk to but one, if there is a goal in repaying that fund, I’d certainly like to have that, Mr. Chairman. Chairman Holland said I don’t think we have a goal. Commissioner Barnes said I want to correct you that it was not a loan. We took the money out of the Fund Balance with no intent or no plan to pay it back. I don’t know where in the country you can get a loan and don’t tell them how you’re going to pay it back. I will continue to revisit this issue until we find some resolution as to what our exact plans are in putting those monies back. Not only putting them back—if I had known that you could raid $4 million from that account just because, then I have a whole lot of plans for Garland Park that I could have spent at least a half a million dollars in Garland Park and we still can right now.

I really would like to have a simple explanation as to how can we access those funds to address the concerns at Garland Park. If somebody can give that to me. I just want an A, B, C. How can I access those funds so we can get something done in Garland Park? Chairman Holland asked do you want an answer to that right now or do you want…Commissioner Barnes said I’d like to have something in writing because my memory is getting bad. If they can put it in writing for me, I’d certainly appreciate that because I’d like to distribute it to people that were asking me the question. I just feel really unfortunate not being able to give them a proper response.

Commissioner Barnes said the other thing is you have 208, I’m looking in the percent of—what does the EXP stand for. Is that expectations? Mr. Mikeskic said expenditures. Commissioner Barnes said you’ve got 208.7% on the court trustees. You have 291.6% in the jail commissary.
Can you tell me what’s happening with those extreme percentages there? **Mr. Mikeskic** said the fund balance that you see in those particular lines is basically more than the entire amount that was spent during the given year. In 2011 for court trustees, there was $360,000 roughly of expenditures. At the end of the year, there was $750,000 still left in the fund which basically means there’s quite a bit of money left in that fund considering the expenditures that went out of the account. **Chairman Holland** asked can those funds be transferred or are they required to stay in that fund? **Mr. Mikeskic** said that’s Special Revenue funds. By nature, they’re earmarked for the specific needs of that fund. The same thing with the jail commissary where the expenditures were only $50,000 during the year in 2011, and there was $149,000 roughly in the fund balance at the end of the year.

**Commissioner Barnes** asked do you know if there is a line item allotment in our budget that comes from the county budget for this or is it self-sustainable. Is this a self-sustaining program itself? **Mr. Mikeskic** said off the top of my head, the court trustees, I can’t say for sure. The jail commissary is related to revenues. It’s not funded in any way by the General Fund that I’m aware of. It is funded based upon the commissary activities that happen through the third party vendor in the jail. The monies that come from that are earmarked for the direct benefit of the inmates. **Commissioner Barnes** said I know I’m thinking like Chairman Holland also, we just need to know how we can tap into those funds in some kind of way to aid or assist with some other activities over at the jail. If you can give us some type of creative thought in being able to do that, we certainly would appreciate it. It doesn’t have to be now, but we certainly would like to explore that possibility.

**Chairman Holland** said my only suggestion on this sheet is that it would be helpful to me on the General Fund to have a subtotal for that group; and for the Special Revenue funds, to have a subtotal section for that group; and the Debt Service Fund, to have a subtotal group; and then to have—I know the overall doesn’t matter as much because they’re all individual funds, but to have an overall piece; but a subtotaling of each of those categories I would find helpful. **Commissioner McKiernan** said it would be interesting to see the other two similarly totaling.

**Mr. Levin** said if you would like me to respond at all to Commissioner Barnes’ question… **Chairman Holland** said well, he said in writing. **Commissioner Barnes** said we can talk about
it if you want to talk about it, but I’d still like to have it in writing. **Mr. Levin** said okay. **Chairman Holland** said okay, let’s just do that.

**Commissioner McKiernan** said I was just curious. Your recommendation—because you displayed both budgetary and GAP basis for this. I’m assuming that we would really want to achieve our goals on a budgetary basis. That would be the ideal? **Mr. Levin** said I’d like to achieve it both ways. The budgetary basis is important because that’s where we budget on a day-to-day basis to have the level of expenditures that we have on an annual basis. You see in 2011, it was $166 million and our fund balance was just $4.7 million. If we had incurred either a significant expense or had a shortfall in revenues, we have a narrow margin. GAP basis is important because our credit agencies, they look at our financials on a GAP basis. They’re looking closely. They want to see us at that 10% or more level. When we have calls with them, and I actually have some calls scheduled this week, they’ll have looked at our yearend financials and they’ll ask if we’re making progress toward that 10% goal.

**Commissioner McKiernan** said I noticed there’s a positive upward projector. For example, on GAP basis for General Fund, there’s an upward projector from 10 to 11. In addition to the percentage, do they take factors like that into account? **Mr. Levin** said correct.

**Commissioner Barnes** said I know we’re using the term GAP basis, but that’s the General Accounting Association so forth. If you could spell that out because we have some commissioners that are not familiar with that. **Mr. Levin** said okay.

**Commissioner Barnes** said then going forward, for a fund to have 300% more than what they really need in there, whether it requires legislation or some type of education as to how we can tap into it, we really need to explore that possibility. We’re trying to make some improvements over at the jail and to have a couple of hundred thousand dollars sitting around that we can’t touch only for guys to go buy popcorn and peanuts, something is wrong with that policy. We really need to look at what would be the possibilities of making those funds a little bit more flexible in the future.

**Mr. Levin** said I think there might be a little more flexibility with the jail commissary as long as our expenditures are related to improving I’ll say conditions or activities for the inmates.

*September 10, 2012*
The court trustee monies are really governed by state statutes. They receive fees for their services and they’re limited. There are real strict limitations on how those monies can be expended. We did have a conversation with the chief judge last year and we were looking for some latitude on maybe how we could use those monies, but he was very firm on our ability to even access those monies for a minimal amount.

Commissioner Barnes said I don’t want to be going back and forth on this, but they get requests on our budgets for programs that they implement across the street and we have very little flexibility—I know we dealt with locks last time, a request for some locks. I forget what the exact amount was, but it was over $50,000 that was requested for locks in the jail. Here we’ve got $200,000 lying idle. We need to be able to connect the dots in some kind of way, form, or fashion. I know we dealt with the carpet over there in some of the courtrooms. It was an issue. We were scraping the bottom of the barrel trying to make those things happen when we were going back and forth over line item issues, and then we have a surplus of monies sitting here that could possibly be used. I just think that we need to be creative even if we have to take it to our legislators and say we need to update or upgrade our approach to this and make it part of our legislative agenda and present it to them and say we need to make some changes because we’ve got a surplus of money that’s just sitting here. At this rate—and I’ll end it here—but at this rate last year in 2010, it was 196.3% above and now it’s up to 208% so that’s like it’s going to be going up about 15% each year. In a few more years, it’s going to be 400%.

Chairman Holland said this is not an actionable item. This is a report from the finance team. Is there anything else that we need to hear about this report? Mr. Mikesic said no, I have nothing else.

Chairman Holland said I’m going to move an agenda item up. It was the last item on our agenda, the Public Agenda-the appearance of Baptist Ministers Union of Kansas City, KS. I’m going to move that item next and we’ll ask them to please come forward.

V. Public Agenda

Item No. 1 – 120223…Appearance: Baptist Ministers Union of KCK

September 10, 2012
Synopsis: Appearance of Rev. Robert Milan and Rev. Jimmie Banks, Baptist Ministers Union of KCK, to express their desire to have UG funds allocated to address serious issues in the northeast area of the county. They are interested in programs and plans which provide employment opportunities, job training, improved housing stock, and recreational facilities. Further, they would like to see this area benefit from the county’s newest revenue sources.

Rev. Robert Milan, Jr., 7941 Roswell Ave.; and Rev. Jimmie Banks, 4008 N. 110th St., pastor of the Strangers Rest Baptist Church, appeared. Rev. Milan said as pastor of the Greater Faith Missionary Baptist Church KCK and also the president of the KCK Baptist Ministers Union, we’re here along with Pastor Banks to express as spiritual leaders—let me back up a minute—as spiritual leaders of this community—some necessary concerns and we bring some concerns to this board concerning things in our community. I say in our community, the individuals that we pastor. Many are on the agenda to express the desire that UG funds be allocated to address special needed items in the “northeast” area. I know that pertains to a large area, but if I could be specific, east of 635—that special funding be allocated if possible.

Now let me kind of break that down. It says the interest is on programs, plans to provide employment opportunities, job training, housing stock, recreational facilities and slash if you want to include that healthy food facility pertaining to shopping. What we would like to say tonight is that we would like to see this area benefit from the county’s newest revenues and resources that are coming into this county especially out west. All of us can realize that there’s a great happening out west. I have no problem with that. I live out west as Pastor Banks lives out west, but we pastor people. A lot of individuals live east of 635 and when you see what’s going on and what is brought to us from our congregates and parishioners, it seems like enough is not being done with the resources and we know resources are coming into this town from taxes and other significant developments.

I’m saying this to say that when I say opportunities, we’re speaking about individuals from minority contractors. I know a few houses are going up in certain areas and that’s fine. I have no problem with that. We people need to have a decent place to live. But stretching that other than further, me, personally, as being a product of this community for 59 years, I have no problem with seeing several Dollar stores going up. That’s fine, but this area needs more than Dollar stores to be sufficient, to be all that it can be. When we talk about recreation, those types of things that need to be provided and job training and other opportunities. That’s basically our
main reason for being here. Pastor Banks would probably like to share as well to be in line. We’re on the same page although he’s at Strangers Rest on 5th and Stewart. Amen. I’m on 32nd and Garfield, but we’re in the same environment, the same community, we’re all still east of 635.

Rev. Banks said to echo what Rev. Milan has said, I’m also a transplant. I’m an immigrant from Mississippi and came here when I was 10 years old. My father pastored a church in the northeast area on 5th Street and I pastor a church now two blocks down the street from where I grew up as a kid.

We collectively as the Baptist Ministers Union represent about 32 congregations in this community and we’re linked to other denominations which have basically the same interests we have in the area of quality of life; quality schools, and I see representatives of the school board here. Jobs, job training, recreation, quality housing—we’ve got a lot of infill possibilities in our communities and we’d like to see some actions generated toward that end. We’re not combative as much as we are coming asking how do we work in a partnership to accomplish these things. He talked about the basic needs of a place where our residents can buy good healthy food, vegetables, a full complement of the basic food groups that everybody wants to have to feed their family.

Those are challenges that we face and our congregants look to us for support and for direction and being correct biblically, we look to our leaders to be responsive to the needs that we articulate to you. Basically, this is just an entrée on our part to say we know there are a lot of things going on. We don’t want to be left out. We want to be included. We want to be involved. If there are opportunities as we move further in this process of trying to do some needed things in our community, we want to work collectively with you to do that.

Chairman Holland said I appreciate that. In looking at this, I know there are a number—we have embarked upon a strategic planning process last year that really is just getting underway this month. In August, I guess, we had our first meeting after the budget where we started looking at the strategic plans. In looking at the items that you’ve raised, we need your partnership in these areas. As a Unified Government body, we’re deeply concerned about grocery stores in the northeast. We have managed to partner in building a number of grocery stores and there’s none more pressing than in the northeast. I would personally, and I know as
we’ve talked about this extensively, would welcome any partnership opportunity in getting a grocery into the northeast.

The housing stock, we just spent our last meeting—in fact, I’ll give you a copy of this map, talking about Land Bank and other UG owned properties and strategic planning around vacant areas and where we can do infill and where we need to do restart development. It’s a high priority for this commission, for this body and your input—we’re on the ground floor and your input on the ground floor would be very helpful. We were just talking about how to get citizen input into that conversation. So I think there’s opportunity for that as well.

The recreational facilities, I’m delighted to have that on your list because I have been very frustrated with the lack of recreational facilities. How we get that done, it’s going to be a community partnership and look forward to that.

I will throw in as well since you’ve given this opportunity to say, I’m using all of my community neighborhood improvement dollars, the CNIP dollars, $422,000 I believe each commissioner was allocated—I’m committing all of mine to parks and recreation over the next four years. I want to see playgrounds in the ground in all the neighborhoods. I just received this week an assessment of all the playgrounds in Kansas City, KS. So I want to invite each of my fellow commissioners to consider one park in each of your districts that you might transform with your CNIP dollars as well. So I think that’s one area that I appreciate that opening.

What I want to do is take this list and make sure that it’s plugged into each of the strategic planning, both in these two subcommittees as well as the other two that meet on the other Monday nights because employment opportunities would fall here with Finance as well as the job training. The housing stock would fall with the meeting earlier today with the Community Development Block Grants. I think we have Healthy Communities, which I think all of them are going to fall on these Monday nights if I’m reading that correctly.

**Commissioner McKiernan** said I really appreciate you being here and I totally agree with you that we really have a need and could benefit from some special programs, but I want you to help strategize with us on how we strike a balance. Any new revenues that come in, to broadly benefit the people of the city and the county compared against the benefit we get from special programs. I think any of us who sat through the budget realize that we are seriously underfunding our basic city services and we’re deferring tens of millions of dollars of

September 10, 2012
infrastructure improvements: streets, sidewalks, alleys, and other infrastructure that would really benefit across the broad community. So I think we need to really look at the pros and cons and strike a balance between using new revenues on a broad basis versus a targeted basis realizing we’re going to get benefit from both and kind of honing in on where we really believe the balance point would benefit most everyone.

Rev. Banks said the only response, and it’s not a point/counterpoint, but the way we look at things and our history and our experiences is that there has been previously and currently exists an imbalance. Commissioner McKiernan said right. Rev. Banks said so there ought to be some effort generated to address that and then we can start talking about a parallel, level playing field, so to speak.

The other thing is we know that there’s development going on. We know there’s construction going on. The people that we represent, whenever they see something new going up, they’re interested in who’s building it and they’re interested in the makeup of the crews. These types of things cause us to raise questions and that shouldn’t be an area that has to be questioned. I think an equal opportunity—everybody needs work. The process that you use ought to be sensitive to those perceptions in our community.

Commissioner Kane said I agree with you 100% on the work being done in Wyandotte County. You can ask Jason Banks on that. We had a meeting here one day and the group wasn’t following it even closely. So we since worked with them, but it should always be take care of our own first. It won’t work if the school district isn’t with us, the community isn’t with us because working together, we’ll get a lot more done. I appreciate you guys being here. We have to listen. We should listen. I’m going to go back again, the work should as much as possible should come from this city.

Commissioner Barnes said I have a question. I don’t like to use this word, earmarking, but I’m glad you brought that up about the balance. I’m with Pastor Banks wholeheartedly on the balancing, but all so often it’s been an imbalance. I want to put this word right and I know it might be difficult to do, but at times, don’t you feel—when I say you all, don’t we feel that some earmarking is necessary? Something definitely needs to go there or needs to be done, and we

September 10, 2012
need to shift to place emphasis on here instead of trying to balance it if there’s a great need here. Commissioner McKiernan said we had a conversation in the meeting we just wrapped up about the very need for creating some special funds exactly in that area. So, absolutely. Rev. Milan said if this is bleeding, it does me no good to work on this arm. This arm might be aching, but this one is bleeding. That’s what I’m trying to say.

Commissioner Barnes said unfortunately, this is a discussion rather than an action item. I would like to see that partnership with the NBRs, the CDCs, and the Chamber coming back to the table and say we are suggesting an action item on job training. We are suggesting an employment opportunity and let it be an action item. This is no disrespect to my fellow commissioners who have spent a lot of time in the strategic planning sessions and the frustrations that I’m hearing Rev. Banks and Rev. Milan is that you’re hearing this on Sunday mornings and the people that you’re talking to are saying too much is too much and enough is enough and what are we doing to address it. We’re hearing this thing over and over again. I’ve been on this commission, and I’m almost even ashamed to say how long I’ve been here now. I used to be proud to say it. I’m ashamed to say it because of the lack of progress that has been made. Guys that knew me ten years ago, I was just a cool, calmest guy in the world. I’ve become bitter and I’ve become bitter because I’ve seen that nothing happens over and over again. I’ve seen the game being played of keeping us busy, keeping us occupied, and issues never getting addressed and I’ve turned into a bitter person. I really have. I’ve turned into a bitter person because I’ve looked capable people in the eyes knowing that they’re capable of doing this and performing the task that’s necessary to turn it around and not do it. That’s made me bitter and I’m not a bitter person, but I hate to be BS’d by professional people that have the ability to address it and refuse to do so for whatever the reason is. I applaud your efforts in coming and bringing these issues forward, but this is but a conversation. When the conversation is over with, thank you for your input and not a damn thing is going to get done.

When you come back to the table, come back to the table requesting an action item be taken on job training, request that an action item be taken on employment opportunities. Given all due respect, we are dealing with improved housing issues. That’s a big issue to get your hands around and stuff like that. Right now, when you go to talk about job training, we’ll put a job out and we require that you have experience. That can be fixed overnight. All you’ve got to

September 10, 2012
do is say you know what, we’re going to have a trainee position and that trainee position is going to lead that person into that job. We have people who circumvent the process by giving people experience when they know they’re going to get the job. When somebody off the street walks in, they’re not going to get the job. Those kinds of practices—if we really want change, we have to come in here and say we want an action item and the action item could be Rev. Banks, Rev. Milan, we’re asking that you guys come up with an action to address this right here and not spend 25 years talking about it.

Job training ain’t nothing new, Rev. Banks. I asked about it two weeks after I got elected. Employment opportunities, fought for it two weeks after I got elected. Still ain’t happen 18 years later. It ain’t because I haven’t asked for it. It’s not because Ernie Lewis didn’t ask for it. It’s not because other commissioners or representatives from our district didn’t ask about it; it hasn’t happened. The professional people that are charged to do the tasks that have been asked or requested of the elected officials have not performed those duties and it hasn’t been done, and I’m a bitter man because of that. A very loving man, but I’m bitter right now.

Rev. Banks said the only response I have for that, and it’s really not a response it’s more of a statement, we didn’t come here ready to do your job. Commissioner Barnes said I understand. Rev. Banks said you have some elected responsibilities, some fiduciary responsibilities that you’re duty sworn to take care of. We came as citizens representing a group to lay our perceptions of needs impacting our community. We want to be involved in the positive aspects of how that’s done. We don’t have technical expertise. We don’t have administrative support. All we have is the desires and needs of the people at heart. We’re depending on you, you elected people with all of this technology, with your solomonic wisdoms to help us accomplish what needs to be done. That’s what you were elected to do.

Rev. Milan asked how we can help. We mentioned the word a while ago—help in the partnership. There is no secret pass. We have the mouthpiece. How can we—just like let’s talk about Google. Let’s go with it. How can we help and partner with you all to say what we need to do to get this thing done. Go with spiritual leaders like Casablanca. We don’t have the technology, the tools, the hammers, saws and all to do that.

September 10, 2012
Commissioner Barnes said lastly and I’d like to go on record and I’ll request that the clerk give you a copy of this statement that what I’m asking of you is follow-up and ask for the status of employment opportunities. Where are they six months from now? Ask for the status of job training six months from now. Ask for the status of improved housing stock six months from now. Ask for the status of recreational facilities six months from now. I can give you the answer today, but I dare you to ask. I dare you to follow up with this conversation six months from now. The reason I ask you to do that is that when you are in the minority, not by skin color but by in your thought process, when you’re in the minority there and you come to the table, I welcome that opportunity. Somebody else is thinking like I am and somebody else is passing the word on to the elected body that this is what our community is requesting. There ain’t nothing new on here that hasn’t been requested already. Whether it happens or not, I think speaking in stereo maybe secures us the process of when the issue comes up again, we might think about it.

This particular elected body of people, I feel very great about. I feel good about them. They’ve been more attentive to the process and for a minute there I thought Mr. McKiernan was playing to me, but we think alike on a lot of issues. Chairman Holland, I never had a disagreement with this gentleman right over here. I can go to him and talk. I’m really happy with this body, but I think they have to hear it from other than myself. You guys bringing the issue forward, God bless you for doing so. I thank you for doing so. The only thing I would ask you to do is to check on the status of it and that will help keep us on track to say—on the elected body to say how are you guys doing on the issues that we brought forward.

Chairman Holland said what I’m also going to ask the clerk to do is as we move and put on this agenda for our two standing committees, these very items that you have asked to be involved in, I’m going to ask the clerk to notify you of each of those meetings so that you can be involved in the dialogue and to be here as some others have been. I think that would be helpful if you could send representatives if you, yourselves aren’t able to be here, if you could send someone from your team to each of those as a conversation partner, I think that would be very helpful.

Rev. Banks said I want to acknowledge the fact that Pastor Turner was here, but he had a mandatory birthday party he had to be at, and Dr. Backus. They’re also members of our civic group for the union and we all thank you for this opportunity.

September 10, 2012
Chairman Holland said I’m not going to take comment from the public for this reason, this was the public hearing. This was their time. This was the pastors’ time and so I’m going to close this session with this.

Chairman Holland said I’m going to update us on where we are on the agenda. That was Item No. 1. The next item I’m going to move to—we’re a little out of numerical order. We’re going to take Item No. 4—the Metropolitan Avenue TIF project revisions now and then we’ll take the rest of them in numerical order.

Committee Agenda

Item No. 4 – 120255…Information: Metropolitan Avenue TIF Project Revisions

Synopsis: Information regarding the development team for the Metropolitan Avenue TIF District request for revisions to the existing development agreement for Project Area 1, submitted by George Brajkovic, Economic Development Director. The project contemplated the use of TIF, UG RLF, and CID.

Doug Bach, Deputy County Administrator, said this item came before the commissioners several months ago. We set out the program so we could work toward a grocery store project that the Argentine Betterment Association and ANDA were working on in the Argentine area at 21st and Metropolitan. The item that we brought before you and we had approved by the commission and moved forward was essentially one where we created the TIF district in the area and with that, we had a CID with it as well. Both instruments for the collection of the public property tax and sales tax were done so that they would go back and create or have some private financing in place. They felt at that time that they could put that private financing in place and it would get the sales tax, property tax revenue and take it as a pay-as-you go basis over time so there was no bond issue structure done in connection with this project. In a sense, from our perspective as we went through and evaluated, that really puts us in a risk-free standpoint. You can look at it and say what’s the impact on other grocery or similar stores in our community, analyze them and say there will be some, I guess if you want to call it, negative impact on that but we’re creating a new opportunity in a new area for our residents.
As they got out and furthered themselves in the financial world, they found that was a little more difficult for them to get that private financing and that’s where we brought back discussion today. First I want to describe, we’re not looking for an action or a vote from the commission today. We really brought this item forward to you for direction, discussion on the item as we go through it. Korb Maxwell, the developer, is here and he’s going to talk a little bit about the dilemma that they’re in as well as George Brajkovic and we’ll explain our situation.

I think one of the things as we listen to this is that we kind of have a comparison of the other grocery store projects that we’ve done in our community where when we’ve made that decision to step out and step behind some of these different store projects relating back to the Happy Foods store where we did a TDD on that store and we looked at the new sales tax revenues that were coming into our community. In that case, we didn’t do a specific bond issue to the project. We kind of said we think it will generate about this amount of money. It will be close to it and we did our own bond issue, gave them the money, and moved forward with the project and that flowed from there.

Prescott Plaza was probably a good example of another project where we came and looked at an area that was in dire need of some improvement. I think everybody knows the day we went in and demolitionioned and cleared the spot; we had already made a great investment to improve the area. Chairman Holland said you could have planted it to corn and improved that area. Mr. Bach said on the upside, a great development has come out of this, but it’s another project where in this case, we went forward, we issued bonds and looked back to the project to generate revenue to come back into our area.

Wyandotte Plaza, which is one we had just done, close to these, probably not the same level of a comparison in the sense that Wyandotte Plaza is a $28 million project. The bond issue we did with financing amounted to about $8.8 million so our coverage ratio when we looked at that project is one where we’re close to two times coverage ratio and we have some known generating factors of revenue coming back in and the creation of a CID on top of it. It was one where it’s similar because it’s in that category of projects, but it’s new. I go back through all of these as we start to look at Argentine because really in going through this with Lew—and we’ll talk about this as we move the project—we can look at it and say where are we at. It’s a higher level of risk really when it comes to it. So when you look at this, you have to evaluate it. It’s a policy decision. It’s not one where we’re going to sit here and say yes we’re highly confident.

September 10, 2012
you’re never going to have to pay on this. We’re paying a little bit to make the cover when we look at month-to-month to what happens to Happy Foods. We have times at Prescott that’s where it is, but it seems to keep ramping up and getting closer to it. I’m not really here to come in and say where are we dollar for dollar, but we knew that in those projects going into them.

We didn’t look at it and say boy, it’s just going to cover everything; whereas in Wyandotte Plaza we looked at that and we came to you and said we’re pretty confident unless everything just flips upside-down, we’re never going to put a dime of any other dollars into this project. It covers itself. It will cover itself in the future and if it goes bad, it should still cover itself. That’s kind of the difference where this is one—well it really just comes down to that perspective. It’s a policy decision as you look at it and we look at it and try to give you information back to help you in this decision. With that I’d like to turn it over to Korb at this time who is representing the developer and he’s going to talk a little bit about the situation they have and we’ll go from there.

Korb Maxwell, Polsinelli Shughart Firm, said I am appearing on behalf of the Argentine Betterment Corporation. I want to thank the commission for all of the hard work they’ve done on this project. This body has seen our firm working on many projects throughout Wyandotte County time and time again. Usually they have seven, eight, nine figures involved with them and this has been a project that is a little $3 million project but I think it means a lot. I think it can set policy and help this area move forward and probably help create a model for a lot of the other areas of Wyandotte County in moving forward with more urban grocery.

You were very kind to approve the TIF that we brought forward in front of this body approximately six months ago. What we come here today is with now almost two years of work on this project and six more months of knowledge about their working in the market. We’ve had a lot of good things happen. We continue to have a committed tenant. We have a signed lease with them in Save-A-Lot food stores. They are ready to move forward. They want to move forward. We have a great partner in the UG. We have raised a lot of money from non-profits out there that brings the equity into this transaction, but unfortunately the one thing we have not been able to do in any of this, and a lot of this goes in part to what you were just discussing, Commissioner Barnes, with the ministers, was we have not been able to bring financing to this.

What we need assistance with is to monetize the incentives you have already put in. You have been good enough to grant us tax increment financing in a CID, but we have gone out and beat the door of non-profit lending institutions. We have beat the door of regular commercial
banks in this community and otherwise. We have talked to labor organizations. We have talked
to a wide variety of groups, enumerable, and everybody has been very helpful and has wanted to
help but frankly what has been said at the end of the day is we can’t monetize this under the
terms of your pro forma out there because urban grocery in Wyandotte County is just too risky to
be able to do that deal. They don’t have the policy side behind it. They don’t have the other
benefits that we can talk about around this room that they don’t see that when you just have
green eye shades on and are looking at dollars and cents out there. We think this does make
sense. We think we can bring it to an acceptable level of risk for the Unified Government, for
the developer, for everyone else involved. I do think it can be a successful project, but I need the
Unified Government’s help to be able to get that done. It’s really not that we need any more
revenue from what has already previously been committed, but we do need the ability at least in
the short term meaning until we get this thing up, operating, constructed, and rolling along that
we definitely need the UG to help us monetize these incentives out there.

Commissioner Kane said you know and I know that if you put that grocery store in the
northeast or you put it over where you want to put it, it’s going to work. Absolutely. The people
over there have to walk to the post office which they want to close, but there are still some
requirements and you’re 100% right that you guys have reached out everywhere you possibly
can to get financing and just come up a little bit short. In my mind though we’re still going to
want the prevailing wage, minority owned business, local owned business to get this done. At
the end of the day it’s all going to work out. I wish everybody would work as hard as you have
just to make this one little project go. It’s only $3 million because that’s what it takes. It takes
the little ones to get to the big ones. When we get done over here, we need to start looking at
some other places with those folks too. You need to tell them hey these guys worked with us
over here, how about we get over on the northeast side and work with them.

Mr. Maxwell said I think you’re right, Commissioner Kane. This isn’t total satisfaction
today but just to tell you—you may have read in the paper that Truman Hospital over in Kansas
City, MO, wants to create a grocery store. I’ve been working with that group now on creating
the same deal. That’s not the exact same analysis because obviously it’s not in Wyandotte
County but these little projects like this do end up creating more work out there. I know Doug
and George and the UG has RFPs out about other groceries stores. I think urban grocery is a hot
issue. I really take that to heart that I think there are other deals to be done and you know that

September 10, 2012
we’ve discussed lots of things in this project but nothing that you see in this proposal would be anything about lessening the commitment to prevailing wage or lessening the commitment to local minority or women owned businesses out there. We remain with those commitments to the project and we’re going to get it done. We just need to come back and try to get some help with this financing. Commissioner Kane said we appreciate that. Mr. Maxwell said thank you.

Commissioner Barnes said I know you mentioned MBE, WBE, and LBE but didn’t our policy exclude this development type from that. Didn’t they ask for exclusion from that in the beginning? Mr. Maxwell said we did not, Commissioner Barnes. We actually, in the middle as we were trying to look at the financing gap we had there, we discussed would that be something that could make the cost of the project go down and given a hard look at it, we didn’t think that was the appropriate way to go at all and so we have never made that request formally of the UG in any form or fashion. Commissioner Barnes said I support the statement Mr. Kane has made. I think that whatever we do going forward, I’m just interested in the fact to say whatever we do going forward on this right here, that policy be applicable other places. I’m not talking about necessarily tying their hands to say you’re the one, but if it works there and the process is in place, what I’ve discovered in the past and I guess here’s my little rant again, a lot of times what’s accessible over here in Argentine has not been made accessible in other areas in our community. All I’m saying is if we allow it to happen here, I want it to be on the table elsewhere period. That’s my greatest concern and if we’ve got the LBE, MBE, WBE in, let’s move forward on it. I don’t have a problem with that just as long as this is not a special case in a special place and we can do the same thing elsewhere. Mr. Maxwell said it’s not, Commissioner Barnes. Commissioner Barnes said well I know you can’t say that. Mr. Maxwell said I can’t speak to those pieces, but to the LBE, MBE, WBE we expect to work with Mr. Banks on it and be in full conformance with all the policies and plans of the UG.

Commissioner McKiernan said I just want to make sure that I understand you. When you say we need to monetize, what that really means is issuing general obligation bonds to be paid through the real estate and sales tax increments. Mr. Maxwell said correct. Commissioner McKiernan said the UG issues general obligation bonds to be repaid through sales tax and property tax increments. Mr. Bach said I think what we indicated in the handout we gave to
you, we noted general obligation bonds. Our negotiating position with them would be special obligation bonds would be our commitment and then we’d probably ask that we have the flexibility since we realize we’re taking on a level of risk with it after consulting with Lew that we probably have the latitude if we think GO is the best way to do it because we can get a better interest rate that we do it that way. I think to the developer in the end, their course is if we can generate the money whether we do special or general, they don’t really care; but we won’t commit ourselves to do more than special obligation bonds, and then we’ll choose which tool is the best one for us when we go to financing based on the situation we’re in.

Commissioner McKiernan said the general recommendation is general or special revenue obligation bonds to acquire the capital you repay through property tax increments, sales tax increments and then the revolving loan fund would just disappear as a part of the equation to be replaced with simply a development agreement now drawn between the UG and Argentine Betterment. Mr. Bach said yes. Commissioner McKiernan said but that development agreement would not include the $450,000 from the revolving loan fund. It would simply now be to the specifics of the bonds and the repayment of those bonds. Mr. Bach said yes. The revolving loan fund essentially goes away in this deal. It doesn’t work. The differences of the types of corporation we have to deal with and the restrictions put on that, the revolving loan fund is a fun one. We can’t utilize it for this project. Mr. Maxwell said we believe that we can find—we’re working with a non-profit lender. We’ve gone back and forth on this multiple times. We do think we have a non-profit lender that will make that loan for the CID so we’re not going to need bonds on the CID portion of this. We’re really just looking at the TIF itself, the real estate tax increment and the sales tax increment components there that we need that help to monetize those funds up front.

Commissioner McKiernan said we can talk numbers later, but I’m just curious about the length and the term and the amount of the bonds. Mr. Bach said to give you kind of a global on what we would bring back from a package like this is we’re talking about a twenty year program which is what they had asked for before. As Mr. Maxwell said, they’re not asking for more. They are not looking to change the deal. The amount of money that was listed there before is still. The good thing about it too is, they’re not asking for us to monetize the CID revenue.
That’s coming through a separate non-profit corporation we think will work. That’s a good sense.

Now we’re looking at the property tax and the sales tax. The property tax is a pretty secure one in the sense that it’s going to come. I don’t want to say regardless for 20 years, but things can happen. A couple of things we will require in any development agreement—and I think as we look at the broad policy it’s always important, that’s why we really wanted to get this out here. We think when we open up policy like this; it opens it up to every project.

As Commissioner Barnes was saying, this can serve as a model. We always have to tweak models and work on them, but it can work that way. We will require them that they have all the money demonstrated in place that builds a project. Since they’re a company, we can’t necessarily say you’re going to guarantee and we’re going to go get some kind of personal guarantee from them. There’s not much to go get, but they can have all their private loans lined up, everything in place so the day we issue private money or our public money into the deal, we know they’re going to have all their private money so the store gets built. If the store gets built, then we’ve got something to collect property tax off. They also have a firm deal with the operator in Save-A-Lot that they’re going to open up and operate that store, and they have a lease for 10 years. We’d rather it be 20 since we have a 20 year deal, but that’s really the best they’ve been able to get done with it. It’s a good deal going into it when you say we’re going to put $1.6 million into this deal up front. You know there’s going to be $3 million spent on the deal because all of their money is dedicated to the project. It’s going to open and that doesn’t count. The private developer is going to put in another $1.2 million about or so. They’re putting their money into the store to get it opened, all the shelving units, and the TI basically inside, and operating it so it’s getting opened and it’s operating and they’ve got a 10 year lease out there.

That there, that moves you over to the sales tax side of the equation. You feel like okay you’re going to be collecting revenue stream in for a number of years. It’s not a scenario where we come to you and say we’re just coughing our money out there and we’ll see what will happen. You’re going to get a store built and you’re going to get a store opened and operating in the community. That’s going to be a sure thing in the deal and then we move down the road from there and kind of analyze it. After that, it’s like well, we can feel pretty good about 10 years. Years 10-20 maybe not as good but we don’t take 20 year time periods. If we had a 1.5 coverage, we wouldn’t worry about it as much. It’ll be lower but there could be a few years out
there and really probably when it gets down to a financial risk, I don’t want to say only but you’re probably only talking a few hundred thousand dollars that really gets in that risky area.

**Commissioner McKiernan** said as we look to transfer this model into other potential development opportunities, we have a model for what they have brought with them to the table that could be or maybe should be emulated by other groups that are looking to bring similar proposals to the table. **Mr. Bach** said and we have positions in the development deal as well. There’s another lot that sits on this parcel. If it opens and they put let’s say they can get a little convenience or fast food or some store like that in place, well it’s now part of the TIF so we’ll get the property tax and the sales tax off of that store as well as the non-profit will get the CID off of it. We’re not counting any of that revenue today. They don’t have any development that they’re saying we’re going to open there, but that gives us a little bit of extra so we take positions on things like that just like the bank is taking a position on different portions too.

**BPU Board Member Alvey** said I guess my concern is knowing the location of this right off 18th Street on Metropolitan and knowing that they have done the plan at Prescott Plaza and that is going well and it’s generating revenues and its working to make that happen, we also have the thing at Shawnee Plaza which is not listed here and I know that it does have the CID. It’s the 1% which I pay the tax on that every time I go in and I’m happy to do it for the neighborhood. I also know that if you just jump on the freeway, you’re just a hop away from the Aldi’s in Roland Park and the Price Chopper. When private money doesn’t pursue these or does not jump in with both feet, there’s a reason why they don’t. As you said, if they’re willing to go into a 10 year operating agreement and not 20, would 10 be within range? Is 20 more likely in this kind of a deal? If there’s a reason why—what I would not want to see is that sure, we can go down this road and do the deal and maybe the greatest risk would be a couple of hundred thousand dollars. If it’s not going to be sustainable, then it makes it more difficult in fact to do a deal in the northeast if you know what I’m saying. If the stretch is made and the risk is taken and it does not turn out because of the market research, the market research is showing that it may not work, does this compromise, in fact, the ability to do another program/project like this someplace else. Maybe that can’t be answered here. **Commissioner Barnes** said yes it can and I answered it. **BPU Board Member Alvey** said what my concern would be is let’s not—we need to be careful
with this which is why you’re bringing it forward. There may be other policy reasons for doing this that is to serve the community. A lot has already happened. If we’re getting communication from folks saying we’re not really sure about this, the private money needs to be there and the private investment needs to be competent it’s going to pay off. Maybe I’m missing something and it’s not coming up.

Mr. Maxwell said let me try something, commissioner, because you bring up really good points. These were points we touched on a little bit and I didn’t give the full presentation that I did last time. Really, where this all started and where did this came about and Save-A-Lot and their interest in the area—Save-A-Lot is a very interesting retailer. They come into areas. I think many know that the commissioner from this area had tried for five, six, seven years to get a grocery store to come into this neighborhood, had called every single list and every single grocer throughout the whole entire nation and could find no interest and finally found some interest in Save-A-Lot that Save-A-Lot would come in. Save-A-Lot has a unique business model. Their business model is to charge about 40% less on the cost of their goods and food than a regular grocer does out there. They thought it would be a fantastic fit for the Argentine neighborhood. One of the ways they’re able to charge that lower amount is that they go in and they find real estate that they can pay a very limited amount.

What they go look for is a 15,000 sq. ft. floor play of an old building or something out there, sort of a run-down center that they can go and pay $3 or $4 a sq. ft., bring it in and set up. The problem was with this particular neighborhood, and I think we’ll find this in many other neighborhoods in Wyandotte County, is none of the physical building stock actually laid out. We looked at every single possible building in the Argentine neighborhood and we couldn’t find any place where that 15,000 floor play could go into an existing building. So what does that mean? To be able to do a deal, we still have to—we have to build them a new structure. The problem is in their calculus, that doesn’t change their model at all to say that then they can pay us additional rent per square foot. They still will only pay this dollar per square foot. So the gap was created in that. We have to build them a brand new building and they’ll still only pay basically about $5 per sq. ft. in rent, so that created sort of a pro forma gap that came to my initial ask to Doug/this commission to say we need to be able to use tax increment financing and thus started this sort of saga of going around to banks and banks after you guys committed the
tax increment financing to try to figure out a way to monetize it. So now we come with the next question of monetization.

To the second point of the neighborhood and sort of and I think you really hit on it, the market research of Save-A-Lot and then sort of some of it is subjective, some of it from the neighborhood itself, but really the market research from Save-A-Lot itself is where you will end up taking sales from is the Price Chopper and Aldi in Roland Park. Save-A-Lot is set up to compete with those retailers and that’s why they want to go into this neighborhood. I do not believe—discussions I’ve had that this is not going to have a major effect on Prescott Plaza in any form or fashion. I’ll let Doug, Lew or George speak to that more, but the research we’ve seen from Save-A-Lot and the research we’ve seen from others is this is really about, as Commissioner Kane said, capturing those folks without cars that walk in this neighborhood that are buying groceries daily if not every other day and trying to capture more sales for Wyandotte County here as well as improve the neighborhood. I hope that’s somewhat helpful. I really do think that we have looked at this and this will serve as a positive model if we get this building up and going and we start seeing grocery sales here. I think this is a model for Save-A-Lot or other grocery retailers to say just like what’s happened with Prescott Plaza, urban grocery works. This is an area; this is the next frontier that we need to be going into not just always green-filled sites further and further south, west or wherever it would be.

BPU Board Member Alvey said that was extremely helpful. Thank you. I’ll have to tell you from my personal experience because when the ads come out on Tuesday, I go through them and on the way home, I stop at Price Chopper, stop at Hen House, whoever has the deals, that’s where I go and I go to Aldi’s because it’s on the way home. If I have to go up to my sisters, I stop at the Aldi’s on State, wherever it takes me. Save-A-Lot—I come out to State Avenue, but I don’t come that way. I work out south. There will be people and I will be shopping at Save-A-Lot if it comes that close. It’s just as simple as that. It’s good to hear that that’s the market dynamic for them and I appreciate your explaining that it’s not going to be that you had to build a new building that you can’t do—they can’t follow their normal business plan and had to get a new building.

Commissioner Barnes said I have to give you an A+ on that explanation. The little knowledge that I do have when it comes to these retail buildings, you have to understand the footprint and

September 10, 2012
the fingerprint of what they actually need and what they are asking for when they come into our community. The good part about northeast is that there was a study and Associated Wholesale Grocers conducted that study. They were the ones that advised us where it would work and how it would work. That was a huge plus there. They gave us the footprint and the fingerprint that was needed to make it successful there.

When I was talking about what was happening here, I’m not talking about a cookie cutter process. I was really talking about the flexibility that we’re using to make this project work. I would like to have that same flexibility to make a project work in the northeast. What I don’t want to happen is that we put this here and this becomes a rigid blueprint that we have to follow because it’s not going to work on my side of town if we have to follow everything; dot every i twice and cross every t twice. When I’m talking about utilizing a model, I’m talking about the model of flexibility that we utilized here. I don’t want to say well no, they didn’t quite do it that way over there so we can’t do it. I’m just saying remember the flexibility that we came to the table with a plan and we’ve got all celebratory over making this thing work and then we come back and say well it’s not going to work that way, we have to do this right here and you guys are working hard and I applaud you. I just want you to work just as hard when it comes to the store in the north end.

**Chairman Holland** said help me with—what’s the rule of the Argentine Betterment Corporation? **Mr. Maxwell** said they will truly be the developer, owner, operator of the capital improvement that is constructed here, commissioner. The 15,000 sq. ft. grocery out there, that will be owned by Argentine Betterment Corporation. **Chairman Holland** said this is a corporation that doesn’t have any experience doing this. My question is—to my knowledge I don’t think they’ve ever built or ran a grocery store before. There was another organization set up to do that which was… **Mr. Maxwell** said Argentine Commercial Inc. **Chairman Holland** asked what happened to Argentine Commercial Inc. **Mr. Maxwell** said it honestly became an issue that Argentine Commercial Inc. was going to be a for-profit corporation out there, commissioner, and we got into an issue of having a for-profit corporation out there, that a for-profit corporation could not end up taking many of the grants that were raised for this project. The land was sold below its appraised value cost to Argentine Betterment Corporation. All of those things could not occur if it was a for-profit corporation so it needed to be switched to a not-
for-profit corporation. This neighborhood had the Argentine Betterment Corporation there that was able to take up that ability and do that.

Chairman Holland said Doug, answer me this question. What real role will ABC have? Is it a pass-through? Mr. Bach said they are the non-profit entity that is the owner of this company. We all knew when we started the project that ANDA was the big push behind this, but due to issues regarding commissioners’ relationship with them; they could not be in a position where they could ever see a profit. They are in a role where they can come in and contribute money into the project but it can never go back the other way. If for some reason this project does fantastic and becomes of great value, then ABC is the one that could ultimately be the recipient of that. That’s my straight answer as to how that’s going to work. That’s how this is going to function for us. ABC is down there from that standpoint.

Chairman Holland asked does ABC have any employees. Mr. Maxwell said they have an executive director, Tim Russell. He was here just a minute ago but he had to leave for his board meeting. Chairman Holland asked is that a paid position. Mr. Maxwell said I believe it is a paid position. Mr. Bach said yes. They’re a NBR so he gets that money from them. They’re a functioning group down in that area. You are correct. They haven’t ran or worked any kind of grocery store which is why for us to lock in— that’s why I made a big deal about the fact of we lock into this deal, we know all the money is secured so we’re not just throwing our $1.5 million out there and saying you guys see if you can come up with the rest of your money and let’s put something together. Our money comes in the deal. You come in with your money then we know it gets completed and they have a lease in hand for somebody that’s going to run the store and that’s the Save-A-Lot. Mr. Maxwell said, commissioner, I would point that there are other people with significant experience in this area that are advising, helping, and consulting. One, our firm is in every part of it, but two, Ferguson Properties is the retail broker and will also serve as a construction manager to assist through this process. We will go out and actually find a general contractor, but they’re assisting from sort of a developer/construction manager perspective of making sure that this all sort of comes together.

September 10, 2012
Chairman Holland said I’m just curious about the liability in terms of that organization. Are they equipped to do this? Do you feel like they’re equipped to do this? Commissioner Barnes said you’re on a good line of questioning because I just want you to know as you go forward, whatever you do, I’m going to vote yes on it. I’m going to remember everything that you do. I just want you to understand that. Chairman Holland said you’re absolutely right. This is precedent setting. One of the things we need to be clear about is if we’re going to build—we’ve proven—Prescott Plaza has taken off I think more than anyone expected. It’s been better than hoped for. Happy Foods has worked well. Shawnee Drive has worked well. We have a significant investment in 78th St. If we’re going to build in Argentine and the northeast, there’s going to be a much higher risk factor. What I want to say is I don’t mind taking the risk factor. My question is, if we’re taking this much risk, why put the burden on a not-for-profit organization that may or may not be equipped to handle it? Why don’t we just own the thing?

Mr. Bach said in there does lie the big difference in a lot of these other projects from that standpoint because when we went with Happy Foods, we were doing the deal with O.J. Shipman. We had somebody in that deal who ran and operated the store and that’s who has it. In Wyandotte Plaza, we’ve got RED and that group who does the development; they’ve done many developments all over. That’s the kind of program in place. We had Fishman come in out there and do Prescott Plaza. We had developers on the hook that had proven and shown they’ve done this before. When we came to you the first time and said its pay as you go, I think Commissioner Barnes asked that question about it. We said that balancing act probably comes down to the fact that if they don’t get this done and they don’t generate the money, they’re not getting anything. This request tonight changes that a little bit. Chairman Holland said fundamentally. Mr. Bach said I can let Korb answer the question about the experience to it. It does change that. It is a bigger leap and it really does come down to this policy to say are we willing to hand those keys over to somebody that doesn’t have the long proven track record. They don’t have a bank account that we’re going to go against and leverage against it. Even if they had some houses or something, we don’t want to go take them from them. That’s not anything we want to get. It’s a little structure of a deal.

Chairman Holland asked we own a theatre, right. We own a mule/deer museum? Mr. Bach said yes, we do. Chairman Holland said my question is, do we just own a grocery store. Is that
what it takes? Mr. Maxwell said, commissioner, that’s an interesting policy discussion, not my place to insert myself in it but I do want to say one thing. We are allowing to have happen through this not-for-profit structure out there, and that is we are bringing $1.5 million to the table on this particular deal that is not UG backed. That is we’re bringing about $350,000 in charitable equity that is being bought to the deal. We’re bringing a $700,000 private development loan that we’re going out to a bank that is going to lend on that. These questions you’re asking are absolutely the same questions that the banks are asking as well. You do have somebody else that is looking over this and saying are these people qualified. Can they develop it? Can the trains run on time? Can it get built? Can they meet all the requirements? There’s sort of additional oversight from the market that is occurring in it as well, and then we have the CID lender that is going to come in and make that private piece of the loan. Doug is absolutely right and the questions are very good here that it is a riskier transaction than what we were talking about six month ago, but I do think it is less risky than the proposal of just the UG owning it as a whole because we’re able to bring that $1.5 million into it on the other side.

Chairman Holland asked so if the UG owns it, that private equity goes away. We’re not able to be recipients of that money? Commissioner Barnes said yes we could. Mr. Bach said it would be a new deal from the standpoint. It would have to go back to because there’s a—I don’t know how the group backing the CID would look at us. It may be able to secure that loan. The private bank—we’re not in those conversations to secure those loans and stuff like that. Chairman Holland said but if they’re going to loan it—ABC doesn’t have anything. I mean they don’t have any resources. They don’t have any equity. They don’t have anything to lend against. They have a board of directors who are insured. If you’re looking for somebody to back these loans, I would think the Unified Government would. Mr. Bach said we can get the loans no doubt about it, but I think what Mr. Maxwell is pointing out is we’re not backing that half of the deal. If it does have a problem that would come up, we’re not collecting retail sales, that means they’re not collecting retail sales. We’re not getting the tax because they’re not getting the sales so they’re not making their payments that are coming back around. That’s what they’re securing.

Chairman Holland said so then ABC files for bankruptcy. Mr. Bach said the bank is taking a certain amount of risk of loan with them with whatever backing they can get because
they feel like there is enough security in what’s going on in that site. We don’t have to be on that side of the deal. That is a little bit better position for us to be in.

Commissioner Barnes said the security is the building itself and the building is worth $750,000. Chairman Holland said if you can find a buyer. Commissioner Barnes said once you get the building built that’s the reason why we’re building because that type of operation couldn’t find a building to fit their operation. Once that building is there in place, the bank is satisfied and I can find—those guys will come a dime a dozen once you have a building already in place to fit the footprint.

Chairman Holland said so you’re asking for $1.6 million in special obligation bonds from the UG to monetize the incentives up front. Mr. Bach said that’s the strength of the deal we would put together with some of the other assurities that are put in place, about guarantee it would happen. Chairman Holland said I don’t know how else it gets done. I think this is a road map for how we do it in the northeast. Commissioner Barnes said no it’s not. It’s not a road map for how we do it in the northeast. Chairman Holland asked it’s a blueprint. Commissioner Barnes said it’s a road map that we could use. I don’t want to be obligated to go down the same road with them. I may want to go I-70 and they’re going down 69. Chairman Holland said the message our citizens need to hear is the UG is prepared to throw everything we’ve got at urban grocery stores. That’s the message our citizens need to hear. We’ll do whatever it takes. My position is I don’t think we need to earn taxes off of grocery stores in the urban area. I think we just need to have a grocery store in the urban area. Commissioner Barnes said absolutely. Chairman Holland said I’m prepared to put all the property tax, all the sales tax, CID, I don’t know what else there is. Commissioner Barnes asked did you get all that all on tape. Chairman Holland said it’s on tape. I’ve said it before. You don’t need to get it on tape. I’ve said it before. Commissioner Barnes said not because you said it, I’m just saying we’re agreeing to this. Chairman Holland said no, that’s exactly right. Commissioner Maddox said got to pay off that loan.

Chairman Holland said so you don’t need an action from us tonight. Mr. Bach said hope we’ll be back soon within a few weeks…Commissioner Barnes said and dress it up and make it look good and put some lipstick on it…Mr. Bach said and put it into an agreement. Chairman
Holland said we have to have the TIF. Mr. Bach said this does restructure the agreement and I think Commissioner McKiernan was stating that. We’re changing the TIF structure completely so it’s a property tax and then there’s a rebate on the actual sales tax. That way that piece of it gives them more flexibility in their spend. It matters not to us from a financial perspective.

Chairman Holland said I want to go on record and say too that we don’t have grocery stores in our urban areas not because we don’t want them or not because we’re not willing to put skin in the game, but because they’re hard to do. They are genuinely hard to do. If they were easy to do, we’d already done it and taken credit for it. Right? They are very hard to monetize. Mr. Bach said once you have somebody ready to sit down at the table with you and say yes we’ll do it, that’s a couple of years is what it took. It’s not a process that just flies down the road. There are a whole lot of people that get in the game. It’s not just us; it’s all the private side too and then their willingness to loan and back up and bring everything to the table and find a separate group like they did that came and backed up the CID money.

Chairman Holland said I see $4.2 million. Is that the total size of this project? $1.4 million from non-profits, $1.2 million from Save-A-Lot, and $1.6 million from the UG? Mr. Brajkovic said we never put the Save-A-Lot. Mr. Maxwell said the Save-A-Lot deal is about $3 million itself. The overall pro forma in the TIF plan that will come is $4.2 million because it includes the extra development that will be built on that additional pad. Yes, commissioner, $4.2 million is about exactly right.

Action: No action taken.

Item No. 5 – 120232…PRESENTATION: PILOT PROGRAM FOR SMALL/LOCAL CONTRACTORS

Synopsis: Presentation of a proposed pilot program for local/small contractors by Jason Banks, Contract Compliance Officer. The presentation is in response to the commission’s expressed interest in leveraging our ADA ramp replacement projects and other construction projects for local/small business contracting opportunities.
Jason Banks, Contract Compliance Officer, said this presentation is a follow-up of sorts to the commissions’ expressed interest in us leveraging our contracting activity for local business participation; more specifically, focusing on the ADA ramp projects. As this group is keenly aware, we are required over the next several years to upgrade a number of ADA ramp projects throughout the city. In addition to that, throughout the year, our public works department and their multiple divisions bid and award a number of small concrete infrastructure related enhancements as part of their programming. Between those two pools of contracts, we saw an opportunity, primarily an opportunity to place subcontractors in a position to perform as prime contractors. Often times when we speak of small business, small contractors, we automatically think of subcontracting activity. While there is nothing wrong with subcontracting, as a matter of fact, some of our larger projects wouldn’t have gotten done without the good contractors that we have working throughout the city. When you think about small business development and true capacity growth, that only can happen when you place a small contractor in a position to deliver a project that’s larger than what they’ve been previously operating on. That’s kind of the primus and the backdrop to our program, and you have as part of your agenda some of the specific tenace of the program and I’d like to move through that and then we can move to questions.

Starting off, a few of the goals, one is to leverage ADA ramp program to create economic activity through contracting and jobs and recognize under-utilized demographics. The second part of that there, when we talk about under-utilized demographics, Kara Winkler will speak to that later on as we move through some of the businesses on her list. Secondly, to utilize those ADA contracts to create small business capacity, as I mention previously, and grow through sustained competitive contracting opportunities. That’s important to note. As we roll out this program, we will follow procurement guidelines. We have no intention of handing out contracts. I know in years past, some cities have been criticized for set-aside programs that kind of throw competitive bidding out the window. What we’ve seen over the years is that really does not create capacity growth. What that does is that creates businesses that tend to forget how to bid competitively and I don’t think that is what we’re after here.

Lastly, we want to expand the application of the supplier diversity ordinance. It’s a pretty wide piece of policy that was approved back in 2005. As we march through
implementation, some of the things that we’re building into this program will help us roll out that ordinance.

To give you an overview of the program, what we intend to do is target a percentage or dollar volume of the 2013 ADA ramps to bid exclusively to a list of pre-qualified small contractors. Those contracts will be packaged large enough to justify the additional project management that will be called for. What we’ll probably be seeing are projects that may have been one contractor now two again, to make them smaller and more attainable for small contractors. What that means is our shop will be busier, that means Bob Roddy’s team may be a little bit busier on projects, and also our purchasing department. Taking all of that into account, we’re going to look at doing that in a way that doesn’t over burden any one group.

We don’t require, we don’t need a policy approval. Unfortunately, we have existing policy language that allows us to do some of the things that we are proposing tonight. One being the language from our supplier diversity ordinance which calls for unbundling of certain procurements to make them more accessible to small businesses and secondly, our purchasing policy more specifically the construction portion which requires for small and formal bids of less than $50,000 to only require three quotes. What we’re proposing is kind of a departure, a good departure from the typical way that we bid contracts. Recognizing over the years that as we bid projects, if we bid to the entire business community, naturally contractors that are smaller capacity aren’t able, they aren’t the scale to bid competitively against larger contractors. Recognizing that, we want to create pools of bids and contractors that are similarly scaled to bid against one another.

**BPU Board Member Alvey** asked why was the ADA program, the ramps. Is that because they’re generally smaller projects and it makes it easier for a smaller contractor to bid on it? **Mr. Banks** said that’s part of it. The other part is we’ve just got a lot of them that do. We didn’t have to—the work is kind of organically there. We know we have to do them. We’re required to. It’s in the budget for the next several years and so the opportunity kind of met.

**Commissioner Kane** said the other day we had three bids at a basketball court. Two of them were about the same and one of them was a lot different. The one that was a lot different, in my mind, wasn’t going to do the same work. The other two since there was such a big difference, I
would ask you to watch that. We don’t want to have somebody come in just because they’re low bid. Commissioner Barnes said change order. Commissioner Kane said exactly. You always do a good job and I know that, but when I heard about this basketball court the other day with termites and stuff like that and you hear about two guys came up with the bid pretty close together and some guy was for the cost of the materials, I would be very leery about something like that. Mr. Banks said absolutely. Commissioner Kane said and that’s why I want you to watch. You guys do a good job. You know that. Mr. Banks said thank you. I stepped away. Excuse my voice. I stepped away earlier to grab some water and I heard Commissioner Barnes had some glowing remarks. Can we get those on this meeting? Commissioner Barnes said he wanted me to put it on tape. I’m going to do it for you. Jason does a good job and the reason being is that prior to him rolling something out, he comes by and asks for input and he says this is what I’m thinking about doing. What do you think about it? It’s never a rubber stamp. He’s like commissioner, I can’t do it this way because and we have a back and forth and I appreciate that. Thank you. Mr. Banks said you’re welcome.

Mr. Banks said lastly much of this, while it’s focusing on the ADA ramps, we do a lot of other work. The companies that we kind of vet and pre-qualify through this process, we’re also going to call them for other projects.

Commissioner McKiernan said this is a naïve question. I don’t know. We talk about basically helping them build their capacity, start off with the smaller jobs so they can build capacity and they can build excellence. I’m just curious. How does a company who’s in this business who maybe doesn’t have a good competitive bid, who doesn’t have a sharp well defined bid, how do they get coached? How do they get feedback on how to create a better bid for the next time around? Mr. Banks said sometimes there’s an opportunity for us as staff pos-bid to kind of do a debriefing. In addition to that, over the years we built a real solid network. I see a few of the folks here in the audience tonight with us, Cindy Cash and Crystal Watson have worked tirelessly as we engage contractors or suppliers even. If we recognize deficiencies, I’ll call. It’s probably not the right word, but challenges that they’re having, we’re able to call on those partners to help try to bridge some of those gaps. Commissioner McKiernan said so we do have some resources that we can bring back to a contractor to say okay you didn’t get this bid, but here’s some things you can look at to make it more competitive. Mr. Banks said absolutely.
Chairman Holland asked anytime there’s a bid, can’t any person who loses the bid request the winning bid. Mr. Banks said yes. Unfortunately not all contractors and suppliers know that and so we’ve tried to do a better job of educating and encouraging contractors to do that otherwise they’ll make the same mistakes over and over. Commissioner McKiernan said they won’t get the better bid as you go on. Commissioner Barnes said it might not be proper term but usually when you, as a small contractor, if you don’t get a bid, you want an exit interview for lack of a better term that says what did I do. What was I lacking on? A lot of our contracting, we don’t do that. I don’t know if it’s a requirement or not, but the one thing that I do hear from the small contractors that don’t get the bids is that they don’t hear from nobody. They don’t hear anything. They have to call and chase somebody down to ask what happened to the bid. Did I get the bid or what happened? They didn’t send them a notice saying thanks for bidding or nothing. The only person that gets contacted is the one that gets the winning bid. Being able to give the small contractors some type of conversation about okay you didn’t get the bid, here’s the winning bid, and this is what happened and giving them that information, supplying them with that information will kind of educate them on how to move forward.

Mr. Banks said I think you’ll hear when Kara talks about the list that we’ve got a small enough list where I think we can do a lot more of that versus again the standard way that we bid. We may be sending out a bid to 300-400 vendors on certain projects. Usually it’s around 75 or 80. You can just imagine if we award one contract, those other 74 looking for information and we don’t have a representative from purchasing here tonight, but I know that they do as good a job as they can trying to make sure that they respond to some of those inquiries. Commissioner Barnes said in this case, you can do three. Mr. Banks said right. Commissioner Barnes said when you do the three, it’s a lot easier to deal with three people that say I’m just one of the three and I didn’t get the bid and this is why I didn’t get the bid.

Mr. Banks said in a nutshell those are the primary tenants of the program. I’m going to turn the presentation over to Kara Winkler. Oftentimes you hear me talk about our department as we and us. Well, this is the other us to talk about how we got to the point we’re at now.

Kara Winkler, Contract Compliance, said when we first started getting this list together we drew from our own database. We drew from the Kansas City, MO database and we drew through the business license database. How we looked for those companies were self-identified.
concrete construction companies. We’ve already been alerted to some gaps in the workforce out there. There are more companies out there that are eligible to do concrete construction that have self-identified. We’re sort of being told from some of our resource partners that there are some firms that didn’t make our original list that we’ll try to go back and contact again. We had those 35 companies. We sent out a pre-qualification form to them. When I say pre-qualification form, this isn’t necessarily to weed any of those companies out. It was more just for us to be able to sort of identify larger companies from smaller companies. Companies who had done work with us before versus companies who hadn’t done work with us before so that way when it comes to putting the bids together, we can sort of have companies in the same capacity bidding against each other instead of pricing a smaller company out and making them non-competitive for one of the bids.

You can also see on the sheets the different highlighted companies. We went through and identified companies that were located in HUB Zones and companies that were either eligible for Section 3 or were certified as Section 3 companies. There is a list of definitions in there, but I’ll just sort of give you a brief overview of what each of those programs are.

They’re both federal programs. The HUB Zone stands for Historically Underutilized Businesses. Those are typically minorities, women-owned businesses, small businesses. It has to be a definition of small business for this industry varies between $13.5 million to $33 million. So I would say that all the companies on our list qualify as a small business. To be a Historically Underutilized Business, it’s all based on census tract and it’s 50% of the households within that census tract need to be making under 60% of the area gross median income.

The Section 3, there are three different ways to be eligible for Section 3 business. The first way is to be owned by Section 3 residents which is based on housing or 50-80% below of the area median income. You can have 30% of you full-time employees as Section 3 residents or you could make a commitment to subcontract at least 25% of the dollar amount of the contract to Section 3 businesses. As you can see, the nine companies that we got the responses from, the majority of them qualify as either HUB Zone or Section 3 which is important because both of those categories represent economically distressed groups in our city. By doing business with them, we would be bringing money back into those groups of companies.

I said before that the pre-qualification form that we sent out was sort of to categorize and not to weed out, but it was also to sort of give the companies information and to set expectations.

September 10, 2012
for them. We’ve got some sample questions on one of the pages there. As you can see, one of the sample questions was can you carry an invoice for 30 days. You know we pay on a monthly basis here and it’s important for the companies to sort of go into that with that expectation. For the record, none of the companies said that they wouldn’t be able to carry an invoice for 30 days, but it’s just an important thing for them to know so it kind of cuts out on questions on the backend. Where’s my check? Why haven’t you paid me yet? Those kinds of things.

As I said, we’re looking to sort of create two different tiers. One for companies that have done work with us before, larger companies who have bonding and insurance capabilities. Some of the companies that responded indicated that they don’t work with a bonding agent right now and don’t have any bonding capacity. Certain dollar thresholds are $50,000 and under the public works department—the purchasing department doesn’t require bonding for those projects. So we would try to get those companies that don’t have bonding currently in place, we would try to get them if they’re interested in gaining bonding, information on how to go about doing that. Also making sure that they are bidding the projects that don’t have that capacity so they’re not ruled out for that. We’re trying to set everyone up for success and get them sort of filtered into the correct categories.

Chairman Holland asked how did you end up with these nine companies. Ms. Winkler said these are the ones who responded. We sent out a hard copy in the mail. I sent an email copy to companies that had email addresses, and we had staff members call all of the companies to remind them that they needed to turn in their forms. Those were the nine that responded. Mr. Banks said our intern.

Mr. Banks said that in a nutshell is what we’re looking to accomplish. We’re looking at tackling some of the items that were addressed in the commission strategic planning session. Again, we’re looking at trying to create some capacity growth and this is something that we’ve never done before. Our message to our partners and those contractors would be patient with us. This is going to take some time. Public works is learning how to do this. I know the push for the last three years was to try to package as many projects together and get them bid and so now we’re kind of asking them to move in the opposite direction and they’ve been more than willing to work with us on that. We hope to be able to come back to this committee before the end of the
year to give an update on activity whether that’s we’ve had training classes or we’ve actually got some people working on projects. This is one item that we want to make sure that we keep in front of this committee because it may lead to future policy decisions in the future.

Chairman Holland said this is great work and it speaks to the job development, it speaks to the local piece. I mean this speaks to keeping the dollars local. These are all zip codes in our community that folks need work in. I think it’s good. I think it’s a good start.

Eleanor Jefferson, 419 Haskell Ave., appeared stating thank you very much for allowing me to speak. I left my glasses in the car so it will be short. Chairman Holland asked is it regarding this topic that we’re…Ms. Jefferson said it is, sir. It certainly is. First of all I want to give an accolade and a thank you to Jason Banks and his team because he has involved HNMA in this process about the job creation and so forth. In 2010, we had met on job creation and one of the impairments we had was actually in working with contractors to build that capacity. So we’re looking forward to doing that.

The reason that I wanted to take this opportunity to speak at this time, which was originally when I wanted to do that, was because the UG has sanctioned as Mr. Owens has said the HNMA to be a flagship vehicle or the flagship vehicle. As I read the agreement, the flagship vehicle for job creation, for education, for empowerment in the northeast and midtown communities. One thing that HNMA is doing is because we’re working behind the curve as far as time, because there has not been a NBR in that area in a while, we have and continued to contact people like Jason Banks and we will be contacting others to help us build that capacity that we need in order to be seen as your vehicle of choice.

One request that I do have, Chairman Holland, is as you have made an open door with the clerk with the ministers who were here that you would consider doing the same thing for HNMA and that way we’re able to get on the ground and to learn and be a useful partner on that. Chairman Holland said I’d be glad to do that.

Ms. Jefferson said basically that’s all I have. Thank you very much.

Item No. 2 – 120250…Ordinance: 2012 STAR Bonds Refunding for Village West

Synopsis: An ordinance authorizing the issuance of not to exceed $15M of Sales Tax Special Obligation Revenue Refunding STAR Bond (Village West Redevelopment Project Area B),
Subordinate Lien Series 2012 to refund the Series 2001 STAR Bonds, submitted by Lew Levin, Chief Financial Officer. This refunding will reduce the interest rate from 5% to an estimated 1.65%, resulting in a projected present value savings of $2.3M or 13%.

Chairman Holland asked is this an action item. Commissioner Barnes said yes. Commissioner McKiernan said he’s saving us bundles of money.

Action: Commissioner Kane made a motion, seconded by Commissioner Barnes, to approve and forward to full commission.

Commissioner McKiernan asked is there something we really need to hear on this. Based on what you provided us, this refinancing will save us tons of money. Lew Levin, Chief Financial Officer, was we’re essentially reducing the interest rate from 5% to under…Commissioner McKiernan said to 1.65%. Commissioner Barnes said we’ll let you do your full routine at the full commission.

Chairman Holland said I do have one question. What does this do to accelerating the payoff of the STAR bonds. Mr. Levin said the one bonds now with this refinancing in 2012, will be paid off at the end of 2016. It will make more money available to redeem the other bonds.

Roll call was taken on the motion to approve and there were six “Ayes,” Alvey, Kane, Maddox, McKiernan, Barnes, Holland.

Mr. Levin said the only thing I’ll add is the actual pricing or the sale of the bonds will occur mid-October. Their scheduled pricing is October 15.

Item No. 3 – 120221….Communication: Section 42 Scoring Criteria
Synopsis: Communication submitting Section 42 scoring criteria, submitted by Charles Brockman, Economic Development. This item was tabled from the August 13, 2012 standing committee meeting.
**Commissioner McKiernan** said I’d just like to say I feel so touched that you held this over from the last meeting just so I could be here. **Chairman Holland** said let that be a lesson to everyone. If you want something on the agenda, you can’t skip the meeting when it comes up. We will hold it over for you.

**George Brajkovic**, Economic Development Director, said I think all of you know Charles Brockman with our department. I’m going to make a quick introduction. I think most of you know Marlin Goff, but we were able to convince Marlin to come over from Community Development and come work with us in Economic Development. I wanted to make that introduction. Just for the record, he couldn’t be here tonight, but we did have an intern this summer, Mr. Lonnie Gilbert. He’s a student at Benedictine and he actually helped us with this presentation tonight. I feel bad he’s not here, but now his name is on the record.

Section 42, we had three—to be as brief as possible, we had three items to bring before you tonight. We wanted to strike the language that we had added earlier in the year regarding the gold, silver, bronze status of projects. In the packet tonight is a policy that reflects that change. There is a trickle down affect of not having that status, how did that affect the recommendation made. So all those changes have been incorporated and are there for your review.

The second part of what we wanted to present to you tonight was just a matrix. I think there was a question about what projects have we considered since—so we took some liberties with that. **Chairman Holland** said this is the extra piece we received, by the way, if you’re looking for it. **BPU Board Member Alvey** said I didn’t get it unless it came through email. **Chairman Holland** asked do you have another copy of this for Mr. Alvey. (A copy was provided.) **Mr. Brajkovic** said thank you to Charles Brockman for putting all that together for us.

We took some liberties with that request and we said well let’s just go back and look at projects since 2009. We had, I believe, some citizen input the last time regarding what the process is and the UG does a scoring matrix and we do our resolution of support. It goes to the state and the state does some scoring. What we wanted to show were projects that came through us since ’09, projects that received a qualifying score on our end which is 50 points or more, and then what happened with those projects. They went to the state. Did the state allocate credits to the project? If they did or didn’t, what’s the stage of completion for that particular project? I
guess this is for more informational purposes so that you see what happens with those projects. I would say probably the biggest take away from this particular table is it reflects the highly competitive nature of getting these credits allocated.

Chairman Holland said so not completed, this first one, City Vision. Did they receive the state credits? Charles Brockman, Economic Development Dept., said they pulled it. Mr. Brajkovic said they pulled the application. We wanted to show everything that had actually been submitted to us for review and then whether the development team pulled it or it just didn’t advance, we tried to reflect that. Chairman Holland asked so we’ve not had in the last three years, we’ve not had one funded. Commissioner McKiernan said one, St. Margaret’s. Chairman Holland asked it was approved. Mr. Brajkovic said yes. Commissioner McKiernan said the one thing that’s nice about that is it has the highest score to date. At least there’s one piece of evidence that says we score them high and that does somewhat correlate with projects that end up getting funded by the state. Mr. Brajkovic said yes. One thing that this chart doesn’t reflect is discussions we’re having with current projects. We can count on both hands the number of proposals we see that say well this is all subject to this project getting LITEC awarded. We’ll do incentive layering. We looked at the grocery store model earlier where we saw all those incentives. We don’t have a problem layering incentive after incentive to get a project done, but this particular credit is so difficult, so highly sought after that there’s just not I don’t think a high success rate is the appropriate term, but there’s just not a high success rate at getting these credits and then seeing those projects completed.

Commissioner McKiernan asked did I hear the numbers right from the state, this past year there were 56 applications and 15 funded, something along those lines. Mr. Brajkovic said that seems about right. That sounds about right. Commissioner McKiernan said the numbers I’m roughly recollecting, there’s only about 15 funded out of about 56 submitted statewide. Commissioner Barnes said somebody wants them to go away. Somebody wants the tax credits to go away. Commissioner McKiernan said no matter what we do here at the local level, if there’s not more money at the state level, in some ways we are just spinning our wheels here. Keep the process. It’s great. It’s very frustrating. Good projects could meet a roadblock at the state level.

September 10, 2012
Mr. Brajkovic said moving on to the last piece. We had a lot of discussion about what is this local scoring matrix and the 50 points, and I think Commissioner Barnes had some very specific questions. What we tried to put together is some rhyme or reason to why we have the points, why we have the main categories we have, what is that add up to, how does our minimum qualifying score reflect in that total point. A sheet is being passed around now that kind of summarizes—we put the complete scoring matrix in your packet. If you look, there are some pre-requisite requirements that aren’t allocated at any specific points; however, without meeting those requirements, your project doesn’t really advance.

Going into the scoring categories, you have property location, housing needs, characteristics, resident/tenant needs, financing, and planning and development standards. We’ve had specific questions out of this committee of where do things like prevailing wage and LMW show up. We had made some recent revisions to that and they are actually under the financing characteristics portion of this. What we want to do is give you the exact tool that we use. We’re hopeful that if there’s some changes that need to be made to this, that as this year progresses and we’re moving toward the end of the year, if we’re going to make anymore changes to the scoring matrix, we’d like that to be in place before we get the next round in February that are due back to the state’s third party administrator of this program. I guess it’s for informational purposes tonight for you, but if there’s some area of concern there for you guys, we want to work with you and get those changes put in place end of year or first part of next year.

Commissioner Barnes said I don’t have any problem with this. I just think we need to look at it as an evolving process. I think from time to time we need to come and look at it and use the Dr. Phil approach every now and then of how is that working for you and take a look at things as we go forward and not just like oh, it’s written in stone. This is the way we’ve got to do it. If we discover something is not working, we need to revisit it and not be afraid to do so. This is a nice layout here. The whole thing was setup to say where is the greatest need and how can we best benefit from it. Commissioner McKiernan said don’t these, as we got them tonight, these reflect some changes based on some of our previous discussions within the last nine months. Mr. Brajkovic said yes. Commissioner McKiernan said I don’t know if this expanded rubric
was available before and I just missed it. I really appreciate this. This really says here’s how the points are applied here. It gives the conditions. It’s very informative and I really appreciate getting that. Commissioner Barnes said easy reading. Commissioner McKiernan said absolutely.

Commissioner Kane asked what did you call that. Commissioner McKiernan said rubric. Chairman Holland said remember the cube when you were a kid, the rubix cube. Commissioner McKiernan said the scoring system.

Mr. Brajkovic said as a department, I’ll give all the credit to Charles. You can tell by the complexity of that rubric that I didn’t do it right. You can image when the projects come in and how extensive those submissions are and the review process that goes into it. Commissioner McKiernan said well done. Mr. Brajkovic said kudos to Charles.

Chairman Holland said well done. You guys have put a lot of work into this and I think it’s improved the process personally. I mean it’s better.

Action: Commissioner Kane made a motion, seconded by Commissioner McKiernan, to approve and forward to full commission. Roll call was taken and there were six “Ayes,” Alvey, Kane, Maddox, McKiernan, Barnes, Holland.

IV. Goals and Objectives

Item No. 1 – 120137…Goals and Objectives

Synopsis: The Unified Government Commission conducted a strategic planning process resulting in specific goals and objectives adopted by the commission on May 17, 2012. Commission has directed that the goals and objectives appear monthly on respective standing committee agendas to assure follow-up and action toward implementation.

1. Economic Development: Foster an environment in which small and large businesses thrive, jobs are created, redevelopment continues, tourism continues to grow, and businesses locate in the community.

2. BPU regarding waiving utility fees for electricity and water for single-family new construction.

September 10, 2012
3. Reestablishing the Port Authority.

Doug Bach, Deputy County Administrator, said per the commission’s request, we’re back this month with a full report on goals and objectives. There are four items listed here. I believe the first one listed under Economic Development; that was deferred for future discussion.

Number two was the BPU regarding the waiving of utility fees. I did direct a letter over there and I could ask Mr. Alvey to report but I believe they did go through and pass for single-family residential, a waiver of their water connection fees and a partial on the electric was it, so it amounts to almost $2,000 on a home. Jody Boeding, Chief Counsel, said temporary service for electric. Mr. Bach said temporary service for the electric so it helps the contractor coming in. Ms. Boeding said the system fee for the water and then something else for water totals like $2,700. Mr. Bach said so they’re participating well. Chairman Holland said you said a well. It’s city water isn’t it? Mr. Bach said we sent over a letter per the direction to say we’d like you to participate. We’re doing the no permit fees and no costs for water pollution hookup. Commissioner Barnes said the permit for the sewer which is $2,000 something and the permit for the water was almost $3,000. Chairman Holland said but the sewer is not BPU. Mr. Bach said we did the sewer and we did the permit for the house, so the BPU took it before their commission last week on Wednesday night and they approved to waive the fee for the water connection and some of the temporary electrical connections on single-family residential housing. So our next step, the Mayor requested that we are coordinating a meeting with the builders/developers. Edwin Birch is already working on that now trying to come up with some dates so we can get in and talk to them about what we’re doing. In those areas where we have these fee waivers, plus NRA is in place in many of the areas of our city—the fee waivers like this are in areas that are already established or platted areas. We’re not going to go into areas where we don’t already have service and run it down those roads. We’re not waiving that fee. It’s where we already have many thousands of lots actually that are there and available throughout the city.

Commissioner Barnes said I know we’re trying to get out of here, but when you talk about $6,000 minimum and Lew was here—oh, he’s here—$6,000 added to somebody’s house payment,
financed for 30 years, that’s like adding another $18,000 to your bill. Mr. Bach said you can put it on the end. Commissioner Barnes said what I’m saying to you, that’s a huge difference when it comes from a builder’s perspective or even a mortgage holder’s perspective that you’ve eliminated $18,000 worth of debt to them which lowers the house payment and it does a whole lot of things and I think it’s a big reward in the end. Kudos to everybody who participated in making that happen.

Mr. Bach said the one issue that I have heard from Wyandotte Development is I think it’s from some of their investors. They’ve asked about is there something we can do to help with spec housing and such like that. He’s working on some items there.

 Commissioner Kane asked you’re going to have a meeting with who. Mr. Bach said through the Homebuilders Association to bring in builders, such like that, developers for residential housing to go over it with them. Commissioner Kane said when you set that up, I’d like to know when and where it’s going to be. Mr. Bach said okay. We’ll put the notice out to all the commissioners.

Mr. Bach said Item No. 3, you wanted a report so Jody Boeding and Mike Taylor are here. Jody is going to give a report on how the Port Authority can be set up; some of the items that you go through to get there. One of them we know is it’s a legislative process so we have Mike Taylor here too. He’ll comment on that and go through it.

Number 4, Public Building Commission. We have that slated for a future time so we don’t have anything for that. This item on the Port Authority with Jody and Mike will be the last item from this report unless you give some direction.

Jody Boeding, Chief Counsel, said I’m just going to run over the statutory requirements so it’s real scintillating. I’ll try to be quick. Basically, the statutes indicate that port authority is an economic development tool to promote advancement and retention of ports, location of new business and industry, and expansion or retention of existing business. The creation of it is done by county or a city by adoption of an ordnance or resolution, but it requires the approval of the legislature by concurrent resolution. There are a lot of hoops to jump through. The jurisdiction,
it has to be created for all of the territory of the city or the county, whichever entity is creating it. Once you’ve created it, there’s only one port authority in an area. Chairman Holland asked so you can’t do a Fairfax Port Authority. Ms. Body said that’s correct. It would have to be the city of Kansas City, KS, or the Wyandotte County Port Authority. Once you’ve done one, you can’t do another. Bonner Springs couldn’t come in and do one if we did a county one. If you did a city one, Bonner could do a city one. Then it becomes a public body, if it does pass through all those hoops and is created, it’s a public body similar to a city where it can own land, borrow money, issue bonds, exercise the right of eminent domain. It’s funding can come through either the issuance of bonds or a tax levy, but the tax levy must be approved by either a city-wide or a county-wide election. It’s on all assessed taxable, tangible property of the entire city or county, whichever one you’re using. These are not easy.

Commissioner McKiernan said so a bond or effectively a special assessment tax. Ms. Boeding said the special assessment—Commissioner McKiernan said not a special assessment, add a percent—Ms. Boeding said but a tax, a property tax. It wouldn’t be this body, the UG Commission; it would be the port authority, the taxing authority.

Chairman Holland asked are people elected to the port authority. Ms. Boeding said no.

Commissioner Barnes said I just want to say in the meanwhile, this has a direct effect on Fairfax. This conversation started as a result of Fairfax and we even set-aside money for Fairfax in order to access funds and now all of the hoops you are talking about means we are going to do a whole lot of hooping in two years. This seems like a year process in my estimation. Chairman Holland said we might change our mind after we hear the next two pages. Commissioner Barnes said I’m saying we still have Fairfax in limbo here, funding in place, and suggested process to get there and so we need to be conscious of that as we go forward.

Ms. Boeding said being a public entity, its property is generally exempted from taxes once it’s created. The composition of the board of directors—there is a statute if it’s created by a city, it can’t be fewer than five members but it can be more. If created by a county, it’s as many members as deemed necessary. It’s appointed by the governing body that creates it so that would
be you in both cases, city or county. **Commissioner Barnes** asked paid or unpaid. **Ms. Boeding** said it talks only about each director shall be entitled to receive reimbursement for necessary or actual expenses. It does not talk about compensation. It is possible that you could home rule out of this. I would have to do more research on that because it does call out one of the counties so it’s not uniform. It calls out Callaway County as a specific case so it’s not uniform. If that were a city, it would be non-uniform and charterable. County home rule sometimes doesn’t let you charter out even if it’s non-uniform. **Chairman Holland** said which means theoretically, if we chartered out of this, we could create a Fairfax Port Authority and make up our own rules. **Ms. Boeding** said I think, perhaps. **Chairman Holland** said theoretically and then it would not need to go through the legislature. **Commissioner Barnes** said if you want tax-exemption, you would still have to go to the legislature. **Ms. Boeding** said yes, I think so. That is unexplored territory. I’m just telling you what the statute says if you were to create it under the statute as it exists now.

**Ms. Boeding** said it can employ employees and retain professional help as needed to conduct the business. The board of directors has to prepare a plan for future development including maps, data, and description of location and character of the work to be undertaken by the port authority. That doesn’t have to be done before it’s created or before it goes to the legislature, but I think Mike will address practicalities of that.

Then you have to have a notice and public hearing to get objections to the plan. The people who get to object are owners of real property contiguous to the real property contained in the proposed plan and that requires three-quarters of the vote to pass that. Any modifications or amendments to the plan require the same notice and hearing. The board of directors has the duties and powers to prepare an annual budget and then to set rents and administrative fees that are used for the general expenses of the port authority and to pay interest and amortization of the loan and taxes. Any surplus of the funds remaining at the end of any calendar year may be paid into the general fund of the political subdivision creating the port authority. **Chairman Holland** said so they could make us money. **Ms. Boeding** said if they chose to.

**Ms. Boeding** said port is any water port, airport, terminal facility, land transportation facility, railroad facility or industrial use facility. Industrial use facility could be an agricultural, commercial, industrial, or manufacturing facility and site. **Chairman Holland** said so they can only do those areas of economic development. Is that right? **Ms. Boeding** said yes. **Chairman**
Holland said they are kind of a specialty. Ms. Boeding said but industrial use facility is pretty prominent.

Chairman Holland said, Mike, tell us how this would happen. Mike Taylor, Public Relations Director, said you notice the difference between the lobbyist and the attorney. She had three typed pages and I had this and this would be on a cocktail napkin most times. The basic thing is while the authority to establish a port authority is in statute; all it takes is a concurrent resolution of both the House and the Senate. Basically the same as a bill except the difference is it doesn’t go into statute so basically it’s a resolution. It still goes through a hearing and all of that so I think the things I would need to do to be able to lay this out if we decide to proceed is first of all have some kind of an idea of what are we going to do with this port authority and how are we going to use it so when I stand up to testify and I bring Chuck in, hopefully supporting it and GM and some others building that coalition and the Chamber, we sort of know what we’re doing with it so we have some idea to describe how we plan to use it. That question will be asked by legislators. It shouldn’t be very difficult to get this passed because it is only a resolution. They are simply saying yes we’re going to give you the authority to go ahead and draw this up and do it at the local level but it does require that. Chairman Holland asked does it require a resolution also to dissolve it if we change our mind. Ms. Boeding said I don’t think so. It requires a city or a county resolution to dissolve it, but I don’t think it requires the legislature. Mr. Taylor said the difference between a concurrent resolution and a bill is slight except that resolutions tend to do with things like more broad sort of issues. This shouldn’t be a big deal particularly if we come in united as a community saying we want to do it and here is what we want to do with it. It will be positive particularly if you get supporters like the Fairfax Industrial Association themselves, General Motors, other groups coming in, it really shouldn’t be a big issue. That said, we don’t really know who any of the committee chairs are going to be, we don’t know who the legislatures are going to be so we will have to sort of weigh that in terms of the specific strategy that we actually layout and how we proceed. That is kind of the way it lays out in terms of the legislature. Hopefully we would be able to talk to leadership in advance and get some sort of stamp of yes it sounds okay if you guys want to do that, we could be able to move ahead with it.

September 10, 2012
Chairman Holland asked how long would it take start to finish. Say we can’t wait to do this. We want to do it with all due haste. Mr. Taylor said the session starts in January and goes until late April or early May. Chairman Holland asked could we have something drafted in time for that session. Ms. Boeding said we already have adopted a resolution of intent to establish a port authority. We could adopt a resolution establishing it. Mr. Taylor said I would bring that as part of the legislative program that I will bring you guys in a few more weeks to adopt as part of the legislative program as well.

Commissioner McKiernan said I just need to back up to make sure I have my brain around what this port authority is going to do. I assume that this port authority is going to acquire property for the purpose of development in and around our ports. This port authority could solicit/receive grants and other monies to help facilitate the development and then could this port authority issue bonds? Ms. Boeding said yes. They could rent the facilities and use the proceeds from the rent to pay the bonds. Commissioner McKiernan said the port authority backs its own bonds. Ms. Boeding said yes. Commissioner McKiernan said basically it’s a self-contained economic development organization focused on economic development of our various ports. Ms. Boeding said it says bonds are special obligations of the port authority and not of the city or county. The statute says that which is one probably benefits of creating it under the statute. I just can’t believe they would let you charter out of that. Commissioner McKiernan asked if we chartered out of it, who has ultimate responsibility of the bonds. We do. Ms. Boeding said you’d have debt with bonding.

Commissioner Barnes said legislatively speaking, in order to get anything back, it is easier when you put something before them that says you can rubberstamp this because there are no changes from what we’ve done before. Ms. Boeding said we used to have a port authority and most of the port authorities in the state I think were created before 1981 when the law kind of changed. We had one and we abolished it. Commissioner Barnes said what I’m saying is this right here, what they are familiar with right now, it is easier to say there are no changes from this right here. If we go to making changes, then that’s when they start debating. Ms. Boeding said I don’t think you actually have to take the project to them, but I don’t know what they’re going to require. Mr. Taylor said I think having some idea what we could present to them and say we
would like in a resolution for you to approve us establishing a port authority, Fairfax, and we could talk about the positives of Fairfax, General Motors, and all the other factories there and that they support it, our Chamber supports it. Basically all they have to say is yes, we’ll give you the authority through your local process, draw up the rules and set it up. That’s really what you’re asking them to do. Commissioner Barnes said keep it simple.

Ms. Boeding said until we set it up, we really can’t—the board won’t be in effect and it can’t vote on what project it’s going to do so we can’t really pre-commit. Mr. Taylor said part of this is building support among our delegation and others after the election when we kind of know who committee chairs are and all of that. It shouldn’t be controversial. I say that, if for example Chuck comes in and says we’re not sure we really like this or GM comes in and says we’re probably dead in the water. If we can come in with a consensus of the groups involved and say this would be positive for our community, just give us the authority to set it up, it shouldn’t be a big deal.

Commissioner Kane said I think you should involve some of the unions that are down there with them. Mr. Taylor said right. Commissioner Kane said you know the UAW is going to be there, the guys from Fiberglass and CertainTeed and all those guys would be standing there saying yes. Mr. Taylor said that is where I go back to how are we going to use it. We don’t have to drop a definite plan but if we have some sort of vision of what we’re going to do with this Port Authority once we get it, it’s easier to sell it.

Chairman Holland said I have to say I like it less and less everything I hear about it and so what I would ask—this came to us from the Administrator’s office as a hopeful response. I thought a positive response to the need to address the needs in Fairfax to revitalize Fairfax. I think we all have a vested interest in that and I think we all want that and this was viewed by the Administrator’s office as an opportunity to do that. I would ask, and maybe you have already vetted this in your staff meetings, knowing what we know now, is the Administrator’s office still as excited about it now as you were in July or is it something that the Administrator’s office says now that we’ve looked at it more closely we’re not sure this is the best opportunity. My reason for saying that is we already have Wyandotte Development Inc. that is doing a heck of a job even with issues in Fairfax. There are some unique authority’s this has, the ability to issue bonds that

September 10, 2012
are individual. I think of the unification of government of getting rid of all these different taxing entities and having it unified is our strongest asset. If we’re going to split that power we have that has allowed us to do some remarkable development and streamlined development, I don’t think it’s moving in the right direction. From my view I don’t like what I’ve heard in terms of separate mill levies and separate boards and ability to issue bonds. I don’t know that gets us anywhere that Wyandotte Inc. isn’t getting us already and so I’m thinking maybe we need to reconsider this altogether and I don’t know Mr. Bach if your office has had a chance to re-vet this with this information or not, if it makes sense for you all to come back with a recommendation. If you think this is the best tool and why, I’m open to hearing that conversation. I just hear another hoop for an organization that wants to develop in Wyandotte County to have to go through and another entity to have to draw consensus from.

Mr. Bach said my answer to that at this point is really one where I would probably put it as we’ve done some assessment of it and look at it as a tool but I think until we answer the question as to what we want to do in Fairfax and what we are trying to achieve, we can’t chose what tool we’re going to use. Chairman Holland said I agree with that. Mr. Bach said timeline to go forward, the timeline really is the identification of what we have. We continue to look at some other options. I think there are some other tools out there. We know we have TIF tools, we know we have IRB tools. There are combinations of those kind of tools that come together and other things that are available to us so as we continue to work with the Fairfax Industrial Association and go through this and say here is what we’re trying to get done—you ask me today right now, I would say no, there is really no use for it. You’re not going to go down to the Fairfax area and get anybody to say we need a tool to be able to tax ourselves more. They’re not going to jump up and down about that. Maybe someday there is and you know that is something that is there and available to us but in the next two months if we would put together a plan and we would have it ready for Mike to take to the legislature—what he said is right on, if we’re all aligned as a community and we walk up there and say this is the right tool because this is what we’re going to achieve, then they are going to be with us. We’re not going to be there in the next couple of months so I would probably say that we assess this as okay here is the information we have, this is how it works. Probably on this piece or this goal we need to continue to work with Fairfax and determine what we’re trying to achieve out over the overall area. I will say in working with Economic Development staff we’re pretty excited about the fortune of what is
going on down in Fairfax. We have the potential—I mean what’s going on with the RACER property down by GM and coming on, that is a huge piece of property. We’ve continued to work forward with the levee redevelopment project so those are on each end of the area so there are some opportunities that might present some other tools for us to work with in the coming months and that is something we will continue to work with Chuck and his association and bring something back.

Chairman Holland said I want to say and I’m going to use this as just an opportunist that I sometimes am since Mr. Schlittler is here and we’re talking about Fairfax development generally. One of the things we’re talking about is how we can better work with Fairfax to make Fairfax successful. I want that to be a two-way street. I have been very discouraged with my talk with the Drainage District and I’ve been very discouraged—our Master Plan that we adopted for trails and sidewalks called for the use of the levees for bike and hike and I have found no responsiveness to thinking bigger picture and thinking future and even catching up with communities in our own state that are already doing it. I think one of things I want to say is my interest in partnering is a two-way street and trail maybe is a better analogy. When I’ve been down there I have run into a brick wall or a chained gate. I want those levees open. If we’re going to do a levee redevelopment project, hike and bike is the future. It’s a huge amount of open land that would be available for our community and I really get tired of Fairfax coming and asking for a partnership and when I ask for a very simple thing that other communities are doing I get a dead no, not a let’s see how we can make this happen, but no. My willingness and interest in partnering with Fairfax diminishes greatly when you are sitting on a huge amount of park property that could be a huge asset for our community and are unwilling to partner with us on how to open that up. I would like to move from if to how and I would like to see that because that is going to help me get down the road with whatever tool we use to revitalize Fairfax.

Commissioner Kane said I was doing pretty good until you made your last speech. Chairman Holland said I told you I’ve had problems with him in the past. Commissioner Kane said I think it can be done and pretty easy. If we drag our feet now, we will drag our feet when the session starts. I think we get our ducks in a row, we get all the players and we talk to them, we sit down and say here is what we want to do, here is what we’re thinking, what do you think and

September 10, 2012
let’s get our act together. I don’t want to dangle a carrot over anybody’s head to say-- I would like to see that stuff open too by the way and I agree with you on that. I would like to see the bikes and trails and all that stuff but that is just one part of it. Another part is another way to get more jobs down into Fairfax and if you are a Fairfax person and you’re in a Fairfax district, the Wyandotte Development Inc. guys and all those guys do a great job, but they don’t speak the same language that those folks do and it’s a language believe it or not. It’s language some of you might not understand. I don’t understand some of the fancy words but they’re blunt and that is the way it should be so I want to see this thing pushed forward with everybody pushing the same direction to get things done. Get this to happen, get the trails to open up and make this place a good place to ride a bike, live and work because I get really pissy when I look across the river and see what we’re not getting when we had the opportunity and have just as much space over here to get something done.

**Commissioner McKiernan** said naïve question. How far in does the Port Authority’s authority extend? **Ms. Boeding** said the entire city. **Commissioner McKiernan** said okay so the city creates the Port Authority. **Ms. Boeding** said or if it’s a county. **Commissioner McKiernan** said I would have to say I’m kind of where Mark is right now. Another taxing, another bonding agency and how much does it duplicate abilities that are already in place. Where does it give us leverage, where does it give us a new advantage that we don’t have now, how does it get those things that we’re seeing across the river that we’re not getting now or are there other strategies using tools that are already in place to get us to those? That is kind of where my head is right now. **Chairman Holland** said we can put someone in there with Wyandotte that speaks that language to bring in an industrial development person in the agency we already have. Maybe that’s part of the answer. I don’t know.

**Commissioner Barnes** said I’m certain it is but the problem right now is we’re talking about these tools but we’re not putting the tools in the hands of the people that is going to actually get the job done. We’ve been dreaming while Riverside has been doing what they do for the last four or five years and we knew it was coming. **Commissioner McKiernan** said do they have a Port Authority? **Commissioner Barnes** said no, they don’t have a Port Authority. **Commissioner McKiernan** said then how did they do it? **Commissioner Barnes** said that’s
what I’m saying. We know all the tools that are necessary but nobody is putting the tools in that persons hand or that entities hand and say this is what you need to do. This guy along with myself and a few businesspeople down there, we’ve been meeting with the city, talking about this very issue and again, we haven’t made any grounds. The reason this came up was we wanted an organization or entity directly dedicated to addressing the issues of Fairfax. That is why it came about. Whether that is going to be an arm of the city or WYEDC or whatever you want to call it, it hasn’t happened. This was the closest thing that gave any simplest of the fact saying here is something dedicated to Fairfax to help us fight the 800 pound gorilla that is across the river from us. I don’t have a preference to say whether this is ABC or D. All I’m saying is that this battle—I mean we’re losing the battle right now to those people across the river and there is no one in charge. We’re talking about it but nobody is in charge. These guys down there have a desire to do it but they are sitting there saying send me the weapons or give me the sword so I can get into the fight and we’re sitting here saying here is a sword that we’ve identified that you can use and now we’re saying hold on, I don’t know whether this is the best sword or not and do we need the sword, no we don’t if the city had a dedicated individual, a dedicated department or if we anointed WYEDC to do that procedure. Right now we’re still talking.

Chairman Holland said I agree with you and what I heard today was a much more cumbersome process and structure that I don’t think is dexterous enough to get done what we need to get done. It sounds to me like another layer of bureaucracy. What I want is a tool, and it’s not specific Fairfax, I want something specific. I think the challenge is redevelopment of Fairfax. The suggestion was the Port Authority. I think on further review I’m not sure the Port Authority is the best option so the question is Commissioner we’ve got to get it done I agree. I think we need to go back to the drawing board a little bit and the Administrator’s office to come up with an evaluation of potentially another solution because we need to keep moving. We need Fairfax fully functional. I think we all agree on that. Commissioner Barnes said absolutely.

VI. Adjourn

Chairman Holland adjourned the meeting at 9:00 p.m.

tp/cg/dt

September 10, 2012
The meeting of the Economic Development and Finance Standing Committee was held on Monday, October 1, 2012, at 5:50 p.m., in the 6th Floor Human Resources Training Room of the Municipal Office Building. The following members were present: Commissioner Holland, Chair; Commissioners Barnes, Maddox, McKiernan and BPU Board Member David Alvey. Commissioner Kane was absent.

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

II. Approval of standing committee minutes for September 10, 2012. On motion of Commissioner McKiernan, seconded by Commissioner Barnes, the minutes were held over pending corrections.

BPU Board Member Alvey said I think there might be one correction—oh gosh it’s not numbered. Chairman Holland said the pages aren’t numbered. May we make a request that future minutes be numbered. BPU Board Member Alvey said when I asked the question at the last meeting and the response by Mr. Maxwell on the Save-A-Lot. It’s reported here that he says he didn’t want to say that it wouldn’t work. I think that he meant to say that it would work based upon the research. It’s kind of crucial. Commissioner McKiernan said is that early or late in the discussion? Commissioner Barnes said it was shortly after we had the misspelled word in there. They called it Price Clopper instead of Price Chopper. I know that’s when it happened, right after that. I remember reading that portion. BPU Board Member Alvey said he was talking about the market research. Chairman Holland said alright, we have to have page numbers. Is that clear? Is that okay? Thank you. Commissioner Barnes said it was in the series of conversation after Alvey, Barnes and then Holland. Commissioner McKiernan said it would be page 20. BPU Board Member Alvey said he says, “Save-A-Lot is set up to compete
with those retailers and that’s why they want to go into this neighborhood. I don’t believe in discussions that I’ve had that this is not going to have a major effect on Prescott Plaza in any form or fashion.” I think he said that I don’t believe that this is going to have a major effect. Commissioner McKiernan said it would be page 22 of the minutes. It’s the 25th page of the packet and there’s three pages at the last. Chairman Holland said let’s do this. Here’s my recommendation: my recommendation is we hold these minutes over until next time and we have them numbered and resubmitted. There’s no sense in counting pages. We are not going to approve the minutes. Commissioner Barnes said I take back my second.

III. Committee Agenda:

Item No. 1 – 120268... RESOLUTION: MASTER LEASE PURCHASE AGREEMENT

Synopsis: A resolution authorizing the UG to enter into a third amendment to Master Equipment Lease Purchase Agreement dated October 20, 2008, between Banc of America Public Capital Corp. and the UG in connection with paying the costs of acquiring and installing certain equipment, submitted by Debbie Jonscher, Finance.

Debbie Jonscher, Assistant Finance Director, said this is the third amendment to our Equipment Master Lease with Banc of America. The original agreement was done in October, 2008 and every year we do amendments. This amendment extends the contract through March, 2013. Usually we extend it on a calendar year, but since we’re so late in getting the amendment processed, we are extending it through March, 2013. It does list all of the equipment that is covered under the Amendment. All of the equipment was approved in the CMIP. Based on the terms of borrowing, rates average from two to three percent.

Chairman Holland said this is standard procedure. It does require a vote. I would like to say before we vote that one of the things I have asked Debbie to look into in her office—a lot of cities have a pretty progressive banking policy where they pass resolutions and try to do banking with companies that are not involved in the predatory lending practices, payday loans. Banc of America, I believe, is one of the funders at a high level that funds payday loans across the country and in our community. One of the things that I would like to look at for the March issuance is that we look into a policy for our City where we do not do business with banks that
participate in predatory lending that are hurting our citizens. We need to move on this one. We don’t have any time to look into that right now, but I think it’s a worthwhile task and I mentioned that at agenda review. **Ms. Jonscher** said and we are intending to go out for an RFP for the 2013 lease. We will include that in that. **Chairman Holland** said that would be great. There are some best practices out there of how we do that, but I think we need to make a clear statement.

**Action:** Commissioner Barnes made a motion, seconded by Commissioner McKiernan, to approve.

Roll call was taken on the motion and there were five “Ayes,” Alvey, Maddox, McKiernan, Barnes, Holland.

**Item No. 2 – 120269...Item No. 2 - RESOLUTION: SET HEARING FOR METROPOLITAN REDEVELOPMENT DISTRICT**

**SYNOPSIS:** A resolution setting a public hearing date for November 15, 2012, to consider the Metropolitan Avenue Redevelopment District Project Area 1 redevelopment project plan, submitted by George Brajkovic, Economic Development Director. Argentine Betterment Corporation (ABC), the developer, has requested consideration of TIF structure changes for the $3M grocery store project.

**Doug Bach, Deputy County Administrator,** said Tim Klink is here with the developer as well. George Brajkovic is out on personal reasons so he is not able to be with us tonight, but there are two items he has been working on.

First I want to hand out to you, and as you said Commissioner, the only actionable item that we’re looking for tonight is approval of the date of November 15 to set a public hearing for the TIF District process. What we have done is gone through and outlined the deal points in more specific fashion to the ones that we talked about last month when we brought this item before the Commission. We’ve gone through all of these items with the developer and it’s in keeping with where we were at the Commission. I’ll note that if you go down about a little past halfway on the page, there was a couple of items there we talked about—guaranteed property tax schedule on the grocery store. We’ve gone through and worked on that—how we can develop a

**October 1, 2012**
PILOT to build into this program. The item below that prior to the bond issuance or money coming out of our accounts, they’ll have all of the loans in place for their development to be done as well as the ability to guarantee maximum contracts. Those were a couple of key issues we talked about last month. I can walk down each one of these point by point, but I think we went over this in quite a bit of detail as they presented the project last month.

These we’ve gone through and worked through it with them. We’ve come to an agreement as to how we can word each of these in a development agreement and we’re in a position ready to proceed and put in a development agreement and bring it back next month. If we’re able to do that, then we’ll package it for final approval on November 15 at such time as we approve the amended TIF District as well.

Chairman Holland said we talked about it pretty extensively last month. We made a go ahead to go ahead and hammer out the rest of the details. Does anyone have any further comments on this? I think this is in keeping with what we discussed last month. Commissioner Barnes said this is just to set the date, right? Chairman Holland said yes.

Action: Commissioner Barnes made a motion, seconded by Commissioner McKiernan to approve and forward to full commission. Roll call was taken and there were five “Ayes,” Alvey, Maddox, McKiernan, Barnes, Holland.

ITEM NO. 3 – 120270…… RESOLUTION: SET HEARING FOR PUBLIC LEVEE REDEVELOPMENT CREATION

SYNOPSIS: A resolution setting a public hearing date for November 15, 2012, to consider the creation of the Public Levee Redevelopment District, submitted by George Brajkovic, Economic Development Director. The Industrial Realty Group (IRG) has presented a plan for the management and subsequent redevelopment of the UG’s Public Levee operations located in Fairfax. The proposal calls for the creation of a TIF district and subsequent use of IRBs.

Doug Bach, Deputy County Administrator, said this one is the same in the final action as the last one, being we are looking at setting a public hearing date for November 15 for a TIF district regarding the Public Levee area. However, the difference is we have not had this project before.
the governing body before. Sitting next to me is Peter Yanson, he’s with a subsidiary company of IRG. I will note their owner, Stu Lichter was due to be here with us tonight; however, he had plane mechanical problems and was not able to make it in. Peter understands the deal and is here to go through this. What we would like to do tonight, knowing our outcome is to try and get the TIF district started with the establishment of a date, we would like to walk through the development site, what the proposed development is and key development points within the deal. At agenda review Commissioner Holland wanted us to bring legal counsel up. I’ll ask Ken Moore to step up at this time and give you a brief synopsis on the Public Levee and why it’s something we must own all the time going forward. He’s going to give you the two minute version of that with a good straight forward explanation and then we’ll start talking about the dollars.

Kenneth Moore, Deputy Chief Counsel, said this will probably be the one minute version. The Public Levee was created by plat in 1859 when the City of Wyandotte filed a plat with the Register of Deeds. At that point in time, they dedicated 102 acres on that plat as public grounds. Since 1859 that area has grown to 111 acres through accretion due to the Missouri River. It’s slightly bigger, but it’s still the same purpose. It is platted as public ground. There is a Kansas Statute that says the City holds such parcels intended for public use and trust for the uses it was dedicated toward. There have been numerous Kansas Supreme Court cases which say that property dedicated for that purpose can’t be used for other purposes because you can’t really change the intent of the person who dedicated it. Also, you can’t really affect the public’s interest in that property. So even a legislative change wouldn’t necessarily satisfy the courts and allow us to do anything other than to hold it in trust for public purposes.

Chairman Holland said public purpose, though, is not defined. Mr. Moore said well, it wasn’t defined on the Plat, but it does restrict our ability to convey the property. Chairman Holland said we can’t sell it, but we could lease it for a 100 year lease if we wanted to, right? Mr. Moore said yes sir. Commissioner Barnes said they only want 99.

Mr. Bach said just to go back a little bit of history and I know some of you have had this, but Mr. Alvey I know you aren’t familiar with this at all. Several years ago in working our Public Levee project we were given the drive of going forward and finding a way to redevelop this property. Our cost of operation down there was really higher. We need to find a different way to do it; however, in order to keep the facilities operating we did have to invest a fair
amount of money in roofs and such like that to keep it because we were faced with either demolishing the facility at that time and putting everybody out, or coming up with something to keep us going. We invested a fair amount of money in the roofs; however, we knew we only had enough money in reserves and the annual operations to last us through to about this year. Over the course of the last decade, really, we’ve been working to find different ways to redevelop the Levee, come up with different ideas/concepts. We’ve had a few down the road. Unfortunately, I don’t think we’ve ever brought any back to the Committee at this point. We’ve had a few that we’ve had discussion about with the Commission, but it’s a difficult piece of property to put into redevelopment.

However, tonight we are very pleased to be here with a redevelopment plan we think will work. It’s a joint redevelopment plan where we actually would turn over operation of the Levee to Industrial Realty Group where they would come in and manage the operations down there while they begin a redevelopment plan. It’s a four-phase development plan that takes place. Really during the term of that, they’re going to assume all operational responsibility that’s going on. Chairman Holland said what’s the term? Mr. Bach said we are proposing a 99 year term. It’s really set up where we go into a 60 year term and there’s renewable 39 year extension. First I’m going to ask Peter to go through and talk a little bit about their company, explain their redevelopment proposal, and then I’ll come back and talk about a little bit more of the details of the deal we’re proposing for the Commission.

Mr. Peter Yanson said I represent Industrial Realty Group out of Downey, California. If you don’t know where Downey is, it’s just south of the City of Los Angeles.

Industrial Realty Group was founded about 40 years ago by a man by the name of Stuart Lichter, again who couldn’t be here tonight, and is still the principal. We are largely industrial developers and re-developers. Industrial Realty Group owns 100m square feet of industrial real estate today in 27 states. We started this project here in Kansas City actually with the former Lady Baltimore building that you may be familiar with, which is this building right here. We purchased the improvements there in 2006.

The meeting was adjourned at 6:15 p.m. due to malfunction of the recording equipment.

The meeting was recalled to order at 6:25 p.m. All members present as previously noted.

October 1, 2012
Chairman Holland said I’m sure you remember right where you left off, so if you would pick up there that would be great. Mr. Yanson said it reminds me of going around the room and introducing everybody and then saying we’re going to have a quiz in 15 minutes.

We were talking about—first of all I was answering a question I thought about multi-tenant buildings at one point. Yes, these buildings could definitely be multi-tenant. That’s the way they’ll be built actually. They will be built to support a multi-tenant environment. You just don’t know what you’re going to end up with. BPU Board Member Alvey said I guess the real question was, the tenants already there will have an option. Mr. Yanson said the tenants will have an option, absolutely. The last thing we want to do is have the tenants go away.

We were also talking about the park entrance. I passed this out with the idea being that we’re looking at this very closely. This is a proposed entrance and everybody on my side thinks it’s very doable. We would have a very nice landscaped entrance into this park. It would improve the experience between the landscaping, the signage and one thing and another dramatically. Chairman Holland said does that make a loop, that there would be an exit out of it also from the park. Is that what I’m seeing here? Commissioner Barnes said no, you’re not seeing that. Mr. Yanson said the loop currently goes the other way. Commissioner McKiernan said you’re north of it. Mr. Yanson said the loop currently goes this way. Chairman Holland said I see. There would be access all the way down this way if you wanted to drive down. Mr. Yanson said yes. You’re going to have to have access for fire trucks, tenants and other trucks. But you’re probably not going to want to promote that too much because just for the fact that you’re not going to want to mix public driving into the park anymore with trucks than you have to. But there’s lots of room here to come in and run through the park and drive through the park, basically like you do today.

Commissioner Barnes said when you talk about tenants—I don’t know if Doug has made you aware—there are some not-for-profits that are located in the Levee now, is that correct? Mr. Bach said I think we may have one or two left. Most of them have gone. Commissioner Barnes said whether they are there presently or not, I think because it is zoned public that there should be opportunity for the public to have an opportunity to still have that space available from time to time, especially if there is refrigeration opportunities. I know when we lost our refrigeration operator down there, they were very open to allowing not-for-profits and self-help organizations access to their facility, either at a donated rate or a very low fee. Whatever the

October 1, 2012
partnership comes out to be, there still should be that relationship there. That it’s just not us turning it over to an outside entity and we actually cut the opportunity for the public to have access to it in some kind of way, form or fashion. I’d be more concerned about that. Mr. Yanson said we’ll certainly entertain that to some degree. I can’t sit here and tell you exactly. But we’ll certainly entertain that. There’s a lot of space here that’s currently still there. Commissioner Barnes said we are having issues—the last issue was a grocery store and we can’t get enough. We’re coming up with innovative and creative ways to supply healthy foods to our community and refrigeration has been one of the sticking points when it comes to having access to those foods and being able to get it delivered into our communities. Refrigeration has become an issue and so we would certainly be interested in sticking a pin in that and seeing how we might be able to assist with making that happen. Mr. Yanson said we’ll be fine. We’ll talk to you about that.

Chairman Holland said are there any other questions? What we are trying to do now is set a public hearing date for November—that’s the goal of tonight. We’ll have a few more bites at this apple. We’re not ready with a development agreement yet. Mr. Bach said I could talk a little bit about the structure of the deal and that way you get a little feel for it tonight. We can go from there.

The concept we are working with here is a combination between a TIF and an IRB. The reason it structures that way is because 1) the TIF’s needed to generate revenues to come in to be able to work on the infrastructure on the site. That pays for that. Also, you can use it to come in and do demolition on the middle building when demolition starts. Essentially what happens, and I’ll point it out, is they come in and they build the first phase. They build a new building here. It generates a new property tax increment being from the new building that comes in there. They add on to the Lady Baltimore site, so that adds on a new tax increment from that side of the equation. The projection is that we get enough tax increment out of that that it covers the cost of the infrastructure needed to work on the site, plus doing demolition work in here. They’re fronting the money from their development. There is no bond issue structure with any of this deal. They’re fronting the money. They’re coming into it, but then they’re able to recapture the property tax coming back off of these TIFs for the future and pay themselves back for what it cost them to do the infrastructure work and demolition structure going forward.

October 1, 2012
Once the work is done on the site, then properties that are not generating to the TIF with a new increment can be removed. So we take these properties out of the TIF and then come back to it and issue an IRB on it. The reason for that is, as you know, every industrial user that comes into our community and wants to compete says, well your taxes are up here, I’ve got to have them down here to compete against the other buildings, other communities in this area. They have put together a model that allows them to recognize that they have to collect more in revenue here to make this work. But they lower it based on the fact that they know they can build these buildings in the future and then produce those at a lower revenue because they can get up to, and what our deal contemplates is it can be up to a 70% IRB issued on that per our current IRB policy. They obviously meet it for the location they are in in our community. They are aware of the different stipulations we have in there about the IRB, prevailing wage, and different types of uses that can come in. They can build this back up to a 70% IRB and that allows them to return that revenue to it. It took some time to run through and structure a program that could actually make all of the different numbers work, but we believe we have one in place that can do that.

Chairman Holland said you would put the whole thing in the TIF district initially. Is that outlined in green on this picture? Mr. Bach said yes, so it includes the park. It comes over here and gets over here to the roadway in case we have to do some work in the intersection, stuff like that on the road, gets all of that and includes the park. We did that just in the event, there’s no immediate plans to come into the immediate park area, but if there were some use or such like that, TIF revenues could be used in that area. Clearly as we work on the intersection and the roadways getting to it, then it comes down and around. Chairman Holland said why isn’t the TIF contemplated on the—because that’s not all of the Public Levee, the Public Levee extends, does it not, into the elevator? Mr. Bach said the Public Levee does include the elevator as far as our ownership. We currently have a long-term agreement with Bartlett Elevators for the management of that operation and it is one that is extended for some time, parts of it were. It runs well into the 30’s at this point. There are a lot of issues with the elevators, a lot of environmental issues where they’ve been involved in. We’re pretty happy with them operating it. They pay us a lease amount annually now. The elevators are not part of the deal.

Chairman Holland said from a public policy perspective, is there any reason not to include them in the TIF deal? If the TIF pays itself off, then money would go back into the General Fund, right, theoretically. If we made money on a TIF we would theoretically pay that
money back into the General Fund, is that right? **Mr. Bach** said once the TIF’s completed, it will continue to fund into a TIF account until we come back and say let’s cancel that TIF and then it goes away. **Chairman Holland** said is there any reason not to include the elevators at this point? Does it taint this project in anyway? **Mr. Bach** said I’m trying to think if there is any negative to it. You would always have the option to expand it to cover that area. You can come along here and you can go through the publication process and say we want to include the elevators or you want to include the other elevators over here that we don’t own that are in bad shape that aren’t actively used. You can expand the TIF. With the kinds of conditions that we have down in this area, it would not be difficult to meet TIF statute to grow this TIF if you wanted to do it that way too. One advantage you may have is if you grew it into those areas, and you didn’t have it initially, you could have a TIF district that could go for five years. You could grow it off into this area and it becomes part of this TIF so it’s eligible for use of the revenue within it, but then you don’t start that clock on this one for five years later.

**Chairman Holland** said Mr. Levin, were you going to comment on that? **Lew Levin, Chief Financial Officer**, said I don’t know if there might be a tax issue as it relates if you included that as part of the TIF rate with current taxes in there. **Chairman Holland** said I’m satisfied at this point. If we need to go back and pick it up we can, right? **Mr. Bach** said yes. It’s like how we did the Gateway TIF. We proposed some projects and we grew that from what was the EPA building, then we grew it north to what became the SRS. Those were done in phases. We were going to grow it west, but that project didn’t come to fruition.

**Commissioner Barnes** said the grain elevators that you were speaking of, are they on the tax rolls now or are they just on a lease agreement? **Mr. Bach** said just on a lease agreement. **Commissioner Barnes** said and we’re under a 30 year lease with them right now, so they’re not paying taxes, they’re just paying a lease. Why wouldn’t it make sense to put it in there and who would pay the taxes then? They would be taxable then, they would have to pay taxes? They would have to pay property taxes. **Mr. Bach** said the agreement that comes off of like an agreement that was 100 years and there are different pieces to it, I believe notes said that once it fell out of the tax exempt nature, then we would be responsible for the taxes. **Commissioner Barnes** said the Unified Government would be? **Mr. Bach** said yes.

**Chairman Holland** said here’s my question about this project, with a TIF and then private developer on land that we technically own forever, how do taxes work? Do they pay
Mr. Bach said the ground is currently in an exempt status. Now we have some issues going on with COTA about some of that stuff and the buildings are in that point too. There is no property tax. When we demolish a building and build a new one, or they build this new one, it’s very clear then that falls on the property tax schedule, which is where the TIF and IRBs come into play. They’ll collect from the TIF or they’ll collect from the IRB from those years that work in the equation. But, if it’s an IRB, and let’s say it’s a 70/30, we’ll immediately start collecting that 30% in property taxes on this property where we’ve never collected it before. At the end of the IRB period, or the end of the TIF period, all of the improved structures will be 100% on the tax roll. Mr. Yanson said can you collect on a ten year period? Mr. Bach said ten year on the IRB, 20 year TIF.

Commissioner Barnes said actually, Doug, usually when we undertake projects this size, there’s usually an RFP involved when we know that we’re going to put a piece of land up for redevelopment. Why wouldn’t you issue an RFP on this stretch of land rather than deal with a sole provider? Who makes that choice as to whether or not we want to issue an RFP or whether we want to deal with just one person or not? I’ve dealt with this in the past and it seems like we’re very selective on when we chose to implement an RFP policy as opposed to looking at a sole provider. Mr. Bach said not really. You have to look back over the term on it. We’ve had this project—I think we’ve probably done a couple of RFPs on it. It’s been a number of years since we had the last one on it. We get proposals that come in that are very, I will just say we’ve worked through it and not been able to bring any of them greater than somebody will come in and take on the property and be a master developer for the property with no real commitment to do anything or invest into that property. The last time we did one was probably 6-7 years ago, it’s been a number of years that we’ve actually done one. Then we fall back to the point of doing more of unsolicited proposals which come about. We’ll have WYEDC maybe out working. They find somebody that has an interest in the site and that’s how IRG came to us. It was actually Greg Kindle who is here, as his predecessor brought IRG in on this one.

We were actually, previously, before them we had EARP come in who was looking for different sites in the community. A lot of times when you have site selection committees out there, WYEDC will be out proposing different sites that may be available in your community. We take an enterprise zone like this and we treat it like its available property in the community. If somebody comes in and tells us they want to do a development on it, we’re going to listen to
it. They brought that deal in. We worked it for some time. It didn’t come during the time, we were kind of in the end. These guys came about and they found them looking. We didn’t start talking to them until we knew that other proposal, until it went away. Then we started working on this proposal. That’s really the breakdown of how it happened.

**Commissioner Barnes** said I’m not really interested in how this happened. I’m glad to have you looking at our community. Welcome to the neighborhood. **Mr. Yanson** said we’re already here. **Commissioner Barnes** said that’s not an issue. My issue is saying the policy that we have, and if we have that flexibility that’s not a problem, but I’m saying who pulls the trigger as to when we do an RFP or we accept somebody’s proposal that walks off the street and says that I’m looking at this piece of property and I want you to assist me in developing it. It’s almost like we’ve been selective in the past. You know I go back to the 10th & Parallel site where we had that same thing occurred, and instead of us engaging them like this gentleman right here, we sent them in a different direction. I’m still bitter about how that happened. Right now, it seems like there is no policy in addressing that. You guys have free reign to do what you want to do, how you want to do it, when you want to do it, just according to who is at the table. Am I interpreting that properly or am I totally off base? **Mr. Bach** said I would not agree with that interpretation. We’d already been given direction to move forward with an RFP on the other property.

**Commissioner Barnes** said I’m not talking about anything specifically. I’m saying on this property here, they came and gave you a business plan, or offered you an opportunity to engage them, and we did that. No problem with that. I’m saying in other instances we issue RFPs on properties and it just seems like we’ve got two different systems running here. I’m not apprised of what triggers one or the other. **Mr. Bach** said we use RFPs to try and stimulate interest in specific pieces of property, particularly those that have come into our ownership. We’ve issued RFPs over here on this property north of the Reardon Center. A couple of times we’ve entertained unsolicited proposals on that property as well. To date, it’s a parking lot that needs repairs. It’s different ways of targeting a need. We’ll come up with some strategy to go forward with it. That’s what happened in the northeast area. Had we received probably the one proposal you were talking about 6 months earlier, we would have gladly received it and sat down and started working it. We would have taken it as an unsolicited proposal.
Chairman Holland said any other questions on this development project? What is the estimated investment value of this project? Mr. Yanson said $30-50m-somewhere in that range. Commissioner Maddox said I’m just curious to know what it will look like when it’s done. Mr. Yanson said we’ll get to that point. We’ll show you that. What you are looking for is what they call a rendering and we’re just not that far along. Mr. Bach said I will note that the first building on the southern end—there are various stages that we require them to do. When we turn this site over to them, they have to build that building and there is a time lane that will be laid out that they have to build it. It’s not, as he has been noting, we see what our best use is. They are going to build a building and they’re going to improve that site. That’s a commitment they have made as a company to come back here. When we hand it over to them, they’re going to put up that first building on the site and it is stipulated as a minimum square footage they can go. We’re not just handing over to them and letting them operate the Public Levee as it sets today. That is a clear stipulation that will happen. Then there are different timelines that can work to the other pieces of it. For them to get their money back, then they are really motivated that they have to make the other ones go because the TIF by itself on just one end doesn’t really work. He needs to make the other buildings come and get the IRBs going to really make the financial equation profit for their company. Commissioner Barnes said I now that we’re not at a detail point, when we do get to that point when we’re talking about details, are they aware of some of the issues, the many issues that we might be concerned about when it comes to developer’s agreement. Mr. Bach said yes they are.

Action: Commissioner McKiernan made a motion, seconded by BPU Board Member Alvey to approve and forward to full commission.

IV. GOALS AND OBJECTIVES
Item No. 1 – 120137...GOALS AND OBJECTIVES

The Unified Government Commission conducted a strategic planning process resulting in specific goals and objectives adopted by the commission on May 17, 2012. Commission has directed that the goals and objectives appear monthly on respective standing committee agendas to assure follow-up and action toward implementation.
1. Economic Development: Foster an environment in which small and large businesses thrive, jobs are created, redevelopment continues, tourism continues to grow, and businesses locate in the community. - Home Builders' meeting

2. BPU regarding waiving utility fees for electricity and water for single-family new construction. (Not for October discussion.)

3. Re-establishing the Port Authority. (Not for October discussion.)


**Action:** No action taken - matters held over to next month due to malfunction of the recording equipment.

V. Adjourn

Chairman Holland adjourned the meeting at 6:50 p.m.
TO: Economic Development and Finance Standing Committee
FROM: Lew Levin, Chief Financial Officer
SUBJECT: Quarterly Investment Report, September 2012
DATE: October 23, 2012

Attached you will find three schedules entitled “Investment By Type, Interest Revenue Earned, and Cash By Fund Type”.

The first schedule contains details of the Unified Government cash currently invested indicating investment type, date invested, maturity date, as well as interest rate.

The second schedule is a chart comparing the total interest earned, and the average invested for years 2009, 2010, 2011, and 2012 through September 30, 2012

The third schedule indicates the total cash held by fund type.

These reports are presented for inclusion in the information packet to the Standing Committee members and no action is required.

cc: Cash Management Committee
### INVESTMENT BY TYPE
**UNIFIED GOVERNMENT OF WYANDOTTE COUNTY / KANSAS CITY, KANSAS**

**September 30, 2012**

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<td>Bayerische Landesbank</td>
<td>5,877,425</td>
<td>0.515%</td>
<td>12/27/10</td>
<td>12/27/12</td>
<td>98</td>
</tr>
<tr>
<td>Deutsche Bank</td>
<td>10,000,000</td>
<td>0.650%</td>
<td>03/07/12</td>
<td>03/01/13</td>
<td>152</td>
</tr>
<tr>
<td><strong>TOTAL REPURCHASE AGREEMENTS</strong></td>
<td><strong>$28,068,425</strong></td>
<td><strong>0.441%</strong>*</td>
<td><strong>Average Rate of Interest</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Instrument</th>
<th>Amount</th>
<th>Rate</th>
<th>Invest. Date</th>
<th>Mat. Date</th>
<th>Days to Mat.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Liberty Bank Local Emphasis</td>
<td>98,737</td>
<td>0.500%</td>
<td>05/12/12</td>
<td>05/12/13</td>
<td>224</td>
</tr>
<tr>
<td>First State Local Emphasis</td>
<td>96,935</td>
<td>0.400%</td>
<td>05/12/12</td>
<td>05/12/13</td>
<td>224</td>
</tr>
<tr>
<td>Capital Federal</td>
<td>5,000,000</td>
<td>0.520%</td>
<td>04/27/11</td>
<td>10/29/12</td>
<td>29</td>
</tr>
<tr>
<td>Capital Federal Health</td>
<td>3,000,000</td>
<td>0.940%</td>
<td>02/07/11</td>
<td>02/07/13</td>
<td>130</td>
</tr>
<tr>
<td>First State</td>
<td>500,000</td>
<td>0.250%</td>
<td>01/20/12</td>
<td>07/31/13</td>
<td>304</td>
</tr>
<tr>
<td>Commerce</td>
<td>5,000,000</td>
<td>0.480%</td>
<td>12/09/11</td>
<td>08/09/14</td>
<td>677</td>
</tr>
<tr>
<td>Capital Federal</td>
<td>10,000,000</td>
<td>0.570%</td>
<td>12/09/11</td>
<td>08/09/14</td>
<td>677</td>
</tr>
<tr>
<td>Capital Federal</td>
<td>5,000,000</td>
<td>0.370%</td>
<td>08/10/12</td>
<td>07/18/14</td>
<td>656</td>
</tr>
<tr>
<td>Capital Federal</td>
<td>10,000,000</td>
<td>0.400%</td>
<td>08/10/12</td>
<td>12/01/14</td>
<td>792</td>
</tr>
<tr>
<td>Liberty Bank</td>
<td>1,000,000</td>
<td>1.280%</td>
<td>06/28/11</td>
<td>12/30/14</td>
<td>821</td>
</tr>
<tr>
<td>Capital Federal</td>
<td>5,000,000</td>
<td>0.610%</td>
<td>01/20/12</td>
<td>11/03/15</td>
<td>1,129</td>
</tr>
<tr>
<td>Liberty Bank</td>
<td>1,000,000</td>
<td>1.110%</td>
<td>01/20/12</td>
<td>11/03/15</td>
<td>1,129</td>
</tr>
<tr>
<td>Commerce</td>
<td>4,000,000</td>
<td>0.700%</td>
<td>01/20/12</td>
<td>11/03/15</td>
<td>1,129</td>
</tr>
<tr>
<td><strong>TOTAL CERTIFICATES OF DEPOSIT</strong></td>
<td><strong>$49,693,672</strong></td>
<td><strong>0.580%</strong>*</td>
<td><strong>Average Rate of Interest</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Instrument</th>
<th>Amount</th>
<th>Rate</th>
<th>Invest. Date</th>
<th>Mat. Date</th>
<th>Days to Mat.</th>
</tr>
</thead>
<tbody>
<tr>
<td>UMB/ FHLB</td>
<td>7,500,000</td>
<td>1.100%</td>
<td>02/03/12</td>
<td>07/30/13</td>
<td>303</td>
</tr>
<tr>
<td>UMB/FNMA</td>
<td>7,041,261</td>
<td>0.080%</td>
<td>05/05/11</td>
<td>09/23/13</td>
<td>365</td>
</tr>
<tr>
<td>UMB/ FHLMC</td>
<td>7,048,878</td>
<td>1.120%</td>
<td>05/05/11</td>
<td>04/29/14</td>
<td>576</td>
</tr>
<tr>
<td>UMB/ FFCB</td>
<td>5,000,361</td>
<td>1.710%</td>
<td>04/29/11</td>
<td>03/24/15</td>
<td>905</td>
</tr>
<tr>
<td>UMB/ FHLB</td>
<td>$560,000</td>
<td>2.000%</td>
<td>04/29/11</td>
<td>04/30/15</td>
<td>942</td>
</tr>
<tr>
<td>UMB/ FHLB</td>
<td>$13,085,827</td>
<td>0.875%</td>
<td>06/25/12</td>
<td>05/23/15</td>
<td>1,331</td>
</tr>
<tr>
<td><strong>TOTAL U.S. TREASURY</strong></td>
<td><strong>$40,256,527</strong></td>
<td><strong>0.048%</strong>*</td>
<td><strong>Average Rate of Interest</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Instrument</th>
<th>Amount</th>
<th>Rate</th>
<th>Invest. Date</th>
<th>Mat. Date</th>
<th>Days to Mat.</th>
</tr>
</thead>
<tbody>
<tr>
<td>TEMPORARY JUDGEMENT</td>
<td>$328,000</td>
<td>0.170%</td>
<td>5/30/2012</td>
<td>3/1/2013</td>
<td>152</td>
</tr>
<tr>
<td><strong>TAXABLE TEMPORARY NOTES US</strong></td>
<td>-$328,000</td>
<td>0.170%</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### STATISTICS
**Total Investments** | **$119,816,424** |
**Avg. Days** | **531** |
**Overall Average Rate of Interest** | **0.67%** |
**Average Investment** | **$143,072,334** |
**Weighted Average Yield** | **0.59%** |
**91-day T-Bill Rate (Benchmark)** | **0.11%** |
**Average Weighted Maturity** | **474.72** |
**Interest Posted Through September 30, 2012** | **$299,567** |

**ALL ABOVE INVESTMENTS ARE FULLY COLLATERALIZED IN COMPLIANCE WITH THE UNIFIED GOVERNMENT'S INVESTMENT POLICIES AND K.S.A. 8-1402**

*INTEREST POSTED IS CALCULATED ON A GAAP BASIS.*
CASH BY FUND TYPE
September 30, 2012

<table>
<thead>
<tr>
<th>Fund Type</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>GENERAL FUND TYPE</td>
<td>28,319,535</td>
</tr>
<tr>
<td>SPECIAL REVENUE FUND TYPE</td>
<td>15,308,903</td>
</tr>
<tr>
<td>DEBT SERVICE FUND TYPE</td>
<td>288,116</td>
</tr>
<tr>
<td>CAPITAL PROJECT FUND TYPE</td>
<td>47,936,824</td>
</tr>
<tr>
<td>ENTERPRISE FUND TYPE</td>
<td>17,254,383</td>
</tr>
<tr>
<td>INTERNAL SERVICE FUND TYPE</td>
<td>(1,255,656)</td>
</tr>
<tr>
<td>TRUST AND AGENCY FUND TYPE</td>
<td>5,917,978</td>
</tr>
<tr>
<td><strong>TOTAL CASH</strong></td>
<td><strong>113,770,083</strong></td>
</tr>
</tbody>
</table>

The difference between the Cash by Fund Type and the Investment by Type report is the investment of reconciling items, such as outstanding warrants.
<table>
<thead>
<tr>
<th>ENTRY</th>
<th>FUND</th>
<th>DEPARTMENT</th>
<th>CMIP/OPERATING</th>
<th>DESCRIPTION</th>
<th>AMOUNT</th>
<th>DATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>County General Fund</td>
<td>Legal</td>
<td>Operating</td>
<td>To pay attorney fees, appraisers, and court reporters.</td>
<td>$50,000</td>
<td>July 5, 2012</td>
</tr>
<tr>
<td>2</td>
<td>Consolidated Parks Fund</td>
<td>Parks and</td>
<td>Operating</td>
<td>Budget revision was done to purchase fish for Wyandotte Lake, postage for information sent out to citizens, and for shelter house repairs.</td>
<td>$10,892</td>
<td>July 20, 2012</td>
</tr>
<tr>
<td>3</td>
<td>City General Fund</td>
<td>Insurance Programs</td>
<td>Operating</td>
<td>Budget Revision processed to add funds to Healthcare Trust Account.</td>
<td>$200,000</td>
<td>July 20, 2012</td>
</tr>
<tr>
<td>4</td>
<td>Water Pollution Fund</td>
<td>Public Works</td>
<td>Operating</td>
<td>Pay for Diesel Fuel</td>
<td>$21,000</td>
<td>September 18, 2012</td>
</tr>
<tr>
<td>5</td>
<td>City General Fund</td>
<td>Police</td>
<td>CMIP-Equipment</td>
<td>Pay for Technology Maintenance Contracts for 911 Call Center.</td>
<td>$45,000</td>
<td>September 18, 2012</td>
</tr>
<tr>
<td>6</td>
<td>Wyandotte County 911 Fund</td>
<td>Police</td>
<td>Operating</td>
<td>Purchase maintenance supplies to repair sewers.</td>
<td>$11,065</td>
<td>September 25, 2012</td>
</tr>
<tr>
<td>7</td>
<td>Water Pollution Fund</td>
<td>Public Works</td>
<td>Operating</td>
<td>Purchase maintenance supplies to repair sewers.</td>
<td>$15,946</td>
<td>September 25, 2012</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Total</td>
<td>$363,903</td>
<td></td>
</tr>
</tbody>
</table>
Staff Request for Commission Action

Tracking No. 120287

Type: Standard
Committee: Economic Development and Finance Committee

Date of Standing Committee Action: 10/29/2012
(If none, please explain):

Proposed for the following Full Commission Meeting Date: 11/15/2012
Confirmed Date: 11/15/2012

☑ Changes Recommended By Standing Committee (New Action Form required with signatures)

<table>
<thead>
<tr>
<th>Date</th>
<th>Contact Name</th>
<th>Contact Phone</th>
<th>Contact Email</th>
<th>Ref</th>
<th>Department / Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>10/24/2012</td>
<td>Lew Levin</td>
<td>5186</td>
<td><a href="mailto:mschrick@wycokck.org">mschrick@wycokck.org</a></td>
<td></td>
<td>Finance</td>
</tr>
</tbody>
</table>

Item Description:
Please find attached the following two schedules:

Schedule “A” – list of all CMIP projects for 2013 approved to be funded in 2013 per the 2013 CMIP Budget.

Schedule “B” – list of ongoing projects per the CMIP Budget requiring an increase in Authority and/or additional financing for the 2013 issue.

The 2013 Temporary Note and Bond Authorizing Sale Resolution will be presented to the Board of Commissioners December 2013.

Action Requested:
Adopt resolutions.

☐ Publication Required

Budget Impact: (if applicable)

Amount: $
Source:
☑ Included In Budget Consistent with the CMIP
☐ Other (explain)

File Attachment

File Attachment
## SCHEDULE "A"

### 2013 APPROVED PROJECTS PER CMIP BUDGET

<table>
<thead>
<tr>
<th>Project Description</th>
<th>CMIP #</th>
<th>Type</th>
<th>Project Inception</th>
<th>2013 CMIP Budgeted Financing</th>
<th>2013 Total Project Authority</th>
<th>Contact &amp; Extension</th>
</tr>
</thead>
<tbody>
<tr>
<td>ADA Pedestrian Ramp Improvements 2013 (970-1141)</td>
<td>0813</td>
<td>Streets</td>
<td>3/1/13</td>
<td>600,000.00</td>
<td>600,000.00</td>
<td>B Heatherman 5416</td>
</tr>
<tr>
<td>Arterial/Collect Resurfacing 2013 (970-1302)</td>
<td>0413</td>
<td>Street</td>
<td>3/1/13</td>
<td>850,000.00</td>
<td>850,000.00</td>
<td>B Heatherman 5416</td>
</tr>
<tr>
<td>Bridge Repair, Priority (4 Loc)</td>
<td>2305</td>
<td>Bridge</td>
<td>3/1/13</td>
<td>450,000.00</td>
<td>450,000.00</td>
<td>B Heatherman 5416</td>
</tr>
<tr>
<td>Central Avenue Rehab (I-70 to 18th)</td>
<td>1202</td>
<td>Street</td>
<td>3/1/13</td>
<td>200,000.00</td>
<td>1,500,000.00</td>
<td>B Heatherman 5416</td>
</tr>
<tr>
<td>Dodson Street Landslide Repair</td>
<td>1053</td>
<td>Street</td>
<td>3/1/13</td>
<td>40,000.00</td>
<td>40,000.00</td>
<td>B Heatherman 5416</td>
</tr>
<tr>
<td>Facilities Parking Maint &amp; Repair-City 2013 (969-8513)</td>
<td>0213</td>
<td>Public Bldgs</td>
<td>3/1/13</td>
<td>600,000.00</td>
<td>1,850,000.00</td>
<td>D. Jones 5331</td>
</tr>
<tr>
<td>Fire HQ Window &amp; Overhead Door Replacement</td>
<td>8004</td>
<td>Public Bldgs</td>
<td>3/1/13</td>
<td>750,000.00</td>
<td>750,000.00</td>
<td>Craig Duke 5931</td>
</tr>
<tr>
<td>FS #15 Roof Replacement</td>
<td>8071</td>
<td>Public Bldgs</td>
<td>3/1/13</td>
<td>152,000.00</td>
<td>152,000.00</td>
<td>Craig Duke 5931</td>
</tr>
<tr>
<td>FS #18 Roof Replacement</td>
<td>8073</td>
<td>Public Bldgs</td>
<td>3/1/13</td>
<td>120,000.00</td>
<td>120,000.00</td>
<td>Craig Duke 5931</td>
</tr>
<tr>
<td>FS #3 Roof Replacement</td>
<td>8070</td>
<td>Public Bldgs</td>
<td>3/1/13</td>
<td>115,000.00</td>
<td>115,000.00</td>
<td>Craig Duke 5931</td>
</tr>
<tr>
<td>Hutton &amp; Leavenworth Intersection</td>
<td>1609</td>
<td>Street</td>
<td>3/1/13</td>
<td>450,000.00</td>
<td>450,000.00</td>
<td>B Heatherman 5416</td>
</tr>
<tr>
<td>IMS Implementation Program</td>
<td>6219</td>
<td>Street</td>
<td>3/1/13</td>
<td>750,000.00</td>
<td>750,000.00</td>
<td>L. Mundhenke 5708</td>
</tr>
<tr>
<td>Industrial District Repairs 2013 (970-1113)</td>
<td>0113</td>
<td>Street</td>
<td>3/1/13</td>
<td>500,000.00</td>
<td>500,000.00</td>
<td>B Heatherman 5416</td>
</tr>
<tr>
<td>Kaw Drive Rehab, 38th to 59th (Phase 1 of 2)</td>
<td>1607</td>
<td>Street</td>
<td>3/1/13</td>
<td>635,000.00</td>
<td>885,000.00</td>
<td>B Heatherman 5416</td>
</tr>
<tr>
<td>Leavenworth Road, 72nd &amp; 55th Intersections</td>
<td>3109</td>
<td>Traffic</td>
<td>3/1/13</td>
<td>240,000.00</td>
<td>3,800,000.00</td>
<td>B Heatherman 5416</td>
</tr>
<tr>
<td>Merriam Lane, County Line Rd to 24th</td>
<td>1052</td>
<td>Street</td>
<td>3/1/13</td>
<td>200,000.00</td>
<td>3,660,000.00</td>
<td>B Heatherman 5416</td>
</tr>
<tr>
<td>Neighborhood Street Resurfacing 2013 (970-1209)</td>
<td>0213</td>
<td>Streets</td>
<td>7/1/12</td>
<td>1,800,000.00</td>
<td>1,800,000.00</td>
<td>B Heatherman 5416</td>
</tr>
<tr>
<td>Oak Grove Rd - 53rd to 55th</td>
<td>1174</td>
<td>Street</td>
<td>3/1/13</td>
<td>250,000.00</td>
<td>1,250,000.00</td>
<td>B Heatherman 5416</td>
</tr>
<tr>
<td>Parks Facility Roof Rep (Eisenhower &amp; Parkwood)</td>
<td>4426</td>
<td>Public Building</td>
<td>10/1/12</td>
<td>360,000.00</td>
<td>360,000.00</td>
<td>M. Witt 8304</td>
</tr>
<tr>
<td>Pierson Lake Dam Study &amp; Repair</td>
<td>4424</td>
<td>Public Building</td>
<td>3/1/13</td>
<td>50,000.00</td>
<td>350,000.00</td>
<td>M. Witt 8304</td>
</tr>
<tr>
<td>Reardon Center Facility Improvements</td>
<td>8380</td>
<td>Public Building</td>
<td>3/1/13</td>
<td>50,000.00</td>
<td>250,000.00</td>
<td>L. Levin 5186</td>
</tr>
<tr>
<td>Shelter #9 Repair</td>
<td>4427</td>
<td>Public Building</td>
<td>3/1/13</td>
<td>69,000.00</td>
<td>69,000.00</td>
<td>M. Witt 8304</td>
</tr>
</tbody>
</table>
### SCHEDULE "A"

#### 2013 APPROVED PROJECTS PER CMIP BUDGET

<table>
<thead>
<tr>
<th>Project Description</th>
<th>CMIP #</th>
<th>Type</th>
<th>Project Inception</th>
<th>2013 CMIP Budgeted Financing</th>
<th>2013 Total Project Authority</th>
<th>Project Contact &amp; Extension</th>
</tr>
</thead>
<tbody>
<tr>
<td>SW Blvd Bike Lanes, Iowa to State Line (CMAQ)</td>
<td>1295</td>
<td>Street</td>
<td>1/1/13</td>
<td>70,000.00</td>
<td>180,000.00</td>
<td>B. Heatherman</td>
</tr>
<tr>
<td>Traffic Signal Replacements (Priority)</td>
<td>3345</td>
<td>Traffic</td>
<td>3/1/13</td>
<td>272,500.00</td>
<td>272,500.00</td>
<td>B. Heatherman</td>
</tr>
<tr>
<td>Wyandotte County Lake Waterline Study &amp; Repair</td>
<td>4425</td>
<td>s</td>
<td>3/1/13</td>
<td>40,000.00</td>
<td>640,000.00</td>
<td>M. Witt 8304</td>
</tr>
</tbody>
</table>

**TOTALS**

|               | 9,513,500.00 | 21,443,500.00 |
RESOLUTION NO. ___

A RESOLUTION AUTHORIZING CERTAIN STREET, CURB AND SIDEWALK IMPROVEMENTS, AND PROVIDING FOR THE MANNER OF PAYING FOR THE SAME.

WHEREAS, Article 12, Section 5 of the Constitution of the State of Kansas and Charter Ordinance No. CO-03-09 of the Unified Government of Wyandotte County/Kansas City Kansas (the “Unified Government”) authorizes the governing body of the Unified Government to make a variety of improvements as further described in CO-03-09 and to issue its general obligation bonds and/or temporary notes for the same; and

WHEREAS, the Unified Government has determined that it is necessary to make certain street, curb and sidewalk improvements, as more fully described herein.

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

Section 1. Pursuant to the above the Unified Government hereby finds and determines that it is necessary to make the following 2013 ADA Pedestrian Ramp Program 941-0813 improvements (the “Improvements”):

Removal and replacement of curbs and sidewalks with curbs, sidewalks and ramps to provide street to sidewalk access which complies with the Americans With Disabilities Act, including concrete pouring, resurfacing, utility cover adjustments, and associated construction costs, including any appurtenances related thereto, any necessary land acquisition, engineering, design; at the following locations with the City of Kansas City, Kansas:

Southwest Boulevard from 10th Street to Iowa Street
Southwest Boulevard from Iowa Street to 7th Street
Southwest Boulevard from 7th Street to the State Line near Bell Street
11th Street, Oakland to Central Ave.
North 18th Street from Quindaro Boulevard to Central Avenue
81st Street from Riverview Avenue to Leavenworth Road
82nd Street from Riverview Avenue to Leavenworth Road
83rd Street from Riverview Avenue to Leavenworth Road
Taurumee Avenue from 80th Terrace to 86th Street
State Avenue, from 82nd Street to 94th Street

As well as intersections falling on and within the areas bounded as follows:

79th Street to 82nd Street, between State Avenue and Parallel Parkway
55th Street to 63rd Street, between Parallel Parkway and Leavenworth Road
West 36th Avenue to West 42nd Avenue, between State Line Road and Springfield Street
South 53rd Street to South 65th Street, between County Line Rd and Gibbs Road

As well as intersections falling within the following additional streets anticipated for street resurfacing in 2013:
AREA 1-44
Richmond Ave, from 3rd Street to 1st Street
Walker Ave, from 3rd Street to 1st Street
New Jersey Ave, from 3rd Street to 1st Street
1st Street, from New Jersey Ave to Richmond Ave

AREA 1-46
Edgerton Dr, from 3rd Street east to Dead End
Troup Ave, from 2nd Street to 1st Street
2nd Street, from Stewart Ave south to Dead End
1st Street, from Stewart Ave south to Dead End

AREA 1-47
Welborn Lane, from Leavenworth Rd to Lathrop Ave
Lathrop Ave, from 51st Street to Welborn Lane
Webster Ave, from 49th Street to 48th Terrace
Kimball Ave, from 51st Street east to Dead End
48th Terrace, from Georgia Ave to Webster Ave
49th Street, from Webster Ave to Lathrop Ave
49th Terrace, from Lathrop Ave to Leavenworth Rd

AREA 1-48
Haskell Ave, from Hallock Street to 5th Street
Greeley Ave, from 6th Street to 5th Street
6th Street, from Quindaro Blvd to Greeley Ave
Hallock St, from Greeley Ave to Haskell Ave

AREA 1-51
Alley just north of Troup Ave, from 7th Street to Tremont Street

AREA 2-30
17th Street, from Central Ave to Riverview Ave
16th Street, from Central Ave to Riverview Ave
15th Street, from Central Ave to Riverview Ave
Thorpe Street, from Central Ave to Riverview Ave
Valley Street, from Central Ave to Riverview Ave
Reynolds Ave, from 13th Street to 12th Street
Riverview Ave, from 17th Street to 12th Street

AREA 3-22
Lawrence Ave, from 22nd Street west to Dead End
24th Street, from Lawrence Ave south to Dead End
23rd Street, from Barber Ave/Ct south to Dead End
Barber Ave/Ct, from 23rd Street to 22nd Street

AREA 3-30
Stinson Ave, from Bokee Street to Mill Street
Bokee Street, from Southwest Blvd to Stinson Ave
Bokee Street, from Stinson Ave north 200 feet
9th Street, from Southwest Blvd to Stinson Ave

AREA 3-36
16th Street, from Ruby Trafficway south to Dead End

AREA 3-38
41st Ave, from Springfield Street to Booth Street
Essex Ave, from Fisher Street to Booth Street
Minnie Street, from 43rd Avenue to 42nd Avenue
Pearl Street, from 43rd Avenue to 42nd Avenue
Fisher Street, from 43rd Avenue to Essex Avenue
Booth Place, from 42nd Avenue to 41st Avenue

AREA 1-50

47th Street, from Garfield Ave to Parallel Parkway

AREA 2-34

Pacific Ave, from 16th Street to 10th Street

AREA 3-39

Seneca Ave, from Mission Road to Minnie Street

43rd Terrace, from Mission Road to Minnie Street

Minnie Street, from 44th Avenue to 43rd Avenue

AREA 4-36

5th Street, from Washington Blvd to Parallel Parkway

AREA 4-37

Central Ave, from Orville Avenue to 19th Street

AREA 5-46

Washington Ave, from 78th Street east to Dead End

77th Terrace, from Washington Ave south to Dead End

77th Street, from Washington Ave north to Dead End

76th Terrace, from Washington Ave south to Dead End

76th Terrace, from Washington Ave north to Dead End

76th Street, from Washington Ave south to Dead End

76th Street, from Washington Ave north to Dead End

AREA 5-49

104th Terrace, from Parallel Parkway north to Dead End

Haskell Ave, from 104th Terrace west to Dead End

AREA 6-42

Swartz Ave, from 55th Street to Augusta Lane

As well as at up to 20 additional intersections in other areas within the city limits of Kansas City Kansas, that are identified by the Department of Justice as public needs.

Section 2. For the purpose of providing funds for the Improvements, all as approved by the governing body, the Unified Government hereby authorizes the issuance of its general obligation bonds pursuant to Article 12, Section 5(a) of the Constitution of the State of Kansas and Charter Ordinance No. CO-03-09, in an amount not in excess of $600,000, plus capitalized interest and costs of issuance. Temporary Notes of the Unified Government are hereby authorized to be issued from time to time by resolution in an amount not to exceed the amount of general obligation bonds herein authorized.

Section 3. The Unified Government expects to make capital expenditures in connection with the Improvements and intends to reimburse itself for such expenditures with the proceeds of general obligation bonds and/or temporary notes in an amount not to exceed $600,000, plus capitalized interest and costs of issuance. Any general obligation bonds and/or temporary notes issued under the authority of this Resolution may be used to reimburse expenditures made on or after the date that is 60 days before the date of adoption of the Reimbursement Resolution pursuant to U.S. Treasury Regulation §1.150-2.
Section 4. This Resolution shall take effect and be in full force from and after its passage and approval by the governing body of the Unified Government.

PASSED by the Governing Body on ___ day of ________________, 2012 and APPROVED by the Mayor.

(SEAL)

ATTEST:

________________________________________________________

Mayor/CEO

________________________________________________________

Unified Government Clerk
RESOLUTION NO. ___

A RESOLUTION AUTHORIZING CERTAIN STREET IMPROVEMENTS, AND PROVIDING FOR THE MANNER OF PAYING FOR THE SAME.

WHEREAS, Article 12, Section 5 of the Constitution of the State of Kansas and Charter Ordinance No. CO-03-09 of the Unified Government of Wyandotte County/Kansas City Kansas (the “Unified Government”) authorizes the governing body of the Unified Government to make a variety of improvements as further described in CO-03-09 and to issue its general obligation bonds and/or temporary notes for the same; and

WHEREAS, the Unified Government has determined that it is necessary to make certain street improvements, as more fully described herein.

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

Section 1. Pursuant to the above the Unified Government hereby finds and determines that it is necessary to make the following 2013 Arterial/Collector Resurfacing Program 941-0413 improvements (the “Improvements”):

Milling, concrete pouring, asphalt overlay, resurfacing, utility cover adjustments, pavement marking, traffic control modifications, Americans With Disabilities Act compliant street to sidewalk access, including any appurtenances related thereto, any necessary land acquisition, and associated engineering, design, inspection, removal, replacement, and construction costs, at the following locations:

AREA 1-50
47th Street, from Garfield Ave to Parallel Parkway
AREA 2-34
Pacific Ave, from 16th Street to 10th Street
AREA 4-36
5th Street, from Washington Blvd to Parallel Parkway
AREA 4-37
Central Ave, from Orville Avenue to 19th Street
AREA 5-38
Georgia Ave, from 99th Street to 91st Street
AREA 6-40
51st Street, from Gibbs Road to Metropolitan Ave
AREA 7-20
Riverview Ave, from 94th Street to 86th Street
AREA 8-41
Orville Ave, from bridge of1-635 to 38th Street

Section 2. For the purpose of providing funds for the Improvements, all as approved by the governing body, the Unified Government hereby authorizes the issuance of its general obligation bonds pursuant to Article 12, Section 5(a) of the Constitution of the State of Kansas and Charter Ordinance No. CO-03-09, in an amount not in excess of $850,000, plus capitalized interest and costs of issuance.
Temporary Notes of the Unified Government are hereby authorized to be issued from time to time by resolution in an amount not to exceed the amount of general obligation bonds herein authorized.

Section 3. The Unified Government expects to make capital expenditures in connection with the improvements and intends to reimburse itself for such expenditures with the proceeds of general obligation bonds and/or temporary notes in an amount not to exceed $850,000, plus capitalized interest and costs of issuance. Any general obligation bonds and/or temporary notes issued under the authority of this Resolution may be used to reimburse expenditures made on or after the date that is 60 days before the date of adoption of this Resolution pursuant to U.S. Treasury Regulation §1.150-2.

Section 4. This Resolution shall take effect and be in full force from and after its passage and approval by the governing body of the Unified Government.

PASSED by the Governing Body on ___ day of _____________________, 2012 and APPROVED by the Mayor.

(SEAL)

ATTEST:

Mayor/CEO

Unified Government Clerk
RESOLUTION NO.  

A RESOLUTION AUTHORIZING CERTAIN STREET AND BRIDGE IMPROVEMENTS, AND PROVIDING FOR THE MANNER OF PAYING FOR THE SAME.

WHEREAS, Article 12, Section 5 of the Constitution of the State of Kansas and Charter Ordinance No. CO-03-09 of the Unified Government of Wyandotte County/Kansas City Kansas (the "Unified Government") authorizes the governing body of the Unified Government to make a variety of improvements as further described in CO-03-09 and to issue its general obligation bonds and/or temporary notes for the same; and

WHEREAS, the Unified Government has determined that it is necessary to make certain bridge improvements, as more fully described herein.

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

Section 1. Pursuant to the above the Unified Government hereby finds and determines that it is necessary to make the following PRIORITY BRIDGE REPAIR CMIP 2305 improvements (the "Improvements"): 

Repair of the following four bridge structures:

Riverview Avenue wingwall (Bridge 46);
James Street Viaduct joint repair (Bridge 234);
Goddard Avenue joint repair (Bridge 245); and
Wolcott Drive deck repairs (Bridges 82).

For the Riverview Avenue project, the work includes removal of existing concrete, clearing and grubbing, stabilization of the stream channel, construction of new reinforced concrete wingwall, other related concrete filling and patching, backfilling and earthwork.

For the James Street and Goddard Avenue joint repairs, work includes removal and replacement of existing joints between slabs of the bridge superstructure;

For the Wolcott Drive deck repairs, work includes removal of the top bridge deck surface, repair and replacement of reinforcing steel as needed, replacement of the top bridge deck surface in concrete, cleaning and regarding of creek channel and related earthwork.

All work includes necessary traffic control and detour signing, and utility adjustments, necessary to accommodate the improvements as well as all necessary engineering, design, inspection, all necessary appurtenances and related construction.

Section 2. For the purpose of providing funds for the Improvements, all as approved by the governing body, the Unified Government hereby authorizes the issuance of its general obligation bonds
pursuant to Article 12, Section 5(a) of the Constitution of the State of Kansas and Charter Ordinance No. CO-03-09, in an amount not in excess of $450,000, plus capitalized interest and costs of issuance. Temporary Notes of the Unified Government are hereby authorized to be issued from time to time by resolution in an amount not to exceed the amount of general obligation bonds herein authorized.

Section 3. The Unified Government expects to make capital expenditures in connection with the Improvements and intends to reimburse itself for such expenditures with the proceeds of general obligation bonds and/or temporary notes in an amount not to exceed $450,000, plus capitalized interest and costs of issuance. Any general obligation bonds and/or temporary notes issued under the authority of this Resolution may be used to reimburse expenditures made on or after the date that is 60 days before the date of adoption of this Resolution pursuant to U.S. Treasury Regulation §1.150-2.

Section 4. This Resolution shall take effect and be in full force from and after its passage and approval by the governing body of the Unified Government.

PASSED by the Governing Body on ___ day of _________________, 2012 and APPROVED by the Mayor.

(SEAL)

ATTEST:

__________________________
Mayor/CEO

__________________________
Unified Government Clerk
RESOLUTION NO.____

A RESOLUTION AUTHORIZING CERTAIN STREET IMPROVEMENTS, AND PROVIDING FOR THE MANNER OF PAYING FOR THE SAME.

WHEREAS, Article 12, Section 5 of the Constitution of the State of Kansas and Charter Ordinance No. CO-03-09 of the Unified Government of Wyandotte County/Kansas City Kansas (the “Unified Government”) authorizes the governing body of the Unified Government to make a variety of improvements as further described in CO-03-09 and to issue its general obligation bonds and/or temporary notes for the same; and

WHEREAS, the Unified Government has determined that it is necessary to make certain street improvements, as more fully described herein.

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

Section 1. Pursuant to the above the Unified Government hereby finds and determines that it is necessary to make the following CENTRAL AVENUE REHABILITATION – I-70 to 18th STREET CMIP 970-1202 improvements (the “Improvements”):

Milling, concrete pouring, asphalt overlay, resurfacing, intersection upgrades, storm sewer and utility cover adjustments, pavement marking, signage and traffic control modifications, and Americans With Disabilities Act compliant street to sidewalk access, of Central Avenue from I-70 to 18th Street including any appurtenances related thereto, any necessary land acquisition, and associated engineering, design, inspection, removal, replacement, and construction costs, at the following locations:

Section 2. For the purpose of providing funds for the Improvements, all as approved by the governing body, the Unified Government hereby authorizes the issuance of its general obligation bonds pursuant to Article 12, Section 5(a) of the Constitution of the State of Kansas and Charter Ordinance No. CO-03-09, in an amount not in excess of $1,500,000, plus capitalized interest and costs of issuance. Temporary Notes of the Unified Government are hereby authorized to be issued from time to time by resolution in an amount not to exceed the amount of general obligation bonds herein authorized.

Section 3. The Unified Government expects to make capital expenditures in connection with the Improvements and intends to reimburse itself for such expenditures with the proceeds of general obligation bonds and/or temporary notes in an amount not to exceed $1,500,000, plus capitalized interest and costs of issuance. Any general obligation bonds and/or temporary notes issued under the authority of this Resolution may be used to reimburse expenditures made on or after the date that is 60 days before the date of adoption of this Resolution pursuant to U.S. Treasury Regulation §1.150-2.

Section 4. This Resolution shall take effect and be in full force from and after its passage and approval by the governing body of the Unified Government.
PASSED by the Governing Body on ____ day of ________________, 2012 and APPROVED by the Mayor.

(SEAL)

ATTEST:

__________________________
Mayor/CEO

__________________________
Unified Government Clerk
RESOLUTION NO. ___

A RESOLUTION AUTHORIZING CERTAIN STREET IMPROVEMENTS, AND PROVIDING FOR THE MANNER OF PAYING FOR THE SAME.

WHEREAS, Article 12, Section 5 of the Constitution of the State of Kansas and Charter Ordinance No. CO-03-09 of the Unified Government of Wyandotte County/Kansas City Kansas (the “Unified Government”) authorizes the governing body of the Unified Government to make a variety of improvements as further described in CO-03-09 and to issue its general obligation bonds and/or temporary notes for the same; and

WHEREAS, the Unified Government has determined that it is necessary to make certain street improvements, as more fully described herein.

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

Section 1. Pursuant to the above the Unified Government hereby finds and determines that it is necessary to make the following DODSON STREET LANDSLIDE REPAIR, CMIP 970-1053 improvements (the “Improvements”):

Asphalt removal, repair and replacement, including guardrail replacement of approximately 200 feet of Dodson Street/Ball Lane beginning approximately 550 feet west of Merriam Lane including any appurtenances related thereto, any necessary land acquisition, and associated engineering, design, inspection, removal, replacement, and construction costs.

Section 2. For the purpose of providing funds for the Improvements, all as approved by the governing body, the Unified Government hereby authorizes the issuance of its general obligation bonds pursuant to Article 12, Section 5(a) of the Constitution of the State of Kansas and Charter Ordinance No. CO-03-09, in an amount not in excess of $40,000, plus capitalized interest and costs of issuance. Temporary Notes of the Unified Government are hereby authorized to be issued from time to time by resolution in an amount not to exceed the amount of general obligation bonds herein authorized.

Section 3. The Unified Government expects to make capital expenditures in connection with the Improvements and intends to reimburse itself for such expenditures with the proceeds of general obligation bonds and/or temporary notes in an amount not to exceed $40,000, plus capitalized interest and costs of issuance. Any general obligation bonds and/or temporary notes issued under the authority of this Resolution may be used to reimburse expenditures made on or after the date that is 60 days before the date of adoption of this Resolution pursuant to U.S. Treasury Regulation §1.150-2.

Section 4. This Resolution shall take effect and be in full force from and after its passage and approval by the governing body of the Unified Government.

PASSED by the Governing Body on ___ day of __________________, 2012 and APPROVED by the Mayor.

(SEAL)

Mayor/CEO
ATTEST:

Unified Government Clerk
RESOLUTION NO. _____

A RESOLUTION AUTHORIZING CERTAIN PUBLIC BUILDING, STRUCTURE, OR PARKING IMPROVEMENTS, AND PROVIDING FOR THE MANNER OF PAYING FOR THE SAME.

WHEREAS, Article 12, Section 5 of the Constitution of the State of Kansas and Charter Ordinance No. CO-03-09 of the Unified Government of Wyandotte County/Kansas City Kansas (the “Unified Government”) authorizes the governing body of the Unified Government to make a variety of improvements as further described in CO-03-09 and to issue its general obligation bonds and/or temporary notes for the same; and

WHEREAS, the Unified Government has determined that it is necessary to make certain improvements to public buildings, structures and parking facilities, as more fully described herein.

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

Section 1. Pursuant to the above the Unified Government hereby finds and determines that it is necessary to make the following 2013 Parking Facilities Maintenance and Repair CMIP 948-0213 improvements (the “Improvements”):

Repair, replacement, construction or reconstruction to the concrete surface and deck, stairwells, walls and columns at the below described major downtown parking structures and surface parking lots. The Improvements will include new gates, entry control equipment, lighting, signage and security equipment upgrades, new deck surface treatment, and painting of garage interiors and exteriors, including any appurtenances related thereto and any associated engineering, design, inspection or construction costs.

Surface Lots: Downtown

Lot # 1 (Parking Stalls – 121) North side of Ann Ave. Between 7th & 8th Street
Lot # 2 (Parking Stalls – 43) North side of Ann Ave. Between 7th & 8th Street
Lot # 3 (Parking Stalls – 204) South side of Barrett Street Between 6th & 7th Street
Lot # 4 (Parking Stalls – 365) South side of State Ave. Between 4th & 5th Street
Lot # 6 (Parking Stalls – 124) North side of Armstrong Between 5th & 6th Street
Reardon Civic – Center Lot – (Parking Stalls – 180)
Total Stalls (1,037)

Parking Garages: Downtown

Parking garage A (Parking Stalls – 354) North side of State Ave. Between 7th & 8th Street
Parking garage B (Parking Stalls – 364) South side of State Ave. Between 6th & 7th Street
Parking garage C (Parking Stalls – 479) North side of Armstrong Between 7th & 8th Street
Parking garage E (Parking Stalls – 283) North side of Barrett Street Between 6th & 7th Street
Total Stalls (1,480)
Section 2. For the purpose of providing funds for the Improvements, all as approved by the governing body, the Unified Government hereby authorizes the issuance of its general obligation bonds pursuant to Article 12, Section 5(a) of the Constitution of the State of Kansas and Charter Ordinance No. CO-03-09, in an amount not in excess of $1,650,000, plus capitalized interest and costs of issuance. Temporary Notes of the Unified Government are hereby authorized to be issued from time to time by resolution in an amount not to exceed the amount of general obligation bonds herein authorized.

Section 3. The Unified Government expects to make capital expenditures in connection with the Improvements and intends to reimburse itself for such expenditures with the proceeds of general obligation bonds and/or temporary notes in an amount not to exceed $1,650,000, plus capitalized interest and costs of issuance. Any general obligation bonds and/or temporary notes issued under the authority of this Resolution may be used to reimburse expenditures made on or after the date that is 60 days before the date of adoption of the Reimbursement Resolution pursuant to U.S. Treasury Regulation §1.150-2.

Section 4. This Resolution shall take effect and be in full force from and after its passage and approval by the governing body of the Unified Government.

PASSED by the Governing Body on ____ day of ________________, 2012 and APPROVED by the Mayor.

(SEAL)

ATTEST:

__________________________
Mayor/CEO

__________________________
Unified Government Clerk
RESOLUTION NO.____

A RESOLUTION AUTHORIZING CERTAIN PUBLIC BUILDING IMPROVEMENTS, AND PROVIDING FOR THE MANNER OF PAYING FOR THE SAME.

WHEREAS, Article 12, Section 5 of the Constitution of the State of Kansas and Charter Ordinance No. CO-03-09 of the Unified Government of Wyandotte County/Kansas City Kansas (the "Unified Government") authorizes the governing body of the Unified Government to make a variety of improvements as further described in CO-03-09 and to issue its general obligation bonds and/or temporary notes for the same; and

WHEREAS, the Unified Government has determined that it is necessary to make certain improvements to public buildings as more fully described herein.

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

Section 1. Pursuant to the above the Unified Government hereby finds and determines that it is necessary to make the following FIRE HEADQUARTERS BUILDING WINDOW AND DOOR REPLACEMENT CMIP 969-8004 improvements (the "Improvements"):

Removal, disposal and replacement of approximately 92 windows, 3 doors and adjacent exterior trim, 6 overhead doors and adjacent exterior trim, including any appurtenances related thereto and associated engineering, design or construction costs, to Fire Department Headquarters facility located at 815 North 6th Street, Kansas City Kansas. Project will abate major safety concerns to insure compliance with City, State and Federal codes and regulations including ADA mandates. This project will also take into account the historical significance and meet any guidelines set forth by the historical society.

Section 2. For the purpose of providing funds for the Improvements, all as approved by the governing body, the Unified Government hereby authorizes the issuance of its general obligation bonds pursuant to Article 12, Section 5(a) of the Constitution of the State of Kansas and Charter Ordinance No. CO-03-09, in an amount not in excess of $750,000, plus capitalized interest and costs of issuance. Temporary Notes of the Unified Government are hereby authorized to be issued from time to time by resolution in an amount not to exceed the amount of general obligation bonds herein authorized.

Section 3. The Unified Government expects to make capital expenditures in connection with the Improvements and intends to reimburse itself for such expenditures with the proceeds of general obligation bonds and/or temporary notes in an amount not to exceed $750,000, plus capitalized interest and costs of issuance. Any general obligation bonds and/or temporary notes issued under the authority of this Resolution may be used to reimburse expenditures made on or after the date that is 60 days before the date of adoption of the Reimbursement Resolution pursuant to U.S. Treasury Regulation §1.150-2.

Section 4. This Resolution shall take effect and be in full force from and after its passage and approval by the governing body of the Unified Government.

PASSED by the Governing Body on ___ day of ________________, 2012 and
APPROVED by the Mayor.

(SEAL)

ATTEST:

__________________________
Unified Government Clerk

Mayor/CEO
RESOLUTION NO. ___

A RESOLUTION AUTHORIZING CERTAIN PUBLIC BUILDING IMPROVEMENTS AND PROVIDING FOR THE MANNER OF PAYING FOR THE SAME.

WHEREAS, Article 12, Section 5 of the Constitution of the State of Kansas and Charter Ordinance No. CO-03-09 of the Unified Government of Wyandotte County/Kansas City Kansas (the "Unified Government") authorizes the governing body of the Unified Government to make a variety of improvements as further described in CO-03-09 and to issue its general obligation bonds and/or temporary notes for the same; and

WHEREAS, the Unified Government has determined that it is necessary to make certain improvements to public buildings as more fully described herein.

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

Section 1. Pursuant to the above the Unified Government hereby finds and determines that it is necessary to make the following FIRE STATION # 15 ROOF REPLACEMENT CMIP 969-8071 improvements (the "Improvements");

Removal and disposal of the old roofing system of Fire Station # 15 located at 444 Kindleberger Rd, Kansas City Kansas, and replace with a new roofing system that will provide improved drainage and new exterior and interior water controls / drainage from the roof. The replacement roof is approximately 11,452 square feet. Project will include any and all repairs to the roof deck and associated structural repairs, installation of new curbs, mounting and supports for all mechanical units and skylights on the roof. Additional work will included wall repair, coping and flashing repairs to the building as required to insure watertight roofing system, including any appurtenances related thereto and associated engineering, design or construction costs.

Section 2. For the purpose of providing funds for the Improvements, all as approved by the governing body, the Unified Government hereby authorizes the issuance of its general obligation bonds pursuant to Article 12, Section 5(a) of the Constitution of the State of Kansas and Charter Ordinance No. CO-03-09, in an amount not in excess of $152,000 plus capitalized interest and costs of issuance. Temporary Notes of the Unified Government are hereby authorized to be issued from time to time by resolution in an amount not to exceed the amount of general obligation bonds herein authorized.

Section 3. The Unified Government expects to make capital expenditures in connection with the Improvements and intends to reimburse itself for such expenditures with the proceeds of general obligation bonds and/or temporary notes in an amount not to exceed $152,000 plus capitalized interest and costs of issuance. Any general obligation bonds and/or temporary notes issued under the authority of this Resolution may be used to reimburse expenditures made on or after the date that is 60 days before the date of adoption of the Reimbursement Resolution pursuant to U.S. Treasury Regulation §1.150-2.

Section 4. This Resolution shall take effect and be in full force from and after its passage and approval by the governing body of the Unified Government.
PASSED by the Governing Body on ___ day of ______________, 2010 and
APPROVED by the Mayor.

(SEAL)

ATTEST:

__________________________
Mayor/CEO

__________________________
Unified Government Clerk
RESOLUTION NO.

A RESOLUTION AUTHORIZING CERTAIN PUBLIC BUILDING IMPROVEMENTS AND PROVIDING FOR THE MANNER OF PAYING FOR THE SAME.

WHEREAS, Article 12, Section 5 of the Constitution of the State of Kansas and Charter Ordinance No. CO-03-09 of the Unified Government of Wyandotte County/Kansas City Kansas (the "Unified Government") authorizes the governing body of the Unified Government to make a variety of improvements as further described in CO-03-09 and to issue its general obligation bonds and/or temporary notes for the same; and

WHEREAS, the Unified Government has determined that it is necessary to make certain improvements to public buildings as more fully described herein.

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

Section 1. Pursuant to the above the Unified Government hereby finds and determines that it is necessary to make the following FIRE STATION # 18 ROOF REPLACEMENT CMIP 969-8073 improvements (the "Improvements"):

Removal and disposal of the old roofing system of Fire Station # 18 located at 5429 Leavenworth Rd, Kansas City Kansas, and replace with a new roofing system that will provide improved drainage and new exterior and interior water controls / drainage from the roof. The replacement roof is approximately 4920 square feet. Project will include any and all repairs to the roof deck and associated structural repairs, installation of new curbs, mounting and supports for all mechanical units and skylights on the roof. Additional work will included wall repair, coping and flashing repairs to the building as required to insure watertight roofing system, including any appurtenances related thereto and associated engineering, design or construction costs.

Section 2. For the purpose of providing funds for the Improvements, all as approved by the governing body, the Unified Government hereby authorizes the issuance of its general obligation bonds pursuant to Article 12, Section 5(a) of the Constitution of the State of Kansas and Charter Ordinance No. CO-03-09, in an amount not in excess of $120,000 plus capitalized interest and costs of issuance. Temporary Notes of the Unified Government are hereby authorized to be issued from time to time by resolution in an amount not to exceed the amount of general obligation bonds herein authorized.

Section 3. The Unified Government expects to make capital expenditures in connection with the Improvements and intends to reimburse itself for such expenditures with the proceeds of general obligation bonds and/or temporary notes in an amount not to exceed $120,000 plus capitalized interest and costs of issuance. Any general obligation bonds and/or temporary notes issued under the authority of this Resolution may be used to reimburse expenditures made on or after the date that is 60 days before the date of adoption of the Reimbursement Resolution pursuant to U.S. Treasury Regulation §1.150-2.

Section 4. This Resolution shall take effect and be in full force from and after its passage and approval by the governing body of the Unified Government.
PASSED by the Governing Body on ___ day of ________________, 2010 and
APPROVED by the Mayor.

(SEAL)

ATTEST: __________________________________________

______________________________
Mayor/CEO

______________________________
Unified Government Clerk
RESOLUTION NO. ___

A RESOLUTION AUTHORIZING CERTAIN PUBLIC BUILDING IMPROVEMENTS, AND PROVIDING FOR THE MANNER OF PAYING FOR THE SAME.

WHEREAS, Article 12, Section 5 of the Constitution of the State of Kansas and Charter Ordinance No. CO-03-09 of the Unified Government of Wyandotte County/Kansas City Kansas (the "Unified Government") authorizes the governing body of the Unified Government to make a variety of improvements as further described in CO-03-09 and to issue its general obligation bonds and/or temporary notes for the same; and

WHEREAS, the Unified Government has determined that it is necessary to make certain improvements to public buildings as more fully described herein.

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

Section 1. Pursuant to the above the Unified Government hereby finds and determines that it is necessary to make the following FIRE STATION # 3 ROOF REPLACEMENT CMIP 969-8070 improvements (the "Improvements"):

Removal and disposal of the old roofing system of Fire Station # 3 located at 405 Kansas Avenue, Kansas City Kansas, and replace with a new roofing system that will provide improved drainage and new exterior and interior water controls / drainage from the roof. The replacement roof is approximately 7300 square feet. Project will include any and all repairs to the roof deck and associated structural repairs, installation of new curbs, mounting and supports for all mechanical units and skylights on the roof. Additional work will included wall repair, coping and flashing repairs to the building as required to insure watertight roofing system, including any appurtenances related thereto and associated engineering, design or construction costs.

Section 2. For the purpose of providing funds for the Improvements, all as approved by the governing body, the Unified Government hereby authorizes the issuance of its general obligation bonds pursuant to Article 12, Section 5(a) of the Constitution of the State of Kansas and Charter Ordinance No. CO-03-09, in an amount not in excess of $115,000 plus capitalized interest and costs of issuance. Temporary Notes of the Unified Government are hereby authorized to be issued from time to time by resolution in an amount not to exceed the amount of general obligation bonds herein authorized.

Section 3. The Unified Government expects to make capital expenditures in connection with the Improvements and intends to reimburse itself for such expenditures with the proceeds of general obligation bonds and/or temporary notes in an amount not to exceed $115,000 plus capitalized interest and costs of issuance. Any general obligation bonds and/or temporary notes issued under the authority of this Resolution may be used to reimburse expenditures made on or after the date that is 60 days before the date of adoption of the Reimbursement Resolution pursuant to U.S. Treasury Regulation §1.150-2.

Section 4. This Resolution shall take effect and be in full force from and after its passage and approval by the governing body of the Unified Government.
PASSED by the Governing Body on ___ day of ________________, 2012 and APPROVED by the Mayor.

(SEAL)

ATTEST:

______________________________
Unified Government Clerk

______________________________
Mayor/CEO
RESOLUTION NO. ____

A RESOLUTION AUTHORIZING CERTAIN STREET IMPROVEMENTS, AND PROVIDING FOR THE MANNER OF PAYING FOR THE SAME.

WHEREAS, Article 12, Section 5 of the Constitution of the State of Kansas and Charter Ordinance No. CO-03-09 of the Unified Government of Wyandotte County/Kansas City Kansas (the “Unified Government”) authorizes the governing body of the Unified Government to make a variety of improvements as further described in CO-03-09 and to issue its general obligation bonds and/or temporary notes for the same; and

WHEREAS, the Unified Government has determined that it is necessary to make certain street improvements, as more fully described herein.

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

Section 1. Pursuant to the above the Unified Government hereby finds and determines that it is necessary to make the following Hutton and Leavenworth Road Intersection Program CMIP 970-1609 improvements (the “Improvements”):

Upgrades and repairs to the pavement at the intersection of Hutton Road and Leavenworth Road, and including Hutton Road from 500 feet south of the intersection to 1000 feet north and including Leavenworth Road from 107th Street east of the intersection to 500 feet west of the intersection, including removal of approximately 1000 feet of existing asphalt along the westbound approach lane of Leavenworth Road east of Hutton Road and replacement with concrete paving, base repair and widening of turn lanes on the south and west legs of the intersection, addition of curb and drainage flumes at the intersection, milling of asphalt pavement, resurfacing, and upgrades to the existing span-wire traffic signal including any appurtenances related thereto, any necessary land acquisition, and associated engineering, design, inspection, removal, replacement, and construction costs.

Section 2. For the purpose of providing funds for the Improvements, all as approved by the governing body, the Unified Government hereby authorizes the issuance of its general obligation bonds pursuant to Article 12, Section 5(a) of the Constitution of the State of Kansas and Charter Ordinance No. CO-03-09, in an amount not in excess of $450,000, plus capitalized interest and costs of issuance. Temporary Notes of the Unified Government are hereby authorized to be issued from time to time by resolution in an amount not to exceed the amount of general obligation bonds herein authorized.

Section 3. The Unified Government expects to make capital expenditures in connection with the Improvements and intends to reimburse itself for such expenditures with the proceeds of general obligation bonds and/or temporary notes in an amount not to exceed $450,000, plus capitalized interest and costs of issuance. Any general obligation bonds and/or temporary notes issued under the authority of this Resolution may be used to reimburse expenditures made on or after the date that is 60 days before the date of adoption of this Resolution pursuant to U.S. Treasury Regulation §1.150-2.

Section 4. This Resolution shall take effect and be in full force from and after its passage and approval by the governing body of the Unified Government.
PASSED by the Governing Body on ___ day of ______________, 2012 and APPROVED by the Mayor.

(SEAL)

ATTEST:

Mayor/CEO

Unified Government Clerk
RESOLUTION NO. ___

A RESOLUTION AUTHORIZING CERTAIN PUBLIC UTILITY IMPROVEMENTS, AND PROVIDING FOR THE MANNER OF PAYING FOR THE SAME.

WHEREAS, Article 12, Section 5 of the Constitution of the State of Kansas and Charter Ordinance No. CO-03-09 of the Unified Government of Wyandotte County/Kansas City Kansas (the "Unified Government") authorizes the governing body of the Unified Government to make a variety of improvements as further described in CO-03-09 and to issue its general obligation bonds and/or temporary notes for the same; and

WHEREAS, the Unified Government has determined that it is necessary to make certain improvements to public utility facilities and operations, as more fully described herein.

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

Section 1. Pursuant to the above the Unified Government hereby finds and determines that it is necessary to conduct the following IMS IMPLEMENTATION PROGRAM CMIP 963-6219 improvements (the "Improvements"): Upgrade information management systems in the Water Pollution Control Department and supporting departments sufficient to inventory, manage, operate and maintain assets such as storm and sanitary manholes, pipelines, and wastewater treatment facilities. Work may include purchase of personal computers, servers, routers, mobile computing tablets for field use, radio or Wi-Fi communications equipment and converters, printers, audio-visual display aids and other hardware; as well as software acquisitions and upgrades of software capable of asset inventory, asset management, customer communications, Geographic Information Systems (GIS) and mapping, computerized maintenance management systems (CMMS), video and inspection result data, EPA and state environmental agency required reporting formats, work flow management, work hour and internal resource utilization reports and management accounting, work including associated consulting services, procurement support, and certain training.

Section 2. For the purpose of providing funds for the Improvements, all as approved by the governing body, the Unified Government hereby authorizes the issuance of its general obligation bonds pursuant to Article 12, Section 5(a) of the Constitution of the State of Kansas and Charter Ordinance No. CO-03-09, in an amount not in excess of $750,000 plus capitalized interest and costs of issuance. Temporary Notes of the Unified Government are hereby authorized to be issued from time to time by resolution in an amount not to exceed the amount of general obligation bonds herein authorized.

Section 3. The Unified Government expects to make capital expenditures in connection with the Improvements and intends to reimburse itself for such expenditures with the proceeds of general obligation bonds and/or temporary notes in an amount not to exceed $750,000 plus capitalized interest and costs of issuance. Any general obligation bonds and/or temporary notes issued under the authority of this Resolution may be used to reimburse expenditures made on or after the date that is 60 days before the
date of adoption of the Reimbursement Resolution pursuant to U.S. Treasury Regulation §1.150-2.

Section 4. This Resolution shall take effect and be in full force from and after its passage and approval by the governing body of the Unified Government.

PASSED by the Governing Body on ___ day of __________________, 2012 and APPROVED by the Mayor.

(Seal)

ATTEST:

__________________________
Mayor/CEO

__________________________
Unified Government Clerk
RESOLUTION NO. ___

A RESOLUTION AUTHORIZING CERTAIN STREET IMPROVEMENTS, AND PROVIDING FOR THE MANNER OF PAYING FOR THE SAME.

WHEREAS, Article 12, Section 5 of the Constitution of the State of Kansas and Charter Ordinance No. CO-03-09 of the Unified Government of Wyandotte County/Kansas City Kansas (the "Unified Government") authorizes the governing body of the Unified Government to make a variety of improvements as further described in CO-03-09 and to issue its general obligation bonds and/or temporary notes for the same; and

WHEREAS, the Unified Government has determined that it is necessary to make certain street improvements, as more fully described herein.

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

Section 1. Pursuant to the above the Unified Government hereby finds and determines that it is necessary to make the following 2013 INDUSTRIAL DISTRICT REPAIRS CMIP 941-0113 improvements (the "Improvements"):  

Removal of existing deteriorated pavement and replacement with new reinforced concrete pavement, joints, and other appurtenances on Kansas Avenue (K-32 Highway) through lanes and turn lanes, westbound only, between S. 26th Street and S. 39th Street. Detour routing on adjacent sections of S. 39th St., S. 34th St., and Fairbanks Avenue necessary to make such improvements. In addition, the project will include milling, asphalt overlay, utility cover adjustments, pavement marking, traffic control, and any other necessary appurtenances for the following locations:

- Griffin Road -- from Kansas Avenue west to dead end
- Inland Drive from 55th Street west to a point ½ mile east of Holiday Drive.
- Cheyenne Avenue -- from 7th Street east to Armourdale Parkway.

All work includes necessary traffic control and detour signing, pavement markings, utility box adjustments, and traffic signal modifications necessary to accommodate the improvements. Minor improvements to select sections of curbs and drainage inlets are included, as well as engineering and inspection services.

Section 2. For the purpose of providing funds for the Improvements, all as approved by the governing body, the Unified Government hereby authorizes the issuance of its general obligation bonds pursuant to Article 12, Section 5(a) of the Constitution of the State of Kansas and Charter Ordinance No. CO-03-09, in an amount not in excess of $500,000, plus capitalized interest and costs of issuance. Temporary Notes of the Unified Government are hereby authorized to be issued from time to time by resolution in an amount not to exceed the amount of general obligation bonds herein authorized.

Section 3. The Unified Government expects to make capital expenditures in connection with the Improvements and intends to reimburse itself for such expenditures with the proceeds of general obligation bonds and/or temporary notes in an amount not to exceed $500,000, plus capitalized interest
and costs of issuance. Any general obligation bonds and/or temporary notes issued under the authority of this Resolution may be used to reimburse expenditures made on or after the date that is 60 days before the date of adoption of this Resolution pursuant to U.S. Treasury Regulation §1.150-2.

Section 4. This Resolution shall take effect and be in full force from and after its passage and approval by the governing body of the Unified Government.

PASSED by the Governing Body on ___ day of ________________, 2012 and APPROVED by the Mayor.

(SEAL)

ATTEST:

____________________
Mayor/CEO

____________________
Unified Government Clerk
RESOLUTION NO.      

A RESOLUTION AUTHORIZING CERTAIN STREET IMPROVEMENTS, AND PROVIDING FOR THE MANNER OF PAYING FOR THE SAME.

WHEREAS, Article 12, Section 5 of the Constitution of the State of Kansas and Charter Ordinance No. CO-03-09 of the Unified Government of Wyandotte County/Kansas City Kansas (the “Unified Government”) authorizes the governing body of the Unified Government to make a variety of improvements as further described in CO-03-09 and to issue its general obligation bonds and/or temporary notes for the same; and

WHEREAS, the Unified Government has determined that it is necessary to make certain street improvements, as more fully described herein.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE Unified Government of Wyandotte County/Kansas City, Kansas, AS FOLLOWS:

Section 1. Pursuant to the above the Unified Government hereby finds and determines that it is necessary to make the following KAW DRIVE REHABILITATION Program 970-1607 improvements (the “Improvements”):

Complete concrete removal, reconstruction and replacement of Kaw Drive from south of 38th Street to the intersection of eastbound I-70 ramp terminal; curb and median replacement, and select utility, inlet and storm sewer repairs and adjustments as necessary. Select full depth concrete pavement and curb repairs followed by asphalt resurfacing of Kaw Drive from the eastbound I-70 ramp east to 59th Street; including utility inlet and storm sewer repairs and adjustments, pavement marking, signage and traffic control modifications, and associated construction costs, including any appurtenances related thereto, any necessary land acquisition, engineering and design.

Section 2. For the purpose of providing funds for the Improvements, all as approved by the governing body, the Unified Government hereby authorizes the issuance of its general obligation bonds pursuant to Article 12, Section 5(a) of the Constitution of the State of Kansas and Charter Ordinance No. CO-03-09, in an amount not in excess of $885,000, plus capitalized interest and costs of issuance. Temporary Notes of the Unified Government are hereby authorized to be issued from time to time by resolution in an amount not to exceed the amount of general obligation bonds herein authorized.

Section 3. The Unified Government expects to make capital expenditures in connection with the Improvements and intends to reimburse itself for such expenditures with the proceeds of general obligation bonds and/or temporary notes in an amount not to exceed $885,000, plus capitalized interest and costs of issuance. Any general obligation bonds and/or temporary notes issued under the authority of this Resolution may be used to reimburse expenditures made on or after the date that is 60 days before the date of adoption of this Resolution pursuant to U.S. Treasury Regulation §1.150-2.
Section 4. This Resolution shall take effect and be in full force from and after its passage and approval by the governing body of the Unified Government.

PASSED by the Governing Body on ____ day of __________________, 2012 and APPROVED by the Mayor.

(SEAL)

ATTEST:

________________________
Mayor/CEO

________________________
Unified Government Clerk
RESOLUTION NO. ___

A RESOLUTION AUTHORIZING CERTAIN STREET IMPROVEMENTS, AND PROVIDING FOR THE MANNER OF PAYING FOR THE SAME.

WHEREAS, Article 12, Section 5 of the Constitution of the State of Kansas and Charter Ordinance No. CO-03-09 of the Unified Government of Wyandotte County/Kansas City Kansas (the “Unified Government”) authorizes the governing body of the Unified Government to make a variety of improvements as further described in CO-03-09 and to issue its general obligation bonds and/or temporary notes for the same; and

WHEREAS, the Unified Government has determined that it is necessary to make certain street improvements, as more fully described herein.

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

Section 1. Pursuant to the above the Unified Government hereby finds and determines that it is necessary to make the following LEAVENWORTH ROAD – 72nd STREET and 55th STREET INTERSECTION Program CMIP 970-3109 improvements (the “Improvements”):

Upgrade the signalized intersections of Leavenworth Road & 72nd Street and Leavenworth Road & 55th Street. The work includes removal and complete replacement of the traffic signal system, including poles, mast arms, controllers, underground conduits, communications connections and all related wiring. The work also includes geometric upgrades to the intersections and approach roadways, including new curb and gutter, sidewalks, turn lanes, asphalt widening and resurfacing, utility adjustments, pavement markings, light poles, and signage. At the 72nd Street intersection, the work will include realignment of approximately 600 feet of 72nd Street north of the intersection, including grading, pavements, sidewalk, storm drainage, utility adjustments and restoration. At the 55th Street intersection, the work also includes signal replacements and geometric upgrades at the inter-related fire-station signal assembly located between 55th and 54th streets.

All work includes necessary traffic control and detour signing, pavement markings, and utility box adjustments, necessary to accommodate the improvements as well as all necessary engineering, design, inspection, all necessary appurtenances and related construction.

Section 2. For the purpose of providing funds for the Improvements, all as approved by the governing body, the Unified Government hereby authorizes the issuance of its general obligation bonds pursuant to Article 12, Section 5(a) of the Constitution of the State of Kansas and Charter Ordinance No. CO-03-09, in an amount not in excess of $3,800,000, plus capitalized interest and costs of issuance. Temporary Notes of the Unified Government are hereby authorized to be issued from time to time by resolution in an amount not to exceed the amount of general obligation bonds herein authorized.

Section 3. The Unified Government expects to make capital expenditures in connection with the
Improvements and intends to reimburse itself for such expenditures with the proceeds of general obligation bonds and/or temporary notes in an amount not to exceed $3,800,000, plus capitalized interest and costs of issuance. Any general obligation bonds and/or temporary notes issued under the authority of this Resolution may be used to reimburse expenditures made on or after the date that is 60 days before the date of adoption of this Resolution pursuant to U.S. Treasury Regulation §1.150-2.

Section 4. This Resolution shall take effect and be in full force from and after its passage and approval by the governing body of the Unified Government.

PASSED by the Governing Body on ___ day of ______________________, 2012 and APPROVED by the Mayor.

(SEAL)

_____________________
Mayor/CEO

ATTEST:

_____________________
Unified Government Clerk
RESOLUTION NO. ___

A RESOLUTION AUTHORIZING CERTAIN STREET IMPROVEMENTS, AND PROVIDING FOR THE MANNER OF PAYING FOR THE SAME.

WHEREAS, Article 12, Section 5 of the Constitution of the State of Kansas and Charter Ordinance No. CO-03-09 of the Unified Government of Wyandotte County/Kansas City Kansas (the “Unified Government”) authorizes the governing body of the Unified Government to make a variety of improvements as further described in CO-03-09 and to issue its general obligation bonds and/or temporary notes for the same; and

WHEREAS, the Unified Government has determined that it is necessary to make certain street improvements, as more fully described herein.

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

Section 1. Pursuant to the above the Unified Government hereby finds and determines that it is necessary to make the following MERRIAM LANE – COUNTY LINE ROAD to 24th STREET Program CMIP 970-1052 improvements (the “Improvements”):

Reconstruction of Merriam Lane from County Line Road, near 35th Street to the west side of the intersection with 24th Street, replacing the existing two-lane roadway with a new two-lane roadway meeting arterial street standards along with a designated bike lane in each direction. Work includes new pavement, storm water and drainage facilities, curbs, sidewalks, driveways, signage, lighting, traffic signals, and traffic signal interconnection and advanced traffic management systems necessary traffic control and detour signage, pavement markings, and utility box adjustments, necessary to accommodate the improvements as well as all necessary engineering, design, inspection, all necessary appurtenances and related construction.

Section 2. For the purpose of providing funds for the Improvements, all as approved by the governing body, the Unified Government hereby authorizes the issuance of its general obligation bonds pursuant to Article 12, Section 5(a) of the Constitution of the State of Kansas and Charter Ordinance No. CO-03-09, in an amount not in excess of $3,660,000, plus capitalized interest and costs of issuance. Temporary Notes of the Unified Government are hereby authorized to be issued from time to time by resolution in an amount not to exceed the amount of general obligation bonds herein authorized.

Section 3. The Unified Government expects to make capital expenditures in connection with the Improvements and intends to reimburse itself for such expenditures with the proceeds of general obligation bonds and/or temporary notes in an amount not to exceed $3,660,000, plus capitalized interest and costs of issuance. Any general obligation bonds and/or temporary notes issued under the authority of this Resolution may be used to reimburse expenditures made on or after the date that is 60 days before the date of adoption of this Resolution pursuant to U.S. Treasury Regulation §1.150-2.

Section 4. This Resolution shall take effect and be in full force from and after its passage and approval by the governing body of the Unified Government.
PASSED by the Governing Body on ____ day of __________________, 2012 and APPROVED by the Mayor.

(SEAL)

ATTEST:

__________________________
Mayor/CEO

__________________________
Unified Government Clerk
RESOLUTION NO. __________

A RESOLUTION AUTHORIZING CERTAIN STREET IMPROVEMENTS, AND PROVIDING FOR THE MANNER OF PAYING FOR THE SAME.

WHEREAS, Article 12, Section 5 of the Constitution of the State of Kansas and Charter Ordinance No. CO-03-09 of the Unified Government of Wyandotte County/Kansas City Kansas (the "Unified Government") authorizes the governing body of the Unified Government to make a variety of improvements as further described in CO-03-09 and to issue its general obligation bonds and/or temporary notes for the same; and

WHEREAS, the Unified Government has determined that it is necessary to make certain street improvements, as more fully described herein.

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

Section 1. Pursuant to the above the Unified Government hereby finds and determines that it is necessary to make the following 2013 Neighborhood Street Resurfacing Program CMIP 941-0213 improvements (the "Improvements"):

- Milling, concrete pouring, asphalt overlay, resurfacing, utility cover adjustments, pavement marking, traffic control modifications, railroad crossing enhancements, Americans With Disabilities Act compliant street to sidewalk access, including any appurtenances related thereto, any necessary land acquisition, and associated engineering, design, inspection, removal, replacement, and construction costs, at the following locations:
  
  **AREA 1-44**
  - Richmond Ave, from 3rd Street to 1st Street
  - Walker Ave, from 3rd Street to 1st Street
  - New Jersey Ave, from 3rd Street to 1st Street
  - 1st Street, from New Jersey Ave to Richmond Ave

  **AREA 1-46**
  - Edgerton Dr, from 3rd Street east to Dead End
  - Troup Ave, from 2nd Street to 1st Street
  - 2nd Street, from Stewart Ave south to Dead End
  - 1st Street, from Stewart Ave south to Dead End

  **AREA 1-47**
  - Welborn Lane, from Leavenworth Rd to Lathrop Ave
  - Lathrop Ave, from 51st Street to Welborn Lane
  - Webster Ave, from 49th Street to 48th Terrace
  - Kimball Ave, from 51st Street east to Dead End
  - 48th Terrace, from Georgia Ave to Webster Ave
  - 49th Street, from Webster Ave to Lathrop Ave
  - 49th Terrace, from Lathrop Ave to Leavenworth Rd

  **AREA 1-48**
  - Haskell Ave, from Hallock Street to 5th Street
  - Greeley Ave, from 6th Street to 5th Street
  - 6th Street, from Quindaro Blvd to Greeley Ave
Hallock St, from Greeley Ave to Haskell Ave
ARE 1-51

Alley just north of Troup Ave, from 7th Street to Tremont Street
ARE 2-30

17th Street, from Central Ave to Riverview Ave
16th Street, from Central Ave to Riverview Ave
15th Street, from Central Ave to Riverview Ave
Thorpe Street, from Central Ave to Riverview Ave
Valley Street, from Central Ave to Riverview Ave
Reynolds Ave, from 13th Street to 12th Street
Riverview Ave, from 17th Street to 12th Street
ARE 3-22

Lawrence Ave, from 22nd Street west to Dead End
24th Street, from Lawrence Ave south to Dead End
23rd Street, from Barber Ave/Ct south to Dead End
Barber Ave/Ct, from 23rd Street to 22nd Street
ARE 3-25

14th Street from Springhorn Rd to Douglas
15th Street from Steele Rd to Shearer Rd
Steele Road from us 69 to 14th Street
ARE 3-30

Stinson Ave, from Boeke Street to Mill Street
Boeke Street, from Southwest Blvd to Stinson Ave
Boeke Street, from Stinson Ave north 200 feet
9th Street, from Southwest Blvd to Stinson Ave
ARE 3-36

16th Street, from Ruby Trafficway south to Dead End
ARE 3-38

41st Ave, from Springfield Street to Booth Street
Essex Ave, from Fisher Street to Booth Street
Minnie Street, from 43rd Avenue to 42nd Avenue
Pearl Street, from 43rd Avenue to 42nd Avenue
Fisher Street, from 43rd Avenue to Essex Avenue
Booth Place, from 42nd Avenue to 41st Avenue
ARE 3-39

Seneca Ave, from Mission Road to Minnie Street
43rd Terrace, from Mission Road to Minnie Street
Minnie Street, from 44th Avenue to 43rd Avenue
ARE 3-43

Polfer Road, from 123rd Street to 115th Street
ARE 3-46

Washington Ave, from 78th Street east to Dead End
77th Terrace, from Washington Ave south to Dead End
77th Street, from Washington Ave north to Dead End
77th Street, from Washington Ave south to Dead End
76th Terrace, from Washington Ave north to Dead End
76th Terrace, from Washington Ave south to Dead End
76th Street, from Washington Ave north to Dead End
76th Street, from Washington Ave south to Dead End
AREA 5-49

104th Terrace, from Parallel Parkway north to Dead End
Haskell Ave, from 104th Terrace west to Dead End

AREA 6-27

Douglas Ave, from 49th Street west to Dead End
Barber Ave, from 51st Street to 50th Terrace
Barber Ave, from 49th Place to 49th Street
Elmwood Ave, from 51st Street to 49th Terrace
Ruby Ave, from Silver Ave to 49th Terrace
Silver Ave, from 51st Street to 49th Street
50th Terrace, from Barber Ave to Elmwood Ave
50th Street, from Elmwood Ave south to Dead End
50th Street, from Silver Ave to Metropolitan Ave
49th Place, from Douglas Ave to Elmwood Ave
49th Terrace, from Barber Ave to Metropolitan Ave

AREA 6-42

Swartz Ave, from 55th Street to Augusta Lane

AREA 7-19

Richland Ave, from 78th Street east to Dead End
Berger Ave, from 76th Terrace to 76th Street
76th Terrace, from Kansas Ave north to Dead End
76th Street, from Berger Ave to Richland Ave

AREA 8-28

Oakland Ave, from 75th Drive to 74th Court
Oakland Ave, from 74th Court east 80 feet
74th Court, from Oakland Ave north to Dead End
74th Terrace, from Oakland Ave south to Dead End
74th Street, from 74th Terrace north 240 feet

AREA 8-35

Donahoo Road, from 67th Street to 63rd Street
63rd Street, from Cernech Road to Donahoo Road
63rd Street, from Donahoo Road north to Dead End

AREA 8-37

Waverly Ave, from 70th Terrace to 69th Terrace
Greeley Ave, from 70th Terrace to 69th Terrace
70th Terrace, from Waverly Ave south to Dead End
70th Street, from Verde Drive to Waverly Ave
70th Street, from Greeley Ave to Parallel Parkway
69th Terrace, from Waverly Ave to Greeley Ave

AREA 8-38

Tauromee Ave, from 61st Street to 57th Street
58th Street, from Tauromee Ave south to Dead End

AREA 8-41

Sandusky Ave, from 42nd Street west to Dead End
42nd Street, from Orville Ave to Sandusky Ave

AREA 8-50

55th Street, from Muncie Drive north to Dead End
54th Street, from Muncie Drive north to Dead End
ADDITIONAL AREAS
Eaton Street, from 46th Street south to the County Line
The Alley on the blocks between State Line Road and Cambridge Street, from 46th Avenue to 45th Avenue
and from 45th Avenue to Seneca Avenue
East half of 142nd Street from State Ave to Parallel Avenue
40th Street from South of Orville Ave to end of street
42nd Avenue from Adams Street (north leg) to Booth Street (north leg)
100 feet of Booth Street south of 42nd Avenue

As well as sidewalks, curbs, ADA curb ramps and minor storm sewer and utility modifications associated
sidewalk and curb replacements at the following location:
14th Street, from Douglas Avenue to Springhorn Lane

Section 2. For the purpose of providing funds for the Improvements, all as approved by the
governing body, the Unified Government hereby authorizes the issuance of its general obligation bonds
pursuant to Article 12, Section 5(a) of the Constitution of the State of Kansas and Charter Ordinance No.
CO-03-09, in an amount not in excess of $1,800,000, plus capitalized interest and costs of issuance.
Temporary Notes of the Unified Government are hereby authorized to be issued from time to time by
resolution in an amount not to exceed the amount of general obligation bonds herein authorized.

Section 3. The Unified Government expects to make capital expenditures in connection with the
Improvements and intends to reimburse itself for such expenditures with the proceeds of general
obligation bonds and/or temporary notes in an amount not to exceed $1,800,000, plus capitalized interest
and costs of issuance. Any general obligation bonds and/or temporary notes issued under the authority of
this Resolution may be used to reimburse expenditures made on or after the date that is 60 days before the
date of adoption of this Resolution pursuant to U.S. Treasury Regulation §1.150-2.

Section 4. This Resolution shall take effect and be in full force from and after its passage and
approval by the governing body of the Unified Government.

PASSED by the Governing Body on ___ day of __________________, 2012 and
APPROVED by the Mayor.

(SEAL)

ATTEST:

__________________________
Mayor/CEO

__________________________
Unified Government Clerk
RESOLUTION NO. ___

A RESOLUTION AUTHORIZING CERTAIN STREET IMPROVEMENTS, AND PROVIDING FOR THE MANNER OF PAYING FOR THE SAME.

WHEREAS, Article 12, Section 5 of the Constitution of the State of Kansas and Charter Ordinance No. CO-03-09 of the Unified Government of Wyandotte County/Kansas City Kansas (the "Unified Government") authorizes the governing body of the Unified Government to make a variety of improvements as further described in CO-03-09 and to issue its general obligation bonds and/or temporary notes for the same; and

WHEREAS, the Unified Government has determined that it is necessary to make certain street improvements, as more fully described herein.

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

Section 1. Pursuant to the above the Unified Government hereby finds and determines that it is necessary to make the following OAK GROVE ROAD 53rd to 55th Program CMIP 970-1174 improvements (the "Improvements"):

Removal, regrading and complete reconstruction and widening of Oak Grove Road from 53rd Lane to 55th Street including necessary intersection upgrades, installation of a storm sewer system, curbs, gutters, sidewalks, lighting and signage, any appurtenances related thereto, any necessary land acquisition, and associated engineering, design, inspection, removal, replacement, and construction costs.

Section 2. For the purpose of providing funds for the Improvements, all as approved by the governing body, the Unified Government hereby authorizes the issuance of its general obligation bonds pursuant to Article 12, Section 5(a) of the Constitution of the State of Kansas and Charter Ordinance No. CO-03-09, in an amount not in excess of $1,250,000, plus capitalized interest and costs of issuance. Temporary Notes of the Unified Government are hereby authorized to be issued from time to time by resolution in an amount not to exceed the amount of general obligation bonds herein authorized.

Section 3. The Unified Government expects to make capital expenditures in connection with the Improvements and intends to reimburse itself for such expenditures with the proceeds of general obligation bonds and/or temporary notes in an amount not to exceed $1,250,000, plus capitalized interest and costs of issuance. Any general obligation bonds and/or temporary notes issued under the authority of this Resolution may be used to reimburse expenditures made on or after the date that is 60 days before the date of adoption of this Resolution pursuant to U.S. Treasury Regulation §1.150-2.

Section 4. This Resolution shall take effect and be in full force from and after its passage and approval by the governing body of the Unified Government.

PASSED by the Governing Body on ___ day of __________________, 2012 and APPROVED by the Mayor.

(SEAL)

Mayor/CEO
ATTEST:

Unified Government Clerk
RESOLUTION NO._____

A RESOLUTION AUTHORIZING CERTAIN PUBLIC PARK AND RECREATION FACILITY IMPROVEMENTS, AND PROVIDING FOR THE MANNER OF PAYING FOR THE SAME.

WHEREAS, Article 12, Section 5 of the Constitution of the State of Kansas and Charter Ordinance No. CO-03-09 of the Unified Government of Wyandotte County/Kansas City, Kansas (the "Unified Government") authorizes the governing body of the Unified Government to make a variety of improvements as further described in CO-03-09 and to issue its general obligation bonds and/or temporary notes for the same; and

WHEREAS, the Unified Government has determined that it is necessary to make certain improvements to public park and recreation facilities, as more fully described herein.

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

Section 1. Pursuant to the above the Unified Government hereby finds and determines that it is necessary to make the following PARK FACILITY ROOF REPLACEMENT CMIP 969-4426 improvements (the "Improvements"):

- Removal and disposal of the old roofing system at Eisenhower Recreation Center located at 2901 North 72nd Street, and Parkwood Community Center located at 950 Quindaro, both in Kansas City, Kansas, and replace with a new roofing system to provide improved drainage and new exterior and interior water controls/drainage from the roof.
- Both projects will include any and all repairs to the roof deck and associated structural repairs, installation of new insulation, curbs, gutting and drainage systems, mounting and supports for all mechanical units and skylights on the roof; wall repair, coping and flashing repairs to the building as required to insure watertight roofing system, including any appurtenances related thereto and associated engineering, design or construction costs. In addition, work at the Parkwood facility will include restoration of the metal portion of the roof to repair/replace existing defective metal roof panels, prepare all metal surfaces prior to primer application, apply acrylic, corrosion resistant metal primer to entire metal substrate and two coats of restorative coating to all primed surfaces, and reseal all metal gutter joints.

Section 2. For the purpose of providing funds for the Improvements, all as approved by the governing body, the Unified Government hereby authorizes the issuance of its general obligation bonds pursuant to Article 12, Section 5(a) of the Constitution of the State of Kansas and Charter Ordinance No. CO-03-09, in an amount not in excess of $360,000 plus capitalized interest and costs of issuance. Temporary Notes of the Unified Government are hereby authorized to be issued from time to time by resolution in an amount not to exceed the amount of general obligation bonds herein authorized.

Section 3. The Unified Government expects to make capital expenditures in connection with the Improvements and intends to reimburse itself for such expenditures with the proceeds of general obligation bonds and/or temporary notes in an amount not to exceed $360,000 plus capitalized interest and costs of issuance. Any general obligation bonds and/or temporary notes issued under the authority of this Resolution may be used to reimburse expenditures made on or after the date that is 60 days before the
date of adoption of the Reimbursement Resolution pursuant to U.S. Treasury Regulation §1.150-2.

Section 4. This Resolution shall take effect and be in full force from and after its passage and approval by the governing body of the Unified Government.

PASSED by the Governing Body on ___ day of ________________, 2012 and APPROVED by the Mayor.

(SEAL)

ATTEST:

__________________________
Mayor/CEO

__________________________
Unified Government Clerk
RESOLUTION NO. ___

A RESOLUTION AUTHORIZING CERTAIN PUBLIC PARK AND INFRASTRUCTURE IMPROVEMENTS, AND PROVIDING FOR THE MANNER OF PAYING FOR THE SAME.

WHEREAS, Article 12, Section 5 of the Constitution of the State of Kansas and Charter Ordinance No. CO-03-09 of the Unified Government of Wyandotte County/Kansas City Kansas (the "Unified Government") authorizes the governing body of the Unified Government to make a variety of improvements as further described in CO-03-09 and to issue its general obligation bonds and/or temporary notes for the same; and

WHEREAS, the Unified Government has determined that it is necessary to make certain improvements to public park and infrastructure facilities, as more fully described herein.

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

Section 1. Pursuant to the above the Unified Government hereby finds and determines that it is necessary to conduct the following PIERSON LAKE DAM STUDY AND REPAIR CMIP 971-4424 improvements (the "Improvements"): Retain the services of a qualified, licensed professional engineer to analyze whether Pierson Dam located in Pierson Park, Kansas City, Kansas is in compliance with state regulations and determine if it is hydrologically inadequate due to insufficient freeboard; and to submit a plan of work and schedule to bring it into compliance. This will include but is not limited to plans, specifications and permit applications for the necessary work, replacement and repairs to be completed in phases.

Section 2. For the purpose of providing funds for the Improvements, all as approved by the governing body, the Unified Government hereby authorizes the issuance of its general obligation bonds pursuant to Article 12, Section 5(a) of the Constitution of the State of Kansas and Charter Ordinance No. CO-03-09, in an amount not in excess of $350,000 plus capitalized interest and costs of issuance. Temporary Notes of the Unified Government are hereby authorized to be issued from time to time by resolution in an amount not to exceed the amount of general obligation bonds herein authorized.

Section 3. The Unified Government expects to make capital expenditures in connection with the Improvements and intends to reimburse itself for such expenditures with the proceeds of general obligation bonds and/or temporary notes in an amount not to exceed $350,000 plus capitalized interest and costs of issuance. Any general obligation bonds and/or temporary notes issued under the authority of this Resolution may be used to reimburse expenditures made on or after the date that is 60 days before the date of adoption of the Reimbursement Resolution pursuant to U.S. Treasury Regulation §1.150-2.

Section 4. This Resolution shall take effect and be in full force from and after its passage and approval by the governing body of the Unified Government.
PASSED by the Governing Body on ___ day of ________________, 2012 and
APPROVED by the Mayor.

(SEAL)

ATTEST:

______________________________
Mayor/CEO

______________________________
Unified Government Clerk
RESOLUTION NO.____

A RESOLUTION AUTHORIZING CERTAIN PUBLIC BUILDING IMPROVEMENTS, AND PROVIDING FOR THE MANNER OF PAYING FOR THE SAME.

WHEREAS, Article 12, Section 5 of the Constitution of the State of Kansas and Charter Ordinance No. CO-03-09 of the Unified Government of Wyandotte County/Kansas City Kansas (the “Unified Government”) authorizes the governing body of the Unified Government to make a variety of improvements as further described in CO-03-09 and to issue its general obligation bonds and/or temporary notes for the same; and

WHEREAS, the Unified Government has determined that it is necessary to make certain improvements to public buildings as more fully described herein.

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

Section 1. Pursuant to the above the Unified Government hereby finds and determines that it is necessary to make the following REARDON CENTER FACILITY CMIP 969-8380 improvements (the “Improvements”):

Improvements to the Reardon Center Facility located at 500 Minnesota Avenue, Kansas City, Kansas to include water softener installation, cooling tower removal, disposal and replacement, relamping of the McCarthey Gallery, bathroom renovation, Reardon Meeting Room renovation, installation of an additional walk-in refrigerator and purchase of new banquet chairs, including any related, plumbing and electrical work, appurtenances related thereto and associated engineering, design or construction costs.

Section 2. For the purpose of providing funds for the Improvements, all as approved by the governing body, the Unified Government hereby authorizes the issuance of its general obligation bonds pursuant to Article 12, Section 5(a) of the Constitution of the State of Kansas and Charter Ordinance No. CO-03-09, in an amount not in excess of $250,000 plus capitalized interest and costs of issuance. Temporary Notes of the Unified Government are hereby authorized to be issued from time to time by resolution in an amount not to exceed the amount of general obligation bonds herein authorized.

Section 3. The Unified Government expects to make capital expenditures in connection with the Improvements and intends to reimburse itself for such expenditures with the proceeds of general obligation bonds and/or temporary notes in an amount not to exceed $250,000 plus capitalized interest and costs of issuance. Any general obligation bonds and/or temporary notes issued under the authority of this Resolution may be used to reimburse expenditures made on or after the date that is 60 days before the date of adoption of the Reimbursement Resolution pursuant to U.S. Treasury Regulation §1.150-2.

Section 4. This Resolution shall take effect and be in full force from and after its passage and approval by the governing body of the Unified Government.
PASSED by the Governing Body on ___ day of ____________________, 2012 and APPROVED by the Mayor.

(SEAL)

ATTEST:

__________________________________________
Mayor/CEO

__________________________________________
Unified Government Clerk
RESOLUTION NO. 

A RESOLUTION AUTHORIZING CERTAIN PUBLIC PARK AND RECREATION FACILITY IMPROVEMENTS, AND PROVIDING FOR THE MANNER OF PAYING FOR THE SAME.

WHEREAS, Article 12, Section 5 of the Constitution of the State of Kansas and Charter Ordinance No. CO-03-09 of the Unified Government of Wyandotte County/Kansas City Kansas (the “Unified Government”) authorizes the governing body of the Unified Government to make a variety of improvements as further described in CO-03-09 and to issue its general obligation bonds and/or temporary notes for the same; and

WHEREAS, the Unified Government has determined that it is necessary to make certain improvements to public park and recreation facilities, as more fully described herein.

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

Section 1. Pursuant to the above the Unified Government hereby finds and determines that it is necessary to make the following SHELTER 9 ROOF REPLACEMENT CMIP 971-4427 improvements (the “Improvements”):

Removal and disposal of the old roofing system of Shelter # 9 located at Wyandotte County Lake Park Rd, Kansas City Kansas, and replace with a new roofing system. Project will include any and all repairs to the roof deck and associated structural repairs, installation of new mounting and supports. Additional work will include any necessary wall repair, coping and flashing repairs to the structure as required to insure watertight roofing system, including any appurtenances related thereto and associated engineering, design or construction costs.

Section 2. For the purpose of providing funds for the Improvements, all as approved by the governing body, the Unified Government hereby authorizes the issuance of its general obligation bonds pursuant to Article 12, Section 5(a) of the Constitution of the State of Kansas and Charter Ordinance No. CO-03-09, in an amount not in excess of $69,000 plus capitalized interest and costs of issuance. Temporary Notes of the Unified Government are hereby authorized to be issued from time to time by resolution in an amount not to exceed the amount of general obligation bonds herein authorized.

Section 3. The Unified Government expects to make capital expenditures in connection with the Improvements and intends to reimburse itself for such expenditures with the proceeds of general obligation bonds and/or temporary notes in an amount not to exceed $69,000 plus capitalized interest and costs of issuance. Any general obligation bonds and/or temporary notes issued under the authority of this Resolution may be used to reimburse expenditures made on or after the date that is 60 days before the date of adoption of the Reimbursement Resolution pursuant to U.S. Treasury Regulation §1.150-2.

Section 4. This Resolution shall take effect and be in full force from and after its passage and approval by the governing body of the Unified Government.
PASSED by the Governing Body on ___ day of ________________, 2012 and APPROVED by the Mayor.

(SEAL)

ATTEST:

_______________________________
Mayor/CEO

_______________________________
Unified Government Clerk
RESOLUTION NO. ___

A RESOLUTION AUTHORIZING CERTAIN STREET IMPROVEMENTS, AND PROVIDING FOR THE MANNER OF PAYING FOR THE SAME.

WHEREAS, Article 12, Section 5 of the Constitution of the State of Kansas and Charter Ordinance No. CO-03-09 of the Unified Government of Wyandotte County/Kansas City Kansas (the “Unified Government”) authorizes the governing body of the Unified Government to make a variety of improvements as further described in CO-03-09 and to issue its general obligation bonds and/or temporary notes for the same; and

WHEREAS, the Unified Government has determined that it is necessary to make certain street improvements, as more fully described herein.

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

Section 1. Pursuant to the above the Unified Government hereby finds and determines that it is necessary to make the following SOUTHWEST BLVD BIKE LANES – IOWA TO STATE LINE Program CMIP 970-1295 improvements (the “Improvements”):

Designate bike lanes on existing street pavements in each direction on Southwest Boulevard from Iowa Street east to the city limits at the Kansas/Missouri State Line. The work includes pavement markings, signage, alterations to parking assignments and markings, upgrades or replacements of storm drainage inlets to meet bicycle safety standards, adjustments to utilities in the bike path, modifications to curbs, pavements and sidewalks at select intersections along the route for safety improvements, and alterations to the traffic signal and turn lane assignments at signalized intersections to accommodate the bicycle lane.

All work includes necessary traffic control and detour signing, pavement markings, and utility box adjustments, necessary to accommodate the improvements as well as all necessary engineering, design, inspection, all necessary appurtenances and related construction.

Section 2. For the purpose of providing funds for the Improvements, all as approved by the governing body, the Unified Government hereby authorizes the issuance of its general obligation bonds pursuant to Article 12, Section 5(a) of the Constitution of the State of Kansas and Charter Ordinance No. CO-03-09, in an amount not in excess of $180,000, plus capitalized interest and costs of issuance. Temporary Notes of the Unified Government are hereby authorized to be issued from time to time by resolution in an amount not to exceed the amount of general obligation bonds herein authorized.

Section 3. The Unified Government expects to make capital expenditures in connection with the Improvements and intends to reimburse itself for such expenditures with the proceeds of general obligation bonds and/or temporary notes in an amount not to exceed $180,000, plus capitalized interest and costs of issuance. Any general obligation bonds and/or temporary notes issued under the authority of this Resolution may be used to reimburse expenditures made on or after the date that is 60 days before the date of adoption of this Resolution pursuant to U.S. Treasury Regulation §1.150-2.
Section 4. This Resolution shall take effect and be in full force from and after its passage and approval by the governing body of the Unified Government.

PASSED by the Governing Body on ____ day of ____________________, 2012 and APPROVED by the Mayor.

(SEAL)

ATTEST:

______________________________
Mayor/CEO

______________________________
Unified Government Clerk
RESOLUTION NO. ___

A RESOLUTION AUTHORIZING CERTAIN STREET AND TRAFFIC CONTROL IMPROVEMENTS, AND PROVIDING FOR THE MANNER OF PAYING FOR THE SAME.

WHEREAS, Article 12, Section 5 of the Constitution of the State of Kansas and Charter Ordinance No. CO-03-09 of the Unified Government of Wyandotte County/Kansas City Kansas (the “Unified Government”) authorizes the governing body of the Unified Government to make a variety of improvements as further described in CO-03-09 and to issue its general obligation bonds and/or temporary notes for the same; and

WHEREAS, the Unified Government has determined that it is necessary to make certain street improvements, as more fully described herein.

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

Section 1. Pursuant to the above the Unified Government hereby finds and determines that it is necessary to make the following TRAFFIC SIGNAL REPLACEMENT (PRIORITY), Program CMIP 970-3345 improvements (the “Improvements”):

Complete reconstruction of the traffic signal at the intersection of Stanley Road and Fairfax Trafficway, including new poles, mast arms, controllers, underground conduits and wiring, video and pavement vehicle detectors, associated curbs, sidewalks, pavement repairs, ADA accessible ramps, signing and pavement markings.

Upgrades to the traffic signal at 11th Street and State Avenue, including signal controller equipment, signal heads, mast arms, ADA accessible ramps and compliant crosswalk technologies, associated curbs, sidewalks, pavement repairs, signing and pavement markings.

And including all associated construction costs, including any appurtenances related thereto, any necessary land acquisition, engineering, and design at both locations.

Section 2. For the purpose of providing funds for the Improvements, all as approved by the governing body, the Unified Government hereby authorizes the issuance of its general obligation bonds pursuant to Article 12, Section 5(a) of the Constitution of the State of Kansas and Charter Ordinance No. CO-03-09, in an amount not in excess of $272,500, plus capitalized interest and costs of issuance. Temporary Notes of the Unified Government are hereby authorized to be issued from time to time by resolution in an amount not to exceed the amount of general obligation bonds herein authorized.

Section 3. The Unified Government expects to make capital expenditures in connection with the Improvements and intends to reimburse itself for such expenditures with the proceeds of general obligation bonds and/or temporary notes in an amount not to exceed $272,500, plus capitalized interest and costs of issuance. Any general obligation bonds and/or temporary notes issued under the authority of this Resolution may be used to reimburse expenditures made on or after the date that is 60 days before the date of adoption of this Resolution pursuant to U.S. Treasury Regulation §1.150-2.
Section 4. This Resolution shall take effect and be in full force from and after its passage and approval by the governing body of the Unified Government.

PASSED by the Governing Body on ____ day of ____________________, 2012 and APPROVED by the Mayor.

(SEAL)

ATTEST:

________________________
Mayor/CEO

________________________
Unified Government Clerk
RESOLUTION NO. ___

A RESOLUTION AUTHORIZING CERTAIN PUBLIC PARK AND UTILITY IMPROVEMENTS, AND PROVIDING FOR THE MANNER OF PAYING FOR THE SAME.

WHEREAS, Article 12, Section 5 of the Constitution of the State of Kansas and Charter Ordinance No. CO-03-09 of the Unified Government of Wyandotte County/Kansas City Kansas (the "Unified Government") authorizes the governing body of the Unified Government to make a variety of improvements as further described in CO-03-09 and to issue its general obligation bonds and/or temporary notes for the same; and

WHEREAS, the Unified Government has determined that it is necessary to make certain improvements to public park and utility facilities, as more fully described herein.

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

Section 1. Pursuant to the above the Unified Government hereby finds and determines that it is necessary to conduct the following WYANDOTTE COUNTY LAKE WATERLINE STUDY CMIP 971-4425 improvements (the "Improvements"):

Retain the services of a qualified, licensed professional engineer to analyze the replacement of the waterlines within Wyandotte County Lake Park and submit a report of the findings. The report will contain the following sections: system description, discussion of system conditions, estimates of peak water usage, fire protection requirements, identification of problems and concerns, preliminary pipe sizing for system improvements, preliminary location of new valves and fire hydrants, new connections to the BPU system, the replacement of the water line loop around the lake and preliminary alignment drawings for the necessary waterline replacement and repairs to be completed in phases.

Section 2. For the purpose of providing funds for the Improvements, all as approved by the governing body, the Unified Government hereby authorizes the issuance of its general obligation bonds pursuant to Article 12, Section 5(a) of the Constitution of the State of Kansas and Charter Ordinance No. CO-03-09, in an amount not in excess of $640,000 plus capitalized interest and costs of issuance. Temporary Notes of the Unified Government are hereby authorized to be issued from time to time by resolution in an amount not to exceed the amount of general obligation bonds herein authorized.

Section 3. The Unified Government expects to make capital expenditures in connection with the Improvements and intends to reimburse itself for such expenditures with the proceeds of general obligation bonds and/or temporary notes in an amount not to exceed $640,000 plus capitalized interest and costs of issuance. Any general obligation bonds and/or temporary notes issued under the authority of this Resolution may be used to reimburse expenditures made on or after the date that is 60 days before the date of adoption of the Reimbursement Resolution pursuant to U.S. Treasury Regulation §1.150-2.

Section 4. This Resolution shall take effect and be in full force from and after its passage and approval by the governing body of the Unified Government.
PASSED by the Governing Body on ___ day of ____________________, 2012 and APPROVED by the Mayor.

(SEAL)

ATTEST:

_________________________
Mayor/CEO

_________________________
Unified Government Clerk
# SCHEDULE "B"

2013 RENEWALS REQUIRING AN INCREASE IN AUTHORIZATION & AMENDMENTS TO CURRENT RESOLUTIONS

<table>
<thead>
<tr>
<th>Project Description</th>
<th>CMIP #</th>
<th>Type</th>
<th>2012 Authority</th>
<th>Increase in Authority Required</th>
<th>2013 Authority</th>
<th>Project Contact &amp; Extension</th>
<th>Resolution to be Amended</th>
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<td>Center City Traffic Signal Reconstruction</td>
<td>3320</td>
<td>Traffic</td>
<td>250,000.00</td>
<td>1,050,000.00</td>
<td>1,300,000.00</td>
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<td>Sewer</td>
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<td>3,800,000.00</td>
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<td>R-76-11</td>
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<td>3344</td>
<td>Traffic</td>
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<td>27,500.00</td>
<td>115,000.00</td>
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<td>R-72-11</td>
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<td>400,000.00</td>
<td>D. Jones 5331</td>
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<td>6189</td>
<td>Sewer</td>
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<td>J. Mankus 5712</td>
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<td>Bridge</td>
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<td>40,000.00</td>
<td>320,000.00</td>
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<td>R-81-11</td>
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<td>Bridge</td>
<td>250,000.00</td>
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<td>300,000.00</td>
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<td>Street</td>
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<td>Street</td>
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**TOTALS**: 14,207,500.00  3,317,500.00  17,525,000.00
RESOLUTION NO. ___

A RESOLUTION AMENDING RESOLUTION R-67-11 AUTHORIZING CERTAIN STREET AND TRAFFIC CONTROL IMPROVEMENTS, AND PROVIDING FOR THE MANNER OF PAYING FOR THE SAME.

WHEREAS, Article 12, Section 5 of the Constitution of the State of Kansas and Charter Ordinance No. CO-03-09 of the Unified Government of Wyandotte County/Kansas City Kansas (the "Unified Government") authorizes the governing body of the Unified Government to make a variety of improvements as further described in CO-03-09 and to issue its general obligation bonds and/or temporary notes for the same; and

WHEREAS, on November 17, 2011 the Unified Government adopted Resolution No. R-67-11, authorizing certain street and traffic control improvements as described therein; and

WHEREAS, it is necessary to increase the estimated cost of the improvements and the amount of general obligation bonds and/or temporary notes to be issued for the improvements, as provided by Resolution R-67-11, as amended.

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

Section 1. Sections 1, 2 and 3 of Resolution R-67-11, are hereby amended as follows:

Section 1. Pursuant to the above the Unified Government hereby finds and determines that it is necessary to make the following CENTER CITY TRAFFIC SIGNAL RECONSTRUCTION, Program CMIP 3320 improvements (the "Improvements"):

Design, construct, replace or upgrade of the traffic signals at four intersections along 7th Street (US-69) in downtown Kansas City, Kansas, (State Avenue, Armstrong Avenue, Ann Avenue, and Barnett Avenue). Reconstruction at the four intersections include new poles, mast arms, signal controller, cabinet, service boxes, underground conduits and wiring, and vehicle detection, as well as curbs, sidewalks, pavement repairs, ADA accessible ramps, signing, and pavement markings. The work also includes the upgrading of two other intersections along the same corridor (Minnesota Avenue and Washington Blvd) to accommodate ADA and signal communications, as well as the installation of signal communication and interconnection infrastructure between this series of signals on 7th Street between Washington Boulevard to the north and Orville Avenue to the south. The communications infrastructure work includes new interconnection and communication equipment, conduits, wiring and/or fiber-optics, as well as all related underground excavations, borings underneath streets, and sidewalk or pavement repairs, as well as related engineering design. The engineering work also includes preliminary design for the signal removals on 8th Street adjacent to this corridor per the recommendation of City Center project, including related street modifications, any appurtenances related thereto and associated construction costs.
Section 2. For the purpose of providing funds for the Improvements, all as approved by the governing body, the Unified Government hereby authorizes the issuance of its general obligation bonds pursuant to Article 12, Section 5(a) of the Constitution of the State of Kansas and Charter Ordinance No. CO-03-09, in an amount not in excess of $1,300,000, plus capitalized interest and costs of issuance. Temporary Notes of the Unified Government are hereby authorized to be issued from time to time by resolution in an amount not to exceed the amount of general obligation bonds herein authorized.

Section 3. The Unified Government expects to make capital expenditures in connection with the Improvements and intends to reimburse itself for such expenditures with the proceeds of general obligation bonds and/or temporary notes in an amount not to exceed $1,300,000, plus capitalized interest and costs of issuance. Any general obligation bonds and/or temporary notes issued under the authority of this Resolution may be used to reimburse expenditures made on or after the date that is 60 days before the date of adoption of this Resolution pursuant to U.S. Treasury Regulation §1.150-2.

Section 2. Resolution No. R-67-11, as amended by this Resolution, is hereby ratified and confirmed, and shall remain in full force and effect.

Section 3. This Resolution shall take effect and be in full force from and after its passage and approval by the governing body of the Unified Government.

PASSED by the Governing Body on ____ day of ______________________, 2012 and APPROVED by the Mayor.

(SEAL)

ATTEST:

______________________________
Mayor/CEO

______________________________
Unified Government Clerk
RESOLUTION NO. ______

A RESOLUTION AMENDING RESOLUTION NO. R-76-11 AUTHORIZING CERTAIN SANITARY SEWAGE TREATMENT FACILITIES AND IMPROVEMENTS, AND PROVIDING FOR THE MANNER OF PAYING FOR THE SAME.

WHEREAS, the Unified Government is authorized and empowered pursuant to Charter Ordinance No. CO-03-09 and Article 12, Section 5(a) of the Constitution of the State of Kansas, to issue general obligation bonds for the purpose of paying for sanitary sewage treatment facilities and improvements; and

WHEREAS, on November 17, 2011, the Unified Government adopted Resolution R-76-11 authorizing improvements to the Kaw Point Solids Dewatering Rehabilitation Project CMIP 6199, as more fully described therein; and

WHEREAS, it is necessary to increase the estimated cost of the improvements and the amount of general obligation bonds and/or temporary notes to be issued for the improvements, as provided by Resolution R-76-11.

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

Section 1. That Section 2 of Resolution No. R-76-11, is hereby amended to read as follows:

Section 2. For the purpose of providing funds for the Improvements, all as approved by the governing body, the Unified Government hereby authorizes the issuance of its general obligation bonds pursuant to Article 12, Section 5(a) of the Constitution of the State of Kansas and Charter Ordinance No. CO-03-09, in an amount not in excess of $3,800,000 plus capitalized interest and costs of issuance. Temporary Notes of the Unified Government are hereby authorized to be issued from time to time by resolution in an amount not to exceed the amount of general obligation bonds herein authorized.

Section 2. The Unified Government expects to make capital expenditures in connection with the Improvements and intends to reimburse itself for such expenditures with the proceeds of general obligation bonds and/or temporary notes in an amount not to exceed $3,800,000 plus capitalized interest and costs of issuance. Any general obligation bonds and/or temporary notes issued under the authority of this Resolution may be used to reimburse expenditures made on or after the date that is 60 days before the date of adoption of this Resolution pursuant to U.S. Treasury Regulation §1.150-2.

Section 3. Resolution No. R-76-11, as amended by this Resolution, is hereby ratified and confirmed, and shall remain in full force and effect.

Section 4. This Resolution shall take effect and be in full force immediately after its adoption by the governing body.
THIS RESOLUTION WAS ADOPTED BY THE GOVERNING BODY OF THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS THIS ___ DAY OF ________________, 2012.

(SEAL)

______________________________
Mayor/CEO

ATTEST:

______________________________
Unified Government Clerk
RESOLUTION NO. _____________

A RESOLUTION AMENDING RESOLUTION NO. R-72-11 AUTHORIZING CERTAIN STREET AND TRAFFIC CONTROL IMPROVEMENTS, AND PROVIDING FOR THE MANNER OF PAYING FOR THE SAME.

WHEREAS, the Unified Government is authorized and empowered pursuant to Charter Ordinance No. CO-03-09 and Article 12, Section 5(a) of the Constitution of the State of Kansas, to issue general obligation bonds for the purpose of paying for street and bridge improvements; and

WHEREAS, on November 17, 2011, the Unified Government adopted Resolution R-72-11 authorizing the DYNAMIC SPEEDWAY MESSAGE SIGN, Program CMIP 3344 improvements, as more fully described therein; and

WHEREAS, it is necessary to increase the estimated cost of the improvements and the amount of general obligation bonds and/or temporary notes to be issued for the improvements, as provided by Resolution R-72-11.

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

Section 1. The name of the project is hereby amended and it is now known as the KDOT MESSAGE BOARD Program CMIP 3344

Section 2. That Section 2 of Resolution No. R-72-11, is hereby amended to read as follows:

Section 2. For the purpose of providing funds for the Improvements, all as approved by the governing body, the Unified Government hereby authorizes the issuance of its general obligation bonds pursuant to Article 12, Section 5(a) of the Constitution of the State of Kansas and Charter Ordinance No. CO-03-09, in an amount not in excess of $115,000, plus capitalized interest and costs of issuance. Temporary Notes of the Unified Government are hereby authorized to be issued from time to time by resolution in an amount not to exceed the amount of general obligation bonds herein authorized.

Section 3. The Unified Government expects to make capital expenditures in connection with the Improvements and intends to reimburse itself for such expenditures with the proceeds of general obligation bonds and/or temporary notes in an amount not to exceed $115,000, plus capitalized interest and costs of issuance. Any general obligation bonds and/or temporary notes issued under the authority of this Resolution may be used to reimburse expenditures made on or after the date that is 60 days before the date of adoption of this Resolution pursuant to U.S. Treasury Regulation §1.150-2.

Section 4. Resolution No. R-72-11, as amended by this Resolution, is hereby ratified and confirmed, and shall remain in full force and effect.

Section 5. This Resolution shall take effect and be in full force immediately after its adoption by
the governing body.

THIS RESOLUTION WAS ADOPTED BY THE GOVERNING BODY OF THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS THIS _____ DAY OF __________________, 2012.

(SEAL)                                          

________________________  
Mayor/CEO

ATTEST:

________________________  
Unified Government Clerk
RESOLUTION NO. _____

A RESOLUTION AMENDING RESOLUTION R-89-10 AUTHORIZING CERTAIN PUBLIC BUILDING, STRUCTURE, OR PARKING IMPROVEMENTS, AND PROVIDING FOR THE MANNER OF PAYING FOR THE SAME.

WHEREAS, Article 12, Section 5 of the Constitution of the State of Kansas and Charter Ordinance No. CO-03-09 of the Unified Government of Wyandotte County/Kansas City Kansas (the “Unified Government”) authorizes the governing body of the Unified Government to make a variety of improvements as further described in CO-03-09 and to issue its general obligation bonds and/or temporary notes for the same; and

WHEREAS, on November 18, 2010 the Unified Government adopted Resolution No. R-89-10, authorizing certain Memorial Hall 8667 improvements (the “Improvements”) as described therein; and

WHEREAS, it is necessary to increase the estimated cost of the improvements and the amount of general obligation bonds and/or temporary notes to be issued for the improvements, as provided by Resolution R-89-10, as amended.

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

Section 1. Section 2 of Resolution R-89-10, is hereby amended to read as follows:

Section 2. For the purpose of providing funds for the Improvements, all as approved by the governing body, the Unified Government hereby authorizes the issuance of its general obligation bonds pursuant to Article 12, Section 5(a) of the Constitution of the State of Kansas and Charter Ordinance No. CO-03-09, in an amount not in excess of $400,000, plus capitalized interest and costs of issuance. Temporary Notes of the Unified Government are hereby authorized to be issued from time to time by resolution in an amount not to exceed the amount of general obligation bonds herein authorized.

Section 2. The Unified Government expects to make capital expenditures in connection with the Improvements and intends to reimburse itself for such expenditures with the proceeds of general obligation bonds and/or temporary notes in an amount not to exceed $400,000, plus capitalized interest and costs of issuance. Any general obligation bonds and/or temporary notes issued under the authority of this Resolution may be used to reimburse expenditures made on or after the date that is 60 days before the date of adoption of this Resolution pursuant to U.S. Treasury Regulation §1.150-2.

Section 3. Resolution No. R-89-10, as amended by this Resolution, is hereby ratified and confirmed, and shall remain in full force and effect.

Section 4. This Resolution shall take effect and be in full force from and after its passage and approval by the governing body of the Unified Government.
PASSED by the Governing Body on ___ day of ________________, 2012 and APPROVED by the Mayor.

(SEAL)

ATTEST:

______________________________
Unified Government Clerk

______________________________
Mayor/CEO
RESOLUTION NO. __________

A RESOLUTION AMENDING RESOLUTION NO. R-141-09 AUTHORIZING CERTAIN SANITARY SEWER FACILITIES AND SEWERAGE SYSTEM IMPROVEMENTS AND PROVIDING FOR THE MANNER OF PAYING FOR THE SAME.

WHEREAS, the Unified Government is authorized and empowered pursuant to Charter Ordinance No. CO-03-09 and Article 12, Section 5(a) of the Constitution of the State of Kansas, to issue general obligation bonds for the purpose of paying for sanitary sewage facilities and sewerage system improvements; and

WHEREAS, on December 17, 2009 the Unified Government adopted Resolution R-141-09 authorizing improvements the Muncie Creek Interceptor Program 6189, as more fully described therein; and

WHEREAS, it is necessary to increase the estimated cost of the improvements and the amount of general obligation bonds and/or temporary notes to be issued for the improvements, as provided by Resolution R-141-09.

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

Section 1. That Section 2 of Resolution No. R-141-09, is hereby amended to read as follows:

Section 2. For the purpose of providing funds for the Improvements, all as approved by the governing body, the Unified Government hereby authorizes the issuance of its general obligation bonds pursuant to Article 12, Section 5(a) of the Constitution of the State of Kansas and Charter Ordinance No. CO-03-09, in an amount not in excess of $1,600,000, plus capitalized interest and costs of issuance. Temporary Notes of the Unified Government are hereby authorized to be issued from time to time by resolution in an amount not to exceed the amount of general obligation bonds herein authorized.

Section 2. The Unified Government expects to make capital expenditures in connection with the Improvements and intends to reimburse itself for such expenditures with the proceeds of general obligation bonds and/or temporary notes in an amount not to exceed $1,600,000, plus capitalized interest and costs of issuance. Any general obligation bonds and/or temporary notes issued under the authority of this Resolution may be used to reimburse expenditures made on or after the date that is 60 days before the date of adoption of this Resolution pursuant to U.S. Treasury Regulation §1.150-2.

Section 3. Resolution No. R-141-09, as amended by this Resolution, is hereby ratified and confirmed, and shall remain in full force and effect.

Section 4. This Resolution shall take effect and be in full force immediately after its adoption by the governing body.
THIS RESOLUTION WAS ADOPTED BY THE GOVERNING BODY OF THE
UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS THIS
___ DAY OF __________________, 2012.

(SEAL)                                      Mayor/CEO

ATTEST:

__________________________________________
Unified Government Clerk
RESOLUTION NO. ————

A RESOLUTION AMENDING RESOLUTION NO. R-81-11 AUTHORIZING CERTAIN STREET AND BRIDGE IMPROVEMENTS, AND PROVIDING FOR THE MANNER OF PAYING FOR THE SAME.

WHEREAS, the Unified Government is authorized and empowered pursuant to Charter Ordinance No. CO-03-09 and Article 12, Section 5(a) of the Constitution of the State of Kansas, to issue general obligation bonds for the purpose of paying for street and bridge improvements; and

WHEREAS, on November 17, 2011, the Unified Government adopted Resolution R-81-11 authorizing the Riverview Avenue Bridge over Turner Diagonal, CMIP Program 2140 improvements, as more fully described therein; and

WHEREAS, it is necessary to increase the estimated cost of the improvements and the amount of general obligation bonds and/or temporary notes to be issued for the improvements, as provided by Resolution R-81-11.

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

Section 1. That Section 2 of Resolution No. R-81-11, is hereby amended to read as follows:

Section 2. For the purpose of providing funds for the Improvements, all as approved by the governing body, the Unified Government hereby authorizes the issuance of its general obligation bonds pursuant to Article 12, Section 5(a) of the Constitution of the State of Kansas and Charter Ordinance No. CO-03-09, in an amount not in excess of $320,000, plus capitalized interest and costs of issuance. Temporary Notes of the Unified Government are hereby authorized to be issued from time to time by resolution in an amount not to exceed the amount of general obligation bonds herein authorized.

Section 2. The Unified Government expects to make capital expenditures in connection with the Improvements and intends to reimburse itself for such expenditures with the proceeds of general obligation bonds and/or temporary notes in an amount not to exceed $320,000, plus capitalized interest and costs of issuance. Any general obligation bonds and/or temporary notes issued under the authority of this Resolution may be used to reimburse expenditures made on or after the date that is 60 days before the date of adoption of this Resolution pursuant to U.S. Treasury Regulation §1.150-2.

Section 3. Resolution No. R-81-11, as amended by this Resolution, is hereby ratified and confirmed, and shall remain in full force and effect.

Section 4. This Resolution shall take effect and be in full force immediately after its adoption by the governing body.
THIS RESOLUTION WAS ADOPTED BY THE GOVERNING BODY OF THE
UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS THIS
___ DAY OF __________________, 2012.

(SEAL)                                                                 Mayor/CEO

ATTEST:

Unified Government Clerk
RESOLUTION NO.  

A RESOLUTION AMENDING RESOLUTION NO. R-82-11 AUTHORIZING CERTAIN STREET AND BRIDGE IMPROVEMENTS, AND PROVIDING FOR THE MANNER OF PAYING FOR THE SAME.

WHEREAS, the Unified Government is authorized and empowered pursuant to Charter Ordinance No. CO-03-09 and Article 12, Section 5(a) of the Constitution of the State of Kansas, to issue general obligation bonds for the purpose of paying for street and bridge improvements; and

WHEREAS, on November 17, 2011, the Unified Government adopted Resolution R-82-11 authorizing the Shawnee Avenue Bridge over 7th Street, CMIP Program 2112 improvements, as more fully described therein; and

WHEREAS, it is necessary to increase the estimated cost of the improvements and the amount of general obligation bonds and/or temporary notes to be issued for the improvements, as provided by Resolution R-82-11.

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

Section 1. That Section 2 of Resolution No. R-82-11, is hereby amended to read as follows:

Section 2. For the purpose of providing funds for the Improvements, all as approved by the governing body, the Unified Government hereby authorizes the issuance of its general obligation bonds pursuant to Article 12, Section 5(a) of the Constitution of the State of Kansas and Charter Ordinance No. CO-03-09, in an amount not in excess of $300,000, plus capitalized interest and costs of issuance. Temporary Notes of the Unified Government are hereby authorized to be issued from time to time by resolution in an amount not to exceed the amount of general obligation bonds herein authorized.

Section 2. The Unified Government expects to make capital expenditures in connection with the Improvements and intends to reimburse itself for such expenditures with the proceeds of general obligation bonds and/or temporary notes in an amount not to exceed $300,000, plus capitalized interest and costs of issuance. Any general obligation bonds and/or temporary notes issued under the authority of this Resolution may be used to reimburse expenditures made on or after the date that is 60 days before the date of adoption of this Resolution pursuant to U.S. Treasury Regulation §1.150-2.

Section 3. Resolution No. R-82-11, as amended by this Resolution, is hereby ratified and confirmed, and shall remain in full force and effect.

Section 4. This Resolution shall take effect and be in full force immediately after its adoption by the governing body.
THIS RESOLUTION WAS ADOPTED BY THE GOVERNING BODY OF THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS THIS _____ DAY OF __________________, 2012.

(SEAL)

__________________________
Mayor/CEO

ATTEST:

__________________________
Unified Government Clerk
RESOLUTION NO. ___

A RESOLUTION AMENDING RESOLUTION R-89-11 AUTHORIZING CERTAIN MAIN TRAFFICWAY IMPROVEMENTS, AND PROVIDING FOR THE MANNER OF PAYING FOR THE SAME.

WHEREAS, K.S.A. 12-685 et seq., as amended (the "Act"), authorizes the Governing Body of the Unified Government of Wyandotte County/Kansas City, Kansas (the "Unified Government"), to improve or reimprove any main trafficway or trafficway connection designated and established under the Act, and to issue general obligation bonds therefor; and

WHEREAS, by the adoption of Ordinance No. O-54-04 on September 8, 2004, the Unified Government has previously designated State Avenue within the limits of the City of Kansas City, Kansas as a main trafficway; and

WHEREAS, on February 21, 2008 the following improvements to State Avenue from 73rd Street to 82nd Street CMIP 1161 have previously been authorized by Resolution R-13-08:

Rehabilitation of State Avenue from 73rd Street to 82nd Street, including replacement of curbs and stormwater inlets, construction of new sidewalks, street lighting upgrades, replacing/modifying the medians, milling, resurfacing, pavement markings, traffic signal upgrades and loop detection replacement, and all necessary and appropriate design and engineering thereof (the "Improvements")

; and

WHEREAS, on September 16th, 2010 the Unified Government adopted Resolution No R-55-10 to increase the estimated cost of the improvement and the amount of bonds and/or temporary notes to be issued; and

WHEREAS, on November 17, 2011 the Unified Government adopted Resolution No R-89-11 to increase the estimated cost of the improvement and the amount of bonds and/or temporary notes to be issued; and

WHEREAS, the costs of the Improvements have further increased since the project was authorized; and

WHEREAS, the Unified Government finds it necessary and desirable to authorize certain main trafficway improvements, and authorize amendment of Resolution R-89-11, all as more fully described herein.

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

Section 1. Section 2 of Resolution R-89-11 is amended as follows:

Section 2. The estimated cost for the Improvements shall not exceed $6,550,000 plus capitalized interest and costs of issuance, to be paid by the
issuance of general obligation bonds and/or temporary notes as authorized by the Act.

Section 2. The Unified Government expects to make capital expenditures in connection with the Improvements after the date of this Resolution and intends to reimburse itself for such expenditures with the proceeds of general obligation bonds and/or temporary notes in an amount not to exceed $6,550,000, plus capitalized interest and costs of issuance.

Section 3. Resolution No. R-89-11, as amended by this Resolution, is hereby ratified and confirmed, and shall remain in full force and effect. This Resolution supersedes Resolution R-13-08 and R-55-10.

Section 4. This Resolution shall take effect and be in full force and effect from and after its passage and approval by the governing body of the Unified Government.

PASSED by the Governing Body on _____ day of ____________, 2012 and APPROVED by the Mayor.

(SEAL)

ATTEST:

_______________________________
Mayor/CEO

_______________________________
Unified Government Clerk
RESOLUTION NO.__________

A RESOLUTION AMENDING RESOLUTION NO. R-145-09 AUTHORIZING CERTAIN STREET IMPROVEMENTS, AND PROVIDING FOR THE MANNER OF PAYING FOR THE SAME.

WHEREAS, the Unified Government is authorized and empowered pursuant to Charter Ordinance No. CO-03-09 and Article 12, Section 5(a) of the Constitution of the State of Kansas, to issue general obligation bonds for the purpose of paying for street improvements; and

WHEREAS, on December 17, 2009, the Unified Government adopted Resolution R-145-09 authorizing the State Avenue 82nd to 94th Program 1199 improvements, as more fully described therein; and

WHEREAS, it is necessary to increase the estimated cost of the improvements and the amount of general obligation bonds and/or temporary notes to be issued for the improvements, as provided by Resolution R-145-09.

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

Section 1. That Section 2 of Resolution No. R-145-09 is hereby amended to read as follows:

Section 2. For the purpose of providing funds for the Improvements, all as approved by the governing body, the Unified Government hereby authorizes the issuance of its general obligation bonds pursuant to Article 12, Section 5(a) of the Constitution of the State of Kansas and Charter Ordinance No. CO-03-09, in an amount not in excess of $2,750,000, plus capitalized interest and costs of issuance. Temporary Notes of the Unified Government are hereby authorized to be issued from time to time by resolution in an amount not to exceed the amount of general obligation bonds herein authorized.

Section 2. The Unified Government expects to make capital expenditures in connection with the Improvements and intends to reimburse itself for such expenditures with the proceeds of general obligation bonds and/or temporary notes in an amount not to exceed $2,750,000, plus capitalized interest and costs of issuance. Any general obligation bonds and/or temporary notes issued under the authority of this Resolution may be used to reimburse expenditures made on or after the date that is 60 days before the date of adoption of this Resolution pursuant to U.S. Treasury Regulation §1.150-2.

Section 3. Resolution No. R-145-09, as amended by this Resolution, is hereby ratified and confirmed, and shall remain in full force and effect.

Section 4. This Resolution shall take effect and be in full force immediately after its adoption by the governing body.
THIS RESOLUTION WAS ADOPTED BY THE GOVERNING BODY OF THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS THIS _____ DAY OF ____________________, 2012.

(SEAL)                                                     Mayor/CEO

ATTEST:

Unified Government Clerk
RESOLUTION NO. ____________

A RESOLUTION AMENDING RESOLUTION NO. R-83-11 AUTHORIZING CERTAIN STREET AND SIDEWALK IMPROVEMENTS, AND PROVIDING FOR THE MANNER OF PAYING FOR THE SAME.

WHEREAS, the Unified Government is authorized and empowered pursuant to Charter Ordinance No. CO-03-09 and Article 12, Section 5(a) of the Constitution of the State of Kansas, to issue general obligation bonds for the purpose of paying for street and sidewalk improvements; and

WHEREAS, on November 17, 2011, the Unified Government adopted Resolution R-83-11 authorizing the Southwest Boulevard Bike Lanes, Iowa Street to 10th Street Program CMIP 1293 improvements, as more fully described therein; and

WHEREAS, it is necessary to increase the estimated cost of the improvements and the amount of general obligation bonds and/or temporary notes to be issued for the improvements, as provided by Resolution R-83-11.

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

Section 1. That Section 2 of Resolution No. R-83-11, is hereby amended to read as follows:

Section 2. For the purpose of providing funds for the Improvements, all as approved by the governing body, the Unified Government hereby authorizes the issuance of its general obligation bonds pursuant to Article 12, Section 5(a) of the Constitution of the State of Kansas and Charter Ordinance No. CO-03-09, in an amount not in excess of $390,000, plus capitalized interest and costs of issuance. Temporary Notes of the Unified Government are hereby authorized to be issued from time to time by resolution in an amount not to exceed the amount of general obligation bonds herein authorized

Section 2. The Unified Government expects to make capital expenditures in connection with the Improvements and intends to reimburse itself for such expenditures with the proceeds of general obligation bonds and/or temporary notes in an amount not to exceed $390,000, plus capitalized interest and costs of issuance. Any general obligation bonds and/or temporary notes issued under the authority of this Resolution may be used to reimburse expenditures made on or after the date that is 60 days before the date of adoption of this Resolution pursuant to U.S. Treasury Regulation §1.150-2.

Section 3. Resolution No. R-83-11, as amended by this Resolution, is hereby ratified and confirmed, and shall remain in full force and effect.

Section 4. This Resolution shall take effect and be in full force immediately after its adoption by the governing body.
THIS RESOLUTION WAS ADOPTED BY THE GOVERNING BODY OF THE UNIFIED GOVERNMENT OF WyANDOTTE COUNTY/KANSAS CITY, KANSAS THIS ___ DAY OF ____________________, 2012.

(SEAL)

Mayor/CEO

ATTEST:

Unified Government Clerk
Industrial Realty Group (IRG) is proposing to assume management responsibility of the Public Levee along with a phased redevelopment of the 46 acre site. The $30M redevelopment would consist of up to 3 new industrial buildings, with a minimum total of 315,000sqft. The project contemplates the use of TIF and subsequent IRB. The redevelopment incorporates improvements to Kaw Point Park, including access, signage, and a commitment by the UG to direct $10k of an annual lease payment towards Park use.

The two corresponding documents to this proposal are a Development Agreement and a Lease Agreement. Both documents are being presented to ED&F Standing Committee in advance of the PH for the TIF District, scheduled for 11/15/2012.

Action Requested:
Seeking a recommendation for approval on both the Development Agreement and the Lease Agreement.

Budget Impact: (if applicable)

Amount: $
Source:
- [x] Other (explain)  Addresses pending budget shortfalls for future Levee operations and building upgrades
Public Levee
Redevelopment Proposal Analysis

Current Operations
- Buildings of 1940’s era construction, not conducive for modern day industrial use
  - Decommissioned Cold Storage facility
  - Office occupancy as low as 31%
  - Warehouse occupancy as low as 66%
- Inability to charge more than discount rates based on building types
- Short term financial operating shortfalls
- Imbalance in revenue and operational costs
- Need for major capital upgrades to facilities
- Future financial commitment will be required to keep facilities operating
- Existing $3M in bond debt for roofing repairs
- Poor Park Access and Signage

Redevelopment Proposal
- Two phased proposal
  - Initial transfer of Site Management
  - Site demo and Redevelopment
- Operational Costs replaced by Management/Lease fees
- Uniform Developer for 46 acre site
  - Experience
  - Well established portfolio
- A $30M capital investment, with a minimum of 315,000 sqft of new Industrial Space
- New Property Tax generated from improvements
- Improved Park Access and Signage
- Eliminates UGs long term financial obligations to the site.
FAIRFAX LEVEE INDUSTRIAL PARK
REDEVELOPMENT AGREEMENT
REDEVELOPMENT AGREEMENT

THIS REDEVELOPMENT AGREEMENT (the “Agreement”) is made as of ________________, 2012 (the “Effective Date”) between THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS (the “UG”), and INDUSTRIAL REALTY GROUP, LLC, a Nevada limited liability company (“Developer”).

RECITALS:

A. The UG duly adopted and established a redevelopment district (“Redevelopment District” or “District”) in accordance with and pursuant to the Kansas Tax Incremental Redevelopment Act, K.S.A. 12-1770 et. seq, as amended (the “Act”), by Ordinance No. ______ on ______________, 2012. The Redevelopment District is comprised of approximately seventy one (71) acres of real property within the City of Kansas City, Kansas and Wyandotte County and generally located north of Fairfax Trafficway, as more particularly described on Exhibit A attached hereto (the “Site”).

B. An approximately twenty five (25) acre portion of the Redevelopment District (the “Tract D”) is currently subject to a lease dated as of February 14, 1968, as modified and amended (the “Lady Baltimore Lease”), pursuant to which Developer, as successor in interest to Union Pacific Railroad, leases Tract D and that certain industrial building located thereon (the “Lady Baltimore Building”). Tract D is more particularly described on Exhibit A-1 attached hereto. The UG and Developer shall, contemporaneously with this Agreement, enter into a lease amendment extending the term of the Lady Baltimore Lease to be co-terminus with the term of the New Lease, as set forth in Recital E below.

C. An additional twenty five (25) acres of real property within the Redevelopment District which is currently owned by the UG shall be leased to the Developer pursuant to the terms and conditions of that certain New Lease between the UG and Developer. This additional property shall be subdivided by Developer into three (3) separate and distinct tracts which shall be referred to as follows: (i) “Tract A” - as generally depicted on Exhibit A-2, which Tract A includes certain parking improvements, but does not currently include buildings or other vertical improvements (“Parking Lot”); (ii) “Tract B” - as generally depicted on Exhibit A-3, which Tract B includes certain industrial buildings and various subtenants, which buildings are to be demolished as a part of the Project; and (iii) “Tract C” – as generally depicted on Exhibit A-4, which Tract C includes certain industrial buildings and various subtenants, some of which buildings are to be demolished as a part of the Project.

D. The Redevelopment District shall also include an additional 11 acres owned by UG consisting of the “Tract E” – as generally depicted on Exhibit A-5, and contains a portion of the levee and certain parkland for recreational uses by the general public. A map depicting the Redevelopment District and the various parcels described in Recitals A, B, C and this Recital D is attached hereto as Exhibit A-5.

E. Developer hereby proposes to renovate and improve the Lady Baltimore Building, the plans for which are described and shown on Exhibit B-4. Developer also hereby proposes to construct, redevelop, complete at least three (3) new industrial buildings within the
Redevelopment District on Tract A, Tract B and Tract C, respectively, and to construct related public and private infrastructure, including parking facilities (collectively, the “Project”), as more particularly described in Section 2.2 and 2.3 hereof, the Site Plan attached hereto as Exhibit B, and the details for particular phases set forth in Exhibits B-1, B-2, B-3 and B-4 hereof. In connection therewith, UG and Developer shall, contemporaneously with this Agreement, enter into a master lease for Tract A, Tract B, Tract C and Tract D (the “New Lease”).

F. The parties hereby understand and agree that the Project will be developed in four (4) distinct phases, as more particularly described herein (but the same shall not be deemed separate phases for purposes of the Act).

G. In order to assist with the financing of the Project, the UG has, subject to the terms and conditions set forth herein, approved the use of tax increment financing (“TIF”) to pay certain Redevelopment Project Costs for the Project pursuant to the Act.

H. Additionally, in order to assist with the financing of the Project, the UG has, subject to the terms and conditions set forth herein, approved a Resolution No. _____, a resolution of intent (the “Resolution of Intent”) to issue industrial revenue bonds (“IRBs”) pursuant to K.S.A. 12-1740 et seq., for Tract A, B and Tract C at a later date, subject to the terms and conditions set forth herein.

I. The parties hereto do now desire to make and enter into this Agreement.

AGREEMENT

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the UG and Developer hereby agree as follows:

ARTICLE I.

DEFINITIONS AND INTERPRETATION

1.1 Interpretation. In this Agreement, unless a clear contrary intention appears:

(a) the singular number includes the plural number and vice versa;

(b) reference to any Person includes such Person’s successors and assigns but, if applicable, only if such successors and assigns are permitted by this Agreement, and reference to a Person in a particular capacity excludes such Person in any other capacity or individually;

(c) reference to any gender includes each other gender;

(d) reference to any agreement, document or instrument means such agreement, document or instrument as amended or modified and in effect from time to time in accordance with the terms thereof;
(e) reference in this Agreement to any article, section, appendix, annex, schedule or exhibit means such article or section thereof or appendix, annex, schedule or exhibit thereto;

(f) each of the items or agreements identified on the attached Index of Exhibits are deemed part of this Agreement to the same extent as if set forth herein;

(g) “hereunder”, “hereof”, “hereto” and words of similar import shall be deemed references to this Agreement as a whole and not to any particular article, section or other provision thereof;

(h) “including” (and with correlative meaning “include”) means including without limiting the generality of any description preceding such term; and

(i) relative to the determination of any period of time, “from” means “from and including” and “to” means “to but excluding.”

1.2 Legal Representation of the Parties. This Agreement was negotiated by the parties hereto with the benefit of legal representation and any rules of construction or interpretation otherwise requiring this Agreement to be construed or interpreted against any party shall not apply to any construction or interpretation hereof or thereof.

1.3 Definitions. All capitalized terms used in this Agreement shall have the meanings ascribed to them in Annex 1 attached hereto and made a part hereof, or as otherwise provided herein.

ARTICLE II.

APPOINTMENT OF DEVELOPER - PHASING - IMPROVEMENTS - REDEVELOPMENT DISTRICT RESTRICTIONS

2.1 Undertaking of Developer. Developer hereby agrees, subject to the terms and conditions hereinafter provided, to construct, complete, and operate the Project. The performance of all activities by Developer hereunder shall be as an independent contractor and not as an agent of the UG, except as otherwise specifically provided herein.

2.2 Redevelopment. The UG and Developer hereby agree that the Project shall be as described below and as set forth on the site plan attached as Exhibit B hereto and made a part hereof. Developer hereby contemplates that all buildings, parking structures and other improvements constituting the Project (the “Improvements”) shall be developed, constructed, completed, and operated on the site in substantial accordance and compliance with the terms and conditions of this Section 2.2 and Section 2.3, the Redevelopment Project Plan and the final site plan approval from the UG’s Planning Commission. On and subject to the terms and provisions set forth in this Agreement, Developer shall have the sole right to, and shall be responsible for, design, construction, equipment and completion of the Improvements, and shall operate and use the Improvements in the manner described herein, all in accordance with the terms of this Section 2.2 and Section 2.3 and all other Applicable Laws and Requirements. The parties further agree as follows:

3
(a) Developer recognizes, stipulates and agrees that its signage shall be subject to all Applicable Laws and Regulations, and any special use permits granted by the UG’s Planning and Zoning Board. Developer shall also develop sign criteria for the entire Redevelopment District.

(b) The Improvements in the Project shall include parking improvements (the “Parking Improvements”) containing the number of spaces required by the Applicable Laws and Requirements for all of the Improvements.

(c) Developer’s development, design and construction of the Improvements shall in all respects comply with the Plans and Specifications (as defined in Section 6.2).

(d) The Project described in this Section 2.2 and Section 2.3 below shall not be amended or modified without (i) the prior written consent of the UG, which consent shall not be unreasonably withheld, and (ii) full compliance with all Applicable Laws and Regulations.

2.3 Phasing of the Project. The parties agree that the Project may be constructed in four (4) phases (each a “Phase” or collectively “Phases”), as described below. The parties hereby agree that the Phases shall generally be as follows:

(a) Lady Baltimore: The renovation of the Lady Baltimore Building shall constitute a Phase of the Project (the “Lady Baltimore Phase”) and shall consist of the design, construction and development of the renovation and expansion Improvements described in Exhibit B-4, along with any Parking Improvements and infrastructure required by such Improvements;

(b) Phase 1: The design, construction and development of an approximate 100,000 square foot “spec” building on Tract A shall constitute a Phase of the Project (“Phase 1”) and shall consist of the design, construction and development of the Improvements described in Exhibit B-1, along with the Park Access Improvements (as defined in Section 5.1 below) and any Parking Improvements and infrastructure required by such Improvements;

(c) Phase 2: The design, construction and development of an approximate 135,000 square foot building on Tract B shall constitute a Phase of the Project (“Phase 2”) and shall consist of the design, construction and development of the Improvements described in Exhibit B-2, along with any Parking Improvements and infrastructure required by such Improvements; and

(d) Phase 3: The design, construction and development of an approximate 120,000 square foot building on Tract C (or an approximate 80,000 square foot building in the event that Developer elects not to demolish the refrigerated building presently located on Tract C, but rather to rehabilitate, renovate and use the same) shall constitute a Phase of the Project (“Phase 3”) and shall consist of the design, construction and development of the Improvements described in Exhibit B-3, along with any Parking Improvements and infrastructure required by such Improvements.
Notwithstanding anything set forth which is seemingly to the contrary, Developer may, in its sole discretion, combine or alternate Phase 2 and Phase 3 so that the two Phases may be accomplished simultaneously, or Developer may complete Phase 3 prior to Phase 2 in its sole discretion, provided that Developer shall provide the UG with notice of any such decisions to combine or alternate Phase 2 and Phase 3, respectively.

2.4 General Agreements. Developer agrees to promptly and completely perform each and all of its duties and obligations under this Agreement and the other Transaction Documents. The UG agrees to promptly and completely perform each and all of its duties and obligations under this Agreement and the other Transaction Documents.

ARTICLE III.

CONDITIONS

3.1 Conditions.

(a) General Conditions. This Agreement shall not be effective or enforceable against any of Developer or the UG unless each of the following conditions are satisfied on or before that date which is thirty (30) days after the Effective Date (the “General Condition Date”).

(i) Inspection. The UG shall allow Developer access to the Site for purposes of inspecting the Site, including the right to invasive testing of same (the “Investigations”); provided however that (a) Developer, will maintain the results of any such Investigations confidential, (b) Developer shall repair any and all damage caused by the Investigations, and shall restore the Site to the condition it was in prior to such Investigations, and (c) Developer agrees to indemnify and hold the the UG, its agents, officers, contractors and employees harmless from any and all injuries, losses, liens, claims, judgments, liabilities, costs actually incurred, expenses or damages (including reasonable attorneys’ fees and court costs) sustained by or threatened against the UG which result from any inspections by Developer or its agents or authorized representatives pursuant to this section. Notwithstanding any provision herein to the contrary, the indemnity contained in the preceding sentence shall survive the termination of this Agreement or the New Lease. If Developer is not satisfied in all respects as to the condition of the Site, then Developer shall have the rights set forth herein to terminate all of this Agreement. Unless Developer shall exercise its right to terminate this Agreement pursuant to this Section 3.1(a)(i) before the General Condition Date, then Developer shall be deemed to have waived this condition and accepted the condition of the Site “AS IS, WHERE IS.” Except as to representations provided in this Agreement, Developer agrees that it is relying solely on its own investigation of the condition of the Site and not on any information provided or to be provided by the UG, its officers, or agents and that if Developer does not exercise the right to cancel and terminate under this Section then with regard to any obligation of the UG, subject to any representations or the UG’s obligations in this Agreement, Developer shall be deemed and considered to
be fully and completely satisfied with the condition of the Site and all parts and aspects thereof.

(ii) **Execution of the New Lease/Termination of the Prior Lease.** The parties shall have shall have executed and delivered to one another a copy of the New Lease and a termination of the Prior Lease, both of which are acceptable to the parties in their respective sole discretion.

(iii) **Developer Financials.** The UG shall have the right to review and approve the financials of the Developer in the UG’s reasonable discretion, and the UG must be satisfied as to the financial net worth of such parties in the UG’s sole discretion.

3.2 **Termination.** Upon any such termination of this Agreement pursuant to Section 3.1(a) hereof, this Agreement shall terminate, and, except as specifically set forth herein, the parties hereto shall have no further duty or obligation hereunder and without limiting the generality of the foregoing, Developer shall be solely liable and responsible for all of its costs and expenses incurred by it with respect to this Agreement and the transactions contemplated hereby, and except for the fees and expenses of the UG to be paid for by Developer pursuant to that certain Funding Agreement dated as of April 10, 2012, and the provisions of this Redevelopment Agreement, the UG shall be solely liable and responsible for all costs and expenses incurred by it with respect to this Agreement and the transactions contemplated hereby.

3.3 **Waiver of Conditions.** If neither the UG or Developer terminate this Agreement prior to the General Conditions Date, then both the UG and Developer shall be deemed to be satisfied as to the conditions in Section 3.1 and shall be deemed to have waived the same.

ARTICLE IV.

**FINANCING — SOURCE OF FUNDS**

4.1 **Source of Funds.** The Project shall be funded in part by TIF. Reference is hereby made to the Project Costs and the Total Project Budget attached hereto as Exhibit C, and by this reference made a part hereof. The Project Costs shall be paid in accordance with the procedures and requirements set forth herein. The parties hereby understand and agree that Developer will initially advance all of the Project Costs for the design, development and construction of the Project, but Developer shall, subject to the terms and conditions set forth herein, be reimbursed from the TIF Proceeds (as defined below) on a “pay-as-you-go” basis.

4.2 **Collection of TIF Revenues.** For a period of twenty (20) years from the approval of the Redevelopment Project Plan, the UG shall collect Incremental Real Property Taxes as set forth below, unless the TIF shall be earlier terminated pursuant to the express terms of this Agreement.

(a) **Real Property Taxes.** Pursuant to the provisions of the Redevelopment Project Plan and the Act, including, but not limited to, Section 12-1774(a) thereof, when TIF is established by Ordinance for a redevelopment district, the real property located therein is subject to assessment for annual Real Property Taxes. Real Property Taxes
shall be due in arrears, with half due on December 20th and half due on May 10th of each year in which said amount is required to be paid, and will be considered delinquent if not paid by such dates of each such year or as otherwise determined by applicable law. The obligation to make said Real Property Taxes shall be a covenant running with the land and shall create a lien in favor of the UG on each such tax parcel as constituted from time to time and shall be enforceable against Developer and its successors and assigns in ownership of property in the Redevelopment District. The parties hereby understand and agree that 100% of the Incremental Real Property Taxes from the Redevelopment District shall be available to Developer for Reimbursable Project Costs.

(b) Special Allocation Fund. The UG’s finance department shall establish and maintain the Special Allocation Fund which shall contain a segregated account for 100% of Incremental Real Property Taxes which shall be deposited into the Special Allocation Fund. Real Property Taxes so deposited and any interest earned on such deposits will be used for the payment or reimbursement of Project Costs, in the manner set forth in this Agreement.

4.3 Pay-As-You-Go TIF Financing. Subject to the terms and conditions of this Agreement, the parties hereby agree that the proceeds from the Incremental Real Property Taxes (the “TIF Proceeds”) shall be disbursed by the UG to Developer from the Special Allocation Fund from time to time, but no more often than on a quarterly basis, to reimburse Developer for Reimbursable Project Costs. The TIF Proceeds shall be disbursed from the UG to Developer if and to the extent that (a) there are TIF Proceeds in the Special Allocation Fund, (b) Developer has approved Certificates of Expenditure for Reimbursable Project Costs to be paid by such TIF Proceeds, and (c) the TIF Period (as defined below) has not yet expired. The parties further agree that the Incremental Real Property Taxes shall be collected within the District commencing on the date that the TIF Plan is approved by the UG’s Commission and shall continue for a period of that ends twenty (20) years from the date of such approval of the Redevelopment Project Plan (the “TIF Collection Period”). At the end of the TIF Collection Period, the parties understand and agree that the TIF shall thereafter terminate, and the UG shall no longer deposit Incremental Real Property Taxes into the Special Allocation Fund and Developer shall have no further access to such Incremental Real Property Taxes to reimburse or pay for Reimbursable Project Costs.

4.4 Payment of Redevelopment Project Costs.

(a) Developer’s Private Contribution of approximately $30,000,000 or such other amount necessary to construct the project (“Developer’s Private Contribution”) shall be the responsibility of the Developer and not the UG. Developer shall be solely responsible for securing Developer’s Private Contribution.

(b) In the event that the TIF Proceeds contemplated by the Total Project Budget for payment of Developer’s Reimbursable Project Costs are in any way insufficient in any respect to pay all such Reimbursable Project Costs, and to complete any of the Improvements included therein, lien free (a “TIF Proceeds Shortfall”), then Developer agrees that it will, from time to time as necessary, pay any and all of said TIF Proceeds Shortfall and will complete such Improvements, lien free.
(c) Payment of TIF Administrative Fee. On a quarterly basis, a portion of Incremental Real Property Taxes from the Redevelopment District shall be used to pay an administrative fee in an amount equal to one percent (1%) of the Incremental Real Property Taxes collected during that quarter (the “TIF Administrative Fee”), and Developer hereby understands and agrees that such TIF Administrative Fee shall first be paid to the UG prior to the payment of Reimbursable Project Costs from the Special Allocation Fund from pay-as-you-go TIF financing.

4.5 Certificate of Expenditure.

(a) Certificate of Expenditure. In order to receive reimbursement for Reimbursable Project Costs from the TIF Proceeds, Developer shall submit a Certificate of Expenditure in a form reasonably approved by the UG attesting to the expenditure of Developer’s Reimbursable Project Costs in accordance with the procedure set forth below. Developer shall submit no more than one (1) Certificate of Expenditure per calendar month, and Developer shall require that no transferee, purchaser, or lessee of any portion of the Redevelopment District otherwise provide Certificates of Expenditures to the UG, except through Developer or except as otherwise approved by the UG.

(b) Procedures for Certification of Expenditures. The UG shall review Certificates of Expenditures to be made in connection with the Reimbursable Project Costs for approval or denial of the same as follows:

(i) The Developer shall submit to the UG a Certificate of Expenditure setting forth the amount for which certification is sought and identification of the relevant Reimbursable Project Costs.

(ii) The Certificate of Expenditure shall be accompanied by such bills, contracts, invoices, lien waivers and such other evidence as the UG shall reasonably require documenting appropriate payment.

(iii) The UG reserves the right to have its engineer or other agents, consultants or employees inspect all the items set forth in subsection (ii) above as reasonably necessary to determine that the expenses therein are valid, eligible and properly incurred and constitute as Reimbursable Project Costs.

(c) UG Expenses Paid First. At the time of each and every disbursement of TIF Proceeds for any Reimbursable Project Costs set forth therein from time to time, the parties hereby agree that the UG shall first pay any outstanding UG Expenses due prior to paying Developer’s Reimbursable Project Costs, such UG Expenses not to exceed $_____ per year.

(d) Completion of Phases. Developer hereby understands and agrees that it shall not be entitled to reimbursement for any Reimbursable Project Costs applicable to a particular Phase of the Project unless and until such Phase is Substantially Complete.

4.6 Industrial Revenue Bonds. The UG hereby recognizes and understands that the Developer will require abatements of Real Property Taxes for each of those new industrial
buildings that it intends to develop and construct on Tract A, Tract B and Tract C of the Project. Therefore, the UG has adopted the Master Resolution of Intent indicating its intention to issue IRB financing for Tract A, Tract B and Tract C of the Redevelopment District to grant to the Developer certain abatements of Real Property Tax for each building developed on Tract A, Tract B and Tract C during the Term of this Agreement. The IRB financing would be consistent with the UG’s IRB policies at the time of issuance of IRB bonds, and the current policy provides for (i) a ten (10) year, 75% abatement of the Real Property Tax for the improvements (which may be commenced on a building-by-building basis), (ii) an exemption on sales taxes for construction materials for the new buildings constructed. Developer understands and agrees that in the event of a 75% abatement of Real Property Tax for improvements, Developer shall pay a payment-in-lieu of tax (a “PILOT”) for 25% of the Real Property Tax liability that would otherwise be incurred but for the IRB structure set forth herein. All IRB financing will also take into account other factors addressed by the UG’s IRB policies and requirements, including without limitation, payment of prevailing wages and LBE/MBE/WBE participation. A copy of the Master Resolution of Intent is attached hereto as Exhibit D. However, notwithstanding the foregoing, the parties understand and agree that:

(a) the UG cannot bind the governing body of the UG regarding the future approval of any such IRB financing or abatements or the future authorization, issuance, sale or delivery of any IRB bonds and that nothing contained herein shall in any way bind the UG’s Commission to accept or reject any such IRB financing or abatements, which decision shall unconditionally remain within the sole discretion of such Commission; and

(b) IRB financing is not permitted within a Redevelopment District pursuant to Applicable Laws and Requirements. Accordingly, prior to the issuance of any IRB financing for Tract A, Tract B or Tract C hereof, the parties shall remove any such property from the Redevelopment District and terminate the TIF as to such parcels; and

(c) Developer shall provide the UG with written notice of its intention to proceed with the building(s) on Tract A, Tract B or Tract C to commence the process of removing such property from the Redevelopment District and advancing the IRB financing to the UG’s Commission for consideration. Developer shall enter into a new funding agreement with the UG, in substantially the same form as the current Funding Agreement in connection with the preparation of documents and processing of the IRB financing by the UG. The parties shall execute and deliver bond documents and other instruments required in connection with any such IRB financing, which documents and instruments shall be mutually agreed upon by the parties and Developer; and

(d) IRB financing will not be issued by the UG for buildings which are less than a minimum of 120,000 square feet, or with respect to Tract C, a minimum of 80,000 square feet in the event that Developer elects not to demolish the refrigerated building presently located on Tract C, but rather to rehabilitate, renovate and use the same.

ARTICLE V.

5.1 Park Access Improvements. Developer shall, as a part of the Phase 1 Improvements, design, construct and complete the access improvements, including the new entryway off of
Fairfax Trafficway and the internal access roads to the levee and park as more particularly set forth on Exhibit G attached hereto (the “Park Access Improvements”). Developer shall design, construct and complete such Park Access Improvements at its sole cost and expense and Developer shall maintain and operate the Park Access Improvements in accordance with the terms of the New Lease, including the provisions set forth therein regarding the times such Park Access Improvements shall be open and available to the public.

**ARTICLE VI.**

**CONSTRUCTION OF IMPROVEMENTS**

6.1 **Architect.** Developer shall select such architects, engineers and other design professionals and consultants as are necessary to provide construction documents and construction oversight services for the construction of the Project and certain other infrastructure improvements to be designed, constructed and completed by Developer in or about the District (the “Infrastructure Improvements”). All agreements respecting architectural and engineering services shall be between Developer and such Persons, and a representative of the UG shall have a right to privately review a copy of each such agreement upon request of the UG. Developer shall select a principal architect for the Improvements and the Infrastructure Improvements (the “Principal Architect”), and the UG shall be notified of each such selection.

6.2 **Design and Plans and Specifications.** Developer shall, at least forty five (45) days prior to commencement of construction on any Phase of the Project, provide the UG with plans and specifications for the Improvements for such Phase (collectively, the “Plans and Specifications”), which Plans and Specifications shall include cost estimates for the Improvements, the design of which is compatible with the Redevelopment Project Plan, and all Applicable Laws and Requirements. Developer recognizes, stipulates and agrees that the Plans and Specifications will be subject to and must be in compliance with the planning, zoning, platting and permitting approvals by the UG’s Planning Commission and UG’s Commission. Without the prior written approval of the appropriate Government Authorities, there shall be no Material Changes to the Plans and Specifications subsequent to the initial approval.

6.3 **General Contractor and Construction Documents.** Developer shall select one or more general contractors (collectively, the “General Contractor”) for the Improvements. Each such General Contractor must have experience in similar-sized projects. Developer represents that its construction documents relative to the Improvements (the “Construction Documents”) will require and provide for (a) the design, development, construction, equipping and completion of the Improvements in accordance with the Redevelopment Project Plan, the Plans and Specifications and all Applicable Laws and Requirements, (b) Substantial Completion not later than the completion date for the Improvements as set forth in Section 6.7 below, and (c) surety of performance and labor and material payment bonds as set forth in Section 6.11 below. Developer shall, at least twenty (20) days prior to commencement of construction on any Phase of the Project, provide the UG with a copy of the Construction Documents for such Phase.

6.4 **Changes or Amendments.** Subject to Section 6.8 below, Developer shall not make any Material Changes to, or terminate any of the Construction Documents, or release any party therefrom without written notice to the UG. Developer shall promptly deliver to the UG copies
of all change orders or other changes or amendments to the Construction Documents. Developer agrees with the UG that it will in good faith (a) perform its duties and obligations under the Construction Documents and (b) enforce the obligations of all other parties thereunder.

6.5 Construction of Improvements. Developer agrees that it shall cause the Improvements and the Infrastructure Improvements to be constructed and completed substantially in accordance with the Construction Documents, the Redevelopment Project Plan and this Agreement. In addition, the Construction Documents, and any other contracts for the design, development, acquisition, construction and completion of the Improvements, as well as all other contracts or agreements respecting the Improvements, shall comply and conform to all Applicable Laws and Requirements.

6.6 Commencement of Construction: Developer must commence construction on the Project on or before the dates set forth below for the various Phases:

(a) The “Phase 1 Commencement Date.” Developer shall commence construction of the new building on Tract A on or before nine (9) months after the expiration of the General Condition Date (as defined in Section 3.1(a)) (the “Phase 1 Commencement Date”).

(b) The “Phase 2 Completion Date.” Developer shall use commercially reasonable efforts to commence demolition of certain buildings on Tract C and development site work for Phase 2 on or before April 1, 2017, and to commence construction of the first approximate 135,000 square feet of building(s) on or before April 1, 2018 (the "Target Commencement Date"). However, the parties hereby understand and agree that Developer shall not be in default hereunder unless Developer fails to commence construction on or before April 1, 2021 (the “Phase 2 Outside Commencement Date”). For purposes of this subsection, “commercially reasonable” efforts shall include Developer's marketing and other efforts to secure a suitable “build to suit” tenant to occupy the Phase 2 building and obtaining necessary construction financing.

(c) The “Phase 3 Commencement Date.” Developer shall commence demolition of certain buildings on Tract C and development site work for Phase 3 or before July 1, 2025, and Developer shall commence construction of the next approximate 120,000 building(s) on Tract C on or before January 1, 2026 (the “Phase 3 Commencement Date”).

(d) Lady Baltimore. The parties understand and agree that Developer may commence the renovation and expansion of the Lady Baltimore Phase as and when it elects to commence.

6.7 Completion Dates. Developer shall achieve Substantial Completion of the Improvements for each Phase as follows, subject only to Force Majeure:

(a) The “Phase 1 Completion Date.” Developer shall Substantially Complete the Phase 1 Improvements on or before the earlier of (i) April 1, 2014, or (ii) that date
which is one (1) year from the date that Developer shall commence construction of the new building on Tract A (the “Phase 1 Completion Date”).

(b) The “Phase 2 Completion Date.” Developer shall use commercially reasonable efforts to Substantially Complete the Phase 2 Improvements on or before the earlier of (i) April 1, 2019, or (ii) that date which is two (2) years after Developer shall commence demolition of certain buildings on Tract C for Phase 2 (the “Phase 2 Target Date”). Notwithstanding the foregoing, and provided that Developer uses commercially reasonable efforts to Substantially Complete the Phase 2 Improvements by the Phase 2 Target Date or as soon as practicable thereafter, the parties hereby understand and agree that Developer shall not be in default hereunder unless Developer fails to Substantially Complete the Phase 2 Improvements on or before April 1, 2022 (the “Phase 2 Outside Completion Date”). For purposes of this subsection, “commercially reasonable” efforts shall include Developer's marketing and other efforts to secure a suitable “build to suit” tenant to occupy the Phase 2 building and obtaining necessary construction financing.

(c) The “Phase 3 Completion Date.” Developer shall Substantially Complete the Phase 3 Improvements on or before the earlier of (i) January 1, 2027, or (ii) that date which is two (2) years after Developer shall commence demolition of certain buildings on Tract C for Phase 3 (the “Phase 3 Completion Date”).

(d) The “Lady Baltimore Completion Date.” Developer shall Substantially Complete the Lady Baltimore Improvements on or before January 1, 2027 (the “Lady Baltimore Completion Date”); provided, however, that Developer shall not be deemed to be in default of this subsection (d) so long as Developer shall Substantially Complete the Lady Baltimore Improvements on or before January 1, 2028.

6.8 Permitted Modifications. Developer shall have the right, in its reasonable discretion, to modify the scope and physical parameters of the Project (each, a “Permitted Modification”) if, and to the extent, that:

(a) Modifications are approved via the Planning Commission and/or Governing Body via the planning and zoning process or as required by Applicable Laws and Requirements;

(b) Modifications are required to include within the Improvements new technologies or amenities which may become available during the time that the Project is being developed.

(c) Modifications shall be allowed to the interior portions of the various buildings that constitute the Improvements.

Developer agrees that any such Permitted Modification shall be consistent, and comply, with Applicable Laws and Requirements. Developer shall give to the UG reasonable prior notice of any Permitted Modification. A Permitted Modification shall not require the consent of the UG.

6.9 Responsibility for Design and Construction. Developer shall, subject to the terms of this Agreement and the Redevelopment Project Plan, have the sole right, and the responsibility, to
design, manage, and construct the Improvements. Developer shall receive no separate fee from the UG for acting as construction manager or developer of the Improvements. Notwithstanding anything set forth herein to the contrary, the Plans and Specifications shall be sealed by the Principal Architect and shall require that the Principal Architect render a certificate upon the completion of the work required thereby that said work has been completed in accordance with all Applicable Laws and Requirements.

6.10 Payment and Performance Bonds. The General Contractor shall be required under the Construction Documents to furnish and maintain in full force and effect performance and labor and material payment bonds in the full amount of the project cost, as set forth in the Construction Documents. Said bonds shall be in form and substance and issued by a corporate surety reasonably satisfactory to Developer and the UG. Said bonds shall be in favor of Developer and the UG.

6.11 Permits and Reviews. Developer hereby recognizes, stipulates and agrees (a) that in the design, construction, completion, use or operation of the Improvements, Developer, or its General Contractor, shall procure and pay for any and all permits, licenses or other forms of authorizations that are, from time to time, required, and (b) that nothing herein shall be construed as any release by the UG of the responsibility of Developer to comply with, and satisfy the requirements of, all Applicable Laws and Requirements.

6.12 Prevailing Wages. Developer hereby agrees to pay prevailing wages as established by the Davis-Bacon Act for all aspects of construction of the Improvements and the Project. In the event that Developer shall fail to pay prevailing wages in full compliance with this Section 6.12 for any Phase of the Project, Developer hereby understands and agrees that, for each such Phase: (a) the amount of the TIF Proceeds available to Developer to reimburse or pay for Reimbursable Project Costs shall be reduced by ten percent (10%), and/or (b) the amount of any IRB abatement provided by Section 4.6 hereof shall be reduced by ten percent (10%). The foregoing TIF or IRB reductions shall be the sole remedy of UG for a breach of this Section 6.12 by Developer.

6.13 Periodic Meetings with the UG. From the Effective Date until Substantial Completion of the Project, Developer hereby agrees to meet with the UG and/or its agents or consultants at such intervals as Developer, the UG and any such designee shall mutually agree or reasonably request, and not more frequently than monthly, to review and discuss the design, development and construction of the Improvements and the Project.

ARTICLE VII.

USE AND OPERATION

7.1 Term. The Term of this Agreement shall commence on the Effective Date and shall expire upon that date which is the last of the following to occur: (i) the last day of the TIF, or (ii) the last day of the IRB financing (the “Term”).

7.2 Use and Operation.
(a) Developer covenants that at all times during the Term it will, at its expense:

(i) Use or permit the use of the Improvements only for the Permitted Uses.

(ii) Conduct its business at all times in a dignified quality manner and in conformity with the customary industry standards and in such manner as to help establish and maintain a high reputation for the Project.

(iii) Subject to market demand and the ability to lease the Improvements, cause the Improvements to be occupied as soon as possible in accordance with the Completion Dates set forth in Section 6.7 above.

(iv) Perform its duties to maintain the Improvements, the Project and the District as set forth in Section 7.4 hereof.

(v) Perform its duties to repair, restore and replace portions of the Project as set forth in Sections 7.11(b) and (d).

(b) Developer acknowledges that damages for the breach of the covenants contained in this Section 7.2 may be difficult to ascertain. Accordingly, in the event of a breach of the covenants contained in this Section 7.2, then:

(i) The UG shall be entitled to pursue such damages for any breach of the covenants contained in this Section 7.2 as it elects; however, the UG shall not be entitled only to damages, but also to injunctive relief to enforce the covenants contained in this Section 7.2 to compel performance of the terms hereof, and to restrain and enjoin any breach or threatened breach thereof; and

(ii) Without limiting the generality of Sections 9.1 and 9.2 of this Agreement, the UG shall be entitled to all reasonable costs and charges, including attorneys’ fees, lawfully and reasonably incurred by or on behalf of the UG in connection with the enforcement of the covenants contained in this Section 7.2.

7.3 Reserved.

7.4 Maintenance and Use. During the Term, Developer shall cause the Improvements, and all parts thereof, the Project and all other of their property used or useful in the conduct of its business and operations within the District, to be maintained, preserved and kept in good repair and working order and in a safe condition, consistent at all times with other similarly situated industrial space in the greater metropolitan Kansas City area, and will make all repairs, renewals, replacements and improvements necessary for the safe, efficient, and advantageous conduct of its business and operations within the District all subject to normal wear and tear. Nothing in this Section 7.4 shall preclude Developer from removing or demolishing any building or buildings, if in its reasonable judgment, such removal or demolition is desirable in the conduct of its business and not disadvantageous in any material respect to the owners of any bonds issued pursuant to Article IV hereof, and as long as the same does not materially adversely affect the value of the
Improvements or Developer’s ability to perform its obligations under this Agreement. Developer may make additions, alterations and changes to the Improvements so long as such additions, alterations and changes are made in compliance with all Applicable Laws and Requirements, this Agreement, the Redevelopment Project Plan, and as long as the same do not materially adversely affect the value of the Improvements or Developer’s ability to perform its obligations under this Agreement. Notwithstanding the foregoing, the UG recognizes and agrees that the existing buildings located on Tracts B and C will be demolished in accordance with the Redevelopment Project Plan. Accordingly, Developer shall be entitled to balance the need for undertaking maintenance, repairs and improvements to those currently existing buildings which are to be demolished against the redevelopment/demolition schedule for such buildings.

7.5 **Compliance.** Developer shall conduct its affairs and carry on its business and operations in such a manner as to comply with all Applicable Laws and Requirements, and to observe and conform to all valid orders, regulations or requirements (including, but not limited to, those relating to safety and health) of any Government Authorities applicable to the conduct of their business and operations and the ownership of the Project. Developer agrees to promptly pay any and all fees and expenses associated with any safety, health or other inspections required under this Agreement or imposed by Applicable Law and Requirements. Provided, however, that nothing contained in this Agreement shall require Developer to comply with, observe and conform to any such law, order, regulation or requirement of any Government Authorities so long as the validity thereof shall be contested by Developer in good faith by appropriate proceedings, and provided that Developer shall have set aside on its books adequate reserves or secured adequate bonding with respect to such contest and such contest shall not materially impair the ability of Developer to meet its obligations under this Agreement.

7.6 **Payment of Taxes and Other Charges.** Subject only to any IRB abatements approved by the UG’s Commission pursuant to Section 4.6 hereof, Developer shall pay or cause to be paid as they become due and payable all taxes, assessments and other governmental charges lawfully levied or assessed or imposed upon Developer or the Project or any part thereof or upon any income therefrom, including, but not limited to, any taxes, assessments, PILOTS or other governmental charges levied, assessed or imposed on the Project, the Site, and/or the Improvements. Ad valorem property taxes shall be due in arrears, with half due on December 20th and half due on May 10th of each year in which said amount is required to be paid, and will be considered delinquent if not paid by such dates of each such year or as otherwise determined by Applicable Law and Requirements. The obligation to make said ad valorem property tax payments shall be a covenant running with the land and shall create a lien in favor of the UG on each such tax parcel as constituted from time to time and shall be enforceable against Developer and its successors and assigns in ownership of property on the Site. Notwithstanding the foregoing, Developer hereby covenants and agrees not to contest the assessed value of the properties, improvements or the taxes on the Project, the Site and/or Improvements during the Term of this Agreement. Additionally, Developer hereby understands and agrees that if Developer shall fail to timely pay its ad valorem property taxes as set forth herein, that Developer’s access to the IRB financing and the TIF Proceeds identified in Article 4 hereof shall be suspended until such taxes are paid in full.

7.7 **Payment of Obligations.** During the Term, Developer shall promptly pay or otherwise satisfy and discharge all of its obligations and all demands and claims against it as and when the
same become due and payable, unless the validity, amount or collectability thereof is being contested in good faith or unless the failure to comply or contest would not materially impair its ability to perform its obligations under this Agreement nor subject any material part of the District to loss or forfeiture.

7.8 **Liens and Encumbrances.** During the Term, except for a Permitted Mortgage, Developer shall not create or incur or permit to be created or incurred or to exist any mortgage, lien, security interest, charge or encumbrance upon the Project, or any part thereof, and shall promptly cause to be discharged or terminated all mortgages, liens, security interests, charges and encumbrances that are not a Permitted Mortgage. Notwithstanding the foregoing, any Permitted Mortgage shall be subject to the terms and conditions of this Agreement, including without limitation, Section 9.2 of this Agreement.

7.9 **Licenses and Permits.** During the Term, Developer shall procure and maintain all licenses and permits, and conduct or cause to be conducted, all inspections and/or investigations required by Applicable Laws and Requirements or otherwise necessary in the operation of its business and affairs in, on or about the Project and the District; provided, however, that Developer shall not be required to procure or maintain in effect any right, license or accreditation that Developer and the UG shall have determined in good faith and subject to Applicable Laws and Requirements, is not in the best interests of Developer and is no longer necessary in the conduct of its business and that lack of such compliance will not materially impair the ability of Developer to pay or perform its obligations under this Agreement.

7.10 **Insurance.** During the Term, Developer shall maintain or cause to be maintained insurance with respect to the Project and operations covering such risks that are of an insurable nature and of the character customarily insured against by organizations operating similar properties and engaged in similar operations (including but not limited to property and casualty, worker’s compensation, general liability and employee dishonesty) and in such amounts as, in the reasonable judgment of the UG, are adequate to protect Developer, the UG and the Project, but in no event in an amount less than that required by the Insurance Specifications attached hereto as **Exhibit E**, and made a part hereof, or as otherwise required by the terms of any Bond Documents. Each policy or other contract for such insurance shall (i) name the UG as an additional insured (with respect to liability insurance), and (ii) contain an agreement by the insurer that, notwithstanding any right of cancellation reserved to such insurer, such policy or contract shall continue in force for at least thirty (30) days after written notice of cancellation to Developer and each other insured, additional insured, loss payee and mortgage payee named therein.

7.11 **Damage, Destruction or Condemnation.**

(a) In the event of damage to or destruction of any portion of the Project resulting from fire or other casualty during the Term, or in the event any portion of the District is condemned or taken for any public or quasi-public use or title thereto is found to be deficient during the Term, the net proceeds of any insurance relating to such damage or destruction, the net proceeds of such condemnation or taking or the net proceeds of any realization on title insurance shall be paid into, and used in accordance
with a construction escrow agreement reasonably satisfactory to the UG and Developer ("Casualty Escrow").

(b) If, at any time during the Term, the Project or any part thereof shall be damaged or destroyed by a Casualty (the “Damaged Facilities”), Developer, at its sole cost and expense, shall commence and thereafter proceed as promptly as possible to repair, restore and replace the Damaged Facilities as nearly as possible to their condition immediately prior to the Casualty and shall be entitled to draw upon the Casualty Escrow for payment of said costs. Notwithstanding the foregoing, in the event that any of the Damaged Facilities consist of one or more the currently existing buildings on Tract B or C that are to be demolished pursuant to the Redevelopment Project Plan (the “Existing Buildings”), Developer shall not be required to rebuild the Existing Buildings. In such event, any insurance proceeds relating to the Existing Buildings shall be held in the Casualty Escrow and may be used by Developer in connection with any of the Phases, or subject to the reasonable approval of the UG, for any other use permitted under this Agreement or the New Lease.

(c) If at any time during the Term, title to the whole or substantially all of the Site which has previously been conveyed to Developer shall be taken in condemnation proceedings or by right of eminent domain, Developer, at its sole discretion, may terminate this Agreement as of the date of such taking. For purposes of this Section 7.11(c), “substantially all of the Site” shall be deemed to have been taken if the UG and Developer, each acting reasonably and in good faith, determine that the untaken portion of the Site, including the Parking Improvements, cannot be practically and economically used by Developer for the purposes and at the times contemplated by this Agreement. Except as expressly set forth herein, the rights and obligations of UG and Developer in the event of a condemnation shall be governed by the terms of the New Lease.

(d) In the event of condemnation of less than the whole or substantially all of the Site which has previously been conveyed to Developer during the Term, Developer, at its sole cost and expense, shall commence and thereafter proceed as promptly as possible to repair, restore and replace the remaining part of the Improvements, as nearly as possible, to their former condition, and shall be entitled to draw upon the Casualty Escrow for payment of said costs. Notwithstanding the foregoing, in the event that any portions of the Existing Buildings are condemned, Developer shall not be required to rebuild such structures. In such event, any condemnation proceeds relating to the Existing Structures shall be held in the Casualty Escrow and may be used by Developer in connection with any of the Phases, or subject to the reasonable approval of UG, for any other use permitted under this Agreement or the New Lease.

(e) Nothing in this section will require the Developer to expend funds in excess of the Casualty Escrow.

7.12 Indemnity. Developer shall, in connection with the Site, pay and indemnify and save the UG and its governing body members, directors, officers, employees and agents harmless from and against all loss, liability, damage or expense arising out of (a) the acquisition of the Site, (b)
the design, construction and completion of the Project by Developer, (c) the use or occupation of
the Project and/or Project by Developer or anyone acting by, through or under it, (d) damage or
injury, actual or claimed, of whatsoever kind or character occurring after Closing, to persons or
property occurring or allegedly occurring in, on or about the Site, (e) any breach, default or
failure to perform by Developer under this Agreement, and (f) any act by an employee of the UG
at the Site which is within or under the control of Developer or pursued with the permission of
Developer and for the benefit of or on behalf of Developer. Developer shall also pay and
indemnify and save the UG and its governing body members, directors, officers, employees and
agents harmless of, from and against, all costs, reasonable counsel fees, expenses and liabilities
incurred by them or by Developer in any action or proceeding brought by reason of any such
claim, demand, expense, penalty or fine. If any action or proceeding is brought against the UG
or its governing board members, directors, officers, employees or agents by reason of any such
claim or demand, Developer, upon notice from the UG, covenants to resist and defend such
action or proceeding on demand of the UG or its governing body members, directors, officers,
employees or agents. Notwithstanding the foregoing, no party benefited by this indemnity shall
be indemnified against liability for damage arising out of bodily injury to persons or damage to
property caused by the UG’s own willful and malicious acts or omissions or negligence. The
foregoing covenants contained in this Section shall be deemed continuing covenants,
representations and warranties for the benefit of the UG and any successors and assigns of the
UG, and shall survive the termination, satisfaction or release of this Agreement, or any other
instrument.

7.13 Prohibition on Sales, Etc. Except for a Permitted Mortgage and as otherwise provided
herein, Developer shall not, without the prior written consent of the UG, (a) assign, sell, lease,
mortgage or otherwise transfer the Site, the Improvements, or any equipment that comprise the
Project or any part thereof or any interest therein, (b) merge with or into another corporation or
sell or transfer to another corporation substantially all of its assets, or (c) assign this Agreement.
Any such assignment, sale, lease, mortgage, merger or other transfer which is consented to by
the UG shall be an “Approved Assignment” and the assignee, purchaser, lessee, mortgagee or
transferee shall be an “Assignee.” The UG shall have the right to grant or withhold its consent to
any of the aforesaid in its reasonable discretion. Notwithstanding the foregoing, the parties
hereby agree that Developer may, subject always to the terms of this Agreement, in the ordinary
course of its business, but without the prior written approval of the UG, make leases of portions
of the Project to reputable tenants.

7.14 Utilities. During the Term, all utility and utility services used by Developer in, on or
about the Site shall be paid for by Developer and shall be contracted for by Developer in
Developer’s own name, and Developer shall, at its sole cost and expense, procure any and all
permits, licenses or authorizations necessary in connection therewith.

7.15 Access. During the Term, Developer hereby recognizes, acknowledges and agrees that
the UG, and its duly authorized representatives and agents, shall have the right to enter the
portions of the Site previously conveyed to Developer at reasonable times and upon reasonable
notice, to substantiate compliance with this Agreement or, to the extent Developer has failed to
cure any breach within applicable notice and cure periods, to cure any defaults under this
Agreement. In exercising its rights hereunder, the UG shall use reasonable efforts to avoid
unreasonable interference with the operation of the Project. Nothing contained in this
Section 7.15 shall restrict or impede the right of the UG to enter the District pursuant to any Applicable Laws and Requirements.

7.16 Environmental Matters. Developer shall not store, locate, generate, produce, process, treat, transport, incorporate, discharge, emit, release, deposit or dispose of any Hazardous Substance in, upon, under, over or from the Site in violation of any Environmental Regulation; shall not permit any Hazardous Substance to be stored, located, generated, produced, processed, treated, transported, incorporated, discharged, emitted, released, deposited, disposed of or to escape therein, thereupon, thereunder, thereover or therefrom in violation of any Environmental Regulations; and as to property it owns in fee shall cause all Hazardous Substances to be properly removed therefrom and properly disposed of in accordance with all applicable Environmental Regulations; shall not install or permit to be installed any underground storage tank therein or thereunder in violation of any Environmental Regulation; and shall comply with all other Environmental Regulations which are applicable to the Site. Developer shall indemnify the UG against, shall hold the UG harmless from, and shall reimburse the UG for, any and all claims, demands, judgments, penalties, fines, liabilities, costs, damages and expenses, including court costs and attorneys’ fees directly or indirectly incurred by the UG (prior to trial, at trial and on appeal) in any action against or involving the UG, resulting from any breach of the foregoing covenants or from the discovery of any Hazardous Substance, in, upon, under or over, or emanating from, the Site, it being the intent of Developer and the UG that the UG shall have no liability or responsibility for damage or injury to human health, the environment or natural resources caused by, for abatement and/or clean-up of, or otherwise with respect to, Hazardous Substances. The foregoing covenants contained in this Section shall be deemed continuing covenants, representations and warranties for the benefit of the UG and any successors and assigns of the UG, and shall survive the termination, satisfaction or release of this Agreement, or any other instrument. Any amounts covered by the foregoing indemnification shall bear interest from the date incurred at the Prime Rate plus 2%, or, if less, the maximum rate permitted by law, and shall be payable on demand. Notwithstanding anything contained herein to the contrary, Developer shall not be required to indemnify the UG for any environmental conditions existing on the Project as of the Effective Date (“Preexisting Environmental Conditions”). In connection therewith, the UG and Developer agree that the environmental reports listed on Exhibit G attached hereto shall be used as the base-line reports in determining as to whether any environmental condition is a Preexisting Environmental Condition.

7.17 Power of the UG. Notwithstanding anything set forth herein to the contrary, no provision contained herein shall in any manner diminish or usurp the inherent rights and powers of the UG to act in its capacity as a public body. Further, nothing herein shall relieve Developer from complying with all Applicable Laws and Requirements.

ARTICLE VIII.

SPECIAL PROVISIONS

8.1 Special Agreements of Developer. During the Term of this Agreement:

(a) Developer shall maintain a membership in the Fairfax Industrial Association.
During the Term, Developer agrees to participate in the civic, charitable, educational, philanthropic and economic development of the Kansas City, Kansas/Wyandotte County community in a manner and in activities of its choice.

8.2 **LBE/MBE/WBE Employment Opportunity Goals.** Developer hereby agrees to comply with the goals set forth on Exhibit F, attached hereto and made a part hereof, in order to identify and provide employment opportunities for local businesses and contractors, women and local minority owned businesses. In the event that Developer shall fail to comply with the goals as set forth in Exhibit F for any Phase of the Project, then Developer hereby understands and agrees that, for each such Phase: (a) the amount of the TIF Proceeds available to Developer to reimburse or pay for Reimbursable Project Costs shall be reduced by ten percent (10%), and/or (b) the amount of any IRB abatement provided by Section 4.6 hereof shall be reduced by ten percent (10%). The foregoing TIF or IRB reduction shall be the sole remedy of UG for a breach of this Section 8.2 by Developer.

8.3 **Consultants.** The UG shall have the right to engage such consultants as the UG deems appropriate at its sole cost and expense for the purposes of reviewing the policies of insurance required hereunder to confirm Developer’s compliance with the terms of this Agreement, such UG Expenses not to exceed $____ per year. Such reviews may be conducted when policies required hereunder are issued, renewed or modified in a manner which adversely affects the UG’s interests. Developer will cooperate with the UG in such review. Developer hereby agrees to notify the UG prior to the issuance, renewal or modification of any such policies.

8.4 **Friends of the Kaw.** Commencing on the completion of Phase 1 of the Project, the UG shall dedicate an amount equal to $10,000 annually of the rent that it receives from Developer pursuant to the New Lease for the use by and benefit of Friends of the Kaw.

**ARTICLE IX.**

**DEFAULT AND REMEDIES**

9.1 **Default Provisions.** Developer shall be in default under this Agreement if:

(a) Developer fails to make any of the payments of money required by the terms of this Agreement, and Developer fails to cure or remedy the same within ten (10) days after the UG has given Developer as applicable, written notice specifying such default; or

(b) Developer fails to keep or perform any covenant or obligation herein contained on Developer’s part to be kept or performed, and Developer fails to remedy the same within thirty (30) days after the UG has given Developer written notice specifying such failure and requesting that it be remedied; provided, however, that if any event of default shall be such that it cannot be corrected within such period, it shall not constitute an event of default if corrective action is instituted by Developer within such period and diligently pursued until the default is corrected; or
(c) A default shall exist or occur with respect to any of the duties or obligations of the Developer under any of the IRB bond documents; or

(d) Developer shall file a voluntary petition under any bankruptcy law or an involuntary petition under any bankruptcy law is filed against any such party in a court having jurisdiction and said petition is not dismissed within thirty (30) days or Developer makes an assignment for the benefit of its creditors; or a custodian, trustee or receiver is appointed or retained to take charge of and manage any substantial part of the assets of Developer and such appointment is not dismissed within sixty (60) days; or any execution or attachment shall issue against Developer whereupon the District, or any part thereof, or any interest therein of Developer under this Agreement shall be taken and the same is not released prior to judicial sale thereunder (each of the events described in this subparagraph being deemed a default under the provisions of this Agreement);

(e) Developer breaches the representations and warranties set forth in this Agreement and fails to cure or correct same within thirty (30) days of notice from the UG.

In the event of such default, the UG may take such actions, or pursue such remedies, as exist hereunder, the Guaranty or at law or in equity and Developer covenants to pay and to indemnify the UG against all reasonable costs and charges, including attorneys’ fees, lawfully and reasonably incurred by or on behalf of the UG in connection with the enforcement of such actions or remedies.

9.2 Rights and Remedies. The rights and remedies reserved by the UG hereunder and those provided by law shall be construed as cumulative and continuing rights, no one of which shall be exhausted by the exercise of any one or more of such rights or remedies on any one or more occasions. If a default by Developer occurs under this Agreement and is continuing, the UG may take whatever action at law or in equity as may appear necessary or desirable to enforce performance and observance by Developer of any provision of this Agreement. The UG shall be entitled to specific performance and injunctive or other equitable relief for any breach or threatened breach of any of the provisions of this Agreement, notwithstanding the availability of an adequate remedy at law, and each party hereby waives the right to raise such defense in any proceeding in equity. In addition to the foregoing rights and remedies, whenever any default by Developer shall have occurred and be continuing, subject to applicable cure periods as set forth above, the UG may also (a) refuse to approve any further Certificates of Expenditures and make any further disbursements of TIF Proceeds unless and until such default is cured by the Developer, and/or (b) terminate the TIF, in which case Developer shall have no further rights to any proceeds or reimbursements therefrom, and/or (c) terminate the IRB financing, and/or (d) terminate this Agreement. The rights and remedies reserved by the UG hereunder and those provided by law shall be construed as cumulative and continuing rights, no one of which shall be exhausted by the exercise of any one or more of such rights or remedies on any one or more occasions.

Failure by the UG to enforce any such rights reserved under this Section 9.2 shall not be deemed a waiver thereof.
9.3 Default by the UG. The UG shall be in default under this Agreement if the UG fails to keep or perform any covenant or obligation herein contained on the UG’s part to be kept or performed, and the UG fails to remedy the same within thirty (30) days after Developer has given the UG written notice specifying such failure and requesting that it be remedied; provided, however, that if any event of default shall be such that it cannot be corrected within such period, it shall not constitute an event of default if corrective action is instigated by the UG within such period and diligently pursued until the default is corrected. If a default by the UG occurs under this Agreement and is continuing, Developer may take whatever action at law or in equity as may appear necessary or desirable to enforce performance and observance by the UG of any provision of this Agreement, however, the UG’s liability for monetary amounts shall be limited to the actual amount, if any, in question, and under no circumstances shall the UG be liable for any remote or consequential damages.

ARTICLE X.

MISCELLANEOUS

10.1 Waiver of Breach. No waiver of any breach of any covenant or agreement herein contained shall operate as a waiver of any subsequent breach of the same covenant or agreement or as a waiver of any breach of any other covenant or agreement, and in case of a breach by either party of any covenant, agreement or undertaking, the non-defaulting party may nevertheless accept from the other any payment or payments or performance hereunder without in any way waiving its right to exercise any of its rights and remedies provided for herein or otherwise with respect to any such default or defaults which were in existence at the time such payment or payments or performance were accepted by it.

10.2 Force Majeure. In the event either party hereto shall be delayed or hindered in or prevented from the performance of any act required under this Agreement by reason of acts of God, strikes, lockouts, failure of power or other insufficient utility service, riots, insurrection, any lawsuit seeking to restrain, enjoin, challenge or delay construction, war, terrorism or other reason of a like nature not the fault of the party delayed in performing work or doing acts required under the terms of this Agreement (“Force Majeure”), then performance of such act shall be excused for the period of the delay, and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay. The provisions of this Section shall not be applicable to delays resulting from the inability of a party to obtain financing or to proceed with its obligations under this Agreement because of a lack of funds.

10.3 Covenants of Parties.

(a) Representations and Warranties of Developer. Developer represents and warrants to the UG as follows:

(i) Organization. Developer is a limited liability company duly formed and validly existing under the laws of the State of Nevada. Developer is duly authorized to conduct business in each other jurisdiction in which the nature of its properties or its activities requires such authorization. Developer shall (1) preserve and keep in full force and effect its corporate or other separate legal
existence and (2) remain qualified to do business and conduct its affairs in the State and each jurisdiction where ownership of its property or the conduct of its business or affairs requires such qualification.

(ii) **Authority.** The execution, delivery and performance by Developer of this Agreement are within such party’s powers and have been duly authorized by all necessary action of such party.

(iii) **No Conflicts.** Neither the execution and delivery of this Agreement, nor the consummation of any of the transactions herein or therein contemplated, nor compliance with the terms and provisions hereof or thereof, will contravene the organizational documents of Developer or any provision of law, statute, rule or regulation to which Developer is subject, or to any judgment, decree, license, order or permit applicable to Developer, or will conflict or be inconsistent with, or will result in any breach of any of the terms of the covenants, conditions or provisions of any indenture, mortgage, deed of trust, agreement or other instrument to which Developer is a party, by which Developer is bound, or to which Developer is subject.

(iv) **No Consents.** No consent, authorization, approval, order or other action by, and no notice to or filing with, any court or Governmental Authority or regulatory body or third party is required for the due execution and delivery by Developer of this Agreement. No consent, authorization, approval, order or other action by, and no notice to or filing with, any court or Governmental Authority or regulatory body or third party is required for the performance by Developer of this Agreement or the consummation of the transactions contemplated hereby except for zoning, building and other customary permits to be obtained from the UG or other governmental units.

(v) **Valid and Binding Obligation.** This Agreement is the legal, valid and binding obligation of Developer, enforceable against Developer in accordance with the terms hereof.

(b) **Representations and Warranties of the UG.**

(i) **Authority.** The execution, delivery and performance by the UG of this Agreement are within its powers and have been duly authorized by all necessary action.

(ii) **No Conflicts.** Neither the execution and delivery of this Agreement, nor the consummation of any of the transactions herein or therein contemplated, nor compliance with the terms and provisions hereof or thereof, will contravene the ordinances, rules, regulations of the UG or the laws of the State nor result in a breach, conflict with or be inconsistent with any terms, covenants, conditions or provisions of any indenture, agreement or other instrument by which the UG is bound or to which the UG is subject.
(iii) **No Consents.** No consent, authorization, approval, order or other action by, and no notice to or filing with, any court or Governmental Authority or regulatory body or third party is required for the due execution and delivery by the UG of this Agreement. No consent, authorization, approval, order or other action by, and no notice to or filing with, any court or Governmental Authority or regulatory body or third party is required for the performance by the UG of this Agreement or the consummation of the transactions contemplated hereby.

(iv) **Valid and Binding Obligation.** This Agreement is the legal, valid and binding obligation of the UG enforceable against the UG in accordance with its terms.

10.4 **Amendments.** This Agreement may be amended, changed or modified only by a written agreement duly executed by the UG and Developer.

10.5 **Construction and Enforcement.** This Agreement shall be construed and enforced in accordance with the laws of the State.

10.6 **Invalidity of Any Provisions.** If for any reason any provision hereof shall be determined to be invalid or unenforceable, the validity and effect of the other provisions hereof shall not be affected thereby.

10.7 **Headings.** The Article and Section headings shall not be treated as a part of this Agreement or as affecting the true meaning of the provisions hereof.

10.8 **Execution of Counterparts.** This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

10.9 **Time.** Time is of the essence in this Agreement.

10.10 **Tax Implications.** Developer acknowledges and agrees that (a) neither the UG nor any of its officials, employees, consultants, attorneys or other agents have provided to Developer any advice regarding the federal or state income tax implications or consequences of this Agreement and the transactions contemplated hereby, and (b) Developer is relying solely upon its own tax advisors in this regard.

10.11 **Consents and Approvals.** Wherever in this Agreement it is provided that the UG or Developer shall, may or must give its approval or consent, the UG or Developer shall not, unless specifically herein provided otherwise, unreasonably withhold, condition, delay or refuse to give such approvals or consents.

It is agreed, however, that the sole right and remedy for Developer or the UG in any action concerning the other’s reasonableness will be action for declaratory judgment and/or specific performance, and in no event shall either such party be entitled to claim damages of any type or nature in any such action.
10.12 **Notices.** All notices required or desired to be given hereunder shall be in writing and all such notices and other written documents required or desired to be given hereunder shall be deemed duly served and delivered for all purposes if (i) delivered by nationally recognized overnight delivery service; (ii) facsimile (with follow up within one (1) business day by United States Mail); or (iii) delivered in person, in each case if addressed to the parties set forth below:

**To the UG:**

The Unified Government Clerk
The Unified Government of Wyandotte County/Kansas City, Kansas
701 N. 7th Street, Room 323
Kansas City, Kansas 66101
Telephone: 913-573-5010
Facsimile: 913-573-5020

with a copy to:

Jody Boeding, Esq.
Chief Counsel for The Unified Government of Wyandotte County/Kansas City, Kansas
701 N. 7th Street
Kansas City, Kansas 66101
Telephone: 913-573-5060
Facsimile: 913-573-5243

and a copy to:

Douglas G. Bach
Deputy County Administrator
The Unified Government of Wyandotte County/Kansas City, Kansas
701 N. 7th Street
Kansas City, Kansas 66101
Telephone: 913-573-5030
Facsimile: 913-573-5540

and a copy to:

Todd A. LaSala, Esq.
Stinson Morrison Hecker LLP
1201 Walnut, Suite 2600
Kansas City, Missouri 64106
Telephone: 816-842-8600
Facsimile: 816-691-3495

**and to Developer at:**

12214 Lakewood Blvd.
Downey, CA 90242
Attention: Stuart Lichter
10.13 Real Estate Commissions. Developer represents to, and agrees with the UG, that it has not authorized and will not authorize any broker, agent or finder (including brokers, agents or finders which are Affiliates) to act on its behalf in connection with the transactions contemplated hereby. Developer and the UG agree that neither Developer nor the UG has dealt with any broker, agent or finder purporting to act on behalf of Developer or the UG or any other party, and each hereby agrees to indemnify and hold harmless the other from and against (i) any and all losses, liens, claims, judgments, liabilities, reasonable costs, expenses or damages (including reasonable attorneys’ fees and court costs) of any kind or character arising out of or resulting from any duty or responsibility to pay any commission or make any other payment by either Developer or the UG other than the reimbursement provided for above, or (ii) arising out of or resulting from any agreement, arrangement or understanding alleged to have been made by Developer or on its behalf with any other broker, agent or finder in connection with this Agreement or the transactions contemplated hereby (including without limitation, Developer’s subsequent transactions with third parties for the industrial or other portions of the District). Notwithstanding anything to the contrary contained herein, this section shall survive the Closing or any termination of this Agreement. It is further agreed that if Closing occurs, then after Closing, Developer and any broker designated by Developer in its sole discretion, shall have the exclusive right to lease or sell the Pad Sites, and that no other Person acting by, through or under the UG shall have brokerage rights except as may be specifically agreed to by Developer.

10.14 Entire Agreement. Together with the Exhibits hereto, this Agreement constitutes the entire agreement of the parties with respect to the subject matter hereof and supersedes and replaces all prior oral or written agreements concerning the subject matter hereof.

10.15 Run with the Land. This Agreement shall be binding on and inure to the benefit of the parties hereto and their respective heirs, successors and assigns and shall run with the land. However, nothing herein shall release Developer from any of the terms or restrictions set forth in Sections 7.12 and 7.16 hereof. At Closing, the parties shall record a memorandum describing this Agreement in the land records of Wyandotte County, Kansas.

[Remainder of page intentionally left blank. Signature pages follow.]
IN WITNESS WHEREOF, the parties hereto have executed these presents as of the day and year first above written.

THE UG

THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS

By: ____________________________
   Mayor/CEO Joseph Reardon

DEVELOPER:

INDUSTRIAL REALTY GROUP, LLC

By: ____________________________
Name: __________________________
Title: __________________________
Approved by: ____________________
STATE OF KANSAS )
COUNTY OF WYANDOTTE )

This instrument was acknowledged before me on October _____, 2012 by Joseph Reardon as Mayor/CEO of the Unified Government of Wyandotte County/Kansas City, Kansas.

Printed Name: ____________________________
Notary Public in and for said State
Commissioned in ____________ County

My commission expires

__________________________
STATE OF ______________ )
COUNTY OF ______________ ) SS.

This instrument was acknowledged before me on October ____, 2012 by
_______________________, as _______________________ of Industrial Realty Group, LLC.

Printed Name: ______________________
Notary Public in and for said State
Commissioned in ____________ County

My commission expires

_______________________
ANNEX 1
DEFINITIONS


“Affiliate” means any person, entity or group of persons or entities which controls Developer, which Developer controls or which is under common control with Developer. As used herein, the term “control” shall mean the possession, directly or indirectly, of the power to direct or cause the direction of management and policies, whether through the ownership of voting securities, by contract or otherwise.

“Agreement” means this Redevelopment Agreement by and between the UG and Developer.

“Applicable Laws and Requirements” shall mean any applicable constitution, treaty, statute, rule, regulation, ordinance, order, directive, code, interpretation, judgment, decree, injunction, writ, determination, award, permit, license, authorization, directive, requirement or decision of or agreement with or by Government Authorities, and all requirements of any insurers. Applicable Law and Requirements shall include, without limitation, the Redevelopment Project Plan, the Act, the CID Act, the Kansas Cash Basis Law (K.S.A. § 10-1100, et. seq.) and Budget Law (K.S.A. § 75-2§529, et. seq.).

“Approved Assignment” means any assignment, sale, lease, mortgage or other transfer of the Redevelopment District or any portion thereof by Developer or any merger, sale or other transfer of substantially all of Developer’s assets which is consented to by the UG pursuant to Section 7.13 hereof.

“Approved Transfer” is defined in Section 7.13 hereof.

“Assignee” means the assignee, purchaser, lessee, mortgagee, or transferee of an Approved Assignment pursuant to Section 7.13 hereof.

“Casualty” means any fire, storm, earthquake, tornado, flood or natural disaster or other sudden, unexpected or unusual cause of damage or destruction as referenced in Section 7.11 hereof.

“Casualty Escrow” means the escrow established in accordance with Section 7.11 hereof.

“Certificate of Expenditure” means those certain certificates submitted by Developer in accordance with Section 4.5 hereof.

“Completion Date” means the deadline for Substantial Completion of the various Phases of Improvements set forth in Section 6.7 hereof.

“Construction Documents” means those documents respecting the construction, equipping and completion of the Improvements pursuant to the terms of Section 6.3.
“Damaged Facilities” means any part or the whole of the Improvements to the extent that the same is damaged or destroyed by a Casualty pursuant to Section 7.11 hereof.

“Developer” means Industrial Realty Group, LLC, a Nevada limited liability company.

“Developer’s Private Contribution” means those funds paid by Developer as and when needed for the costs of the Project as described and set forth in the Total Project Budget and Section 4.4(a) hereof.

“District” means the redevelopment district established by the UG in accordance with and pursuant to the Act as set forth in Recital A. The District is comprised of approximately seventy one (71) acres of real property within the City of Kansas City, Kansas and Wyandotte County and generally located north of Fairfax Trafficway, as more particularly described on Exhibit A attached hereto.

“Effective Date” means the date of this Agreement first above written.

“Environmental Regulation” means any and all present and future laws, statutes, ordinances, rules, regulations and orders of any governmental authority having jurisdiction over the parties hereto or any portion of the Redevelopment District or the Site and pertaining to the protection of human health, hazardous substances, pollution, or the environment, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986, and as the same may be further amended from time to time (hereinafter collectively called “CERCLA”).

“Existing Buildings” is defined in Section 7.11(b) hereof.

“Force Majeure” is defined in Section 10.2 hereof.

“Funding Agreement” means that certain Funding Agreement between the UG and Developer dated as of April 10, 2012, as amended.

“General Condition Date” means that date described in Section 3.1(a) hereof.

“General Contractor” means the contractor selected pursuant to Section 6.3 hereof.

“Government Authorities” shall mean any and all jurisdictions, entities, courts, boards, agencies, commissions, offices, divisions, subdivisions, departments, bodies or authorities of any nature whatsoever of any governmental unit (federal, state, county, district, municipality, City or otherwise), whether now or hereafter in existence.

“Hazardous Substance” means any substance that is defined or listed as a hazardous or toxic substance and which is regulated as such or may form the basis of liability under any present or future Environmental Regulation, or that is otherwise prohibited or subject to investigation or remediation under any present or future Environmental Regulation because of its hazardous, toxic, or dangerous properties, including, without limitation, (i) any substance that is a “hazardous substance” under CERCLA, and (ii) petroleum, natural gas, natural gas liquids,
liquefied natural gas, and synthetic gas usable for fuel (or mixtures of natural gas and such synthetic gas), only to the extent that the constituents of such synthetic gas are released or threatened to be released into the environment.

“Infrastructure Improvements” means those improvements described in Section 6.1 hereof.

“Insurance Specifications” means the insurance requirements on Developer in connection with the Redevelopment District as generally described in Section 7.10 and more fully set forth in Exhibit E hereof.

“Improvements” means the buildings, parking facilities and other improvements comprising the Project as set forth in Section 2.2 and Section 2.3, together with interior drives and roads, parking facilities, landscaping, infrastructure, administrative and other buildings from which Developer intends to open for business and conduct in the Redevelopment District.

“Incremental Real Property Taxes” means that amount of Real Property Taxes collected from the real property within the Redevelopment District that is in excess of the amount of Real Property Taxes collected from the base year assessed valuation, excluding any and all property taxes levied for the benefit of the state, county, schools or other special taxing districts.

“Investigations” means the right for Developer testing on the Site as described in Section 3.1(a)(i) hereof.

“IRBs” means industrial revenue bonds to be issued pursuant to K.S.A. 12-1740 et seq., subject to the terms and conditions set forth in Section 4.6 of the Agreement.

“Lady Baltimore Building” means that certain building located at 1601 Fairfax Trafficway on Tract D and containing approximately _____________ square feet, which Lady Baltimore Building is currently leased by Developer and a portion of which Building constituting approximately 200,000 square feet is subleased to Owens Corning pursuant to that certain sublease dated as of October 31, 2005.

“Lady Baltimore Completion Date” means the date by which Developer must have Substantially Completed the Lady Baltimore Improvements as set forth in Section 6.7(d) hereof.

“Lady Baltimore Lease” means that certain lease dated as of February 14, 1968, as modified and amended, pursuant to which Developer, as successor in interest to Union Pacific Railroad, leases Tract D and the Lady Baltimore Building located thereon as set forth in Recital B of this Agreement.

“Lady Baltimore Phase” means the renovation and expansion of the Lady Baltimore Building, including the design, construction and development of the renovation and expansion Improvements described in Exhibit B-4, along with any Parking Improvements and infrastructure required by such Improvements.

“Material Changes” means any substantial change to any agreement, plan or other document referred to herein, which change would require changes to Developer’s permits or
approval of the appropriate Government Authorities or is required by Applicable Laws and Regulations.

“New Lease” means that certain Industrial Lease between the UG and Developer, executed and delivered contemporaneously with this Agreement, pursuant which the UG leases Tracts A, B, C and D to Developer as described in Recital E hereof.

“Outside Phase 2 Commencement Date” means the date by which Developer must commence construction of the first 135,000 square foot building on Tract C as set forth in Section 6.6(b) hereof.

“Outside Phase 2 Completion Date” means the date by which Developer must have Substantially Completed the Phase 2 Improvements as set forth in Section 6.7(b) hereof.

“Parking Improvements” means the parking improvements as set forth in Section 2.2(b) hereof.

“Permitted Modification” means a modification to the scope and physical parameters of the Improvements permitted pursuant to the terms and conditions of Section 6.8 hereof.

“Permitted Mortgage” means any mortgage placed on the Redevelopment District or any part thereof, for construction or permanent financing of the Redevelopment District.

“Person” shall mean any natural person, firm, partnership, association, corporation, limited liability company, trust, entity, public body or government or other entity.

“Phase” and “Phases” generally means the four (4) phases of the Project described in Section 2.3 hereof.

“Phase 1” means the construction of an approximate 100,000 square foot “spec” building on Tract A and shall consist of the design, construction and development of the Improvements described in Exhibit B-1, along with the Park Access Improvements and any Parking Improvements and infrastructure required by such Improvements.

“Phase 1 Commencement Date(s)” means the date by which Developer must commence construction of the new building on Tract A as set forth in Section 6.6(a) hereof.

“Phase 1 Completion Date” means the date by which Developer must have Substantially Completed the Phase 1 Improvements as set forth in Section 6.7(a) hereof.

“Phase 2” means the construction of an approximate 135,000 square foot building on Tract C, and shall consist of the design, construction and development of the Improvements described in Exhibit B-2, along with any Parking Improvements and infrastructure required by such Improvements.

“Phase 3” means the construction of an approximate 80,000 square foot building on Tract C and shall consist of the design, construction and development of the Improvements...
described in Exhibit B-3, along with any Parking Improvements and infrastructure required by such Improvements.

“Phase 3 Commencement Date” means the date by which Developer must commence construction of first 80,000 square foot building on Tract C as set forth in Section 6.6(c) hereof.

“Phase 3 Completion Date” means the date by which Developer must have Substantially Completed the Phase 3 Improvements as set forth in Section 6.7(c) hereof.

“PILOT” means a payment-in-lieu-of-taxes payable by Developer in connection with the IRB financing as described in Section 4.6 hereof.

“Planning Commission” means the Planning Commission of the UG as set forth in Section 3.3.(a)(i) hereof.

“Plans and Specifications” means those plans and specifications generally described in Section 6.2.

“Principal Architect” means the Person described as such in Section 6.1 hereof.

“Prime Rate” means the rate of interest announced from time to time by Bank of America, or any successor to it, as its prime rate as referenced in Section 7.16 hereof. If such bank, or any successor to it, ceases to announce a prime rate, the UG shall designate a reasonably comparable financial institution for purposes of determining the Prime Rate.

“Project” means, collectively, the renovation and improvement of the Lady Baltimore Building, the design, construction development and completion of at least three (3) new industrial buildings within the Redevelopment District on Tract A, Tract B and Tract C, respectively, and to the construction and completion of certain park improvements related to Tract E, along with the construction of related public and private infrastructure, including parking facilities. The Project is more particularly described in Recital E, Sections 2.2 and 2.3 hereof, the Site Plan attached hereto as Exhibit B, and the details for particular phases set forth in Exhibits B-1, B-2, B-3 and B-4 hereof.

“Project Costs” means the costs of constructing, developing and completing the Improvements, which costs are more particularly set on Exhibit C.

“Real Property Taxes” means all taxes levied on an ad valorem basis upon land and improvements within the Redevelopment District, excluding property taxes levied for the benefit of the state, county, schools or other special taxing districts pursuant to K.S.A. 72-6431, and amendments thereto.

“Redevelopment District” means the district established by the UG in accordance with and pursuant to the Act as set forth in Recital A. The Redevelopment District is comprised of approximately seventy one (71) acres of real property within the City of Kansas City, Kansas and Wyandotte County and generally located north of Fairfax Trafficway, as more particularly described on Exhibit A attached hereto.
“Redevelopment Project Plan” means the plan adopted by the UG by Ordinance on November 15, 2012.

“Reimbursable Project Costs” means the amount of Developer’s eligible Redevelopment Project Costs as generally described in the Total Project Budget hereof and certified as set forth in Section 4.7 hereof.

“Resolution of Intent” means Resolution No. , indicating the UG’s present intention to issue IRBs for Tract A, Tract B and Tract C at a later date as set forth in Section 4.6 hereof.

“Site” means that certain real property constituting approximately seventy one (71) acres within the City of Kansas City, Kansas and Wyandotte County and generally located north of Fairfax Trafficway, as more particularly described on Exhibit A attached hereto.

“Special Allocation Fund” means that fund established and maintained by the UG into which all Incremental Sales Taxes and Incremental Real Property Taxes are deposited as set forth in Section 4.2(b) hereof.

“State” means the State of Kansas.

“Substantial Completion” means the stage in the progress of the construction of the Improvements, or as to any particular portion thereof, when said construction is sufficiently complete so that the Improvements or such particular portion can be occupied or utilized for its intended use provided however that finished shell space which is suitable for future tenant improvements shall be considered substantial completion.

“Target Phase 2 Commencement Date” means the date which has been targeted by Developer to commence construction of the first 135,000 square foot building on Tract C as set forth in Section 6.6(b) hereof.

“Target Phase 2 Completion Date” means the date which has been targeted by Developer for Substantial Completion of the Phase 2 Improvements as set forth in Section 6.7(b) hereof.

“Tax Increment Financing” means the financing described in the Act.

“Term” means the term of this Agreement as set forth in Section 7.1 hereof.

“TIF “ means tax increment financing pursuant to the Act.

“TIF Administrative Fee” means that portion of Real Property Taxes from the Redevelopment District which shall be used to pay an administrative fee to the UG in an amount equal to one percent (1%) of the Real Property Taxes collected during that quarter as set forth in Section 4.4(c).

“TIF Collection Period” means the period during which Incremental Real Property Taxes shall be collected within the District, commencing on the date that the TIF Plan is
approved by the UG’s Commission and continuing for a period of that ends twenty (20) years from the date of such approval of the Redevelopment Project Plan as described in Section 4.3 hereof.

“TIF Proceeds” means the proceeds from the Incremental Real Property Taxes which shall be disbursed by the UG to Developer from the Special Allocation Fund from time to time as set forth in Section 4.3 hereof.

“TIF Proceeds Shortfall” means a shortfall in TIF Proceeds as set forth in Section 4.4(b) hereof.

“Total Project Budget” means the budget attached hereto as Exhibit C.

“Tract A” means that certain tract located within the Redevelopment District and generally depicted on Exhibit A-1 attached hereto, which Tract A includes certain parking improvements, but does not currently include buildings or other vertical improvements.

“Tract B” means that certain tract located within the Redevelopment District and generally depicted on Exhibit A-2 attached hereto, and includes certain industrial buildings and various subtenants, which buildings are to be demolished as a part of the Project.

“Tract C” means that certain tract located within the Redevelopment District and generally depicted on Exhibit A-3 attached hereto, and includes certain industrial buildings and various subtenants, some of which buildings are to be demolished as a part of the Project.

“Tract D” means that certain tract constituting an approximately twenty (25) acre portion of the Redevelopment District, which Tract B is more particularly described on Exhibit A-4 attached hereto, which Tract D includes the Lady Baltimore Building.

“Tract E” means that certain tract located within the Redevelopment District and generally depicted on Exhibit A-5 attached hereto, and includes a portion of the levee and certain parkland for recreational uses by the general public.

“Transaction Documents” means this Agreement, the Funding Agreement (as amended), and the Sublease (as amended).

“UG” means the Unified Government of Wyandotte County/Kansas City, Kansas.
# INDEX OF EXHIBITS

<table>
<thead>
<tr>
<th>Exhibit A</th>
<th>The Site</th>
</tr>
</thead>
<tbody>
<tr>
<td>A-1</td>
<td>Tract A (Parking Lot)</td>
</tr>
<tr>
<td>A-2</td>
<td>Tract B</td>
</tr>
<tr>
<td>A-3</td>
<td>Tract C</td>
</tr>
<tr>
<td>A-4</td>
<td>Tract D (Lady Baltimore Building)</td>
</tr>
<tr>
<td>A-5</td>
<td>Tract E (the Park)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Exhibit B</th>
<th>Site Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>B-1</td>
<td>Phase 1 Improvements Plan</td>
</tr>
<tr>
<td>B-2</td>
<td>Phase 2 Improvements Plan</td>
</tr>
<tr>
<td>B-3</td>
<td>Phase 3 Improvements Plan</td>
</tr>
<tr>
<td>B-4</td>
<td>Lady Baltimore Renovation Plan</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Exhibit C</th>
<th>Total Project Budget</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Exhibit D</th>
<th>Resolution of Intent (for IRBs)</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Exhibit E</th>
<th>Insurance Specifications</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Exhibit F</th>
<th>LBE/MBE/WBE Exhibit</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Exhibit G</th>
<th>Park Access Improvements</th>
</tr>
</thead>
</table>
EXHIBIT E

INSURANCE SPECIFICATIONS

1. **Worker’s Compensation.** Developer may self-insure, to the extent allowed by applicable law. The self-insured retention shall be that which is standard in the industry. Developer will then purchase excess Worker’s Compensation Insurance with statutory limits over the self-insured retention. If self-insurance is not available under applicable state law, coverage will be purchased in accordance with the statutory requirements.

2. **Comprehensive General Liability.** Developer will purchase and maintain with primary limits of $3,000,000.

3. **Automobile Liability.** Developer will purchase and maintain with primary limits of $1,000,000.

4. **Excess Liability.** Developer will purchase and maintain excess liability insurance in an amount not less than $5,000,000.

5. **Special Perils Form Property Insurance.** Developer will purchase on a replacement cost basis. Deductibles and limits will be standard to those in the industry, and the policy shall include an “Agreed Amount” endorsement. Earthquake and flood insurance, will be included if required and if available at a reasonable cost, fired vessel, boiler and machinery, and underground collapse may be required by the UG as additional perils.
EXHIBIT F

LBE/MBE/WBE PARTICIPATION AGREEMENT –
FAIRFAX LEVEE INDUSTRIAL PARK

THIS LBE/MBE/WBE PARTICIPATION AGREEMENT (the “Agreement”), by and between the Unified Government of Wyandotte County/Kansas City, Kansas (the “UG”) and Industrial Realty Group, LLC (the “Developer”), sets forth procedures and goals for the utilization of local business, minority and women enterprises in connection with the development and construction of certain industrial buildings and related infrastructure, all in Kansas City, Kansas (the “Project”), as defined below.

I. SCOPE

A. These procedures are applicable to the construction of the Project, as further described in that certain Fairfax Levee Industrial Park Redevelopment Agreement between the UG and Developer, dated __________, 2012 (the “Redevelopment Agreement”), whether performed by or on behalf of Developer, including but not limited to, all aspects of construction of the Improvements (as defined in the Redevelopment Agreement) and related facilities including labor, materials and supplies, and construction related services whether undertaken by or on behalf of Developer, but not including Specialized Services.

II. DEFINITIONS

A. “Construction” means all aspects of the construction including labor, materials and supplies, and construction related services, whether performed or contracted for by or on behalf of Developer.

B. “Contractor” means the Proposer selected by the Developer for the Project.

C. “Local Business Enterprise” (or “LBE”) means a business headquartered or which maintains a Substantial Local Office that performs the significant functions of the business in Wyandotte County or a business of which at least 51% of the stock, equity, or beneficial interest is owned, held, or controlled and whose day-to-day management is under the control of an individual residing in Wyandotte County. There is no formal certification process for LBE designation and it is determined and assigned based upon the criteria referenced in this definition and payment of all applicable Wyandotte County taxes and/or licensing fees.

D. “Minority Business Enterprise” (or “MBE”) means a business of which at least 51% of the stock, equity, or beneficial interest is owned, held, or controlled and/or whose day-to-day management is under the control of a person who is a member of an American ethnic minority group including African-American, Asian-Indian, Asian-Pacific, Hispanic and Native American.
E. “Project” means the development and construction of an industrial park complex as described in Sections 2.2 and 2.3 of the Redevelopment Agreement and as legally described in Exhibit 1 to this Agreement.

F. “Proposer” means a construction firm that submits a proposal in response to a solicitation for proposals issued by Developer with respect to the Construction of the Project or with respect to the annual operations of the Project.

G. “Specialized Services” means expertise, services, or products that are only available through sole source providers or national vendors, or are unique to the business of the Project.

H. “Substantial Local Office” means an office operated and financially supported by a firm that has sufficient space, staff and equipment to carry on the local business of the firm and that is engaged in significant, on-going local involvement with the business community in Wyandotte County, KS. The term “Substantial Local Office” shall specifically exclude any office that has been established for the sole purpose of participating in a specific Project.

I. “Women Business Enterprise” (or “WBE”) means a business of which at least 51% of the stock, equity, or beneficial interest is owned, held, or controlled and/or whose day-to-day management is under the control of one or more women who are U.S. citizens or legal resident aliens.

III. GOALS FOR LBE/MBE/WBE PARTICIPATION.

Developer and its Contractor will meet the LBE/MBE/WBE participation percentage goals listed in the below chart based upon the total cost of the Project. In no event shall Developer be required to incur higher costs as a result of its commitment to attempt to meet such goals. These goals are based upon a disparity study performed for the Kansas City Metropolitan Area for LBE, MBE, and WBE participation. These goals are not quotas or set asides.

<table>
<thead>
<tr>
<th>Business Category</th>
<th>Participation Percentage Goal – Percentage of Total Construction Cost for the Project</th>
</tr>
</thead>
<tbody>
<tr>
<td>LBE</td>
<td>12%</td>
</tr>
<tr>
<td>MBE</td>
<td>6%</td>
</tr>
<tr>
<td>WBE</td>
<td>4%</td>
</tr>
</tbody>
</table>

It is the intent of the UG to give preference to the utilization of LBEs so long as all other factors relating to the award of an individual contract are equal. If the factors relating to an award of an individual contract are equal, the Developer shall give preference to the utilization of LBEs over the utilization of MBEs and WBEs.

IV. ELIGIBILITY FOR CREDIT

EXHIBIT F-2
A. Only LBE businesses that are qualified and/or MBE or WBE businesses that are certified or undergoing certification by the Kansas Department of Commerce, the City of Kansas City, Missouri, the State of Missouri, the Missouri Department of Transportation, the MidAmerica Minority Business Development Council, and/or the Women’s Business Enterprise National Council or any other applicable or appropriate public or private entity or other entity mutually acceptable to the UG and the Developer (each, an “approved” business) may be counted towards the participation goals in Section III above.

B. In the event that a contract has been awarded on the Project to an approved LBE, MBE, or WBE business, and such LBE, MBE or WBE business later becomes unapproved prior to the completion and acceptance of all the work to be provided under such contract, then Developer shall receive credit towards the goal for only that portion of work performed or services provided up to the point such business becomes unapproved.

V. CONSTRUCTION UTILIZATION

A. The goals set forth in Section III may be met by the expenditure of dollars with approved LBE, MBE and/or WBE businesses, contractors, labor suppliers, regular dealers, manufacturers, material suppliers, subcontractors, software vendors, consultants, other Construction-related products, suppliers, and/or services, or through joint ventures with approved LBEs, MBEs or WBEs. The participation of certified LBE, MBE and/or WBE Proposers may count toward a goal for which they qualify.

B. A joint venture involving an approved LBE, MBE, and/or WBE as a partner may be counted towards the applicable goal only to the extent of the dollar amount for which the approved LBE, MBE, and/or WBE is responsible; provided that if the LBE, MBE, and/or WBE is the majority partner in such joint venture, then the entire joint venture contract amount shall be counted, less any work subcontracted to the non LBE, MBE, and/or WBE joint venture partner. To receive credit, the approved LBE, MBE, and/or WBE must be responsible for a clearly defined portion of the work, profits, risks, assets, and liabilities of the joint venture.

C. Participation by a certified MBE owned by a minority woman may be counted as MBE participation or as WBE participation; however, this participation cannot be counted both for MBE and WBE participation. However, a certified MBE or WBE that also qualifies as an LBE may also be counted towards the LBE goal. For additional clarification purposes, a qualified LBE, which also certified as an MBE or WBE, shall be counted toward both the LBE and the MBE or WBE goals in the Developer’s sole discretion.

D. The LBE, MBE, or WBE must be responsible for the execution of a distinct element of the work by actually performing, managing, or supervising its function in the work identified in the agreement with such LBE, MBE or WBE. Brokering is not credited.

VI. CONTRACT AWARD COMPLIANCE PROCEDURES

EXHIBIT F-3
A. Solicitation Documents. The solicitation documents, for each contract for which goals are established, shall contain a description of the requirements set forth in this Agreement and the LBE, MBE, and WBE goals. Upon request by the UG, Developer shall submit the solicitation documents and the bid list to the UG.

B. Subcontractor Relations - Documentation of Subcontracting Agreements. All subcontracting services for LBE, MBE and/or WBE businesses shall be evidenced by an agreement which shall include the scope of work to be performed and the amount to be paid for performance of the work. Unit price subcontracts are acceptable if appropriate to the type of work being performed.

VII. UG'S ASSISTANCE TO PROJECT

The UG shall use its best efforts to provide assistance to Developer and its agents so that Developer may fulfill its participation goals as set forth in this Agreement. The Developer assumes all responsibility for its efforts in meeting the goals and complying with the procedures and processes set forth herein. Examples of such assistance by the UG include but are not limited to:

A. providing information and technical assistance regarding this Project to the Developer and its agents including the Contractor and any other contractors, subcontractors, LBEs, MBEs, WBEs, officials and other interested persons;

B. developing and maintaining a registry of approved LBE, MBE and WBE businesses;

C. assisting with identifying potential LBEs, MBEs, and WBEs and reviewing their qualifications to participate in the Project;

D. updating the Developer and its agents on current or proposed affirmative action legislation enacted by the UG that may affect the Project;

E. frequently reviewing Developer and the Contractor and any other contractor or subcontractor performance and LBE, MBE, and/or WBE participation on the Project;

F. providing advice relative to utilization and compliance matters;

G. conducting compliance reviews and audits of LBE, MBE, and WBE and participation;

H. assisting the Developer and its agents in addressing issues related to the goals and procedures set forth in this Agreement;
I. reviewing complaints from LBEs, MBEs, WBEs, and any other interested persons regarding these goals and procedures with Developer and its agents; and

J. assisting in the Developer’s development of forms to document compliance with these procedures.

VIII. DEVELOPER COMPLIANCE; RECORDS AND REPORTS.

A. Records. Developer shall maintain those records as may reasonably be required by the UG to demonstrate compliance with the goals and procedures set forth in this Agreement. These records shall be made available to the UG at Developer’s offices during business hours and upon reasonable advance notice.

B. Construction Utilization Plan Reports. Developer shall provide the UG with information sufficient to document the participation under this Agreement, which may include periodically providing the Construction Utilization Plan as set forth on Exhibit 2. Such information may include for each LBE, MBE, or WBE whose participation is utilized by Developer to be applied to the goals set forth herein: business name and address of each LBE, MBE, and/or WBE; and a brief description of the work to be performed by each such LBE, MBE and/or WBE.

C. Remedies. If, after review of the Developer’s construction and related reports by the Unified Government Contract Compliance Department, the UG determines that the participation goals contained in this Agreement have not been met for any particular Phase of the Project, then Developer understands and agrees that the UG shall have the rights and remedies set forth in Section 8.2 of the Redevelopment Agreement.

UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS

By: 
Dennis M. Hays
County Administrator

Date: 

INDUSTRIAL REALTY GROUP, LLC

By: 
Name: 
EXHIBIT F-5
EXHIBIT 1
Legal Description

EXHIBIT F-7
GROUND LEASE AGREEMENT

By and Between

UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS

and

IRG FAIRFAX HOLDINGS, LLC,
a Delaware limited liability company
# TABLE OF CONTENTS

## FOR

### GROUND LEASE

<table>
<thead>
<tr>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>LEASE SUMMARY</td>
<td>1</td>
</tr>
<tr>
<td>1. LAND</td>
<td>2</td>
</tr>
<tr>
<td>2. TERM</td>
<td>3</td>
</tr>
<tr>
<td>3. RENT</td>
<td>3</td>
</tr>
<tr>
<td>4. ASSIGNMENT OF EXISTING LEASE</td>
<td>4</td>
</tr>
<tr>
<td>5. PROJECT EXPENSES</td>
<td>5</td>
</tr>
<tr>
<td>6. GOVERNMENTAL POWERS</td>
<td>6</td>
</tr>
<tr>
<td>7. PERMITTED USES</td>
<td>6</td>
</tr>
<tr>
<td>8. ENVIRONMENTAL COMPLIANCE/HAZARDOUS MATERIALS</td>
<td>6</td>
</tr>
<tr>
<td>9. UTILITIES</td>
<td>10</td>
</tr>
<tr>
<td>10. REPAIRS BY LANDLORD</td>
<td>10</td>
</tr>
<tr>
<td>11. REPAIRS BY TENANT</td>
<td>11</td>
</tr>
<tr>
<td>12. TENANT'S TAXES AND ASSESSMENTS</td>
<td>11</td>
</tr>
<tr>
<td>13. CONSTRUCTION OF THE BUILDINGS</td>
<td>11</td>
</tr>
<tr>
<td>14. INSURANCE</td>
<td>12</td>
</tr>
<tr>
<td>15. WAIVER, EXCULPATION AND INDEMNITY</td>
<td>13</td>
</tr>
<tr>
<td>16. CONSTRUCTION LIENS</td>
<td>14</td>
</tr>
<tr>
<td>17. QUIET ENJOYMENT</td>
<td>14</td>
</tr>
<tr>
<td>18. LANDLORD'S RIGHT OF ENTRY</td>
<td>14</td>
</tr>
<tr>
<td>19. DESTRUCTION OF BUILDINGS</td>
<td>15</td>
</tr>
<tr>
<td>20. EMINENT DOMAIN</td>
<td>15</td>
</tr>
<tr>
<td>21. BANKRUPTCY</td>
<td>16</td>
</tr>
<tr>
<td>22. DEFAULT</td>
<td>17</td>
</tr>
<tr>
<td>23. SURRENDER OF PREMISES</td>
<td>18</td>
</tr>
<tr>
<td>24. HOLDING OVER</td>
<td>19</td>
</tr>
<tr>
<td>25. SURRENDER OF LEASE</td>
<td>19</td>
</tr>
<tr>
<td>26. NOTICE</td>
<td>19</td>
</tr>
<tr>
<td>27. ASSIGNMENT AND SUBLETTING</td>
<td>20</td>
</tr>
<tr>
<td>28. ATTORNEY'S FEES</td>
<td>20</td>
</tr>
<tr>
<td>29. JUDGMENT COSTS</td>
<td>20</td>
</tr>
<tr>
<td>30. BROKERS</td>
<td>21</td>
</tr>
<tr>
<td>31. LEASEHOLD MORTGAGE/SUBORDINATION OF SUBLEASES</td>
<td>21</td>
</tr>
<tr>
<td>32. ESTOPPEL CERTIFICATES AND FINANCIAL STATEMENTS</td>
<td>22</td>
</tr>
<tr>
<td>33. SIGNS</td>
<td>22</td>
</tr>
<tr>
<td>34. RIGHT OF FIRST REFUSAL</td>
<td>22</td>
</tr>
<tr>
<td>35. GENERAL PROVISIONS</td>
<td>22</td>
</tr>
</tbody>
</table>

**Exhibit A**

Legal Description of the Land

**Exhibit B**

Site Plan of the Premises
GROUND LEASE SUMMARY

Set forth below is a summary of certain terms and conditions of the Ground Lease Agreement between UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS, as Landlord, and IRG FAIRFAX HOLDINGS, LLC, a Delaware limited liability company, as Tenant, solely for the convenience of the parties. In the event there is a conflict between this Lease Summary and the terms and conditions of the Lease Agreement, the terms and conditions of the Lease Agreement shall prevail.

A. **Land** means approximately 71 acres of land located at 1601 Fairfax Trafficway, Kansas City, Kansas, and legally described on Exhibit “A” attached hereto. See Paragraph 1.1.

B. **Premises** means all of the Land and improvements located thereon. See Paragraph 1.2.

C. **Buildings** means those certain improvements to be constructed by Tenant and located on the Premises, consisting primarily of one or more buildings containing approximately 315,000 total rentable square feet. See Paragraph 1.3.

D. **Term** means sixty (60) years from the Commencement Date, unless extended or terminated earlier by law or any provision of the Lease. Tenant shall have one (1) option to extend the Lease term for thirty-nine (39) years. See Paragraphs 2.1 and 2.3.

E. **Commencement Date** means approximately January 1, 2013. See Paragraph 2.2.

F. **Base Rent** means, initially, $300,000.00 per year, payable $25,000.00 per month, for the Premises beginning on the Commencement Date. See Paragraph 3.

G. **Project Expenses** means the Taxes, Maintenance Expenses and Insurance Expenses related to the Premises, the Existing Improvements and the Buildings. See Paragraph 5.1.C.

H. **Permitted Use** means warehouse storage and distribution purposes and uses customarily associated therewith. See Paragraph 7.

I. **Utilities**. Tenant shall pay the cost of all Utilities. See Paragraph 9.

J. **Taxpayer Identification Number** for Tenant is [redacted].
LEASE AGREEMENT

THIS GROUND LEASE AGREEMENT ("Lease"), dated as of October 25, 2012, is made by and between UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS ("Landlord"), and IRG FAIRFAX HOLDINGS, LLC, a Delaware limited liability company ("Tenant").

WITNESSETH:

1. LAND

1.1. Land. Landlord is the fee owner of that certain improved and unimproved real property consisting of approximately 71 acres of land having the street address of 1601 Fairfax Trafficway, Kansas City, Kansas, and legally described on Exhibit “A” attached hereto ("Land"). The Land currently consists of two (2) parcels, (i) an approximately 25 acre parcel improved with an approximately 461,000 square foot warehouse building ("Lady Baltimore Building"), all of which is presently subject to the existing Lady Baltimore Lease, as defined in Paragraph 1.4 below ("Lady Baltimore Parcel"); and (ii) an approximately 25 acre parcel that is currently improved with multiple warehouse/office buildings ("Redevelopment Parcel"), all as generally located on the site plan attached hereto as Exhibit “B” ("Site Plan").

1.2. Premises. The term “Premises” shall mean an all of the Land, together with all of the improvements located thereon, including the Existing Improvements and the Buildings, as applicable.

1.3. Redevelopment Parcel. Pursuant to the terms of the Development Agreement, as defined in Paragraph 1.6 below, Tenant shall subdivide the Redevelopment Parcel into three tracts, Tract A, Tract B, and Tract C, all as generally depicted on the Site Plan. Tract A is currently improved as a parking lot with no buildings ("Tract A Parking Lot"). Tract B is currently improved with two (2) cross-dock warehouse buildings containing approximately ________ rentable square feet ("Existing Tract B Buildings"). Tract C is currently improved with two (2) cross-dock warehouse buildings, one (1) refrigerated/freezer building and one (1) office building containing approximately ________ rentable square feet ("Existing Tract C Buildings"). The Tract A Parking Lot, Tract B Buildings and Tract C Buildings are collectively referred to as the “Existing Improvements”). A substantial portion of the Existing Improvements will be demolished and replaced with the Buildings, as defined in Paragraph 1.5 below, over multiple Phases as more fully set forth in the Development Agreement.

1.4. Lady Baltimore Lease. The term “Lady Baltimore Lease” means that certain Agreement by and between the Unified Government of Wyandotte/Kansas City, Kansas (herein referred to as the "UG") and Union Pacific Railroad Company ("Union Pacific"), as lessee, dated November 28, 1938, as amended by supplemental agreements dated January 27, 1943, April 12, 1962 and December 31, 1964 (as so amended, the “Original Ground Lease”) and that certain Agreement dated as of February 14, 1968 by and between Union Pacific, as sub-lessee and Associated Wholesale Grocers, Inc. ("AWG"), as sub-lessee, dated as of February 14, 1968, as amended by agreements dated June 29, 1970 and July 23, 1970, as assigned by AWG to Lady Baltimore Foods, Inc., a Kansas corporation ("Lady Baltimore"), as further assigned by Lady Baltimore to IRG Fairfax, LLC, a Delaware limited liability company ("IRG Fairfax") pursuant to that certain Purchase and Sale Agreement dated as of October 31, 2005 (as so amended and assigned, the “Ground Sublease”). Pursuant to the terms and conditions of that certain Termination, Assignment, and Assumption of Lease dated ________, 2006 by and between the UG and Union Pacific and consented to by Lady Baltimore, the Original Ground Lease has been terminated and the UG, Union Pacific and Lady Baltimore agreed to recognize the Ground Sublease as a direct lease between the UG and Lady Baltimore (as used herein, the “Lady Baltimore Lease” shall mean the Ground Sublease as so recognized as a direct lease between the UG and IRG Fairfax. The Lady Baltimore Lease was amended pursuant to that certain Agreement dated as of October __, 2012, pursuant to which the expiration of the Term of the Lady Baltimore Lease was extended so as to be co-terminus with the term of this Lease.
1.5. Buildings. The term “Buildings” means those certain improvements to be constructed and owned by Tenant and to be located on the Premises, and which shall consist primarily of certain renovations to the Lady Baltimore Building as well as the construction of three (3) new warehouse buildings containing approximately 315,000 gross square feet on the Redevelopment Parcel, together with all fixtures, equipment, systems, personal property, intangible property related thereto, as well as all ancillary improvements to the Premises related thereto, all as more fully described in the Development Agreement.

1.6. Development Agreement. The term “Development Agreement” means that certain agreement between Landlord and Tenant dated contemporaneously herewith and setting forth the terms and provisions concerning the design, development and construction of the Buildings and the financing for the Project, as such term is defined therein.

1.7. Lease. Landlord, for and in consideration of the rents, covenants, agreements, and stipulations contained herein to be paid, kept and performed by Tenant, and expressly subject to the Existing Leases (as set forth in Paragraph 4 herein), hereby leases the Premises to Tenant and Tenant hereby leases and takes the Premises from Landlord, upon the terms and conditions contained herein.

2. TERM

2.1. Term. The term of the Lease shall be for sixty (60) years beginning on the Commencement Date (“Term”), unless extended or sooner terminated pursuant to the terms of this Lease. The term “Lease Year” as used herein shall mean any 365 consecutive day period beginning on the Commencement Date or any anniversary thereafter.

2.2. Commencement Date. The term “Commencement Date” as used herein shall mean January 1, 2013.

2.3. Extension. Landlord hereby grants to Tenant one (1) option to extend the Term of this Lease for one (1) additional consecutive thirty-nine (39) year term, upon each and all of the terms and conditions of this Lease as amended below. The foregoing option shall be automatically extended unless Tenant gives Landlord written notice on or prior to one (1) year before expiration of the then current Term declining the exercise of the option to extend this Lease for such additional term, time being of the essence. The Term as defined in Paragraph 2.1 hereof shall also include the option to extend properly exercised hereunder.

3. RENT

3.1. Rent. “Rent” or “rent” shall mean the total of all sums due to Landlord from Tenant hereunder, including but not limited to Base Rent, as hereinafter defined, and Taxes and all other fees and charges owed to Landlord as well as all damages, costs, expenses, and sums that Landlord may suffer or incur, or that may become due, by reason of any default of Tenant or failure by Tenant to comply with the terms and conditions of this Lease. Rent shall be due and payable in lawful money of the United States in advance on the first day of each month after the Commencement Date. Tenant shall pay to Landlord as base rent (“Base Rent”) for the Premises, without notice or demand and without abatement, deduction, offset or set off, the sum of:

A. Three hundred Thousand Dollars ($300,000.00) per year, payable Twenty Five Thousand Dollars ($25,000.00) per month, beginning on the Commencement Date and continuing through June 30, 2025. Notwithstanding the foregoing, the parties hereby agree that Tenant shall be entitled to a reduction in Base Rent of for Fifty Thousand Dollars ($50,000.00) per year for each of the four (4) cross-dock warehouse buildings that constitute the Existing Tract B Buildings and the Existing Tract B Buildings, respectively (each, an “Existing Warehouse Building” and collectively, the “Existing Warehouse Buildings”) that are demolished and replaced with a Building by the Developer as a part of the Project, as defined in Section 2.3 of the Development Agreement.
Upon completion of the Building that replaces any one of the Existing Warehouse Buildings, the Base Rent shall be reduced by Fifty Thousand Dollars ($50,000.00) per year. For example, if Phase 2 of the Project shall require the demolition of one Existing Warehouse Building, then upon completion of Phase 2, the Base Rent would be reduced from $300,000.00 per year to $250,000.00 per year. However, if Phase 2 of the Project shall instead require the demolition of two of the Existing Warehouse Buildings, then upon completion of Phase 2, the Base Rent would be reduced from $300,000.00 per year to $200,000.00 per year. Notwithstanding the foregoing, the parties agree that in no event shall the Base Rent reductions hereunder be more than $200,000 per year (which requires the demolition and replacement of all four (4) Existing Warehouse Buildings).

B. Commencing on July 1, 2025, One Hundred Sixty One Thousand Dollars ($161,000.00) per year (based upon $3,500.00 per acre), increasing by one percent (1%) annually for the remainder of the Term. The parties understand and agree that the Base Rent reductions described in Paragraph 3.1.A above shall not apply to the Base Rent structure which commences on July 1, 2025.

3.2. Partial Period Rent. Rent for any period during the term hereof which is for less than one (1) full calendar month shall be prorated based upon the actual number of days of the calendar month involved. Tenant shall pay the first full month’s Base Rent and any other charges upon execution of this Lease.

3.3. Place of Payment. All payments under this Lease to be made by Tenant to Landlord shall be made payable to, and mailed or personally delivered to Landlord at the address set forth in Paragraph 26 herein, or such other address(es) which Landlord may notify Tenant from time to time.

3.4. Late Payment. Tenant hereby acknowledges that late payment by Tenant to Landlord of Rent (as defined in Paragraph 5.1.E, herein) pursuant to this Lease will cause Landlord to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Accordingly, if any installment of Rent or other payment under this Lease is not received by Landlord on or before the tenth (10th) day of the month in which such Rent or other payment is due, Tenant shall pay a late charge equal to five percent (5%) of such overdue amounts, along with interest as set forth in Section 22.1 hereof. Tenant shall also be responsible for a service fee equal to Fifty Dollars ($50.00) for any check returned for insufficient funds together with such other costs and expenses as may be imposed by Landlord’s bank. The payment to and acceptance by Landlord of such late charge shall in no event constitute a waiver by Landlord of Tenant’s default with respect to such overdue amounts, nor prevent Landlord from exercising any of the other rights and remedies granted at law or equity or pursuant to this Lease.

3.5. Payment on Account. No payment by Tenant or receipt by Landlord of a lesser amount than the Rent actually due hereunder shall be deemed to be other than a payment on account. No restrictive endorsement or statement on any check or any letter accompanying any check or payment shall be deemed to effect an accord and satisfaction or have any effect whatsoever. Landlord may accept such check or payment without prejudice to Landlord’s right to recover the balance or pursue any other remedy in this Lease or at law or in equity provided.

4. ASSIGNMENT OF EXISTING LEASES

Tenant acknowledges that (i) the Lady Baltimore Parcel is presently under lease to IRG Fairfax for a term co-terminus with this Lease, and (ii) portions of the Existing Buildings within the redevelopment Parcel are presently under lease to multiple tenants (collectively, “Existing Tenant(s)”). Tenant has been provided with true and correct copies of the current leases, including all amendments thereto, for each of the Existing Tenants (“Existing Tenant Lease(s)”). Effective as of the Commencement Date, Tenant shall assume the responsibility of managing the Premises and in connection therewith, (a) Landlord hereby transfers and assigns to Tenant all of Landlord’s title, and interest in and to such leases such that from and after the date hereof, all such leases shall be direct subleases between the Existing Tenants, as tenants, and Tenant, as landlord, and (b) Tenant hereby assumes all of Landlord’s obligations under such leases from and after the date hereof.
Tenant understands and agrees that two (2) of the Existing Tenants (Big Brothers and Kaw Valley Habitat) are non-profit corporations that provide important benefits to the community in a variety of ways (“Non-Profit Tenants”). Accordingly, Tenant hereby agrees to continue to lease the space presently occupied by the Non-Profit Tenants in the Premises at the same rental rates currently paid by such tenants until such time as the building in which the Non-Profit Tenant is located is demolished for the construction of the new Buildings in connection with the Project.

5. PROJECT EXPENSES

5.1. Definitions.

A. “Insurance Expenses” shall mean the aggregate amount of the cost of fire, extended coverage, boiler, sprinkler, public liability, property damage, rent, earthquake and other insurance obtained by Landlord or Tenant in connection with the Premises and the Buildings, as required pursuant to Paragraph 14 hereof, and the deductible portion of any insured loss otherwise covered by such insurance.

B. “Maintenance Expenses” shall mean any and all commercially reasonable customary and typical expenses necessary or appropriate to maintain the Premises, including the Existing Improvements and the Buildings, as applicable, as set forth in this Lease.

C. “Project Expenses” shall mean and include Taxes, Maintenance Expenses and Insurance Expenses as well as any other costs and expenses necessary or appropriate to own, develop, operate and maintain the Premises as set forth in this Lease.

D. “Taxes” shall mean all taxes, assessments and charges levied upon or with respect to the Premises or the Buildings or any personal property used in the operation thereof, or Landlord’s interest therein. Taxes shall include, without limitation, all general real property taxes and general and special assessments, payments-in-lieu of taxes, occupancy taxes, commercial rental taxes, charges, fees or assessments for transit, housing, police, fire or other governmental services or purported benefits to the Premises or the Buildings, service payments in lieu of taxes, and any tax, fee or excise on the act of entering into any lease for space in the Buildings, or on the use or occupancy of the Buildings or any part thereof, or on the rent payable under any lease or in connection with the business of renting space in the Buildings that are now or hereafter levied or assessed against Landlord or Tenant by the United States of America, the state in which the Premises is located, or any political subdivision, public corporation, district or other political or public entity, whether due to increased rate and/or valuation, additional improvements, change of ownership, or any other events or circumstances, and shall also include any other tax, fee or other excise, however described, that may be levied or assessed as a substitute for or as an addition to, as a whole or in part, any other Taxes whether or not now customary or in the contemplation of the parties on the date of this Lease. Additionally, in the event that at any time this Lease is determined to be a taxable instrument, or represent a taxable transaction by the State of Kansas under provisions relating to documentary stamp tax, or intangible tax, then in such event any such tax or taxes shall be paid by Tenant.

5.2. Payments. In addition to Base Rent, Tenant shall pay the Project Expenses directly to the applicable parties before any such items are delinquent. If requested by Landlord, Tenant shall provide Landlord with reasonable evidence of payment of any or all of the Project Expenses.

5.3 Absolute Net Lease. Tenant hereby understands and agrees that all costs, expenses and obligations of every kind or nature whatsoever relating to the Premises which may arise or become due during the Term of this Lease shall be paid by Tenant and shall constitute rent hereunder. All rent payable by Tenant hereunder shall be absolutely net to Landlord so that this Lease shall yield to Landlord the benefit of all rent to be paid each month during the Term of this Lease.
5.4. **Common Area Maintenance District.** Tenant shall create a common area district for the Premises ("CAM District"), and may charge the various subtenants of the Premises for the costs and expenses of maintaining the common areas of the Premises. At any time during the Term of this Lease, either Landlord or Tenant may request that Landlord issue bonds to pay for certain costs within the CAM District ("CAM Bonds"). Provided that Tenant shall provide an identified source of repayment for the CAM Bonds, Landlord shall advance any such CAM Bonds to its governing body for consideration. Notwithstanding the foregoing, the parties understand and agree that:

A. Landlord cannot bind the governing body of Landlord regarding the future approval of any such CAM Bonds or the future authorization, issuance, sale or delivery of any CAM Bonds and that nothing contained herein shall in any way bind Landlord’s governing body to accept or reject any such CAM Bonds, which decision shall unconditionally remain within the sole discretion of such commission or governing body; and

B. If Tenant is requesting issuance of the CAM Bonds, then Tenant shall provide Landlord with written notice of its intention to proceed with the CAM Bonds and requesting that the same be advanced to the governing body for consideration. Tenant shall enter into a funding agreement with Landlord pursuant to which Tenant shall pay Landlord's costs in connection with the preparation of documents and processing of the CAM Bonds by Landlord. The parties shall execute and deliver bond documents and other instruments required in connection with any such CAM Bonds, which documents and instruments shall be mutually agreed upon by the parties.

6. **GOVERNMENTAL POWERS**

Notwithstanding anything set forth herein to the contrary, no provision contained in this Lease shall in any manner diminish or usurp the inherent rights and powers of the Landlord to act in its capacity as a public body. Further, nothing herein shall relieve Tenant from complying with all Legal Requirements (as defined in Paragraph 7 below).

7. **PERMITTED USES**

Tenant may use the Buildings situated on the Premises for all legal purposes and may sublease the Premises and space in the Buildings to subtenants engaged in light manufacturing, distribution and warehousing and uses customarily associated therewith. Landlord shall retain ownership of any oil, gas and minerals on the Property, provided however that Tenant may also extract oil, gas and minerals from the Property at its sole cost, subject to the Landlord's rights to execute any leases or agreements regarding extraction and the Landlord's rights to a royalty and bonus for any such oil, gas and minerals to be mutually agreed upon by the parties. Tenant shall comply with all laws, ordinances, rules, regulations and codes of all municipal, county, state and federal authorities pertaining to Tenant’s use and occupation of the Premises (collectively, “Legal Requirements”). Tenant shall not commit, or suffer to be committed, any waste upon the Premises or the Buildings or any public or private nuisance. Tenant, at its expense, shall provide (and enclose if required by codes or Landlord) a dumpster or dumpsters for Tenant’s trash in a location and manner approved by Landlord, and shall cause its trash to be removed at intervals reasonably satisfactory to Landlord. In connection therewith, Tenant shall keep the dumpster(s) clean and insect, rodent and odor free.

8. **ENVIRONMENTAL COMPLIANCE/HAZARDOUS MATERIALS**

8.1. **Definitions.** “Hazardous Materials” shall mean any (i) material, substance or waste that is or has the characteristic of being hazardous, toxic, ignitable, reactive, flammable, explosive radioactive, mutagenic or corrosive, including, without limitation, petroleum, or any petroleum derivative, solvents, heavy metals, acids, pesticides, paints, printing ink, PCBs, asbestos, materials commonly known to cause cancer or reproductive
problems and those materials, substances and/or wastes, including wastes which are or later become regulated by any local governmental authority, the state in which the Premises are located or the United States Government, including, but not limited to, substances defined as “hazardous substances,” “hazardous materials,” “toxic substances” or “hazardous wastes” in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. § 9601, et seq.; the Hazardous Materials Transportation Act, 49 U.S.C. § 1801, et seq.; the Resource Conservation and Recovery Act; all environmental laws of the state where the Premises is located, and any other environmental law, regulation or ordinance now existing or hereinafter enacted, and (ii) any other substance or matter which results in liability to any person or entity from exposure to such substance or matter under any statutory or common law theory, and (iii) any substance or matter which is in excess of relevant and appropriate levels set forth in any applicable federal, state or local law or regulation pertaining to any hazardous or toxic substance, material or waste, or for which any applicable federal, state or local agency orders or otherwise requires removal, remediation or treatment. “Hazardous Materials Laws” shall mean all present and future federal, state and local laws, ordinances and regulations, prudent industry practices, requirements of governmental entities and manufacturer’s instructions relating to industrial hygiene or environmental protection or the use, analysis, generation, manufacture, storage, presence, disposal or transportation of any Hazardous Materials, including without limitation the laws, regulations and ordinances referred to in the preceding sentence.

8.2. Use of Premises by Tenant. Tenant hereby agrees that Tenant and Tenant’s officers, employees, representatives, agents, consultants, contractors, subcontractors, successors, assigns, subtenants, concessionaires, invitees and any other occupants of the Premises or the Buildings (for purposes of this Paragraph 8, referred to collectively herein as “Tenant Representatives”) shall not cause or permit any Hazardous Materials to be used, generated, manufactured, refined, produced, processed, stored or disposed of, on, under or about the Premises or the Buildings or transported to or from the Premises without the express prior written consent of Landlord. Landlord may, in its sole discretion, place such conditions as Landlord deems appropriate with respect to such Hazardous Materials, including without limitation rules, regulations and safeguards as may be required by any insurance carrier, environmental consultant or lender of Landlord, or environmental consultant retained by any lender of Landlord, and may further require that Tenant demonstrates to Landlord that such Hazardous Materials are necessary or useful to Tenant’s business and will be generated, stored, used and disposed of in a manner that complies with all Hazardous Materials Laws regulating such Hazardous Materials and with good business practices. Tenant understands that Landlord may utilize an environmental consultant to assist in determining conditions of approval and monitoring in connection with the presence, storage, generation or use of Hazardous Materials on or about the Premises by Tenant, and Tenant agrees that any costs reasonably incurred by Landlord in connection with any such environmental consultant’s services shall be reimbursed by Tenant to Landlord as additional Rent upon demand. Unless approved in writing by Landlord, Tenant shall not be entitled to utilize, nor shall Tenant permit and person or party to utilize, any Hazardous Materials in the Premises or the Buildings. In connection therewith, Tenant shall at its own expense procure, maintain in effect and comply with all conditions of any and all permits, licenses and other governmental and regulatory approvals required for the storage or use by Tenant or any of Tenant’s Representatives of Hazardous Materials on the Premises, including without limitation, discharge of (appropriately treated) materials or wastes into or through any sanitary sewer serving the Premises with all required permits. Notwithstanding the foregoing Tenant shall be entitled to use and store reasonable quantities of common cleaning solutions, lubricants and fuels used by Tenant in its ordinary operations, so long as the same are stored in appropriate containers otherwise used and stored in strict compliance with all Hazardous Materials Laws.

8.3. Remediation. If at any time during the Lease Term any contamination of the Land or by Hazardous Materials shall occur on the Premises, whether or not such contamination is caused by the act or omission of Tenant or Tenant’s Representatives (“Tenant’s Contamination”), then Tenant, at Tenant’s sole cost and expense, shall promptly and diligently remove such Hazardous Materials from the Land, the Buildings or the groundwater underlying the Land to the extent required to comply with applicable Hazardous Materials Laws to restore the Land or the Buildings to the same or better condition which existed before Tenant’s Contamination. Tenant shall not take any required remedial action in response to any Tenant’s Contamination in or about the Land or the Buildings, or enter into any settlement agreement, consent, decree or other compromise in respect to any claims relating to any Tenant’s Contamination without first obtaining the prior written consent of Landlord, which
may be subject to conditions imposed by Landlord as determined in Landlord’s sole discretion, provided, however, Landlord’s prior written consent shall not be necessary in the event that the presence of Hazardous Materials on, under or about the Land or the Buildings (i) poses an immediate threat to the health, safety or welfare of any individual or (ii) is of such a nature that an immediate remedial response is necessary and it is not possible to obtain Landlord’s consent before taking such action. Tenant and Landlord shall jointly prepare a remediation plan in compliance with all Hazardous Materials Laws and the provisions of this Lease. In addition to all other rights and remedies of Landlord hereunder, if Tenant does not promptly and diligently take all steps to prepare and obtain all necessary approvals of a remediation plan for any Tenant’s Contamination, and thereafter commence the required remediation of any Hazardous Materials released or discharged in connection with Tenant’s Contamination within thirty (30) days after all necessary approvals and consents have been obtained and thereafter continue to prosecute such remediation to completion in accordance with an approved remediation plan, then Landlord, at its sole discretion, shall have the right, but not the obligation, to cause such remediation to be accomplished, and Tenant shall reimburse Landlord within fifteen (15) business days of Landlord’s demand for reimbursement of all amounts reasonably paid by Landlord (together with interest on such amounts at the highest lawful rate until paid), when such demand is accompanied by reasonable proof of payment by Landlord of the amounts demanded. Tenant shall promptly deliver to Landlord, legible copies of hazardous waste manifests reflecting the legal and proper disposal of all Hazardous Materials removed from the Land or the Buildings as part of Tenant’s remediation of any Tenant’s Contamination.

8.4. Disposition of Hazardous Materials. Except as discharged into the sanitary sewer in strict accordance and conformity with Paragraph 8.2 herein and all applicable Hazardous Materials Laws, Tenant shall cause any and all Hazardous Materials removed from the Land and the Buildings (including without limitation all Hazardous Materials removed from the Land as part of the required remediation of Tenant’s Contamination) to be removed and transported solely by duly licensed haulers to duly licensed facilities for recycling or final disposal of such materials and wastes. Tenant is and shall be deemed to be the “operator” “in charge” of Tenant’s “facility” and the “owner,” as such terms are used in the Hazardous Materials Laws, of all Hazardous Materials and any wastes generated or resulting therefrom. Tenant shall be designated as the “generator,” as such terms are used in the Hazardous Materials Laws, on all manifests relating to such Hazardous Materials or wastes.

8.5. Notice of Hazardous Materials Matters. Tenant shall immediately notify Landlord in writing of: (i) any enforcement, clean up, removal or other governmental or regulatory action instituted, contemplated or threatened concerning the Land pursuant to any Hazardous Materials Laws; (ii) any claim made or threatened by any person against Tenant or the Land relating to damage contribution, cost recovery, compensation, loss or injury resulting from or claimed to result from any Hazardous Materials on or about the Land; (iii) any reports made to any environmental agency arising out of or in connection with any Hazardous Materials in or removed from the Land including any complaints, notices, warnings or asserted violations in connection therewith, all upon receipt by Tenant of actual knowledge of any of the foregoing matters; and (iv) any spill, release, discharge or disposal of any Hazardous Materials in, on or under the Land, the Land, or any portion thereof. Tenant shall also supply to Landlord as promptly as possible, and in any event within five (5) business days after Tenant first receives or sends the same, with copies of all claims, reports, complaints, notices, warnings or asserted violations relating in any way to the Land or Tenant’s use thereof.

8.6. Indemnification by Tenant. Tenant shall indemnify, defend (by counsel reasonably acceptable to Landlord), protect, and hold Landlord, and each of Landlord’s employees, representatives, agents, attorneys, successors and assigns, and its directors, officers, partners, representatives, any lender having a lien on or covering the Land or any part thereof, and any entity or person named or required to be named as an additional insured in Paragraph 14.2 of this Lease (for purposes of this Paragraph 8, referred to collectively herein as “Landlord’s Representatives”) free and harmless from and against any and all claims, actions (including, without limitation, cost of investigation and testing, consultant’s and attorney’s fees, remedial and enforcement actions of any kind, administrative (informal or otherwise) or judicial proceedings and orders or judgments arising therefrom), causes of action, liabilities, penalties, forfeitures, damages (including, but not limited to, damages for the loss or restriction or use of rentable space or any amenity of the Land or the Land, or damages arising from any adverse impact on
marketing of space in the Land or the Land), diminution in the value of the Land or the Land, fines, injunctive relief, losses or expenses (including, without limitation, reasonable attorneys’ fees and costs) or death of or injury to any person or damage to any Land whatsoever, to the extent arising from or caused in whole or in part, directly or indirectly by (i) any Tenant’s Contamination, (ii) Tenant’s or Tenant’s Representatives’ failure to comply with any Hazardous Materials Laws with respect to the Land or the Buildings, (iii) offsite disposal or transportation of Hazardous Materials on, from, under or about the Land or the Buildings by Tenant or Tenant’s Representatives, or (iv) any pre-existing contamination. Tenant’s obligations hereunder shall include without limitation, and whether foreseeable or unforeseeable, all costs of any required or necessary repair, clean up or detoxification or decontamination of the Land, and the preparation and implementation of any closure, remedial action or other required plans in connection therewith. For purposes of the indemnity provisions hereof, any acts or omissions of Tenant, Tenant’s Representatives, or by employees, agents, assignees, contractors or subcontractors of Tenant or others acting for or on behalf of Tenant (whether or not they are negligent, intentional, willful or unlawful), shall be strictly attributable to Tenant. Notwithstanding anything contained herein to the contrary, Tenant shall not be required to indemnify Landlord for any environmental conditions existing on the Project as of the date hereof ("Preexisting Environmental Conditions"). In connection therewith, Landlord and Tenant agree that the environmental reports listed on Exhibit G attached to the Development Agreement shall be used as the base-line reports in determining as to whether any environmental condition is a Preexisting Environmental Condition.

8.7. Tenant Certifications. Within ninety (90) days prior to the expiration of the Term, Tenant shall certify to Landlord in writing that, to the best of its knowledge, (i) the Land and the Buildings are free from all Hazardous Materials caused by Tenant or Tenant’s Representatives, and (ii) no such Hazardous Materials exist on, under or about the Land or the Buildings other than as specifically identified to Landlord by Tenant in writing. If Landlord reasonably believes that such certification is inaccurate, or if an environmental report is required by law, Landlord shall give notice to Tenant within thirty (30) days after receipt of Tenant’s certification that Tenant shall have the Land and the Buildings are thoroughly inspected by an environmental consultant acceptable to Landlord for purposes of determining whether the Land and the Buildings are free from all Hazardous Materials. If Landlord fails to timely give such notice, the requirement for an environmental inspection report is not required of Tenant unless such report is otherwise required by Tenant under this Paragraph 8. Landlord’s failure to request an environmental inspection report shall in no way alter, abridge or limit Tenant’s indemnity obligation hereunder. Tenant shall deliver to Landlord a copy of the environmental consultant’s report forty-five (45) days prior to the expiration of the Lease. In the event the report discloses the existence of any Hazardous Materials, requires any clean up or any other form of response (collectively “Clean up”), Tenant shall perform such immediately and deliver the Land with the conditions specified in the report “cleaned up”, to the full satisfaction of Landlord. In the event the conditions specified in the report require Clean up which cannot be completed prior to the expiration of the Lease Term, Tenant shall be obligated to pay Landlord the greater of (i) the fair market rental value of the Land, or (ii) the rent hereunder, as adjusted, for each day delivery of the Land in the required condition to Landlord is delayed beyond the expiration of the Term in addition to the Clean up costs.

8.8. Exclusivity. The allocations of responsibility between, obligations and liabilities undertaken by, and indemnifications given by Landlord and Tenant under this Paragraph 8, shall be the exclusive provisions under this Lease, applicable to the subject matter treated in this Paragraph 8, and any other conflicting or inconsistent provisions contained in this Lease shall not apply with respect to the subject matter.

8.9 Compliance with Environmental Laws. Tenant shall at all times and in all respects comply with all Hazardous Materials Laws. All reporting obligations imposed by Hazardous Materials Laws with respect to Tenant’s Contamination are strictly the responsibility of Tenant. Tenant and Landlord have been informed that certain judicial decisions have held that, notwithstanding the specific language of a lease, courts may impose the responsibility for complying with legal requirements and for performing improvements, maintenance and repairs on a landlord or tenant based on the court’s assessment of the parties’ intent in light of certain equitable factors. Tenant and Landlord have each been advised by their respective legal counsel about the provisions of this Lease allocating responsibility for compliance with laws and for performing improvements, maintenance and repairs between Tenant and Landlord. Tenant and Landlord expressly agree that the allocation of responsibility for compliance with laws
and for performing improvements, maintenance and repairs set forth in this Lease represents Tenant’s and Landlord’s intent with respect to this issue.

8.10. Survival and Duration of Obligations. All covenants, representations, warranties, obligations and indemnities made or given under this Paragraph 8 shall survive the expiration or earlier termination of this Lease.

9. UTILITIES

9.1. Payment for Utilities. Tenant shall pay, directly to all applicable service providers, all service charges and all initial utility deposits and fees, for water, electricity, sewage, janitorial, trash removal, gas, telephone, pest control and any other utility services furnished to the Premises during the entire Term of this Lease (“Utilities”). Tenant shall pay for all Utilities in addition to Rent. Landlord shall not be liable for any reason for any loss or damage resulting from an interruption of any of the Utility services, nor shall Tenant be entitled to any rent abatement or offset or other remedies as a result thereof. Landlord shall not be liable for any reason for any loss or damage resulting from an interruption of any of these services.

9.2. Utility Easements. Tenant shall have the right to enter into agreements with utility companies creating easements in favor of such companies as are required in order to service the improvements on the Premises; provided, however, that any such easement shall be in a location approved by Landlord which will not unreasonably interfere with the easements heretofore and as may hereafter be granted. The easement agreements shall also be in a form reasonably acceptable to Landlord. Landlord agrees to join in the grant of such easements and to execute any and all documents, agreements and instruments in order to effectuate the same, all at Tenant’s cost and expense. Landlord agrees not to unreasonably withhold its consent to any proposed utility easement joinder so long as the easement is non-exclusive does not create an undue burden on development or operation of the Premises or Land, and the easement is required by the utility company. Landlord shall also have the right to enter into agreements with utility companies or any other parties creating easements in and over the Premises as may be required in order to serve the Land or any other land immediately adjacent to the Land also owned by Landlord; provided, however, that any such easement shall be in a location approved by Tenant which will not unreasonably interfere with the improvements on the Premises. In such event, Tenant agrees, where requested by Landlord, to join in the grant of such easements and to execute any and all documents, agreements, and instruments and to take all other actions in order to effectuate the same all at Landlord’s cost and expense in order to create the easements. The parties agree to use reasonable efforts to cause any encumbrances on the Premises to be subordinate to such easements, as may be required by any utility companies.

10. REPAIRS BY LANDLORD

10.1. Bond-type Lease. Tenant hereby acknowledges that this is a bond-type ground lease wherein Tenant, in addition to the payment of Base Rent, shall be directly responsible for the payment of any and all Project Expenses (defined in Paragraph 5.1.C) and Utilities (defined in Paragraph 9) with respect to the Premises, and that Landlord shall have no obligation of any nature with respect to the Premises, or any portion thereof, except as specifically provided otherwise in this Lease. The parties further agree that the nature of this Lease is that it is intended to be an absolute net lease as otherwise set forth in Section 5.3 hereof.

10.2. Landlord Entry. Notwithstanding the foregoing, Landlord hereby retains the right to enter upon and inspect the Premises and the Buildings at reasonable times and upon reasonable notice, and each lease with the tenant occupants of the Buildings shall contain a provision as to this reserved right. Landlord further reserves the right to enter upon the Premises and Buildings, without prior notice, in the event of an emergency condition or situation, as reasonably determined by Landlord. In addition, and notwithstanding the provisions of Paragraph 11.2, in the event of an emergency, Landlord, at its option, may without notice enter on the Premises to effect repairs needed as a result of the emergency. The cost and expense of such repairs shall be due and paid by Tenant to Landlord on demand as additional Rent.

10
10.3 Access to the Levee and Park. Pursuant to the Development Agreement, Tenant has agreed to construct certain Park Access Improvements on the Premises and shall provide an easement over and across these Public Access Improvements during the Term so that the public may use the same to gain access to the levee and the park as set forth in Section 5.1 of the Development Agreement. Tenant understands and agrees that the general public shall have a right to use the Park Access Improvements for access to and from the levee 24 hours a day, 7 days a week. The public's right of access shall survive the expiration or termination of this Lease and upon request from Landlord, Tenant shall execute an easement to record against the Property to evidence these agreements.

11. REPAIRS BY TENANT

11.1. “As-Is” Condition. Tenant acknowledges and agrees that Tenant shall accept the Premises "as is, where is" and Landlord has not made, does not make and specifically negates and disclaims any representations, warranties, promises, covenants, agreements or guarantees of any kind or character whatsoever concerning or with respect to (a) the value, nature, quality or condition of the Premises; (b) the suitability of the Premises for any and all activities and uses which Tenant may conduct thereon; (c) the compliance of the Premises with any Legal Requirements; (d) the habitability, merchantability, marketability, profitability or fitness for a particular purpose of the Premises; (e) the manner or quality of the construction or materials incorporated into the Premises; (f) the manner, quality, state of repair or lack of repair of the Premises; or (g) any other matter with respect to the Premises.

11.2. Maintenance. In connection therewith, Tenant shall at its own cost and expense keep and maintain the Premises in good order and repair, normal wear and tear and fire and other casualty excepted, promptly making all necessary repairs and replacements. In addition to the foregoing, Tenant shall also be responsible for all maintenance and upkeep of the Premises, including, but not limited to maintenance of the parking areas, roadways, driveways and walkways, including resurfacing and restriping, landscaping, including all snow removal, mowing and weed removal, and general grounds maintenance, including trash removal and security. Tenant, in keeping the Premises in good order, condition and repair, shall exercise and perform good maintenance practices. Tenant’s obligations shall include restorations, replacements or renewals when necessary to keep the Premises in good order, condition and state of repair. Notwithstanding the foregoing, Landlord recognizes that certain of the Existing Improvements located on Tracts B and C will be demolished in accordance with the Redevelopment Project Plan. Accordingly, Tenant shall be entitled to balance the need for undertaking repairs and improvements to the buildings to be demolished against the redevelopment/demolition schedule for such buildings.

12. TENANT’S TAXES AND ASSESSMENTS

Tenant covenants and agrees to pay promptly, when due, all personal property taxes or other taxes and assessments levied and assessed by any governmental authority upon the removable property of Tenant in, upon or about the Premises.

13. CONSTRUCTION OF THE BUILDINGS

13.1. Subdivision of the Property. Landlord and Tenant acknowledge and agree that Tenant shall, following the Commencement Date, begin the process of subdividing the Land to create a separate legal parcel for the Lady Baltimore Parcel, Tract A, Tract B and Tract C, respectively. Tenant shall use commercially reasonable efforts to cause the Land to become separate legal parcels as soon as reasonably practicable following the Commencement Date. All conditions imposed on the subdivision of the Land shall be satisfied by Tenant at its sole cost. Landlord shall cooperate with Tenant to process the properly submitted subdivision of the Land as set forth herein. Landlord and Tenant hereby agree that following any such subdivisions, upon a request from Tenant, this Lease may be converted into four (4) separate ground leases, one for each subdivided parcel, which leases would contain identical terms and conditions as those set forth herein, except for the provisions regarding Rent (each, a “Parcel Lease” and collectively, the “Parcel Leases”). Rent shall be allocated among the separate ground leases in
the same proportion as the assessed value for each parcel (as set forth on the real estate tax bills) bears to the total assessed value of all four of the of the parcels.

13.2 Construction of Buildings. Tenant shall be permitted to renovate and construct the Buildings, as applicable, and their related improvements on the Premises pursuant to the terms and conditions as set forth in the Development Agreement, and further subject to all of the terms and conditions as set forth in this Lease. In connection therewith, Tenant shall cause commencement of all construction on the Premises, together with all required landscaping and parking, in full compliance, in all respects, with local building code requirements, zoning requirements, the Development Agreement and this Lease. Notwithstanding anything herein to the contrary, Tenant shall be obligated to pay for all development and impact fees for the Buildings, and all related construction and development expenses. Tenant shall make all such payments directly to the appropriate charging or taxing authority at least fifteen (15) days before delinquency and before any fine, interest, or penalty shall become due or be imposed by operation of law for their nonpayment.

13.3 Conditions of Development. In addition to the requirements set forth in Paragraph 13.2, all construction performed on the Premises or the Buildings, shall be subject to the following conditions:

A. Proof of Compliance. Tenant shall deliver to Landlord, at Tenant’s expense, evidence of compliance with all then applicable regulations and requirements for permits and codes, ordinances, approvals, including but not limited to grading permits, payment of all permit fees and other construction fees and escrows, if any, building permits and as otherwise required.

B. Soil Conditions. Landlord makes no covenants or warranties respecting the condition of the soil or subsoil or any other condition of the Premises.

C. Completion of Construction. Once the work is commenced, Tenant shall with reasonable diligence cause the prosecution to completion of the construction of all improvements. All work shall be performed in a good and workmanlike manner and shall comply with all applicable governmental permits, laws, ordinances, and regulations.

14. INSURANCE

14.1 Property Insurance. Tenant shall maintain in full force and effect throughout the entire term of this Lease a policy of insurance against loss or damage by fire and lightning, and such other perils as are covered under the broadest form of the “extended coverage” or “all risk” endorsements available in the state in which the Premises is located, including, but not limited to, damage by wind storm, hurricane, explosion, smoke, sprinkler leakage, vandalism, malicious mischief and such other risks as are normally covered by such endorsements. The insurance shall be carried and maintained to the extent of full (actual) replacement cost of the improvements, in such amounts as may be reasonably acceptable to Landlord from time to time during the Term; provided however, that during the period of construction, Tenant shall provide or cause to be provided in lieu thereof builders’ risk or similar type of insurance to the full replacement costs thereof. Copies of all such insurance policies or certificates thereof endorsed to show payment of the premium shall be available for inspection by Tenant and such policies and certificates shall show Tenant and the beneficiary of any leasehold mortgage or deed of trust on the Premises to be additional insureds as their interests may exist (or a mortgagee loss payable endorsement). Such insurance may be provided by a blanket insurance policy covering the Premises, so long as the coverage on the Premises is at all times at least as great as required by this paragraph.

14.2 Casualty and other Insurance. Tenant agrees to take out and keep in force during the term hereof, without expense to Landlord, with an insurance company with general policy holder’s rating of not less than B+, VII as rated in the most current Best’s Insurance Reports, or other company reasonably acceptable to Landlord, the policies of insurance as set forth below. The amounts of such insurance required hereunder shall be adjusted from time to time as reasonably requested by Landlord based upon Landlord’s determination as to the amounts of

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such insurance generally required at such time for comparable land and buildings in the general geographical area of the Premises. Tenant shall be permitted to obtain the insurance required under this Paragraph 14 by providing a blanket policy of insurance reasonably acceptable to Landlord. All such insurance policies shall name Landlord and any property manager of Landlord designated by Landlord to Tenant as additional named insureds. The insurance required by this Paragraph 14.2 may be obtained by any subtenant of Tenant provided that Landlord and Tenant are named as additional insureds.

A. Comprehensive public liability insurance, in the name of Tenant, insuring against any liability for injury to or death of persons resulting from any occurrence in or about the Buildings and for damage to Premises in such amounts as may from time to time be customary with respect to similar properties in the same area, but in any event not less than $5,000,000.00 per occurrence. In addition, such policy of insurance shall include the ordinary and usual coverage for any additional liability as coverage for any potential liability arising out of or because of any construction, work of repair or alterations done on or about the Premises by or under the control or direction of Tenant;

B. Personal property insurance covering the personal property and trade fixtures of Tenant in an amount equal to the replacement value of the personal property and trade fixtures, as such replacement value may vary from time to time;

C. Workers compensation insurance as required by state law and employer liability insurance with limits of not less than $1,000,000.00; and

D. Comprehensive automobile liability insurance with limits of not less than $500,000.00 combined bodily injury and property damage per occurrence.

14.3. Certificates of Insurance. All policies of insurance set forth in Paragraphs 14.1 and 14.2 above, shall provide that copies of the policies or certificates thereof showing the premium thereon to have been paid, shall be delivered to Landlord prior to the Commencement Date and thereafter fifteen (15) days prior to each renewal date. All such policies shall provide that they shall not be canceled nor coverage reduced by the insurer without first giving at least thirty (30) days prior written notice to Landlord. If Tenant fails to procure and keep in force such insurance, Landlord may procure it, and the cost thereof with interest at the maximum lawful rate shall be payable immediately by Tenant to Landlord as additional Rent. Such insurance may be provided by a blanket insurance policy covering the Premises, so long as the coverage on the Premises is at all times at least as great as required by this Paragraph 14.

15. WAIVER, EXCULPATION AND INDEMNITY

15.1. Definitions. For purposes of this Paragraph 15, (i) “Tenant Parties” shall mean, singularly and collectively, Tenant and Tenant’s officers, directors, shareholders, partners, members, trustees, subtenants, agents, employees, and independent contractors as well as all persons and entities claiming through any of the foregoing persons or entities, and (ii) “Landlord Parties” shall mean singularly and collectively, Landlord and Landlord’s officers, directors, governing body, partners, staff, trustees, agents, employees, and independent contractors as well as all persons and entities claiming through any of the foregoing persons or entities

15.2. Exculpation. Tenant, on behalf of itself and of all Tenant Parties, and as a material part of the consideration to be rendered to Landlord under this Lease, hereby waives, to the fullest extent permitted by law, all claims against Landlord for loss, theft or damages to goods, wares, merchandise or other Premises (whether tangible or intangible) in and about the Premises, for loss or damage to Tenant’s business or other economic loss (whether direct or consequential), and for the injury or death to any persons in, on or about the Premises, except for damage or loss directly caused by the gross negligence or willful misconduct of Landlord or Landlord Parties.
15.3. **Tenant’s Indemnity.** Tenant shall indemnify, defend (by an attorney of Tenant’s choice, reasonably acceptable to Landlord), reimburse, protect and hold harmless Landlord and all Landlord Parties from and against all third party claims, liability and/or damages arising from or related to occurrences on the Premises and/or the acts or omissions of Tenant or any Tenant Parties relating to their use, possession, or occupancy of the Premises or, Tenant’s obligations under this Lease, or to any work done, permitted or contracted for by any of them on or about the Premises, to the extent that such liability or damage is covered by Tenant’s insurance (or would have been covered had Tenant carried the insurance as required under this Lease). If Landlord shall, without fault on its part, be made a party to any litigation commenced by or against Tenant or any Tenant Parties, Tenant shall pay all costs and reasonable attorney’s fees incurred by such litigation, unless such costs and fees are covered by Landlord’s insurance.

15.4. **Waiver of Subrogation.** To the extent of any and all insurance maintained, or required to be maintained, by either Landlord or Tenant in any way connected with the Premises, Landlord and Tenant hereby waive on behalf of their respective insurance carriers any right of subrogation that may exist or arise as against the other party to this Lease. Landlord and Tenant shall cause the insurance companies issuing their insurance policies with respect to the Premises to waive any subrogation rights that the companies may have against Tenant and Landlord, respectively.

15.5. **Survival and Duration of Obligations.** All representations, warranties, obligations and indemnities made or given under this Paragraph 15 shall survive the expiration or earlier termination of this Lease.

16. **CONSTRUCTION LIENS**

Except as set forth herein, Tenant shall not suffer or permit any construction liens, mechanic’s liens or materialmen’s liens to be filed for work performed or materials supplied by or on behalf of Tenant or Tenant’s Representatives (defined in Paragraph 8.2) against Landlord’s interest in the Premises nor against Tenant’s leasehold interest in the Premises. Landlord shall have the right at all reasonable times to post and keep posted on the Premises, any notices which it deems necessary for protection from such liens. Tenant shall have the right to contest by proper proceedings any such construction liens, mechanic’s liens or materialman’s liens, provided that Tenant shall prosecute such contest diligently and in good faith and such contest shall not expose Landlord to any civil or criminal penalty or liability. Upon Landlord’s demand, Tenant shall furnish Landlord a surety bond or other adequate security satisfactory to Landlord sufficient both to indemnify Landlord against liability and hold the Premises free from adverse effect in the event the contest is not successful. If such liens are so filed and Tenant does not properly contest such liens, Landlord, at its election, and upon not less than ten (10) days prior written notice to Tenant, may pay and satisfy same and, in such event the sums so paid by Landlord, with interest thereon at the rate of eighteen percent (18%) per annum from the date of payment, and all actual and other expenses, including reasonable attorney’s fees, so paid by Landlord, shall be deemed to be additional Rent due and payable by Tenant at once without notice or demand.

17. **QUIET ENJOYMENT**

Landlord covenants and agrees that Tenant, upon making all of Tenant’s payments of Rent as and when due under the Lease, and upon performing, observing and keeping the covenants, agreements and conditions of this Lease on its part to be kept, shall peaceably and quietly hold, occupy and enjoy the Premises during the term of this Lease as extended by the options described herein, if any, subject to the terms and provisions of this Lease.

18. **LANDLORD’S RIGHT OF ENTRY**

Landlord or his agents shall have the right to enter the Premises at reasonable times upon reasonable prior notice in order to examine it or to show it to prospective tenants or buyers and to place “For Rent” or “For Sale” signs on or about the Premises. Upon receipt of reasonable advance notice from Landlord, Tenant may arrange to have a designated representative accompany Landlord in entering the Premises. Landlord’s right of reentry shall not
be deemed to impose upon Landlord any obligation, responsibility, or liability for the care, supervision or repair of the Premises other than as herein provided; except that Landlord shall use reasonable care to prevent loss or damage to Tenant’s Premises resulting from Landlord’s entry. Notwithstanding the foregoing, Landlord shall have the right to enter the Premises without first giving notice to Tenant in the event of an emergency where the nature of the emergency will not reasonably permit the giving of notice.

19. DESTRUCTION OF BUILDINGS

19.1. Tenant’s Duty to Restore. At any time during the Term or any extended term of this Lease, if any Buildings or improvements now or hereafter on the Premises are damaged and/or destroyed in whole or in part by fire, theft, the elements, or any other cause, this Lease shall continue in full force and effect, and Tenant, at its sole cost and expense, shall repair and restore the damaged or destroyed Building, Buildings, improvement or improvements according to such modified plans as shall be reasonably approved in writing by Landlord, whether or not there are sufficient insurance proceeds to cover the repair and restoration expenses. The work of repair and restoration shall be commenced by Tenant as soon as possible but in no event later than ninety (90) days after receipt of the insurance proceeds from the property insurance required to be maintained pursuant to Paragraph 14.1 herein, the damage or destruction occurs and shall be completed with due diligence not longer than six (6) months after the work is commenced, unless otherwise agreed to in writing by Landlord. In all other respects, the work of repair and restoration shall be done in accordance with the requirements for original construction work.

19.2. Option to Terminate Lease for Destruction. Notwithstanding Paragraph 19.1 above, in the event that the Buildings located on the Premises are damaged or destroyed by fire, theft or any other casualty, through no fault of Tenant, resulting in a cost to repair or restore such Buildings as required by Paragraph 19.1 of this Lease that exceeds thirty-five percent (35%) of the cost of replacing such Buildings, then Tenant shall have the option of terminating this Lease by giving to Landlord at least sixty (60) days’ prior written notice of Tenant’s intent to do so; and if Tenant elects to terminate this Lease, then Tenant shall also be required to remove, at Tenant’s own cost and expense, all debris and remains of the damaged Buildings or improvements from the Premises and to level the site and return the Premises to Landlord in “pad ready” condition. Any failure by Tenant to timely and properly repair and restore the Buildings or improvements and Premises once Tenant has elected to do so shall constitute an Event of Default hereunder. In the event that this shall be Lease split into separate Parcel Leases pursuant Paragraph 13.1 herein, this subparagraph shall be applied separately to each Parcel Lease. Notwithstanding anything set forth herein to the contrary, in the event that the terms and conditions of Section 7.11 of the Development Agreement shall require the repair, restoration or replacement of the Buildings as set forth therein, Tenant hereby understands and agrees that Tenant shall not have the option to terminate as otherwise set forth herein.

20. EMINENT DOMAIN

20.1. Interests of Parties on Condemnation. If the Premises or any part thereof shall be taken for public purpose by condemnation as a result of any action or proceeding in eminent domain, or shall be transferred in lieu of condemnation to any authority entitled to exercise the power of eminent domain, the interests of Landlord and Tenant in the award or consideration for such transfer, and the allocation of the award and the other effect of the taking or transfer upon this Lease shall be provided in this Paragraph 20. In the event that this Lease split into separate Parcel Leases pursuant Paragraph 13.1 herein, this Paragraph 20 shall be applied separately to each Parcel Lease. Notwithstanding anything set forth herein to the contrary, in the event that the terms and conditions of Section 7.11 of the Development Agreement shall require the repair, restoration or replacement of the Buildings as set forth therein, Tenant hereby understands and agrees that Tenant shall not have the option to terminate as otherwise set forth herein.

20.2. Total Taking – Termination. If the entire Premises are taken or so transferred, this Lease and all of the right, title and interest thereunder shall cease on the date title to such Premises so taken or transferred vests in the condemning authority.

20.3. Partial Taking – Termination. In the event of the taking or transfer of only a part of the Premises, leaving the remainder of the Premises in such location, or in such form, shape or reduced size as to be not effectively and practicably usable in the reasonable option of Tenant for the operation thereon of Tenant’s business,
taking into consideration the effect, if any, of such taking on the availability of parking proximately located to the facility, and Landlord agrees with Tenant’s determination, which agreement will not be unreasonably withheld, this Lease and all right, title and interest thereunder may be terminated by Tenant by giving, within sixty (60) days of the occurrence of such event, thirty (30) days’ notice to Landlord of Tenant’s intention to terminate.

20.4. Partial Taking – Continuation with Rent Abatement. In the event of such taking or transfer of only a part of the Premises leaving the remainder of the Premises in such location and in such form, shape or size as to be used effectively and practically in the reasonable opinion of Tenant for the purpose of operation thereon of Tenant’s business, this Lease shall terminate as to the portion of the Premises so taken or transferred as of the date title to such portion vests in the condemning authority, but shall continue in full force and effect as to the portion of the Premises not so taken or transferred. From and after such date the Rent required to be paid by Tenant shall be reduced in proportion to which the square footage of the area so taken or transferred bears to the total square footage of the Premises.

20.5. Partial Taking – Award. If title and possession of a portion of the Premises is taken under the power of eminent domain, and the Lease continues as to the portion remaining, all compensation and damages ("Compensation") payable to Tenant by reason of any improvements so taken shall be available to be used, to the extent reasonably needed, by Tenant in replacing any improvements so taken with improvements of the same type of the remaining portion of the Premises. Plans and specifications for such replacement and improvements shall be subject to Landlord’s reasonable prior approval and all such repairs shall be in compliance with all then existing codes, zoning ordinances, rules and regulations governing the Premises.

20.6. Allocation of Award. Any compensation awarded or payable because of the taking of all or any portion of the Premises or Buildings by eminent domain shall be awarded to Landlord and Tenant in accordance with the values of their respective interest in the Premises or Buildings immediately prior to the taking. The value of Tenant’s interest in the Premises and Buildings immediately prior to a taking shall include the then value of its interest in the Premises prior to the Expiration Date of this Lease (including all extended terms, whether or not Tenant has exercised its right to such extended terms). The value of Landlord’s interest in the Premises and Buildings immediately prior to a taking shall include the then value of its interest in the remainder of the Term of this Lease (including all extended terms, whether or not Tenant shall have exercised its right to such extended terms). Such values shall be those determined in the proceeding relating to such taking or, if no separate determination of the values is made in such proceeding, those determined by agreement between Landlord and Tenant. The time of taking shall mean 12:01 a.m. of, whichever shall first occur, the date of title, or the date physical possession of the portion of the Premises on which the Buildings are located is taken by the taking agency or entity. In the event of separate awards, then Landlord and Tenant may retain such separate award made to each and any of them.

20.7. Voluntary Conveyance. A voluntary conveyance by Landlord to a public utility, agency or authority under threat of a taking under the power of eminent domain in lieu of formal proceedings shall be deemed a taking within the meaning of this Paragraph 20.

21. BANKRUPTCY

If a general assignment is made by Tenant for the benefit of creditors, or any action is taken by Tenant under any insolvency or bankruptcy act, or if a receiver is appointed to take possession of all or substantially all of the assets of Tenant (and Tenant fails to terminate such receivership within sixty (60) days after such appointment), or if any action is taken by a creditor of Tenant under any insolvency or bankruptcy act, and such action is not dismissed or vacated within sixty (60) days after the date of such filing, then in addition to Landlord's other remedies as set forth in Section 22 below, this Lease shall terminate at the option of Landlord upon the occurrence of any such contingency and shall expire as fully and completely as if the day of the occurrence of such contingency was the date specified in this Lease for the expiration thereof. In such event, Tenant shall then quit and surrender the Premises and the Buildings to Landlord.
22. DEFAULT

22.1. Tenant Default. If Tenant (i) fails to pay any rent or other sum due hereunder at the time set forth in this Lease, or in the event Tenant fails to perform any other covenant to be performed by Tenant under this Lease and continues to fail to perform the same for a period of ten (10) days after the date such sum is due; provided, however, that Landlord shall send written notice to Tenant the first time in any Lease Year that Tenant fails to timely pay any sum due hereunder and Tenant shall not be in default until five (5) days after such notice; or (ii) in the event Tenant fails to perform any other covenant to be performed by Tenant under this Lease and continues to fail to perform the same for a period of thirty (30) days after receipt of written notice from Landlord pertaining thereto (provided, however, that if the nature of Tenant’s default is such that it may be cured but more than thirty (30) days are reasonably required for its cure, then Tenant shall not be deemed to be in default if Tenant shall commence such cure within said thirty (30) day period and thereafter diligently prosecute such cure to completion), (iii) abandons or vacates the Premises, (iv) fails to pay or perform any of its covenants, obligations or provisions in the Development Agreement or any other Parcel Lease(s) (if applicable), then Tenant shall be deemed to have breached this Lease and Landlord, in addition to other rights or remedies available to Landlord at law or equity, Landlord may pursue any one or more of the following remedies:

A. Termination. In the event of any such default by Tenant, in addition to any other remedies available to Landlord under this Lease, at law or in equity, Landlord shall have the immediate option to terminate this Lease and all rights of Tenant hereunder. In the event that Landlord shall elect to so terminate this Lease, then Landlord may recover from Tenant:

(i) any unpaid Rent which had been earned at the time of such termination; plus

(ii) any unpaid Rent which was not earned at the time of such termination, but is earned by the time of award; plus

(iii) the discounted value of any Rent which would have accrued from the time of the award until the end of the Term if such termination had not occurred; plus

(iv) any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant’s failure to perform its obligations under this Lease or which, in the ordinary course of things, would be likely to result therefrom including, but not limited to: reasonable attorneys’ fees; unamortized brokers’ commissions; Taxes; the costs of refurbishment, alterations, renovation and repair of the Premises; and removal (including the repair of any damage caused by such removal) and storage (or disposal) of Tenant’s personal property, equipment, fixtures, Tenant changes, improvements and any other items which Tenant is required under this Lease to remove but does not remove.

B. Re-Entry Rights. In the event of any such default by Tenant, in addition to any other remedies available to Landlord under this Lease, at law or in equity, Landlord shall also have the right as permitted by applicable law, with or without terminating this Lease, to re-enter the Premises and remove all persons and property from the Premises; such property may be removed, stored and/or disposed of pursuant to Section 22.1 of this Lease or any other procedures permitted by applicable law. No re-entry or taking possession of the Premises by Landlord pursuant to this Section 22.B, and no acceptance of surrender of the Premises or other action on Landlord’s part, shall be construed as an election to terminate this Lease unless a written notice of such intention be given to Tenant or unless the termination thereof be decreed by a court of competent jurisdiction.

C. Continuation of Lease. If Landlord does not elect to terminate this Lease on account of any default by Tenant, Landlord may, from time to time, without terminating this Lease, enforce all of its
rights and remedies under this Lease, including the right to recover all rent as it becomes due. Landlord’s election not to terminate this Lease pursuant to this Section 22.C or pursuant to any other provision of this Lease, at law or in equity, shall not preclude Landlord from subsequently electing to terminate this Lease or pursuing any of its other remedies to the extent permitted by law.

D. **Landlord’s Right to Perform.** Tenant has no right to abate rent or offset against rent unless such rights are expressly granted herein. If Tenant shall fail to pay any sum of money (other than Rent) or perform any other act on its part to be paid or performed hereunder and such failure shall continue for five (5) days with respect to monetary obligations or twenty (20) days with respect to non-monetary obligations after Tenant’s receipt of written notice thereof from Landlord (except that no notice will be required in the event of an emergency), Landlord may, without waiving or releasing Tenant from any of Tenant’s obligations, make such payment or perform such other act on behalf of Tenant. All sums so paid by Landlord and all necessary incidental costs incurred by Landlord in performing such other acts shall be payable by Tenant to Landlord within ten (10) days after demand therefor as additional rent.

If Landlord makes any expenditure required of Tenant hereunder, or if Tenant fails to make any payment or expenditure required of Tenant hereunder, such amount shall be payable by Tenant to Landlord as Rent together with interest from the date due at the rate of eighteen percent (18%) per annum, but not to exceed the maximum amount allowed by law, and Landlord shall have the same remedies as on the default in payment of Rent. The payment of interest required hereunder shall be in addition to the late charge set forth in Paragraph 3.4. Notwithstanding any other provisions of this Lease, under no circumstances shall Landlord or Tenant be liable to the other for any consequential damages arising out of the acts or omissions of Landlord or Tenant or a breach of this Lease by either party.

22.2. **Landlord Default.** Landlord shall not be in default in the performance of any obligation required to be performed by Landlord under this Lease unless Landlord has failed to perform such obligation within thirty (30) days after the receipt of written notice from Tenant specifying in detail Landlord’s failure to perform; provided however, that if the nature of Landlord’s obligation is such that more than thirty (30) days are required for its performance, then Landlord shall not be deemed in default if it commences such performance within such thirty (30) day period and thereafter diligently pursues the same to completion. Upon any such uncured default by Landlord, Tenant may exercise any of its rights provided in law or at equity; provided, however: (i) Tenant shall have no right to offset or abate Rent in the event of any default by Landlord under this Lease; (ii) Tenant’s rights and remedies hereunder shall be limited to the extent (A) Tenant has expressly waived in this Lease any of such rights or remedies, and/or (B) this Lease otherwise expressly limits Tenant’s rights or remedies, including the limitation on Landlord’s liability contained in Section 30 hereof; (iii) except as expressly provided herein, Tenant shall not have the right to terminate this Lease as a result of any such default; and (iv) in no event shall Landlord be liable for consequential damages or loss of business profits.

23. **SURRENDER OF PREMISES**

On or before the expiration of the Term, Tenant shall vacate the Premises and the Buildings in broom clean condition and in good condition and repair. Any removal of Tenant’s improvements, personal property and/or trade fixtures by Tenant shall be accomplished in a manner which will minimize any damage or injury to the Premises, and any such damage or injury shall be repaired by Tenant at its sole cost and expense within thirty (30) days after Tenant vacates. The Buildings shall revert to Landlord upon expiration or other termination of this Lease. Notwithstanding the provisions of this paragraph, the machinery, equipment and fixtures of Tenant or any tenant of the Buildings, other than that which is affixed to the Premises so that it cannot be removed without damage to the Premises, shall remain the property of Tenant or such tenant, as may be applicable, and may be removed; provided, however, that Tenant removes or causes its removal by the expiration of the Term. Without hereby implying or suggesting any consent by Landlord to a sublease of the whole of the Premises other than as expressly permitted herein (which consent is subject to the terms of Paragraph 27 herein), all subleases of all or any portion of the
Premises and all leases of space within any of the Buildings shall contain reversion language in accordance with the terms of this Paragraph 23. Tenant agrees to execute such documents as requested by Landlord or its title company following expiration or other termination of this Lease to perfect ownership of the Buildings or the improvements in Landlord.

24. HOLDING OVER

Should Tenant hold over and remain in possession of the Premises after the expiration of this Lease, without the written consent of Landlord, such possession shall be as a month-to-month tenant. Unless Landlord agrees otherwise in writing, Base Rent during the hold-over period shall be payable in an amount equal to one hundred fifty percent (150%) of the Base Rent paid for the last month of the term hereof until Tenant vacates the Premises and the Security Deposit shall increase to an amount equal to the increased monthly Base Rent. All other terms and conditions of this Lease shall continue in full force and effect during such hold-over tenancy, which hold-over tenancy shall be terminable by either party delivering at least one (1) month’s written notice, before the end of any monthly period. Such hold-over tenancy shall terminate effective as of the last day of the month following the month in which the termination notice is given.

25. SURRENDER OF LEASE

The voluntary or other surrender of this Lease by Tenant, or mutual cancellation thereof, shall not work a merger and may, at the option of Landlord, terminate all or any existing subleases or subtenancies or may operate as an assignment of any or all such subleases or subtenancies to Landlord.

26. NOTICE

Any notice, request, demand, instruction or other document or communication required or permitted to be given hereunder shall be in writing addressed to the respective party as set forth below and may be personally served, sent by facsimile, or sent by a nationally recognized overnight courier, addressed as follows:

TO LANDLORD:

The Unified Government Clerk
The Unified Government of Wyandotte County/Kansas City, Kansas
701 N. 7th Street, Room 323
Kansas City, Kansas 66101
Telephone: 916-573-5010
Facsimile: 913-5735020

with a copy to:

Jody Boeding, Esq.
Chief Counsel for The Unified Government of Wyandotte County/Kansas City, Kansas
701 N. 7th Street
Kansas City, Kansas 66101
Telephone: 913-573-5060
Facsimile: 913-573-5243

with a copy to:

Stinson Morrison Hecker LLP
1201 Walnut, Suite 2600
Kansas City, Missouri 64106
Attn: Todd A. LaSala, Esq.
Telephone: (816) 691-3410
Facsimile: (816) 691-3495
TO TENANT: IRG Fairfax Holdings, LLC
c/o Industrial Realty Group, LLC
12214 Lakewood Boulevard
Downey, California 90242
Attn: Stuart Lichter
Telephone: (562) 803-4761
FAX: (562) 803-4796

with a copy to: Fainsbert, Mase & Snyder, LLP
11835 West Olympic Blvd., Suite 1100
Los Angeles, California 90064
Attn: John A. Mase, Esq.
Telephone: (310) 473-6400
FAX (310): 473-8702

Any party may change their notice address and/or facsimile number by giving written notice thereof in accordance with this Paragraph. All notices hereunder shall be deemed given: (1) if served in person, when served; (2) if sent by facsimile with electronic confirmation of receipt, on the date of transmission if before 6:00 p.m. C.S.T.; provided that a hard copy of such notice is also sent by a nationally recognized overnight courier; (3) if by overnight courier, by a nationally recognized courier which has a system of providing evidence of delivery, on the first business day after delivery to the courier; or (4) if by U.S. Mail, on the third day after deposit in the mail, postage prepaid, certified mail, return receipt requested.

27. ASSIGNMENT AND SUBLETTING

27.1. No Assignment. Tenant shall not directly or indirectly, voluntarily or by operation of law, sell, assign, encumber, pledge or otherwise transfer or hypothecate all or any part of the Premises or Tenant’s leasehold estate hereunder (collectively, “Assignment”) without Landlord’s prior written consent in each instance, which consent may not be unreasonably withheld, conditioned or delayed by Landlord, provided, however, that Tenant may assign this Lease or sublet the Premises to any subsidiary or affiliate of Tenant.

27.2. Subletting. Tenant may, consistent with Tenant’s Use as set forth in Paragraph 7 herein and without Landlord’s prior written consent in each instance, permit the Premises, including the Existing Improvements and the Buildings, to be occupied by Persons other than Tenant, and/or sublet the Premises (“Sublease(s)”) or any portion thereof provided the terms of such Subleases are consistent with the terms contained herein and Tenant shall provide Landlord with notice of any such transfers.

27.3 No Relief of Obligations. No consent by Landlord to any Assignment or Sublease by Tenant shall relieve Tenant of any obligation to be performed by Tenant under this Lease, whether arising before or after the Assignment or Sublease. The consent by Landlord to any Assignment or Sublease shall not relieve Tenant of the obligation to obtain Landlord’s express written consent to any other Assignment or Sublease. Any Assignment or Sublease that is not in compliance with this Paragraph 27 shall be void and, at the option of Landlord, shall constitute a material default by Tenant under this Lease. The acceptance of Rent by Landlord from a proposed assignee or sublessee shall not constitute the consent by Landlord to such Assignment or Sublease.

28. ATTORNEY’S FEES

Tenant shall pay any costs and expenses (including reasonable attorneys fees) of Landlord in the event that Landlord shall have to enforce the terms and provisions of this Lease.

29. JUDGMENT COSTS
29.1. **Landlord.** Should Landlord, without fault on Landlord’s part, be made a party to any litigation instituted by or against Tenant, or by or against any person holding the Premises by license of Tenant, or for foreclosure of any lien for labor or material furnished to or for Tenant, or any such person, or otherwise arising out of or resulting from any act or transaction of Tenant, or of any such person, Tenant covenants to pay to Landlord, the amount of any judgment rendered against Landlord or the Premises or any part thereof, and all costs and expenses, including reasonable attorney’s fees incurred by Landlord in connection with such litigation.

30. **BROKERS**

Landlord and Tenant each represent and warrant to each other that it has had no dealings with any real estate broker or agent in connection with the Premises and this Lease, and that it know of no real estate broker or agent who is or might be entitled to a commission in connection with this Lease ("Broker"). Landlord shall only pay the real estate brokerage commission due to Broker and any real estate broker or agent entitled to a commission in connection with this Lease if claimed through the actions of Landlord. Tenant shall pay any other commission or finder’s fee due if claimed through the actions of Tenant. Each of Tenant and Landlord shall indemnify and hold the other harmless from and against any such commission or finder’s fee which may be claimed by any person or broker with respect to this transaction as a result of its breach of the foregoing representation.

31. **LEASEHOLD MORTGAGE/SUBORDINATION OF SUBLEASES**

31.1. **Leasehold Mortgages.** Nothing contained herein shall prohibit Tenant from obtaining a leasehold mortgage against the Premises provided Landlord shall not be required to subordinate its interest in the Premises to any such mortgage. In the event that a superior landlord, mortgagee or foreclosure sale purchaser who succeeds to the rights of Landlord under this Lease ("Successor Landlord"), takes title to the Premises, (i) Successor Landlord shall be bound to Tenant under all of the terms and conditions of this Lease from and after the date the Successor Landlord takes title to the Premises, (ii) Tenant shall recognize and attorn to Successor Landlord as Tenant’s direct landlord under this Lease, and (iii) this Lease shall continue in full force and effect, in accordance with its terms, as a direct lease between Successor Landlord and Tenant. In the event of foreclosure, Tenant agrees to look solely to the mortgagee’s interest in the Premises for the payment and discharge of any obligations imposed upon the mortgagee or Landlord under this Lease. This clause shall be self-operative, and no further instrument or subordination or attornment shall be necessary unless requested by a mortgagee or the insuring title company, in which event Tenant or Landlord shall sign, within five (5) business days after requested, such instruments and/or documents as the mortgagee and/or insuring title company reasonably request be signed ("SNDA").

31.2. **Subordination of Subleases.** Any Subleases entered into by Tenant in accordance with the terms of this Lease shall be subordinate to this Lease. In the event that Landlord, or any Successor Landlord, elects to terminate this Lease pursuant to Paragraph 22 herein, Landlord, or Successor Landlord, shall agree in writing not to disturb the possession of the Premises by Tenant or the rights of subtenant under this Lease so long as such subtenant is not in material default (subject to applicable notice and cure rights in favor of such subtenant as contained in its Sublease) in the performance of its obligations thereunder and, in the event of a default by Landlord, or Successor Landlord, such subtenant agrees to look solely to Landlord’s interest in the Property for the payment and discharge of any obligations imposed upon Landlord under the sublease. In the event that this Lease is terminated, (i) Landlord or Successor Landlord shall be bound to each subtenant under all of the terms and conditions their respective subleases, (ii) Tenant shall recognize and attorn to Successor Landlord as Tenant’s direct landlord under this Lease, and (iii) each sublease shall continue in full force and effect, in accordance with their respective terms, as a direct leases between Landlord or Successor Landlord and Tenant. This clause shall be self-operative, and no further instrument or subordination shall be necessary unless requested by a mortgagee or the insuring title company, in which event subtenant shall sign, within five (5) business days after requested, such instruments and/or documents as the mortgagee and/or insuring title company reasonably request be signed ("SNDA").
32. **ESTOPPEL CERTIFICATES**

Tenant shall, at any time and from time to time, upon not less than ten (10) days’ prior request by Landlord, execute, acknowledge and deliver to Landlord, or to such other persons who may be designated in such request, a statement in writing certifying that this Lease is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as modified and stating the modifications) and, if so, the dates to which the rent and any other charges have been paid in advance, and such other items requested by Landlord, including without limitation, the lease commencement date and expiration date, rent amounts, and that no offsets or counterclaims are present. It is intended that any such statement delivered pursuant to this Paragraph may be relied upon by any prospective purchaser or encumbrancer (including assignee) of the Premises. Landlord shall likewise execute, acknowledge and deliver an estoppel certificate on request from Tenant on the same terms and conditions as described above.

33. **SIGNS**

Subject to all applicable laws and requirements, Tenant may place any sign upon the Premises as are reasonably required to advertise Tenant’s business. The installation of any sign on the Premises by or for Tenant shall be subject to the provisions of Paragraph 23. Tenant shall maintain any such signs installed on the Premises. Unless otherwise expressly agreed herein, Tenant reserves the right to install, and all revenues from the installation of, such advertising signs on the Premises, including the roof.

33. **RIGHT OF FIRST REFUSAL**

In the event that Landlord desires to sell all or any property of the Land, Tenant shall have a right of first refusal to purchase all or that portion of Land being sold by Landlord upon the same terms and conditions. [to be detailed]

34. **GENERAL PROVISIONS**

34.1. **Governing Law.** This Lease shall be governed by the laws of the State of Kansas and the parties hereto agree that venue shall be proper in any state or federal court located within the state.

34.2. **Waiver.** The waiver by either party of any breach of any term, covenant, or condition herein contained shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant or condition contained herein. The acceptance of rent hereunder shall not be construed to be a waiver of any breach by Tenant of any term, condition or covenant of this Lease.

34.3. **Remedies Cumulative.** It is understood and agreed that the remedies herein given to either party shall be cumulative, and the exercise of any one remedy of such party shall not be to the exclusion of any other remedy.

34.4. **Successors and Assigns.** The covenants and conditions herein contained shall, subject to the provisions as to assignment, apply to and bind the heirs, successors, executors, administrators and assigns of all of the parties hereto; if Landlord or Tenant is comprised of multiple parties, each of such parties hereto shall be jointly and severally liable hereunder.

34.5. ** Entire Agreement.** This Lease, the exhibits herein referred to, and any addendum executed concurrently herewith, are the final, complete and exclusive agreement between the parties and cover in full each and every agreement of every kind or nature, whatsoever, concerning the Premises and all preliminary negotiations and agreements of whatsoever kind or nature, are merged herein, except for any other written agreement between the parties executed concurrently herewith or hereafter. Landlord has made no representations or promises whatsoever.
with respect to the Premises, except those contained herein, and no other person, firm or corporation has at any time
had any authority from Landlord to make any representations or promises on behalf of Landlord, and Tenant
expressly agrees that if any such representations or promises have been made by others, Tenant hereby waives all
right to rely thereon. No verbal agreement or implied covenant shall be held to vary the provisions hereof, any
statute, law or custom to the contrary notwithstanding. Unless otherwise provided herein, no supplement,
modification, or amendment of this Lease shall be binding unless executed in writing by the parties.

34.6 Captions. The captions of paragraphs of this Lease are for convenience only, and do not in any
way limit or amplify the terms and provisions of this Lease.

34.7 Partial Invalidity. If any term, covenant, condition or provision of this Lease is held by a court
of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions shall remain in full
force and effect and shall in no way be affected, impaired or invalidated.

34.8 Authority. The person(s) executing this Lease warrants that he or she has the authority to execute
this Lease and has obtained or has the requisite corporate or other authority to do the same.

34.9 Approvals. Any consent or approval required hereunder shall not be unreasonably withheld,
conditioned or delayed by the party from whom such consent or approval is requested unless this Lease expressly
provides otherwise.

34.10 Counterparts. This Lease may be executed simultaneously in one or more counterparts, each of
which shall be deemed an original, but all of which together shall constitute one and the same instrument. Each
party may execute a facsimile counterpart signature page to be followed by an original counterpart. Each such
facsimile counterpart signature page shall constitute a valid and binding obligation of the party signing such
facsimile counterpart.

34.11 Joint and Several Obligations. The obligations of the persons signing as Tenant, if applicable,
under this Lease shall be joint and several in all respects.

34.12 Memorandum of Lease. Upon the request of either party, the other agrees to execute and deliver
a short-form memorandum of this Lease in recordable form in such form and content as reasonably acceptable to the
parties. The parties further agree that the memorandum may be recorded at the expense of the party recording the
same.

34.15 Time. Time is of the essence with respect to performance of every provision of this Lease in
which time or performance is a factor. All references in this Lease to "days" shall mean calendar days unless
specifically modified herein to be "business" days.

34.16 Financial Statements. Upon twenty (20) days prior written request from Landlord (which
Landlord may make at any time during the Term but no more often than once in any calendar year except in
connection with a proposed sale, financing or refinancing of all or any part of the Premises), Tenant shall deliver to
Landlord a current financial statement of Tenant, provided that the foregoing shall not be applicable if Tenant, is a
public company whose shares are publicly traded. Such statements shall be certified as true in all material respects
by Tenant (if Tenant is an individual) or by an authorized officer of Tenant (if Tenant is a corporation or limited
liability company) or a general partner of Tenant (if Tenant is a partnership).

34.17 No Partnership. Neither party becomes, in any way or for any purpose, a partner of the other
party in the conduct of its business, or otherwise, or joint venturer or a member of a joint enterprise with the other
party by reason of this Lease.
34.18 Non-Discrimination. Tenant acknowledges and agrees that there shall be no discrimination against, or segregation of, any person, group of persons, or entity on the basis of race, color, creed, religion, age, sex, marital status, national origin, or ancestry in the leasing, subleasing, transferring, assignment, occupancy, tenure, use, or enjoyment of the Premises, or any portion thereof.

[Signatures appear on the following page]
IN WITNESS WHEREOF, the parties hereto have executed this Ground Lease Agreement in duplicate as of the day and year first above written.

**LANDLORD:**

IRG FAIRFAX HOLDINGS, LLC,
a Delaware limited liability company

By: ______________________________
a Delaware corporation
Its: Managing Member

By: ________________
Stuart Lichter, President

**TENANT:**

UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS

By: ______________________________
Name: ______________________________
Title: ______________________________
Type: Standard

Committee: Economic Development and Finance Committee

Date of Standing Committee Action: 10/29/2012

(If none, please explain):

Proposed for the following Full Commission Meeting Date: 11/15/2012

Confirmed Date: 11/15/2012

Changes Recommended By Standing Committee (New Action Form required with signatures)

<table>
<thead>
<tr>
<th>Date</th>
<th>Contact Name</th>
<th>Contact Phone</th>
<th>Contact Email</th>
<th>Ref.</th>
<th>Department / Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>10/25/2012</td>
<td>George Brajkovic</td>
<td>x 5749</td>
<td><a href="mailto:gbrajkovic@wycokck.org">gbrajkovic@wycokck.org</a></td>
<td></td>
<td>Economic Development</td>
</tr>
</tbody>
</table>

Item Description:
Argentine Betterment Corporation (ABC), the Developer for the Metropolitan Avenue Redevelopment District Project Area 1, has requested the consideration of TIF structure changes. The $3M grocery store project, located at 21st & Metropolitan Ave, includes a property tax TIF, Home Rule agreement for Sales Tax generated by both the grocery store and existing Dollar General, a 1% CID on the grocery store and undeveloped pad site, and a possible RLF loan.

The Amended Development Agreement is being presented to ED&F Standing Committee in advance of the scheduled 11/15/2012 TIF Plan PH.

Action Requested:
Seeking a recommendation for approval on the Amended Development Agreement for Project Area 1 of the Metropolitan Avenue Redevelopment District.

Publication Required

Budget Impact: (if applicable)

Amount: $
Source:
☐ Included In Budget
☐ Other (explain)
AMENDED AND RESTATED DEVELOPMENT AGREEMENT
FOR PROJECT AREA 1
OF THE
METROPOLITAN AVENUE REDEVELOPMENT DISTRICT

between the

UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS

and

ARGENTINE BETTERMENT CORPORATION

DATED AS OF NOVEMBER 15, 2012
# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>ARTICLE</th>
<th>CONTENT</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>I</strong></td>
<td>DEFINITIONS AND RULES OF CONSTRUCTION</td>
</tr>
<tr>
<td>Section 1.01</td>
<td>Rules of Construction ................................................................. 1</td>
</tr>
<tr>
<td>Section 1.02</td>
<td>Definitions of Words and Terms ......................................................... 2</td>
</tr>
<tr>
<td><strong>II</strong></td>
<td>REPRESENTATIONS AND WARRANTIES</td>
</tr>
<tr>
<td>Section 2.01</td>
<td>Representations of Unified Government ............................................. 6</td>
</tr>
<tr>
<td>Section 2.02</td>
<td>Representations of the Developer ......................................................... 6</td>
</tr>
<tr>
<td><strong>III</strong></td>
<td>REIMBURSEMENT OF PROJECT COSTS</td>
</tr>
<tr>
<td>Section 3.01</td>
<td>Project Costs, Generally ................................................................. 6</td>
</tr>
<tr>
<td>Section 3.02</td>
<td>Unified Government's Obligation to Reimburse Developer .................... 6</td>
</tr>
<tr>
<td>Section 3.03</td>
<td>Developer Reimbursement Process ....................................................... 7</td>
</tr>
<tr>
<td>Section 3.04</td>
<td>Right to Inspect and Audit ................................................................. 7</td>
</tr>
<tr>
<td>Section 3.05</td>
<td>Project Cost Cap ................................................................................. 7</td>
</tr>
<tr>
<td><strong>IV</strong></td>
<td>THE PROJECT</td>
</tr>
<tr>
<td>Section 4.01</td>
<td>Scope of the Project ........................................................................... 7</td>
</tr>
<tr>
<td>Section 4.02</td>
<td>Project Schedule ................................................................................ 8</td>
</tr>
<tr>
<td>Section 4.03</td>
<td>Project Budget .................................................................................... 8</td>
</tr>
<tr>
<td>Section 4.04</td>
<td>Design of Project ................................................................................ 8</td>
</tr>
<tr>
<td>Section 4.05</td>
<td>Project Zoning, Planning, Platting and Construction ................................ 8</td>
</tr>
<tr>
<td>Section 4.06</td>
<td>Rights of Access .................................................................................. 9</td>
</tr>
<tr>
<td>Section 4.07</td>
<td>Certificate of Substantial Completion ................................................... 9</td>
</tr>
<tr>
<td><strong>V</strong></td>
<td>USE OF PROJECT AREA 1</td>
</tr>
<tr>
<td>Section 5.01</td>
<td>Tenants and Land Use Restrictions ...................................................... 9</td>
</tr>
<tr>
<td>Section 5.02</td>
<td>Operation of Project ........................................................................... 9</td>
</tr>
<tr>
<td>Section 5.03</td>
<td>Reserved ............................................................................................. 16</td>
</tr>
<tr>
<td>Section 5.04</td>
<td>Sales Tax Information .......................................................................... 10</td>
</tr>
<tr>
<td>Section 5.05</td>
<td>Taxes, Assessments, Encumbrances and Liens ...................................... 10</td>
</tr>
</tbody>
</table>
ARTICLE VI

REIMBURSEMENT OF PROJECT COSTS; TAX INCREMENT AND CID FINANCING

Section 6.01. Tax Increment Fund .......................................................... 12
Section 6.02. TIF Administrative Service Fee ........................................ 12
Section 6.03. Community Improvement District ..................................... 12
Section 6.04. CID Revenue Fund ........................................................... 12
Section 6.05. Developer Pay As You Go ................................................... 13

ARTICLE VII

ASSIGNMENT; TRANSFER

Section 7.01. Transfer of Obligations ...................................................... 13
Section 7.02. Developer Reorganization .................................................... 14
Section 7.03. Prohibition Against Transfer of the Project, the Buildings or Structures Therein .......................................................... 14

ARTICLE VIII

GENERAL COVENANTS

Section 8.01. Indemnification of the Unified Government .......................... 14
Section 8.02. Insurance ........................................................................ 15
Section 8.03. Non-liability of Officials, Employees and Agents of the Unified Government .......................................................... 15
Section 8.04. Prevailing Wage ................................................................. 15
Section 8.05. LBE/MBE/WBE Employment Opportunity Goals ..................... 15

ARTICLE IX

DEFAULTS AND REMEDIES

Section 9.01. Developer Event of Default ................................................ 16
Section 9.02. Unified Government Event of Default ................................. 16
Section 9.03. Remedies Upon a Developer Event of Default ..................... 16
Section 9.04. Remedies Upon a Unified Government Event of Default ........ 17
Section 9.05. Excusable Delays .............................................................. 18
Section 9.06. Legal Actions .................................................................. 18

ARTICLE X

GENERAL PROVISIONS

Section 10.01. Mutual Assistance ............................................................ 18
Section 10.02. Effect of Violation of the Terms and Provisions of this Agreement; No Partnership .......................................................... 18
Section 10.03. Time of Essence ............................................................... 18
Section 10.04. Amendments..................................................................................................... 18
Section 10.05. Agreement Controls............................................................................................. 18
Section 10.06. Conflicts of Interest ........................................................................................ 19
Section 10.07. Term........................................................................................................... 19
Section 10.08. Validity and Severability ............................................................................... 19
Section 10.09. Required Disclosures ...................................................................................... 19
Section 10.10. Tax Implications .............................................................................................. 19
Section 10.11. Authorized Parties ........................................................................................... 20
Section 10.12. Notice .............................................................................................................. 20
Section 10.13. Kansas Law .................................................................................................... 20
Section 10.14. Counterparts ................................................................................................. 20
Section 10.15. Recordation of Agreement................................................................................. 20
Section 10.16. Consent or Approval........................................................................................ 20

Exhibit A. Legal Description of Redevelopment District
Exhibit B. Map of Redevelopment District and Project Areas
Exhibit C. Form of Certificate of Redevelopment Project Costs
Exhibit D. Form of Certificate of Substantial Completion
Exhibit E. Project Schedule
Exhibit F. Project Budget
Exhibit G. Restricted Land Uses within Project Area 1
Exhibit H. LBE/WBE/MBE Participation and Employment Opportunity Agreement
Exhibit I. Map of Proposed CID
Exhibit J. Incremental Tax Revenues Chart
Exhibit K. Assessed Value Schedule
AMENDED AND RESTATED DEVELOPMENT AGREEMENT
FOR PROJECT AREA 1
OF THE
METROPOLITAN AVENUE REDEVELOPMENT DISTRICT

THIS AMENDED AND RESTATED DEVELOPMENT AGREEMENT is entered into between the UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS, a municipal corporation organized and existing pursuant to the laws of the State of Kansas as a consolidated city–county having all the powers, functions and duties of a county and a city of the first class (the “Unified Government”), and ARGENTINE BETTERMENT CORPORATION, a Kansas not-for-profit corporation (the “Developer,” and together with the Unified Government, the “Parties”), and is dated as of the date set forth on the cover page of this Agreement.

RECITALS

WHEREAS, on November 17, 2011, the Unified Government created the Metropolitan Avenue Redevelopment District (the “Redevelopment District”) pursuant to K.S.A. 12-1770 et seq. (the “TIF Act”) and Ordinance No. O-51-11 of the Unified Government; and

WHEREAS, the Redevelopment District consists of approximately 26.5 acres generally located in an area bounded by Metropolitan Avenue on the South, S. 24th Street on the West, railroad tracks on the North, and 18th Street Expressway on East, all in the City of Kansas City, Wyandotte County, Kansas, and is legally described on Exhibit A attached hereto; and

WHEREAS, pursuant to Ordinance No. O-51-11, the Redevelopment District consists of two redevelopment project areas which are shown on the map attached hereto as Exhibit B; and

WHEREAS, the Argentine Commercial, Inc. submitted to the Unified Government a Redevelopment Project Plan for Project Area 1 of the Redevelopment District, dated January 25, 2012 (the “Original Project Plan”), which was approved by the Unified Government on April 5, 2012, pursuant to Ordinance No. O-24-12; and

WHEREAS, Argentine Commercial, Inc. and the Unified Government entered into that certain Development Agreement for Project Area 1 of the Metropolitan Avenue Redevelopment District, dated April 5, 2012 (the “Original Development Agreement”), pursuant to which the parties set forth the rights and obligations of the parties in connection with the Project (as defined below); and

WHEREAS, pursuant to that certain Assignment and Assumption Agreement, dated August 2, 2012, by and between Argentine Commercial, Inc. and Developer (and as approved by the Unified Government), Argentine Commercial, Inc. assigned all of its rights and obligations in and to the Original Development Agreement to Developer, and Developer assumed the same;

WHEREAS, the Developer submitted to the Unified Government on September 11, 2012 a revised Redevelopment Project Plan for Project Area 1 of the Redevelopment District, dated August 27, 2012 (the “Project Plan”), which was approved by the Unified Government on November 15, 2012, pursuant to Ordinance No. O-____-12; and

WHEREAS, the Unified Government and the Developer desire to amend and restate the Original Development Agreement per the terms of this Amended and Restated Development Agreement (this “Agreement”) to address issues related to development of Project Area 1 within the Redevelopment District, and implementation of the Project Plan, Redirected Sales Taxes, and the approved CID.
NOW, THEREFORE, in consideration of the foregoing, and of the mutual covenants and agreements herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties do hereby agree as follows:

ARTICLE I

DEFINITIONS AND RULES OF CONSTRUCTION

Section 1.01. Rules of Construction. For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following rules of construction apply in construing the provisions of this Agreement.

A. The terms defined in this Article include the plural as well as the singular.

B. All accounting terms not otherwise defined herein shall have the meanings assigned to them, and all computations herein provided for shall be made, in accordance with generally accepted accounting principles.

C. All references herein to “generally accepted accounting principles” refer to such principles in effect on the date of the determination, certification, computation or other action to be taken hereunder using or involving such terms.

D. All references in this instrument to designated “Articles,” “Sections” and other subdivisions are to be the designated Articles, Sections and other subdivisions of this instrument as originally executed.

E. The words “herein,” “hereof” and “hereunder” and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section or other subdivision.

F. The Article and Section headings herein are for convenience only and shall not affect the construction hereof.

G. The representations, covenants and recitations set forth in the foregoing recitals are material to this Agreement and are hereby incorporated into and made a part of this Agreement as though they were fully set forth in this Section. The provisions of the Project Plan, and such resolutions and ordinances of the Unified Government introduced or adopted by the Unified Government Commission which designate the Redevelopment District and the Project Area and adopt the Project Plan, and the provisions of the TIF Act, as amended, are hereby incorporated herein by reference and made a part of this Agreement to the extent such relate to the development of Project Area 1, subject in every case to the specific terms hereof.

Section 1.02. Definitions of Words and Terms. Capitalized words used in this Agreement shall have the meanings set forth in the Recitals to this Agreement or they shall have the following meanings:

“Action” has the meaning set forth in Section 8.01.

“Agreement” means this Agreement, as amended from time to time.
“Applicable Law and Requirements” means any applicable constitution, treaty, statute, rule, regulation, ordinance, order, directive, code, interpretation, judgment, decree, injunction, writ, determination, award, permit, license, authorization, directive, requirement or decision of or agreement with or by Governmental Authorities.

“Base Sales Tax Revenues” means $0 actually received by the Unified Government and generated from the City of Kansas City, Kansas sales tax, the Wyandotte County, Kansas sales tax and the City of Kansas City, Kansas transient guest tax as illustrated on Exhibit J attached hereto solely by way of example.

“Bond Counsel” means Gilmore & Bell, P.C.

“Bond Proceeds” means the proceeds of any Obligations issued by the Unified Government, less costs of issuance, capitalized interest, and any required reserves, which amount shall be no less than $1,600,000.

“CCB Trust Account” shall have the meaning set forth in Section 3.03(A).

“Certificate of Redevelopment Project Costs” means a certificate relating to Project Costs in substantially the form attached hereto as Exhibit C.

“Certificate of Substantial Completion” means a certificate evidencing Substantial Completion of the Grocery Store, in substantially the form attached hereto as Exhibit D.

“CID” means the community improvement district to be considered by the Unified Government after receipt of a proper creation petition in accordance with the CID Act for certain portions of Project Area 1, as shown on Exhibit I.

“CID Act” means the community improvement district act contained in K.S.A. 12-17,140 et seq.

“CID Administrative Service Fee” means a fee payable to the Unified Government provided by Section 6.06(B) hereof, equal to 1% of all CID Revenues.

“CID Costs” means those costs of the “project” as defined in the CID Act and approved by the Unified Government.

“CID Revenue Fund” means the Metropolitan Avenue CID Project Area 1 Revenue Fund, created pursuant to the CID Act and Section 6.07 hereof.

“CID Revenues” means the CID Sales Tax.

“CID Sales Tax” means the 1% community improvement district sales tax to be imposed within the CID, pursuant to the CID Act.

“CID Term” means the period of time ending twenty-two (22) years following the first collection of the CID Sales Tax.

“City” means the City of Kansas City, Kansas.

“Construction Plans” means plans, drawings, specifications and related documents, and construction schedules for the construction of the Project, together with all supplements, amendments or
corrections, submitted by the Developer and approved by the Unified Government in accordance with this Agreement.

“County” means Wyandotte County, Kansas.

“Developer” means Argentine Betterment Corporation, a Kansas not-for-profit corporation organized and existing under the laws of the State of Kansas, and any successors and assigns approved pursuant to this Agreement.

“Developer Event of Default” means any event or occurrence defined in Section 9.01.

“Developer Representative” means Korb W. Maxwell or such other person or persons at the time designated to act on behalf of the Developer in matters relating to this Agreement as evidenced by a written certificate furnished to the Unified Government containing the specimen signature of such person or persons and signed on behalf of the Developer.

“Event of Default” means any event or occurrence as defined in Article IX of this Agreement.

“Excusable Delays” means any delay beyond the reasonable control of the Party affected, including any delays to the Project Schedule, caused by damage or destruction by fire or other casualty, power failure, strike, shortage of materials, unavailability of labor, delays in the receipt of Permitted Subsequent Approvals as a result of unreasonable delay on the part of the applicable Governmental Authorities, adverse weather conditions such as, by way of illustration and not limitation, severe rain storms or below freezing temperatures of abnormal degree or abnormal duration, tornadoes, the inability of Developer to locate purchasers, tenants, or users in connection with any portion of the Project, any other reasonable hindrance to Developer’s development of the Project provided such hindrance is not caused by Developer, and any other events or conditions, which shall include but not be limited to any litigation interfering with or delaying the construction of all or any portion of the Project in accordance with this Agreement, which in fact prevents the Party so affected from discharging its respective obligations hereunder.

“Governmental Approvals” means all plat approvals, re-zoning or other zoning changes, site plan approvals, conditional use permits, variances, building permits, architectural review or other subdivision, zoning or similar approvals required for the implementation of the Project and consistent with the Project Plan, the Site Plan, and this Agreement.

“Governmental Authorities” means any and all jurisdictions, entities, courts, boards, agencies, commissions, offices, divisions, subdivisions, departments, bodies or authorities of any type of any governmental unit (federal, state or local) whether now or hereafter in existence.

“Grocery Store” means that certain grocery store to be constructed as a portion of the Project, as further set forth in the Project Plan.

“Incremental Tax Revenues” means the Real Property Tax Revenues and the Sales Tax Revenues, as shown on Exhibit J hereto solely by way of example.

“Obligations” means the TIF Obligations and the Sales Tax Revenue Obligations.

“Obligations Conditions” means those conditions precedent to the Unified Government’s obligation to issue Obligations, as set forth in Section 6.05.
“Parties” means the Developer and the Unified Government and their successors and assigns.

“Pay As You Go” has the meaning set forth in Section 3.02(A).

“Permitted Subsequent Approvals” means the zoning and building permits and other governmental approvals customarily obtained prior to construction which have not been obtained on the date that this Agreement is executed, which the Unified Government or other governmental entity has not yet determined to grant.

“Plans” means Site Plans, Construction Plans and all other Governmental Approvals necessary to construct the Project in accordance with Unified Government code, applicable laws of Governmental Authorities and this Agreement.

“Project” means the project for Project Area 1 described in the Project Plan.

“Project Area 1” means Project Area 1 within the Redevelopment District, approved by Ordinance No. O-51-11, the boundaries of Project Area 1 which are generally shown on the map attached as in Exhibit B hereto.

“Project Budget” means the project budget for the Grocery Store, as set forth in Exhibit F hereto.

“Project Costs” means Redevelopment Project Costs, Sales Tax Costs, and CID Costs, as applicable.

“Project Plan” means the Redevelopment Project Plan for Project Area 1 of the Metropolitan Avenue Tax Increment Financing District, dated August 27, 2012, which was approved by the Unified Government on November 15, 2012 pursuant to Ordinance No. O-____-12.

“Project Schedule” means the schedule of completion of the Grocery Store shown on Exhibit E.

“Real Property Tax Increment Fund” means the Metropolitan Avenue Project Area 1 Tax Increment Fund, created pursuant to the TIF Act and Section 6.01(A) hereof.

“Real Property Tax Revenues” means the incremental increase in real property taxes within Project Area 1 during the TIF Term.

“Redevelopment District” means the Metropolitan Avenue Tax Increment Financing Redevelopment District, created by the Unified Government on November 17, 2011 by the adoption of Ordinance No. O-51-11, pursuant to the TIF Act, and legally described on Exhibit A hereto.

“Redevelopment Project Costs” means “redevelopment project costs” as defined in the TIF Act and as set forth in the Project Plan and this Agreement, including all necessary reserves, capitalized interest and costs of issuance; provided, however that property acquisition costs must be the result of arms length contracts.

“Replacement Value” has the meaning set forth in Section 8.02(A).

“Sales Tax Administrative Service Fee” means a fee payable to the Unified Government provided by Section 6.04 hereof, equal to 1% of all Sales Tax Revenues.
“Sales Tax Costs” means any and all costs, including “vertical” costs, of the Project for which the Sales Tax Revenues may be used to reimburse Developer pursuant to the laws of the State of Kansas as related to the Unified Government’s home rule authority under Article 12, Section 5 of the Kansas Constitution, including without limitation, all necessary reserves, capitalized interest and costs of issuance in connection with the Sales Tax Obligations.

“Sales Tax Increment Fund” means that certain fund created pursuant to Section 6.03(A) hereof.

“Sales Tax Obligations” means tax-exempt general obligations bonds, singly or in a series, issued by the Unified Government, secured by the Sales Tax Revenues, in accordance with the Unified Government’s home rule authority and the provisions of this Agreement.

“Sales Tax Revenues” means that certain sales tax revenue over and above the Base Sales Tax Revenue, dedicated to the Project under the Unified Government’s home rule authority pursuant to Article 12, Section 5 of the Kansas Constitution, as follows: (i) 1.00% of the revenue received by the Unified Government from the City of Kansas City, Kansas 1.625% general sales tax within Project Area 1 plus, (ii) any and all revenue received by the Unified Government from the Wyandotte County 1.00% general sales tax within Project Area 1. Such is shown on Exhibit J hereto solely by way of example.

“Sales Tax Term” means that period of time equal to twenty years beginning on the date the ordinance approving the Project Plan becomes effective.

“Site Plan” means the final site plan for Project Area 1 submitted by the Developer to the Unified Government and approved by the Unified Government pursuant to applicable Unified Government ordinances, regulations and Unified Government code provisions, which may be approved as a whole or approved in phases or stages.

“Substantial Completion” has the meaning set forth in Section 4.07.

“TIF Act” means the Kansas Tax Increment Financing District Act, K.S.A. 12-1770 et seq., as amended and supplemented from time to time.

“TIF Administrative Service Fee” means a fee payable to the Unified Government provided by Section 6.02 hereof, equal to 1% of all Real Property Tax Revenues.

“TIF Obligations” means taxable general obligations bonds, singly or in a series, issued by the Unified Government, secured by the Real Property Tax Revenues, in accordance with this Agreement.

“TIF Subaccount” shall have the meaning set forth in Section 3.03(A).

“TIF Term” means that period of time equal to twenty (20) years beginning on the date the ordinance approving the Project Plan becomes effective.

“Trust Agreement” shall have the meaning set forth in Section 3.03(A).

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

“Unified Government Event of Default” means any event or occurrence defined in Section 9.02.
“Unified Government Representative” means the Mayor/CEO or County Administrator, and such other person or persons at the time designated to act on behalf of the Unified Government in matters relating to this Agreement.

“Unified Government Indemnified Parties” has the meaning set forth in Section 8.01(A).

ARTICLE II

REPRESENTATIONS AND WARRANTIES

Section 2.01 Representations of Unified Government. The Unified Government makes the following representations and warranties, which are true and correct on the date hereof:

A. Due Authority. The Unified Government has full constitutional and lawful right, power and authority, under current applicable law, to execute and deliver and perform the terms and obligations of this Agreement, and this Agreement has been duly and validly authorized and approved by all necessary Unified Government proceedings, findings and actions. Accordingly, this Agreement constitutes the legal valid and binding obligation of the Unified Government, enforceable in accordance with its terms. The Unified Government specifically represents and warrants that it has the authority under the laws of the State of Kansas to obligate itself to issue the Obligations providing for the Bond Proceeds, issue the Temporary Note, and fund the Temporary Cash Funding, all as defined herein, and such obligations do not violate any laws with respect to the cash-basis or budget of government subdivisions.

Section 2.02. Representations of the Developer.

The Developer makes the following representations and warranties, which are true and correct on the date hereof:

A. Due Authority. The Developer has all necessary power and authority to execute and deliver and perform the terms and obligations of this Agreement and to execute and deliver the documents required of the Developer herein, and such execution and delivery has been duly and validly authorized and approved by all necessary proceedings. Accordingly, this Agreement constitutes the legal valid and binding obligation of the Developer, enforceable in accordance with its terms.

ARTICLE III

PAYMENT OF PROJECT COSTS

Section 3.01. Project Costs, Generally. In consideration for the Developer’s agreement to construct the Project, the Unified Government agrees to pay and/or reimburse the Developer for Redevelopment Project Costs, Sales Tax Costs, and CID Costs, all subject to the terms of this Agreement. The Unified Government agrees to issue TIF Obligations (in connection with the Real Property Tax Revenues) and Sales Tax Obligations (in connection with the Sales Tax Revenues) to provide for the payment of Redevelopment Project Costs and Sales Tax Costs, respectively, after the Developer’s satisfaction of the Obligation Conditions as set forth in Section 605(A). The parties agree that Developer shall not be required to advance any Redevelopment Project Costs or Sales Tax Costs as a prerequisite to payment of any such Redevelopment Project Costs or Sales Tax Costs from the TIF Obligations and Sales Tax Obligations,
respectively, and Developer may request that any such Redevelopment Project Costs or Sales Tax Costs incurred by Developer be paid directly from the proceeds of the TIF Obligations and Sales Tax Obligations as further set forth in Section 3.03.

**Section 3.02. Unified Government’s Obligation to Reimburse Developer.**

A. **Obligation to Pay / Reimburse.** Subject to the terms of this Agreement and the conditions in this Section, the Unified Government agrees to pay and/or reimburse Developer for Redevelopment Project Costs, Sales Tax Costs, and CID Costs. Subject to available revenues, and as otherwise certified to the Unified Government pursuant to the provisions of this Agreement, the Unified Government shall pay, or cause to be paid, directly Redevelopment Project Costs from the TIF Obligations and Sales Tax Costs from the Sales Tax Obligations, as set forth in Section 3.03. Developer shall be reimbursed for (i) CID Costs, (ii) any and all Redevelopment Project Costs or Sales Tax Costs not yet reimbursed following the retirement of the TIF Obligations and Sales Tax Obligations, respectively, as funds are collected in the Real Property Tax Increment Fund, Sales Tax Increment Fund, and the CID Revenue Fund (the “Pay As You Go”), and (iii) on a Pay As You Go basis from any Incremental Tax Revenues collected by the Unified Government prior to the issuance of the Obligations. The Parties agree that all payment of Project Costs and reimbursement to the Developer shall be made only from Obligations or on a Pay As You Go basis, or a combination thereof.

B. **Timing of Reimbursement.**

1. The Unified Government shall have no obligation to pay any Project Costs until funds are available in the Real Property Tax Increment Fund, the Sales Tax Increment Fund, or the CID Revenue Fund, as applicable, or until proceeds of Obligations are available.

2. Nothing in this Section shall prevent the Temporary Financing set forth in Section 6.09 from being advanced as set forth therein and being used according to the purposes allowable herein.

C. **Source of Reimbursement.** With respect to (i) the CID Costs, (ii) any Redevelopment Project Costs and Sales Tax Costs that remain unreimbursed following the retirement of the Obligations, and (iii) any Incremental Tax Revenues collected by the Unified Government prior to the issuance of the Obligations, the Unified Government shall make payments from the Real Property Tax Increment Fund, Sales Tax Increment Fund and/or CID Revenue Fund, as applicable, on a Pay As You Go basis in the order of priority set forth in Section 6.02, Section 6.03, and Section 6.07.

**Section 3.03. Developer Reimbursement Process.**

A. Upon the issuance of the Obligations (or the Temporary Note as set forth in Section 6.09), the Bond Proceeds (or the proceeds of the Temporary Financing) shall be deposited into that certain Trust Account held by Country Club Bank (the “CCB Trust Account”). The parties agree that prior to the issuance of the Obligations, such CCB Trust Account shall be created pursuant to a Trust Agreement, to be negotiated and executed by and among the Developer, the Unified Government, Country Club Bank, any providers of grants or equity in connection with the Grocery Store, and any additional lenders loaning funds in connection with the Grocery Store (the “Trust Agreement”). Pursuant to the terms of such Trust Agreement, which shall set forth the provisions by which the Bonds Proceeds and other funds held in the Trust Account may be disbursed, except as otherwise specifically set forth in Sections 3.03(B) and (D), Country Club Bank shall have the authority to disburse funds from the CCB Trust Account for the payment of Project Costs without the further authorization of the Unified Government. The parties further agree that any and all Bond Proceeds resulting from the issuance of the TIF Obligations shall be segregated within the
Trust Account into a separate subaccount (the “TIF Subaccount”) for the purposes of permitting Country Club Bank and the Unified Government to confirm that such portion of the Bond Proceeds are being used exclusively for the payment of Redevelopment Project Costs. Notwithstanding any provisions of this Section 3.03(A) to the contrary, the Unified Government shall be copied on any and all draw requests submitted by the Developer to Country Club Bank, provided that the Unified Government shall have no approval rights in connection therewith except as set forth in Sections 3.03(B) and (D) below or in the Trust Agreement.

B. Notwithstanding the provisions of Section 3.03(A) above, all requests for payment or reimbursement of Redevelopment Project Costs shall initially be made in a Certificate of Redevelopment Project Costs in substantial compliance with the form attached hereto as Exhibit C. Requests for payment of Redevelopment Project Costs shall be submitted by the Developer to the Unified Government not more often than monthly. The Developer shall provide itemized invoices, real estate contracts, receipts or other information reasonably requested, if any, to confirm that any such cost has been incurred by the Developer and qualifies as a Redevelopment Project Cost, and shall further provide a summary sheet detailing the costs requested to be paid or reimbursed. Such summary sheet shall show the date such cost was incurred, the date such cost becomes due, the payee, a brief description of the type of cost paid, and the amount paid. The Developer shall provide such additional information as reasonably requested by the Unified Government to confirm that such costs have been paid and qualify as Redevelopment Project Costs.

C. The Unified Government reserves the right to have its engineer or other agents or employees inspect all work in respect of which a Certificate of Redevelopment Project Costs is submitted, to examine the Developer’s and others’ records relating to all expenses related to the invoices to be paid, and to obtain from such parties such other information as is reasonably necessary for the Unified Government to evaluate compliance with the terms hereof.

D. The Unified Government shall have thirty (30) calendar days after receipt of any Certificate of Redevelopment Project Costs to review and respond by written notice to the Developer. If the submitted Certificate of Redevelopment Project Costs and supporting documentation demonstrates that: (1) the request relates to the Redevelopment Project Costs; (2) the expense has been paid (with respect to Pay As You Go requests) or has been incurred by the Developer (with respect to requests for payment from the Bond Proceeds); (3) Developer is not in material default under this Agreement; and (4) there is no fraud on the part of the Developer, then the Unified Government shall approve the Certificate of Redevelopment Project Costs and make, or cause to be made, payment or reimbursement from the TIF Subaccount or Real Property Tax Increment Fund, as applicable, in accordance with this Section 3.03 and Article VI hereof, within thirty (30) days following the Unified Government’s approval of the Certificate of Redevelopment Project Costs. If the Unified Government reasonably disapproves of the Certificate of Redevelopment Project Costs, the Unified Government shall notify the Developer in writing of the reason for such disapproval within such 30-day period. Approval of the Certificate of Redevelopment Project Costs will not be unreasonably withheld, conditioned, or delayed. To the extent that any Certificate of Redevelopment Project Costs is submitted during such time as Bond Proceeds remain in the TIF Subaccount, the Unified Government will provide copies of any and all approvals of such Certificate of Redevelopment Project Costs to Country Club Bank within such 30-day period, the receipt of which approvals by Country Club Bank shall be deemed evidence of the Unified Government’s consent to the disbursement of funds from the TIF Subaccount in connection with such approval by the Unified Government.

Section 3.04. Right to Inspect and Audit. The Developer agrees that, up to one year after completion of the Grocery Store, the Unified Government, with reasonable advance notice and during normal business hours, shall have the right and authority to review, audit, and copy, from time to time, all the Developer’s books and records relating to the Project Costs (including, but not limited to, all general contractor’s sworn statements, general contracts, subcontracts, material purchase orders, waivers of lien, paid receipts and invoices).
Section 3.05 Project Cost Cap. Notwithstanding any provisions of this Agreement to the contrary, the parties hereto agree that reimbursement of Project Costs to Developer shall be subject to a “Project Cost Cap” in the amount $2,500,000.00, plus interest at the rate of 5.5%, commencing from the date of Substantial Completion. Additionally, the parties agree and acknowledge that the Project Cost Cap shall not include the TIF Administrative Service Fee, Sales Tax Administrative Service Fee, or the CID Administrative Service Fee.

ARTICLE IV

THE PROJECT

Section 4.01. Scope of the Project. Subject to the terms and conditions of the Project Plan and this Agreement, the Developer shall use reasonable efforts to construct, or cause to be constructed, the Grocery Store in accordance with the Project Plan and the Project Schedule.

Section 4.02. Project Schedule.

A. Within a reasonable period following execution of this Agreement and receipt of all applicable Governmental Approvals, the Developer shall commence or cause to be commenced and shall promptly thereafter diligently prosecute to completion the construction of the Grocery Store generally in accordance with the Project Schedule attached hereto as Exhibit E. The completion of the Grocery Store shall be evidenced by the Unified Government delivery of a Certificate of Substantial Completion in accordance with Section 4.07 of this Agreement.

B. The Unified Government agrees to timely process and review all Plans and consider the issuance of all necessary permits and other approvals, including building permits, rezoning approvals, preliminary and final plat approval, and all other permits or approvals which are required for the Developer and businesses within the Redevelopment District to construct the Project. To the extent the Unified Government determines that any Plans or other documents or requests submitted by the Developer for the Unified Government’s approval are unacceptable, the Unified Government shall provide a written description detailing the portions of the Plans or documents that are unacceptable.

C. The Parties recognize and agree that market and other conditions may affect the Project Schedule. Therefore, the Project Schedule is subject to change and/or modification, with the prior written approval of Unified Government, which shall not be unreasonably conditioned, delayed, or withheld, upon a showing by Developer of changed or adverse market or other conditions.

Section 4.03. Project Budget. The Grocery Store shall be constructed substantially in accordance with the Project Budget attached as Exhibit F hereto, it being acknowledged by the Parties that the Budget has been prepared prior to planning, zoning and plat approvals and prior to final bids based on said approvals.

Section 4.04. Design of Project.

A. In order to further the development of the Redevelopment District, the Unified Government hereby authorizes the Developer to construct, or cause to be constructed, the Project according to the Plans approved by the Unified Government.

Section 4.05. Project Zoning, Planning, Platting and Construction.
A. **Conformance with Project Plan.** Project Area 1 shall be developed, and the Project constructed, in accordance with this Agreement and the Project Plan submitted by the Developer and approved by the Unified Government. No “substantial changes,” as defined by K.S.A. 12-1770a, shall be made to the Project, except as may be mutually agreed upon, in writing, between the Developer and the Unified Government, it being the intended purpose of the Parties that the layout and size of particular buildings, parking facilities and private drives will likely change through the planning, zoning and marketing process. Any “substantial changes” shall be made only in accordance with the TIF Act.

B. **Site Plan.** The Developer shall prepare and submit a Site Plan for Project Area 1 to the Unified Government for review and approval pursuant to the Unified Government Code. The Site Plan shall be in conformance with the Project Plan and this Agreement.

C. **Zoning, Planning and Platting.** The Unified Government agrees to consider and act on any zoning, planning and platting applications by the Developer in due course pursuant to established policies and procedures. The Developer shall diligently pursue approval of such applications.

D. **Antidiscrimination During Construction.** The Developer, for itself, its successors and assigns, and any contractor with whom the Developer has contracted for the performance of work on the Project, agrees that in the construction, renovation, improvement, equipping, repair and installation of the Project provided for in this Agreement, the Developer shall not discriminate against any employee or applicant for employment because of race, color, creed, religion, age, sex, marital status, disability, national origin or ancestry.

E. **No Waiver.** Nothing in this Agreement shall constitute a waiver of the Unified Government’s right to consider and approve or deny Governmental Approvals pursuant to the Unified Government’s regulatory authority as provided by Unified Government Code and applicable state law. The Developer acknowledges that satisfaction of certain conditions contained in this Agreement require the reasonable exercise of the Unified Government's discretionary zoning authority by the Unified Government's Planning Commission and Governing Body in accordance with Unified Government Code and applicable state law.

**Section 4.06. Rights of Access.** Representatives of the Unified Government shall have the right of access to the Redevelopment District, without charges or fees, at normal construction hours during the period of construction, for the purpose of ensuring compliance with this Agreement, including, but not limited to, the inspection of the work being performed in constructing, renovating, improving, equipping, repairing and installing the project, so long as they comply with all safety rules. Except in case of emergency, prior to any such access, such representatives of the Unified Government will check in with the on-site manager. Such representatives of the Unified Government shall carry proper identification, shall insure their own safety, assuming the risk of injury, and shall not interfere with the construction activity.

**Section 4.07. Certificate of Substantial Completion.** Promptly after completion of the Grocery Store in accordance with the provisions of this Agreement, the Developer may submit a Certificate of Substantial Completion to the Unified Government. “Substantial Completion” shall mean that the Developer shall have been granted a Certificate of Occupancy by the Unified Government Building Official and shall have completed all work as required by the Project Plan with respect to the applicable phase of the Project. The Certificate of Substantial Completion shall be in substantially the form attached as Exhibit D. The Unified Government shall, within ten (10) business days following delivery of the Certificate of Substantial Completion, carry out such inspections as it deems necessary to verify to its reasonable satisfaction the accuracy of the certifications contained in the Certificate of Substantial Completion. The Unified Government’s execution of the Certificate of Substantial Completion shall constitute evidence of the
satisfaction of the Developer’s agreements and covenants to construct the applicable phase of the Project to which the Certificate of Substantial Completion relates.

ARTICLE V

USE OF PROJECT AREA 1

Section 5.01. Tenants and Land Use Restrictions. At all times while this Agreement is in effect:

A. Land Use Restrictions. The types of land uses and retailers set forth in Exhibit G hereto are prohibited within Project Area 1, unless approved in writing by the Unified Government prior to the execution of a lease or prior to the sale of land.

Section 5.02. Operation of Project. The Project shall comply with all applicable building and zoning, health, environmental and safety codes and laws and all other applicable laws, rules and regulations. The Developer shall, at its own expense, secure or cause to be secured any and all permits which may be required by the Unified Government and any other governmental agency having jurisdiction for the construction and operation of the Project, including but not limited to obtaining all necessary rental licenses and paying any necessary fees to obtain required permits and licenses.

Section 5.03. Reserved.

Section 5.04. Sales Tax Information.

A. The Developer shall provide the County Administrator and the Finance Director written notice of all current tenants of the Project within 30 days of the opening or closing for business of any business within the Project, and at all other times upon the written request of the County Administrator or the Finance Director.

B. The Developer agrees to use commercially reasonable efforts to cause all assignees, purchasers, tenants, subtenants or any other entity acquiring property or occupancy rights in Project Area 1 to be obligated by written contract (lease agreement or other enforceable document including documents made part of the Wyandotte County real estate records) to provide to the County Administrator and the Finance Director simultaneously with submission to the Kansas Department of Revenue the monthly sales tax returns for their facilities in Project Area 1.

C. To the extent it may legally do so, information obtained pursuant to this Section shall be kept confidential by the Unified Government in accordance with K.S.A. 79-3657.

Section 5.05. Taxes, Assessments, Encumbrances and Liens.

A. So long as the Developer owns real property within the Redevelopment District, the Developer shall pay, or cause to be paid, when due all real estate taxes and assessments on the property it owns within Redevelopment District. Nothing herein shall be deemed to prohibit the Developer from contesting the validity or amounts of any tax, assessment, encumbrance or lien, nor to limit the remedies available to the Developer in respect thereto. The Developer and any other owners of real property in the Redevelopment District shall promptly notify the Unified Government in writing of a protest of real estate taxes or valuation of the Developer’s or such other owners’ property within the Redevelopment District.
B. The parties agree that the Developer and the Unified Government shall mutually select a bank at which an escrow account shall be established for the purpose of the Developer escrowing no less than six months’ estimated real property taxes in connection with portions of the Project owned by Developer (the “Escrow Account”). Prior to the issuance of any Obligations, the Developer shall be obligated to deposit such six months’ real property taxes into such Escrow Account. In the event that the Developer is greater than sixty (60) day past due on the payment of real property taxes in connection with any portion of the Project owned by Developer, the Unified Government shall have the right under the related escrow agreement to draw from such Escrow Account for the purposes of paying such real property taxes.

C. Notwithstanding anything in the Agreement to the contrary, Developer hereby agrees that the Grocery Store parcel shall be subject to a minimum assessed value for the purposes of determining the taxes levied on such parcel. A schedule of such minimum assessed values is set forth on Exhibit K attached hereto. Notwithstanding the actual real property taxes to paid on the Grocery Store parcel as a result of assessment by the Wyandotte County Appraiser, in the event that the assessed value of the Grocery Store parcel as determined by the Wyandotte County Appraiser is less in any year than the minimum assessed value for such corresponding year as set forth on Exhibit K hereto, Developer hereby agrees to pay to the Unified Government an amount equal to the real property taxes that would be due, at the then-current mill levy rate, on such difference between the scheduled assessed value (as set forth on Exhibit K) and the assessed value as determined by the Wyandotte County Appraiser, if such scheduled assessed value were the actual assessed value of the Grocery Store Parcel. By way of example, in the event that the minimum assessed value for 2014 is scheduled to be $200,000 per Exhibit K, and the Grocery Store parcel is appraised by the Wyandotte County Appraiser with an assessed value at $180,000, Developer would be obligated to pay to the Unified Government an amount equal to the real property taxes due on $20,000, at the then-current mill levy rate. Notwithstanding any provisions of this Agreement to the contrary, any failure of Developer to make such payments as set forth in this Section 5.05(C) shall not be deemed a Developer Event of Default until such time as sixty (60) days following the receipt of written notice from the Unified Government by Developer that Developer has defaulted under this Section 5.05(c).

Section 5.06. Financing During Construction; Rights of Holders.

A. No Encumbrances Except Mortgages during Construction. Notwithstanding any other provision of this Agreement, mortgages are permitted for the acquisition, construction, renovation, improvement, equipping, repair and installation of the Project and to secure permanent financing thereafter. However, nothing contained in this paragraph is intended to permit or require the subordination of general property taxes, special assessments or any other statutorily authorized governmental lien to be subordinate in the priority of payment to such mortgages.

B. Holder Not Obligated to Construct Improvements. The holder of any mortgage authorized by this Agreement shall not be obligated by the provisions of this Agreement to construct or complete the Project or to guarantee such construction or completion. Nothing in this Agreement shall be deemed to construe, permit or authorize any such holder to devote the Project to any uses or to construct any improvements thereon, other than those uses or improvements provided for or authorized by this Agreement.

C. Notice of Default to Mortgage Holders; Right to Cure. With respect to any mortgage granted by Developer as provided herein, whenever the Unified Government shall deliver any notice or demand to Developer with respect to any breach or default by the Developer in completion of construction of the Project, the Unified Government shall at the same time deliver to each holder of record of any mortgage authorized by this Agreement a copy of such notice or demand, if Unified
Government has been requested to do so in writing by Developer. Each such holder shall (insofar as the
rights of the Unified Government are concerned) have the right, at its option, within ninety (90) days after
the receipt of the notice, to cure or remedy or commence to cure or remedy any such default and to add
the cost thereof to the mortgage debt and the lien of its mortgage. Nothing contained in this Agreement
shall be deemed to permit or authorize such holder to undertake or continue the construction or
completion of the Project (beyond the extent necessary to conserve or protect the Project or construction
already made) without first having expressly assumed the Developer’s obligations to the Unified
Government by written agreement satisfactory to and with the Unified Government. The holder, in that
event, must agree to complete, in the manner provided in this Agreement, that portion of the Project to
which the lien or title of such holder relate, and submit evidence satisfactory to the Unified Government
that it has the qualifications and financial responsibility necessary to perform such obligations.

D. The restrictions on Developer financing in this Section are intended to and shall apply
only to financing during the construction period for the improvements and any financing obtained in
connection therewith. Nothing in this Agreement is intended or shall be construed to prevent the
Developer from obtaining any financing for the Project or any aspect thereof.

Section 5.07. Covenant for Non-Discrimination. The Developer covenants by and for itself and
any successors in interest that there shall be no discrimination against or segregation of any person or group
of persons on account of race, color, creed, religion, sex, marital status, age, disability, national origin or
ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Redevelopment
District, nor shall the Developer itself or any person claiming under or through it establish or permit any such
practice or practices of discrimination or segregation with reference to the selection, location, number, use or
occupancy of tenants, lessees, subtenants, sublessees or vendees of the Redevelopment District.

The covenant established in this Section shall, without regard to technical classification and
designation, be binding for the benefit and in favor of the Unified Government, its successors and assigns
and any successor in interest to the Project or any part thereof. The covenants contained in this Section
shall remain for so long as this Agreement is in effect.

ARTICLE VI

REIMBURSEMENT OF PROJECT COSTS; TAX INCREMENT AND CID FINANCING

Section 6.01. Real Property Tax Increment Fund.

A. Creation of Fund; Deposit of Real Property Tax Revenues. The Unified Government shall
establish and maintain a separate fund and account known as the Metropolitan Avenue Project Area 1 Tax
Increment Fund (the “Real Property Tax Increment Fund”). All Real Property Tax Revenues shall be
deposited into the Real Property Tax Increment Fund.

B. Disbursements from Fund. All disbursements from the Real Property Tax Increment Fund
shall be made only to pay Redevelopment Project Costs, including the payment of principal and interest on
any TIF Obligations issued by the Unified Government to finance, in whole or in part, the Project. The
Unified Government shall have sole control of the disbursements from the Real Property Tax Increment Fund
and the Unified Government shall have no obligation to disburse if there are any delinquent property taxes or
special assessments for the Project site, but only to the extent that such payment of taxes is the responsibility
of Developer. Such disbursements shall be made in the following manner and order of preference:

a. Payment of the TIF Administrative Service Fee to the Unified Government pursuant to
Section 6.02.
b. Payment of arbitrage rebate, if any, to the United States of America, owed under Section 148 of the Internal Revenue Code of 1986, as amended, including any costs of calculating such arbitrage rebate;

c. Payment of scheduled principal of, premium, if any, and interest becoming due (by reason of maturity or redemption) on the TIF Obligations on each payment date;

d. Payment of fees and expenses owing to any Trustee for the TIF Obligations, upon delivery of invoices to the Unified Government in such amount;

e. Payment of any outstanding principal on the TIF Obligations; and

f. After all TIF Obligations have been retired in full, reimbursement of Redevelopment Project Costs incurred by the Developer, not paid from the proceeds of the TIF Obligations.

The Unified Government may continue to use any surplus amounts of Incremental Tax Revenues that result after all of the above payments have been made and the Project Costs Cap has been reached, for any purpose authorized by the TIF Act until such time as the Project is completed, but for not to exceed 20 years from the date of the approval of the Project Plan.

Following the retirement of the TIF Obligations, all disbursements from the Real Property Tax Increment Fund shall be made as follows:

a. Payment of the TIF Administrative Service Fee to the Unified Government pursuant to Section 6.02; and

b. Reimbursement of Redevelopment Project Costs incurred by the Developer.

Section 6.02. TIF Administrative Service Fee. The Unified Government shall collect the TIF Administrative Service Fee on all Real Property Tax Revenues. The TIF Administrative Service Fee shall be used to cover the administration and other Unified Government costs incurred for the duration of the Redevelopment District, and shall be in addition to the costs identified in the Project Budget. The TIF Administrative Service Fee may be paid quarterly from the Real Property Tax Revenues deposited in the Real Property Tax Increment Fund. The TIF Administrative Service Fee shall be deemed a Redevelopment Project Cost.

Section 6.03. Sales Tax Increment Fund.

A. Creation of Fund: Deposit of Sales Tax Revenues. The Unified Government shall establish and maintain a separate fund and account known as the Metropolitan Avenue Project Area 1 Sales Tax Fund (the “Sales Tax Increment Fund”). All Sales Tax Revenues shall be deposited into the Tax Increment Fund.

B. Disbursements from Fund. All disbursements from the Sales Tax Increment Fund shall be made only to pay Sales Tax Costs, including the payment of principal and interest on any Sales Tax Obligations issued by the Unified Government to finance, in whole or in part, the Project. The Unified Government shall have sole control of the disbursements from the Sales Tax Increment Fund and the Unified Government shall have no obligation to disburse if there are any delinquent property taxes or special
assessments for the Project site, but only to the extent that such payment of taxes is the responsibility of Developer. Such disbursements shall be made in the following manner and order of preference:

a. Payment of the Sales Tax Administrative Service Fee to the Unified Government pursuant to Section 6.04;

b. Payment of Base Sales Tax Revenues to the Unified Government.

c. Payment of arbitrage rebate, if any, to the United States of America, owed under Section 148 of the Internal Revenue Code of 1986, as amended, including any costs of calculating such arbitrage rebate;

d. Payment of scheduled principal of, premium, if any, and interest becoming due (by reason of maturity or redemption) on the Sales Tax Obligations on each payment date;

e. Payment of fees and expenses owing to any Trustee for the Sales Tax Obligations, upon delivery of invoices to the Unified Government in such amount;

f. Payment of any outstanding principal on the Sales Tax Obligations;

g. After all Sales Tax Obligations have been retired in full, reimbursement of Sales Tax Costs incurred by the Developer, not paid from the proceeds of the Sales Tax Obligations.

The Unified Government may continue to use any surplus amounts of Sales Tax Revenues that result after all of the above payments have been made and the Project Costs Cap has been reached, for any purpose authorized by the TIF Act until such time as the Project is completed, but for not to exceed 20 years from the date of the approval of the Project Plan.

Following the retirement of the Sales Tax Obligations, all disbursements from the Sales Tax Increment Fund shall be made as follows:

a. Payment of the Sales Tax Administrative Service Fee to the Unified Government pursuant to Section 6.04; and

b. Reimbursement of Sales Tax Costs incurred by the Developer.

Section 6.04 Sales Tax Administrative Service Fee. The Unified Government shall collect the Sales Tax Administrative Service Fee on all Sales Tax Revenues. The Sales Tax Administrative Service Fee shall be used to cover the administration and other Unified Government costs incurred for the duration of this Agreement, and shall be in addition to the costs identified in the Project Budget. The Sales Tax Administrative Service Fee may be paid quarterly from the Sales Tax Revenues deposited in the Sales Tax Increment Fund. The Sales Tax Administrative Service Fee shall be deemed a Sales Tax Cost.

Section 6.05 Obligations.

A. Obligation Conditions. The Developer may make a written request to the Unified Government to issue Obligations, and the Unified Government agrees to take all necessary steps to consider the issuance of Obligations upon receipt of such written request and when the following conditions have been satisfied (collectively, the “Obligation Conditions”):
1. The CCB Trust Account has been established, the Trust Agreement executed by all parties thereto, and the Developer has provided the Unified Government with satisfactory evidence that any and all funds, when added to the Bond Proceeds, sufficient to cause construction and completion of the Grocery Store have been deposited into the CCB Trust Account, including without limitation, (a) any borrowed funds from Developer’s lenders in connection with the construction of the Grocery Store, and (b) any and all equity to be funded by the Developer, and such funds are available for such construction and completion, subject only to issuance of the Obligations.

2. Building permits have been issued for the Grocery Store, and all Government Approvals have been received for the Grocery Store; and

3. The Developer has entered into a guaranteed maximum price (GMP) contract for the construction of the Grocery Store, and Developer has further provided to the Unified Government a completion guaranty from such general contractor.

B. Terms of Obligations. The Obligations may be incurred up to an aggregate principal amount that will fund all Redevelopment Project Costs, Sales Tax Costs, capitalized interest, debt service reserves and costs of issuance, subject to the projected revenue to be produced by the Real Property Tax Revenues and Sales Tax Revenues; provided, that the Bond Proceeds from the issuance of the Obligations, available to the Developer for the payment of Project Costs, shall be in an amount no less than $1,600,000. The Obligations shall be general obligations of the Unified Government and shall be issued in at least two series for each of the TIF Obligations and the Sales Tax Obligations. The Obligations may include such capitalized interest as deemed necessary by the Unified Government. The final maturity of the TIF Obligations shall not exceed the maximum term permissible under the TIF Act. The Unified Government will approve the method of marketing the Obligations and may require limitations on the denominations or types of purchasers. The Obligations shall bear interest at such rates, shall be subject to redemption and shall have such terms (including required projected coverage ratios and reserve funds) as the Unified Government shall determine in its sole discretion. The Unified Government shall have the sole control of the disbursement of the proceeds of the Obligations, subject to the requirements in the documents governing the Obligations and this Agreement.

C. Cooperation in the Issuance of Obligations.

1. The Developer covenants to cooperate and take all reasonable actions necessary to assist the Unified Government and its Bond Counsel, the Unified Government’s underwriter and financial advisors in the preparation of the financing documents, offering statements, private placement memorandum or other disclosure documents and all other documents necessary to market, sell and issue the Obligations, including (i) disclosure of tenants within the Project and the non-financial terms of the leases between the Developer and such tenants; and (ii) providing sufficiently detailed estimates of Redevelopment Project Costs and Sales Tax Costs. The Developer will not be required to disclose to the general public or any investor the rent payable under any such lease or any proprietary or confidential financial information pertaining to the Developer, its tenants, or the leases with its tenants, but upon the execution of a confidentiality agreement acceptable to the Developer, the Developer will provide such information to the Unified Government’s attorneys, the Unified Government’s financial advisors, the underwriter and their counsel to enable such parties to satisfy their due diligence obligations.

2. The Developer further agrees to (i) provide a closing certificate (which shall include a certification regarding the accuracy of the information relating to the Developer and the Project); and (ii) to provide all information reasonably necessary in connection with the marketing, sale and
issuance of the Obligations, including compliance with any continuing disclosure obligations required in relation thereto.

3. The Developer agrees to execute, deliver and perform under any necessary continuing disclosure agreement reasonably requested by the Underwriter.

D. Unified Government to Select Bond Counsel, Financial Advisor and Underwriter; Term and Interest Rate. The Unified Government shall have the sole right to select the designated Bond Counsel, financial advisor and underwriter (and such additional consultants as the Unified Government deems necessary for the issuance of the Obligations), and shall have sole authority to determine the terms of the Obligations, including, but not limited to, the interest rate on such Obligations.

E. Evidence of Issuance of Obligations. The Unified Government, within ten (10) days following the execution of this Agreement hereby agrees to provide to the Developer written documentation stating the Unified Government’s obligation to the issue the Obligations no later than March 1, 2013, and the Unified Government acknowledges that such documentation shall be provided to Developer, and Developer’s lender(s) and investors as evidence of such obligations, and the Developer and such lender(s) and investors shall have the right to rely on such documentation as evidence of the Unified Government’s obligations to issue such Obligations.

F. Revenues Prior to Issuance of Obligations. Notwithstanding any provisions of this Agreement to the contrary, the parties agree that any Incremental Tax Revenues collected by the Unified Government on or prior to December 31, 2012 shall be reimbursed to the Developer on a Pay As You Go basis.

Section 6.06. Community Improvement District.

A. Creation of CID. The Unified Government on April 5, 2012, pursuant to Ordinance No. O-25-12, approved the creation of the CID pursuant to the CID Act which provides for the CID Sales Tax within the CID. The CID shall consist of the area shown on the map attached hereto as Exhibit I.

B. CID Administrative Service Fee. The Unified Government shall collect the CID Administrative Service Fee on all CID Revenues. The CID Administrative Service Fee shall be used to cover the administration and other Unified Government costs incurred for the duration of the District, and shall be in addition to the costs identified in the Project Budget. The CID Administrative Service Fee may be paid annually from the CID Revenues deposited in the CID Revenue Fund. The CID Administrative Service Fee shall be deemed a CID Cost.

C. Commencement of CID Sales Tax. The Developer hereby agrees that it shall notify the Unified Government no less than one hundred twenty (120) prior to the Developer’s desired commencement of the CID Sales Tax, which commencement must occur at the beginning of a calendar quarter. Upon receipt of such notification, the Unified Government agrees that it shall use good faith efforts to cause the CID Sales Tax to commence on such date as requested by the Developer.

D. Surplus CID Sales Tax. The Developer or development association may continue to use any surplus amounts of CID Sales Tax after all CID Costs have been reimbursed, for any purpose authorized by the CID Act.
Section 6.07. CID Revenue Fund.

A. Creation of Fund; Deposit of CID Revenues. The Unified Government shall establish and maintain a separate fund known as the Metropolitan Avenue CID Project Area 1 Revenue Fund (the “CID Revenue Fund”). All CID Revenues shall be deposited into the CID Revenue Fund.

B. Disbursements from Fund. All disbursements from the CID Revenue Fund shall be made only to pay CID Costs. The Unified Government shall disburse CID Revenues at least monthly from the CID Revenue Fund. Such disbursements shall be made in the following manner and order of preference:

a. Payment of the CID Administrative Service Fee to the Unified Government pursuant to Section 6.06(B); and

b. Reimbursement of CID Costs incurred by the Developer.

Section 6.08. CID Pay As You Go. The Developer shall be reimbursed from the CID on a Pay As You Go Basis as monies become available in the CID Revenue Fund, in accordance with Sections 3.02(A) and 6.07(B) hereof.

Section 6.09 Temporary Financing by the Unified Government. In the event that the Obligations have not been issued, and the Bond Proceeds made available for payment of Project Costs on or before March 1, 2013 (the “Funding Date”), the Unified Government agrees to provide temporary financing in the amount of $1,600,000 (“Temporary Financing”) within fifteen (15) days following the Funding Date for the Developer to pay Project Costs therefrom. Payment of Project Costs from the Temporary Note shall occur in a manner consistent with payments from the Bond Proceeds as otherwise set forth in this Agreement. The Unified Government agrees to either: (i) provide idle cash to Developer to fund the Temporary Financing (“Temporary Cash Funding”), or (ii) issue a taxable general obligation note (“Temporary Note”) to fund the Temporary Financing as set forth above. The parties agree that Temporary Cash Funding or the issuance of such Temporary Note shall in no way relieve the Unified Government of its obligations hereunder to issue the Obligations. Upon the issuance of such Obligations, the parties agree that the Bond Proceeds shall initially be utilized to refund the Unified Government for the Temporary Cash Funding, or retire the Temporary Note, as applicable. Except as set forth herein, the terms of the Temporary Cash Funding or the Temporary Note shall be solely at the discretion of the Unified Government.
ARTICLE VII

ASSIGNMENT; TRANSFER

Section 7.01. Transfer of Obligations.

A. The rights, duties and obligations hereunder of the Developer may not be assigned, in whole or in part, to another entity, without the prior approval of the Unified Government County Administrator, with the right of appeal to the Unified Government. Any proposed assignee shall, by instrument in writing, for itself and its successors and assigns, and expressly for the benefit of the Unified Government, assume all of the obligations of the Developer under this Agreement and agree to be subject to all the conditions and restrictions to which the Developer is subject (or, in the event the transfer is of or relates to a portion of the Redevelopment District, such obligations, conditions and restrictions to the extent that they relate to such portion). The Developer shall not be relieved from any obligations set forth herein unless and until the Unified Government specifically agrees to release the Developer.

B. No tenant of any part of the Redevelopment District or CID shall be bound by any obligation of the Developer solely by virtue of being a tenant; provided, however, that no transferee or owner of property within the Redevelopment District or CID except the Developer shall be entitled to any rights whatsoever or claim upon the Incremental Tax Revenues or CID Revenues as set forth herein, except as specifically authorized in writing by the Developer and approved by the Unified Government.

C. The foregoing restrictions on assignment, and the restriction in Section 7.03, shall not apply to (a) any security interest granted to secure indebtedness to any construction or permanent lender, or (b) the sale, rental and leasing of portions of the Redevelopment District for the uses permitted under the terms of this Agreement.

Section 7.02. Developer Reorganization. Nothing herein shall prohibit the Developer from forming additional development or ownership entities to replace or joint venture with Developer for the purpose of business planning. The Developer shall provide the Unified Government written notice prior to any such restructuring.

Section 7.03. Prohibition Against Total Transfer of the Project, the Buildings or Structures Therein.

A. During the term of this Agreement, the Developer shall not, except as permitted by this Agreement and in accordance with the TIF Act, without prior written approval of the Unified Government which shall not be unreasonably withheld, conditioned or delayed, make any total sale, transfer, conveyance, assignment or lease of the whole Project. This prohibition shall not be deemed to prevent the granting of temporary or permanent easements or permits to facilitate the development of the Project or to prohibit or restrict the sale or leasing of any part or parts of a building, structure or land effective commencing on completion.

B. Notwithstanding any provisions in this Agreement to the contrary, Developer shall have the right to sell, lease, or otherwise transfer any building or individual parcel included within Project Area 1 to any prospective purchaser or tenant in the normal course of business, without the consent of the Unified Government, so long as such purchaser or tenant is not otherwise restricted or prohibited by the terms of this Agreement.

C. As a condition to such total transfer, the Unified Government may require such transferee to agree to be bound, in whole or in part, by the provisions of this Agreement.
ARTICLE VIII

GENERAL COVENANTS

Section 8.01. Indemnification of Unified Government.

A. Developer agrees to indemnify and hold the Unified Government, its employees, agents and independent contractors and consultants (collectively, the “Unified Government Indemnified Parties”) harmless from and against any and all suits, claims, costs of defense, damages, injuries, liabilities, judgments, costs and/or expenses, including court costs and reasonable attorneys fees, resulting from, arising out of, or in any way connected with:

1. the Developer’s actions and undertaking in implementation of the Project Plan or this Agreement; and

2. the negligence or willful misconduct of Developer, its employees, agents or independent contractors and consultants in connection with the management, design, development, redevelopment and construction of the Project.

3. any delay or expense resulting from any litigation filed against the Developer by any member or shareholder of the Developer, any prospective investor, prospective partner or joint venture partner, lender, co-proposer, architect, contractor, consultant or other vendor.

This section shall not apply to negligence or willful misconduct of the Unified Government or its officers, employees or agents, nor to challenges to the Unified Government’s actions in considering and granting entitlements and permits. This section includes, but is not limited to, any repair, cleanup, remediation, detoxification, or preparation and implementation of any removal, remediation, response, closure or other plan (regardless of whether undertaken due to governmental action) concerning any hazardous substance or hazardous wastes including petroleum and its fractions as defined in (i) the Comprehensive Environmental Response, Compensation and Liability Act (“CERCLA”; 42 U.S.C. Section 9601, et seq.), (ii) the Resource Conservation and Recovery Act (“RCRA”; 42 U.S.C. Section 6901 et seq.) and (iii) Article 34, Chapter 65, K.S.A. and all amendments thereto, at any place where Developer owns or has control of real property pursuant to any of Developer’s activities under this Agreement. The foregoing indemnity is intended to operate as an agreement pursuant to Section 107 (e) of CERCLA to assure, protect, hold harmless and indemnify Unified Government from liability.

B. In the event any suit, action, investigation, claim or proceeding (collectively, an “Action”) is begun or made as a result of which the Developer may become obligated to one or more of the Unified Government Indemnified Parties hereunder, any one of the Unified Government Indemnified Parties shall give prompt notice to the Developer of the occurrence of such event.

C. The right to indemnification set forth in this Agreement shall survive the termination of this Agreement.

Section 8.02. Insurance. Developer agrees that it shall maintain reasonable insurance in connection with the Project for an entity of Developer’s size and financial capacity.

Section 8.03. Non-liability of Officials, Employees and Agents of the Unified Government. With the exception of violations and application of the Unified Government Code of Ethics, no recourse shall be had for the reimbursement of the Project Costs or for any claim based thereon or upon any
representation, obligation, covenant or agreement contained in this Agreement against any past, present or future official, officer, employee or agent of the Unified Government, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such officials, officers, employees or agents as such is hereby expressly waived and released as a condition of and consideration for the execution of this Agreement.

A.

Section 8.04. Prevailing Wage. Developer agrees to pay prevailing wages as established by the Davis Bacon Act for all aspects of construction of the Project undertaken by Developer. Developer shall use commercially reasonable efforts to see that all other transferees, assignees, and tenants responsible for constructing any part of the Project pay prevailing wages. Provided that Developer shall not be responsible for prevailing wages as to construction by tenants within completed “shell” structures or purchasers who construct their own buildings.

Section 8.05. LBE/MBE/WBE Employment Opportunity Goals. Developer agrees to comply with the goals set forth on Exhibit H attached hereto and made a part hereof, in order to identify and provide employment opportunities for local businesses and contractors, women and local minority owned businesses in connection with the Project.

ARTICLE IX

DEFAULTS AND REMEDIES

Section 9.01. Developer Event of Default. Except as further provided herein, and subject to Section 9.05, a “Developer Event of Default” shall mean a default in the performance of any obligation or breach of any covenant or agreement of the Developer in this Agreement (other than a covenant or agreement, a default in the performance or breach of which is specifically dealt with elsewhere in this Section), and continuance of such default or breach for a period of 30 days after Unified Government has delivered to Developer a written notice specifying such default or breach and requiring it to be remedied; provided, that if such default or breach cannot be fully remedied within such 30-day period, but can reasonably be expected to be fully remedied and the Developer is diligently attempting to remedy such default or breach, such default or breach shall not constitute an event of default if the Developer shall promptly upon receipt of such notice diligently attempt to remedy such default or breach and shall thereafter prosecute and complete the same with due diligence and dispatch.

Section 9.02. Unified Government Event of Default. Subject to Section 9.05, the occurrence and continuance of any of the following events shall constitute a “Unified Government Event of Default” hereunder:

A. After closing on the Obligations, the Trustee suspends or revokes the right of the Unified Government to withdraw funds from the Obligations for any reason (other than as a result of the Developer’s failure to perform its obligations hereunder), and such suspension or revocation is not cured or corrected for a period of 30 consecutive days.

B. Default in the performance of any obligation or breach of any other covenant or agreement of the Unified Government in this Agreement (other than a covenant or agreement, a default in the performance or breach of which is specifically dealt with elsewhere in this Section), and continuance of such default or breach for a period of 30 days after there has been given to the Unified Government by the Developer a written notice specifying such default or breach and requiring it to be remedied; provided, that if such default or breach cannot be fully remedied within such 30-day period, but can reasonably be expected to be fully remedied and the Unified Government is diligently attempting to
remedy such default or breach, such default or breach shall not constitute an event of default if the Unified Government shall immediately upon receipt of such notice diligently attempt to remedy such default or breach and shall thereafter prosecute and complete the same with due diligence and dispatch.

Section 9.03. Remedies Upon a Developer Event of Default.

A. Upon the occurrence and continuance of a Developer Event of Default, the Unified Government shall have the following rights and remedies, in addition to any other rights and remedies provided under this Agreement or by law:

1. The Unified Government shall have the right to terminate this Agreement, in which event the Unified Government shall have no obligation to reimburse the Developer for any amounts advanced under this Agreement or costs otherwise incurred or paid by Developer, provided, that the Unified Government shall nevertheless continue to have the obligation to pay and/or reimburse Developer for any Project Costs for which Developer has, previous to such termination, submitted to the Unified Government or Country Club Bank, as applicable, pursuant to Article III hereof, which obligation to reimburse shall survive the termination of this Agreement; or

2. The Unified Government may pursue any available remedy at law or in equity by suit, action, mandamus or other proceeding to enforce and compel the performance of the duties and obligations of the Developer as set forth in this Agreement, to enforce or preserve any other rights or interests of the Unified Government under this Agreement or otherwise existing at law or in equity and to recover any damages incurred by the Unified Government resulting from such Developer Event of Default; provided, however, that in no event shall the Unified Government be entitled to any specific, consequential, or punitive damages under this Agreement as the result of any default by Developer.

B. If the Unified Government has instituted any proceeding to enforce any right or remedy under this Agreement by suit or otherwise, and such proceeding has been discontinued or abandoned for any reason, or has been determined adversely to the Unified Government, then and in every case the Unified Government and the Developer shall, subject to any determination in such proceeding, be restored to their former positions and rights hereunder, and thereafter all rights and remedies of the Unified Government shall continue as though no such proceeding had been instituted.

C. The exercise by the Unified Government of any one remedy shall not preclude the exercise by it, at the same or different times, of any other remedies for the same default or breach. No waiver made by the Unified Government shall apply to obligations beyond those expressly waived.

D. Any delay by the Unified Government in instituting or prosecuting any such actions or proceedings or otherwise asserting its rights under this Section shall not operate as a waiver of such rights or limit it in any way. No waiver in fact made by the Unified Government of any specific default by the Developer shall be considered or treated as a waiver of the rights with respect to any other defaults, or with respect to the particular default except to the extent specifically waived.


A. Upon the occurrence and continuance of a Unified Government Event of Default the Developer shall have the following rights and remedies, in addition to any other rights and remedies provided under this Agreement or by law:
1. The Developer shall have the right to terminate the Developer’s obligations under this Agreement;

2. The Developer may pursue any available remedy at law or in equity by suit, action, mandamus or other proceeding to enforce and compel the performance of the duties and obligations of the Unified Government as set forth in this Agreement, to enforce or preserve any other rights or interests of the Developer under this Agreement or otherwise existing at law or in equity and to recover any damages incurred by the Developer resulting from such Unified Government Event of Default; provided, however, that in no event shall the Developer be entitled to any specific, consequential, or punitive damages under this Agreement as the result of any default by Unified Government.

B. If the Developer has instituted any proceeding to enforce any right or remedy under this Agreement by suit or otherwise, and such proceeding has been discontinued or abandoned for any reason, or has been determined adversely to the Developer, then and in every case the Developer and the Unified Government shall, subject to any determination in such proceeding, be restored to their former positions and rights hereunder, and thereafter all rights and remedies of the Developer shall continue as though no such proceeding had been instituted.

C. The exercise by the Developer of any one remedy shall not preclude the exercise by it, at the same or different times, of any other remedies for the same default or breach. No waiver made by the Developer shall apply to obligations beyond those expressly waived.

D. Any delay by the Developer in instituting or prosecuting any such actions or proceedings or otherwise asserting its rights under this paragraph shall not operate as a waiver of such rights or limit it in any way. No waiver in fact made by the Developer of any specific default by the Developer shall be considered or treated as a waiver of the rights with respect to any other defaults, or with respect to the particular default except to the extent specifically waived.

Section 9.05. Excusable Delays. Neither the Unified Government nor the Developer shall be deemed to be in default of this Agreement because of an Excusable Delay.

Section 9.06. Legal Actions. Any legal actions related to or arising out of this Agreement must be instituted in the District Court of Wyandotte County, Kansas or, if federal jurisdiction exists, in the United States District Court for the District of Kansas.

ARTICLE X

GENERAL PROVISIONS

Section 10.01. Mutual Assistance. The Unified Government and the Developer agree to take such actions, including the execution and delivery of such documents, instruments, petitions and certifications as may be reasonably necessary or appropriate to carry out the terms, provisions and intent of this Agreement and to reasonably aid and assist each other in carrying out said terms, provisions and intent.

Section 10.02. Effect of Violation of the Terms and Provisions of this Agreement; No Partnership. The Unified Government is deemed the beneficiary of the terms and provisions of this Agreement, for and in its own rights and for the purposes of protecting the interests of the community and other parties, public or private, in whose favor and for whose benefit this Agreement and the covenants running with the land have been provided. The Agreement shall run in favor of the Unified Government,
without regard to whether the Unified Government has been, remains or is an owner of any land or interest therein in the Project or the Redevelopment District. The Unified Government shall have the right, if the Agreement or covenants are breached, to exercise all rights and remedies, and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breaches to which it or any other beneficiaries of this Agreement and covenants may be entitled. Nothing contained herein shall be construed as creating a partnership between the Developer and the Unified Government.

Section 10.03. Time of Essence. Time is of the essence of this Agreement. The Parties will make every reasonable effort to expedite the subject matters hereof and acknowledge that the successful performance of this Agreement requires their continued cooperation.

Section 10.04. Amendments. This Agreement may be amended only by the mutual consent of the Parties, as provided by law, and by the execution of said amendment by the Parties or their successors in interest.

Section 10.05. Agreement Controls. The Parties agree that the Project Plan will be implemented as agreed in this Agreement. This Agreement specifies the rights, duties and obligations of the Unified Government and Developer with respect to constructing the Project, the payment of Redevelopment Project Costs and all other methods of implementing the Project Plan. The Parties further agree that this Agreement contains provisions that are in greater detail than as set forth in the Project Plan and that expand upon the estimated and anticipated sources and uses of funds to implement the Project Plan. Nothing in this Agreement shall be deemed an amendment of the Project Plan. Except as otherwise expressly provided herein, this Agreement supersedes all prior agreements, negotiations and discussions relative to the subject matter hereof and is a full integration of the agreement of the Parties.

Section 10.06. Conflicts of Interest.

A. No member of the Unified Government’s governing body that has any power of review or approval of any of the Developer’s undertakings shall vote on any item relating thereto which affects such person’s personal interest or the interests of any corporation or partnership in which such person is directly or indirectly interested.

B. The Developer warrants that it has not paid or given and will not pay or give any officer, employee or agent of the Unified Government any money or other consideration for obtaining this Agreement. The Developer further represents that, to its best knowledge and belief, no officer, employee or agent of the Unified Government who exercises or has exercised any functions or responsibilities with respect to the Project during his or her tenure, or who is in a position to participate in a decision making process or gain insider information with regard to the Project, has or will have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed in connection with the Project, or in any activity, or financial benefit therefrom, which is part of the Project at any time during or after such person’s tenure.

C. Developer and the Unified Government agree and acknowledge that Ann Murguia, a consultant to Developer, is a Unified Government Commission representative for the 3rd Commission District. As such, it is agreed that Ms. Murguia shall not take part in any decision-making process in connection with the TIF or the Project, and Ms. Murguia shall abstain from and any all votes of the Unified Government Commission in connection with the same. Additionally, the parties agree that Ms. Murguia, Developer, and the Unified Government shall take any additional actions necessary to assure that Ms. Murguia’s participation with Developer shall not cause a violation of any rules or policies of the Unified Government.
Section 10.07. Term. Unless earlier terminated as provided herein, this Agreement shall remain in full force and effect for the TIF Term and CID Term, as applicable.

Section 10.08. Validity and Severability. It is the intention of the parties that the provisions of this Agreement shall be enforced to the fullest extent permissible under the laws and public policies of State of Kansas, and that the unenforceability (or modification to conform with such laws or public policies) of any provision hereof shall not render unenforceable, or impair, the remainder of this Agreement. Accordingly, if any provision of this Agreement shall be deemed invalid or unenforceable in whole or in part, this Agreement shall be deemed amended to delete or modify, in whole or in part, if necessary, the invalid or unenforceable provision or provisions, or portions thereof, and to alter the balance of this Agreement in order to render the same valid and enforceable.

Section 10.09. Required Disclosures. The Developer shall immediately notify the Unified Government of the occurrence of any material event which would cause any of the information furnished to the Unified Government by the Developer in connection with the matters covered in this Agreement to contain any untrue statement of any material fact or to omit to state any material fact required to be stated therein or necessary to make any statement made therein, in the light of the circumstances under which it was made, not misleading.

Section 10.10. Tax Implications. The Developer acknowledges and represents that (1) neither the Unified Government nor any of its officials, employees, consultants, attorneys or other agents has provided to the Developer any advice regarding the federal or state income tax implications or consequences of this Agreement and the transactions contemplated hereby, and (2) the Developer is relying solely upon its own tax advisors in this regard.

Section 10.11. Authorized Parties. Whenever under the provisions of this Agreement and other related documents, instruments or any supplemental agreement, a request, demand, approval, notice or consent of the Unified Government or the Developer is required, or the Unified Government or the Developer is required to agree or to take some action at the request of the other Party, such approval or such consent or such request shall be given for the Unified Government, unless otherwise provided herein, by the Unified Government Representative and for the Developer by any officer of Developer so authorized; and any person shall be authorized to act on any such agreement, request, demand, approval, notice or consent or other action and neither Party shall have any complaint against the other as a result of any such action taken. The Unified Government Representative may seek the advice, consent or approval of the Unified Government Commission before providing any supplemental agreement, request, demand, approval, notice or consent for the Unified Government pursuant to this Section.
Section 10.12. Notice. All notices and requests required pursuant to this Agreement shall be sent as follows:

To the Unified Government:
Unified Government Clerk
Municipal Building
701 North 7th Street
Kansas City, Kansas 66101

With a copy to:
Chief Counsel
Legal Department
Municipal Building
701 North 7th Street
Kansas City, Kansas 66101

and

Gary A. Anderson, Esq.
Gilmore & Bell, P.C.
2405 Grand Boulevard, Ste. 1100
Kansas City, Missouri 64108

or at such other addresses as the Parties may indicate in writing to the other either by personal delivery, courier, or by registered mail, return receipt requested, with proof of delivery thereof. Mailed notices shall be deemed effective on the third day after mailing; all other notices shall be effective when delivered.

Section 10.13. Kansas Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Kansas.

Section 10.14. Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same agreement.

Section 10.15. Recordation of Agreement. The Parties agree to execute and deliver an original of this Agreement and any amendments or supplements hereto, in proper form for recording and/or indexing in the appropriate land or governmental records, including, but not limited to, recording in the real estate records of Wyandotte County, Kansas. This Agreement shall be promptly recorded by the Developer at Developer’s cost after execution, and proof of recording shall be provided to the Unified Government.

Section 10.16. Consent or Approval. Except as otherwise provided in this Agreement, whenever the consent, approval or acceptance of either Party is required hereunder, such consent, approval or acceptance shall not be unreasonably withheld, conditioned or unduly delayed.

[The signature pages for this Agreement begin on the following page.]
THIS AGREEMENT has been executed as of the date first hereinabove written.

UNIFIED GOVERNMENT OF WYANDOTTE
COUNTY/KANSAS CITY, KANSAS

By: ____________________________
    County Administrator

(Seal)

ATTEST:

By: ______________________________
    Unified Government Clerk

APPROVED AS TO FORM:

By: ______________________________
    Deputy Chief Counsel

ACKNOWLEDGEMENT

STATE OF KANSAS )
    ) ss.
COUNTY OF WYANDOTTE )

BE IT REMEMBERED, that on this ___ day of __________, 2012, before me, the undersigned, a Notary Public in and for the County and State aforesaid, came Dennis M. Hays, County Administrator of the Unified Government of Wyandotte County/Kansas City, Kansas, a municipal corporation organized and existing pursuant to the laws of the State of Kansas as a consolidated city-county having all the powers, functions and duties of a county and a city of the first class, who is personally known to me to be the same person who executed, as such official, the within instrument on behalf of and with the authority of said Unified Government, and such person duly acknowledged the execution of the same to be the free act and deed of said Unified Government.

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

________________________________
NOTARY PUBLIC

My Commission Expires:

________________________________
[SEAL]
THIS AGREEMENT has been executed as of the date first hereinabove written.

ARGENTINE BETTERMENT CORPORATION, a Kansas not-for-profit corporation

By: __________________________
Name:    Timothy Russell
Title:    Executive Director

ACKNOWLEDGMENT

STATE OF _____________ )
COUNTY OF ___________ ) SS.

BE IT REMEMBERED, that on this ____ day of __________, 2012, before me, the undersigned, a Notary Public in and for the County and State aforesaid, came Timothy Russell, Executive Director of Argentine Betterment Corporation, a not-for-profit corporation organized and existing pursuant to the laws of the State of Kansas, who is personally known to me to be the same person who executed, as such Executive Director, the within instrument on behalf of and with the authority of said corporation, and such person duly acknowledged the execution of the same to be the free act and deed of said corporation.

WITNESS my hand and official seal.

________________________________________
Notary Public

My commission expires:

________________________________________
EXHIBIT A

LEGAL DESCRIPTION OF REDEVELOPMENT DISTRICT

Overall Redevelopment District

Lot 1, ARGENTINE INDUSTRIAL PARK, a subdivision of land in the City of Kansas City, County of Wyandotte, State of Kansas;

And

Lots 1, 2 and 3, and Tract A, HODG SUBDIVISION, a replat of Lot 2, Argentine Industrial Park, a subdivision of land in the City of Kansas City, County of Wyandotte, State of Kansas;

And

Any and all right-of-way adjacent thereto.

Project Area 1

Lots 1, 2 and 3, and Tract A, HODG SUBDIVISION, a replat of Lot 2, Argentine Industrial Park, a subdivision of land in the City of Kansas City, County of Wyandotte, State of Kansas, and all right-of-way adjacent thereto.
FORM OF CERTIFICATE OF REDEVELOPMENT PROJECT COSTS

CERTIFICATE OF REDEVELOPMENT PROJECT COSTS

TO: Unified Government of Wyandotte County/Kansas City, Kansas
    Attention: County Administrator

Re: Metropolitan Avenue Redevelopment District – Project Area 1

Terms not otherwise defined herein shall have the meaning ascribed to such terms in the Development Agreement for Project Area 1 of the Metropolitan Avenue Redevelopment District dated as of February 25, 2010 (the “Agreement”) between the Unified Government and the Developer.

In connection with the Agreement, the undersigned hereby states and certifies that:

1. Each item listed on Schedule 1 hereto is a Project Cost and was incurred in connection with the construction of the Project after April 5, 2012.

2. These Project Costs have been paid by the Developer and are reimbursable under the Project Plan and the Agreement.

3. Each item listed on Schedule 1 has not previously been paid or reimbursed from money derived from the Tax Increment Fund and no part thereof has been included in any other certificate previously filed with the Unified Government.

4. There has not been filed with or served upon the Developer any notice of any lien, right of lien or attachment upon or claim affecting the right of any person, firm or corporation to receive payment of the amounts stated in this request, except to the extent any such lien is being contested in good faith.

5. All necessary permits and approvals required for the work for which this certificate relates were issued and were in full force and effect at the time such work was being performed.

6. All work for which payment or reimbursement is requested has been performed in a good and workmanlike manner and in accordance with the Agreement.

7. The Developer is not in default or breach of any term or condition of the Agreement, and no event has occurred and no condition exists which constitutes a Developer Event of Default under the Agreement.

8. All of the Developer’s representations set forth in the Agreement remain true and correct as of the date hereof.
Dated this ___ day of ______________, 20__.

ARGENTINE BETTERMENT CORPORATION

By: ________________________________

Name: ______________________________

Title: ______________________________

Approved for Payment this ___ day of __________, 20___:

UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS

By: ________________________________

Title: ______________________________
SCHEDULE I
TO
CERTIFICATE OF REDEVELOPMENT PROJECT COSTS

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<th>Payee</th>
<th>Designate as Redevelopment Project Costs</th>
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</table>

Total Costs: 


 Schedule I-1
EXHIBIT D

FORM OF CERTIFICATE OF SUBSTANTIAL COMPLETION

Pursuant to Section 4.07 of the Agreement, the Unified Government shall, within ten (10) days following delivery of this Certificate, carry out such inspections as it deems necessary to verify to its reasonable satisfaction the accuracy of the certifications contained in this Certificate.

CERTIFICATE OF SUBSTANTIAL COMPLETION

The undersigned, Argentine Betterment Corporation (the “Developer”), pursuant to that certain Development Agreement for Project Area 1 of the Metropolitan Avenue Redevelopment District dated as of ______________, between the Unified Government of Wyandotte County/Kansas City, Kansas (the “Unified Government”) and the Developer (the “Agreement”), hereby certifies to the Unified Government as follows:

1. That as of ____________, 20__, the construction, renovation, repairing, equipping and constructing of the Project (as such term is defined in the Agreement) has been substantially completed in accordance with the Agreement.

2. The Project has been completed in a workmanlike manner and in accordance with the Construction Plans (as those terms are defined in the Agreement).

3. Lien waivers for applicable portions of the Project have been obtained, or, to the extent that a good faith dispute exists with respect to the payment of any construction cost with respect to the Project, Developer has provided the Unified Government with a bond or other security reasonably acceptable to the Unified Government.

4. This Certificate of Substantial Completion is accompanied by (a) the project architect’s certificate of substantial completion on AIA Form G-704 (or the substantial equivalent thereof), a copy of which is attached hereto as Appendix A and by this reference incorporated herein), certifying that the Project has been substantially completed in accordance with the Agreement; and (b) a copy of the Certificate(s) of Occupancy issued by the Unified Government Building Official with respect to each building to be constructed within the Project.

5. This Certificate of Substantial Completion is being issued by the Developer to the Unified Government in accordance with the Agreement to evidence the Developer’s satisfaction of all obligations and covenants with respect to the Project.

6. The Unified Government’s acceptance and the recordation of this Certificate with the Wyandotte County Register of Deeds, shall evidence the satisfaction of the Developer’s agreements and covenants to construct the Project.
This Certificate shall be recorded in the office of the Wyandotte County Recorder of Deeds. This Certificate is given without prejudice to any rights against third parties which exist as of the date hereof or which may subsequently come into being.

Terms not otherwise defined herein shall have the meaning ascribed to such terms in the Agreement.

IN WITNESS WHEREOF, the undersigned has hereunto set his/her hand this _____ day of __________, 20_____.

Argentine Betterment Corporation

By: ________________________________
Name: ______________________________
Title: ______________________________

ACCEPTED:

UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS

By: ______________________________
Name: ______________________________
Title: ______________________________

(Insert Notary Form(s) and Legal Description)
EXHIBIT E

PROJECT SCHEDULE

The Project Schedule shall be provided by Developer to the Unified Government at such time as finalized by Developer. Notwithstanding such delivery, Developer shall have the right, in its sole discretion, to revise the Project Schedule from time to time as deemed necessary by Developer.
## EXHIBIT F

### PROJECT BUDGET

### PROJECT COSTS

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2167383.5

F-1
EXHIBIT G

RESTRICTED LAND USES WITHIN PROJECT AREA 1

1. Any use which emits an obnoxious odor, noise, or sound which can be heard or smelled outside of any building in the Project (except that this provision shall not prohibit normal cooking odors which are associated with a first-class restaurant operation).
2. Any operation primarily used as a storage warehouse operation and any assembling, manufacturing, distilling, refining, smelting, agricultural or mining operation;
3. Any mobile home park, trailer court, labor camp, junkyard or stockyards (except that this provision shall not prohibit the temporary use of construction trailers during periods of construction, reconstruction or maintenance);
4. Any dumping, disposing, incineration, or reduction of garbage (exclusive of garbage compactors located near the rear of any building);
5. Any fire sale, going out of business sale, bankruptcy sale (unless pursuant to a court order) or auction house operation;
6. Any adult book store, adult video store, adult movie theater or other establishment selling, renting or exhibiting pornographic materials or drug-related paraphernalia (except that this provision shall not prohibit the operation of a bookstore or video store which carries a broad inventory of books or videos and other materials directed towards the interest of the general public [as opposed to specific segment thereof]);
7. Any bar or tavern without a full service kitchen;
8. With respect to spaces over 5,500 square feet, any training or educational facility, including, but not limited to, beauty schools, barber colleges, reading rooms, places of instruction or other operations catering primarily to students or trainees rather than to customers (except that this provision shall not prohibit on-site employee training [whether for employment at the Project or at another business location of such occupant] by an occupant incidental to the conduct of its business at the Project);
9. Any church, school, day care center or related religious or educational facility or religious reading room;
10. Any massage parlor (except that this provision shall not prohibit massages in connection with a beauty salon, health club or athletic facility); and
11. Any casino or other gambling facility or operation, including but not limited to, off-track or sports betting parlors, table games such as black-jack or poker, slot machines, video gambling machines and similar devices, and bingo halls (except that this provision shall not prohibit government sponsored gambling activities or charitable gambling activities if such activities are incidental to the business operation being conducted by the occupant).
This Exhibit sets forth the guidelines for the utilization of local business, minority and women enterprise and local resident, minority and women participation and equal employment opportunity referenced in Section 8.05 of the Development Agreement for Project Area 1 of the Metropolitan Avenue Redevelopment District (“Development Agreement”). The parties agree as follows:

I. SCOPE

These procedures are applicable to the construction of the Project, including but not limited to all aspects of the construction of the Improvements and all related facilities, including labor, materials and supplies and construction related services, but not including Specialized Services.

II. DEFINITIONS

All capitalized terms used in this Exhibit shall have the meaning ascribed to them in the Development Agreement and made a part thereof, or as otherwise set forth herein.

A. "Best Efforts" has the meaning set forth in Section III.C.3.b herein.

B. "Construction" means all aspects of the construction of the Improvements, all related facilities and the Project, including labor, materials and supplies and construction related services.

C. "Developer" means Argentine Commercial, Inc., and any of its successors, assigns or anyone holding portions of the Project by or through them.

D. "Local Resident" means an individual that, during his or her employment with the Project, maintains his or her place of domicile in Wyandotte County.

E. "Local Business Enterprises or LBE" means businesses headquartered or which maintain a major branch that performs the significant functions of the business in Wyandotte County or businesses of which at least 51% of the stock, equity or beneficial interest is owned, held, or controlled and whose day-to-day management is under the control of an individual residing in Wyandotte County. There is no formal certification process for LBE designation. It is determined and assigned based on the criteria referenced in this definition and payment of all applicable Wyandotte County taxes and/or licensing fees.

F. "Other Services" means non "Professional Services" (as defined below) including, but not limited to, plumbing, electrical, parking, janitorial, security and other maintenance services contracted for by Developer necessary for the annual operations of the Project.

G. "Professional Services" means advisory or consulting activities including, but not limited to, architectural, engineering, legal, accounting, financial, marketing, environmental studies, and financial services contracted for by Developer for the operations of the Project but specifically excluding professional services that have historically been sourced and performed at the holding company level by Developer (i.e. legal and accounting services).
H. "Proposer" means a person who submits a proposal in response to a solicitation for proposals issued by Developer or one of its contractors with respect to the design, development or construction of the Project or with respect to the annual operations of the Project.

I. "Specialized Services" means expertise, services or products, the application of which are unique to the business of the Project and which are only available through sole or limited source providers or national vendors, including, but not limited to the following: superflat concrete floors, vendor displays and racks, log construction, murals, mountain and exterior water feature displays (excluding plumbing), aquariums, mounts, bronze sculptures and construction management services and contingency. Specialized Services shall also include the services provided by the contractors and designers who have been involved with and have previous experience on similar projects with Developer and which Developer has engaged or intends to engage to perform similar services for the Project.

III. DEVELOPMENT AND CONSTRUCTION OF THE PROJECT

A. GOALS FOR LBE/MBE/WBE PARTICIPATION


Developer will use its best efforts to meet the following goals based upon the total cost of the Improvements and all related facilities for the Project. In no event shall Developer be required to incur higher costs as a result of its commitment to attempt to meet such goals. These goals are based upon a disparity study performed for the Kansas City Metropolitan Area LBE, MBE and WBE participation. These goals are not to act as quotas or set asides.

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Where appropriate, the UG may agree to different specific goals for specific elements of the Project to be awarded by Developer, when proposed by Developer, relating to the design, development and construction of the Project, based upon the availability of qualified LBEs and certified MBEs and WBEs to perform the specific scopes of work delineated in Developer's Project Utilization Plan and taking into account the services which have previously been contracted for other than with such LBEs, MBEs and WBEs.

2. Eligibility for Credit.

a. Only firms certified or undergoing certification at the time of submittal of the subject bid or proposal and ultimately certified, as MBEs or WBEs, by the Kansas Department of Commerce and Housing, Missouri Department of Transportation (MODOT), City of Kansas City, Missouri, the MidAmerica Minority Business Development Council (MAMBDC), the Women’s Business Enterprise National Council or any other public or private entity reasonably acceptable to the UG, may be counted towards the MBE or WBE goals.

b. Only firms qualified as LBEs, pursuant to Section II. E., at the time of submittal of the subject bid or proposal, may be counted towards the LBE goal.
c. If Developer or a Proposer has awarded a contract to an LBE, MBE or WBE that was qualified or certified (hereafter "approved," when used in this context, shall mean either certified or qualified, as case may be) at the time the proposal listing the enterprise as LBE, MBE or MBE was submitted or was undergoing certification at the time of submittal and was ultimately certified, but the LBE, MBE or WBE becomes unapproved after the proposal was submitted, but prior to the completion and acceptance of all work with respect to which the LBE, MBE or WBE was approved, Developer shall nonetheless receive credit towards the goal for the entire portion of work performed or services provided.

(1) d. Only the participation of LBEs, MBEs and WBEs that provide a commercially useful function required for the work of the specific solicitation shall be counted toward achievement of the goals. The LBE, MBE or WBE must be responsible for the execution of a distinct element of the work by actually performing, managing, or supervising its function in the work identified in the solicitation. Brokering is not credited. Purchases from LBEs, MBEs and WBEs that constitute indirect or general overhead costs to a projected Proposer's business may not be counted toward the goals. Costs directly incurred solely to perform the work with respect to a project contract may be counted toward the goals.

3. Construction Workforce.

a. Recruitment and outreach

Developer will use its best efforts to employ and to ensure its contractors employ Local Residents, minorities and women in all aspects of the design, development and construction of the Project except for services already contracted for prior to February 25, 2010 and except for Specialized Services. These efforts shall include but not be limited to:

1. advertising in appropriate publications, describing the work available, pay scales, application procedures and maintaining a log or copies of these ads showing the date of publication and identifying the publication;

2. working with local community organizations, minority and women's community organizations and other appropriate organizations to seek qualified local residents, minorities and females (a list of these organizations may be provided by the UG upon request); and

3. working with the UG to promote diversity and inclusion in all aspects of the Project.

b. Employment Procedures

Developer shall implement equal employment opportunity hiring and job action procedures as that term is commonly understood.

B. Development and Construction Utilization Plans

1. Developer Project Utilization Plan.

a. Fourteen (14) calendar days before the solicitation of the first proposal for the Construction of the Project, Developer will submit a Project Utilization Plan to the UG for review and approval. This Plan shall set forth: all categories of work that will be covered within solicitations that Developer or its contractors intend to issue for all
Construction, an estimate of the dollar value of all work covered by these solicitations and an estimate of the dollar value of work within each identified work category; the dollar value of the work for each identified work category that is projected to be performed by LBEs, MBEs and WBEs; the potential joint ventures with LBEs, MBEs and WBEs within each identified work category; an overall schedule of all work projected to be performed, related to the design, development and construction of the Project laid out sequentially over time; and the actions Developer intends to take, with respect to each of these solicitations, to make its best efforts to meet the goals set forth in Section III.A.1.a. of this Exhibit.

b. Developer, in the Utilization Plan, shall designate one person as the project manager to serve as the point of contact with the UG on all matters related to the Utilization Plan. The name, address (including e-mail address if available) and phone number of the designated person shall be provided.

c. The goals of Section III.A.1.a. may be met by the expenditure of dollars with approved LBE, MBE or WBE prime contractors, material suppliers, subcontractors, or through joint ventures with approved LBEs, MBEs or WBEs.

1. The participation of certified MBE and WBE Proposers may count toward each goal for which they qualify, and the participation may be divided between two goals but may not be double-counted. These prime Proposers shall receive credit towards the goals for the dollar value of the contract.

2. Approved or Certified MBE, and WBE and/or qualified LBE material suppliers, regular dealers and manufacturers shall be credited towards the goals for the dollar value of the contract.

3. A joint venture involving an approved LBE, MBE or WBE as a partner, may be counted towards the applicable goal only to the extent of the dollar amount that the approved LBE, MBE or WBE is responsible for and at risk, except, however, if the LBE/MBE/WBE is the majority partner in the joint venture, the entire joint venture contract amount shall be counted, less any work subcontracted to the non LBE/MBE/WBE joint venture partner. To receive credit, the approved LBE, MBE or WBE must be responsible for a clearly defined portion of the work, profits, risks, assets and liabilities of the joint venture.

4. Participation by a certified MBE owned by a minority woman may be counted as MBE participation or as WBE participation, however, this participation cannot be double-counted. A certified MBE or WBE may also be counted towards the LBE goal, if qualified as a LBE. The amount of participation by these businesses may be divided between the MBE or the WBE goals but may not be double-counted. A qualified LBE that is certified as a MBE and WBE shall be counted toward the LBE and the MBE or WBE goals, but shall not be counted toward both the MBE and WBE goals.

5. Only the participation of LBEs, MBEs and WBEs that provides a commercially useful function required for the work of the specific solicitation shall be counted toward achievement of the goals. The LBE, MBE or WBE must be responsible for the execution of a distinct element of the work by actually
performing, managing, or supervising its function in the work identified in the solicitation. Brokering is not credited. Purchases from LBEs, MBEs and WBEs that constitute indirect or general overhead costs to a projected Proposer's business may not be counted toward the goals. Costs directly incurred solely to perform the work with respect to a project contract may be counted toward the goals.

2. Evaluation of Utilization Plans.

a. The UG will review Developer Project Utilization Plan respecting each category of work identified by Developer. In conducting its review, the UG shall evaluate the extent to which the actions Developer proposes to take to meet the goals constitute good faith efforts, as set forth in Section III.C.3.b. below. In no event shall Developer or any of its contractors be required to engage any LBE, MBE or WBE that is not the low bidder or is not qualified or capable of performing the work to acceptable standards in the reasonable discretion of Developer.

b. Changes to the Utilization Plan are permitted after its submission to the UG upon submission of the same to the UG.

C. CONTRACT AWARD COMPLIANCE PROCEDURES

1. Solicitation Documents.

Five (5) calendar days before the issuance of each solicitation, Developer shall submit the solicitation documents and the bid list to the UG. This submittal is mandatory for each bid subject to L/M/WBE goals. The solicitation documents for each contract for which goals are established shall contain a description of the requirements set forth in this Exhibit; the LBE, MBE and WBE goals; and the areas of projected subcontracting.


Within seven (7) working days after the date set for receipt of proposals by each solicitation issued for Developer for the Construction of the Project, the Project Manager shall submit to the UG, on a form provided or approved by the UG, a Report of Solicitation Results (the "Report") fully describing all proposals received in response to the solicitation. The Report shall: (1) state the estimated total Dollar value of the work covered by the solicitation; (2) state the name of all Proposers; (3) state the total Dollar value of work covered by proposals submitted by approved LBEs, MBEs and/or WBEs (for both Construction and Professional Services); (4) provide all relevant information concerning each joint venture Proposer; and (5) state the name of all subcontractors to Proposers (to the extent then available), which are approved LBEs, MBEs and/or WBEs, and the Dollar value of work covered by proposed subcontracts between Proposers and LBEs, MBEs and/or WBEs. The Report shall also indicate to which of the Proposers, including joint venture Proposers, the Developer or any of its contractors is intending to award contracts resulting from the solicitation. In addition, with respect to any LBE, MBE, or WBE goal established in the Developer Project Utilization Plan that it appears from the proposals received will not be met, Developer shall include in the Report a precise description of all efforts it has undertaken or caused to be undertaken to meet the established goals. These submittals are mandatory for all solicitations subject to L/M/WBE goals.

3. UG Review of Developer's Report of Solicitation Results
a. Within seven (7) calendar days of receiving a Report of Solicitation Results for review, the UG, based on its review of the Report, shall advise Developer whether it appears that, in light of Developer's indication of the Proposers to whom it intends to award contracts, Developer will meet the goals set forth in the Utilization Plan or if not, whether Developer has established good faith efforts to meet these goals, and shall state the reasons for this conclusion, referring to the specific good faith efforts criteria contained in Section III.C.3.b. below. As a part of its review, the UG may ascertain whether LBE, MBE or WBE subcontractors agree with the dollar value of the work and the scope of the work, as identified in the proposal.

b. For each Utilization Plan goal that is not achieved, Developer shall be deemed to have used best efforts (“best efforts”) to meet the Utilization Plan goals for Construction and Professional Services set forth in Section III.A.1.a. of this Exhibit if Developer shall have taken substantially all the following actions:

1. Developer is seeking or has sought timely assistance of the UG to identify qualified LBEs, MBEs and WBEs;

2. Developer is advertising or has advertised contract opportunities in local, minority and women media;

3. Developer is providing or has provided reasonable written notice of opportunities or informational meetings to approved LBEs, MBEs and WBEs;

4. Developer is following up or has followed up initial solicitations of interest by contacting LBEs, MBEs and WBEs;

5. Developer is segmenting or has segmented portions of the work to increase the likelihood of LBE, MBE and WBE participation, where feasible;

6. Developer is or has provided interested LBEs, MBEs and WBEs with timely and accurate information about the plans, specification, requirements, deadlines, and bidding procedures of the contracts;

7. Developer is negotiating or has negotiated in good faith with interested LBEs, MBEs and WBEs, not rejecting them as unqualified without sound reasons, based on a thorough review of their capabilities and prior work history; and

8. Developer is or has worked with local, minority and women contracting, professional, civic and community organizations, government officers and any other organization or persons, as identified by the UG, that provide assistance in the recruitment of LBEs, MBEs and WBEs.

Failure by the Developer to take all of the foregoing actions shall not be determinative that Developer has not used its best efforts.

4. **Signed Contracts.**

Signed contracts between Developer or any its contractors and successful Proposers shall be submitted to the UG within thirty (30) days after execution thereof. If a LBE, MBE or WBE
subcontractor fails to sign a contract after two requests by the Proposer, Developer may request to substitute the subcontractor.

D.  **SUBCONTRACTOR RELATIONS**

1.  **Documentation of Subcontracting Agreements.**

   All subcontracting services shall be evidenced by a written agreement stating, at a minimum, the scope of work to be performed and the amount to be paid for performance of the work. Unit price subcontracts are acceptable if appropriate to the type of work being performed.

2.  **Documentation of Schedules.**

   a.  For construction contracts, the contractor must present a work schedule that includes when the LBE, MBE and WBE subcontractors will be utilized at the job site. This schedule is due on or before the pre-construction meeting with the UG and the project manager representing Developer.

   b.  For Professional Services contracts, Developer must present a written schedule of when the LBE, MBE and WBE consultants will be working on the Project. Such schedule must be submitted prior to June 1, 2010.

3.  **Substitutions, Additions or Deletions.**

   **Submission of Notice of Change.** Where a substitution for a LBE, MBE or WBE subcontractor must occur after submission of proposals by Developer to the UG, pursuant to Section III.C.2., Developer's project manager must submit notice of the change or substitution to the UG. The UG shall have no authority to approve or reject any change or substitution. The sole purpose of the review by the UG shall be to determine whether the LBE, MBE or WBE should be counted toward achievement of the goals of Section 111.A.1.a.

IV.  **UG'S ASSISTANCE TO DEVELOPER**

The UG will, at its cost, provide assistance to Developer in fulfilling its obligations, as set forth in this Exhibit and with respect to procedures described herein. Examples of assistance the UG may provide include but are not limited to:

1.  providing information and technical assistance to the UG, Developer and its contractors, LBEs, MBEs, WBEs, officials and other interested persons about the Project;

2.  coordinating and conducting workshops on the Project's certification and contracting processes;

3.  maintaining a list of registered firms;

4.  assisting with identifying potential LBEs, MBEs, and WBEs and reviewing their qualifications to participate in the Improvements;

5.  updating the UG and Developer on current or proposed affirmative action legislation that may affect the Improvements;

6.  recommending contract specific goals, as appropriate;
7. providing assistance in pre-award activities, such as provision of model or example Utilization Plans and work segmentation;

8. reviewing Developer and contractor performance and LBE, MBE and WBE participation on the Project, including site visits, and/or phone or desk audits to provide input on whether subcontractors listed are performing the work described in the Utilization Plan;

9. providing advice relative to Project utilization and compliance matters;

10. conducting compliance reviews and audits of LBE, MBE and WBE and participation;

11. evaluating requests for substitutions, additions and deletions;

12. assisting the UG and Developer in addressing issues related to the goals and procedures set forth in this Exhibit;

13. reviewing payments to subcontractors, as documented by monthly reports submitted by Developer.

14. reviewing complaints from LBEs, MBEs WBEs, contractors and any other interested persons regarding these goals and procedures;

15. assisting in Developer's development of forms to document compliance with these procedures; and

16. review and approve utilization plans and contract award submittals

V. DEVELOPER COMPLIANCE RECORDS AND REPORTS.

A. Records. Developer shall maintain those records as may reasonably be required to demonstrate compliance with the goals and procedures set forth in this Exhibit. These records shall be available to the UG upon reasonable notice.

B. Development and Construction Utilization Plan Reports. Developer shall update the Project Utilization Plan quarterly on the form attached hereto as Attachment B or another form provided or approved by the UG and shall include information requested thereon. In addition, each quarterly report shall include the following for each LBE, MBE or WBE whose participation is utilized by Developer to be applied to the goals set forth herein: business name and address of each LBE, MBE and WBE and a brief description of the work to be performed by each. Developer also shall document the change orders to contracts awarded in each quarterly report.

VII. PROJECT COMPLIANCE EVALUATION.

A. Five Year Review. Commencing on the fifth year following the opening of the Project and every five years thereafter, Developer may, at its sole cost and expense, retain an independent consultant qualified to evaluate the goals expressed herein for purposes of determining whether the goals stated herein continue to be reasonable and achievable (the “Five Year Review”). If, based upon the consultant's analysis, the consultant recommends that any of the goals contained herein should be modified, Developer shall certify the Five Year Review to the UG and the applicable goal shall automatically be revised.
B. Remedies. If, after reviewing Developers reports, UG believes that the participation goals contained in this Exhibit have not been met, and that the good faith efforts described herein have not been met, then the UG shall inform Developer of this determination in writing. Remedies shall be available as set forth in Section 9.03 of the Development Agreement.

UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS

By: ________________________________  
Dennis M. Hays, County Administrator  
Dated: ________________, 2012

ARGENTINE COMMERCIAL, INC.

By: ________________________________  
Dated: ________________, 2012
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## L/M/WBE Utilization Report

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### Bid Package #2

<table>
<thead>
<tr>
<th>Original Contract Value</th>
<th>Original Contract Value Excluding CCIP</th>
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### Bid Package #3

<table>
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<tr>
<th>Original Contract Value</th>
<th>Original Contract Value Excluding CCIP</th>
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### Bid Package #4

<table>
<thead>
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<th>Original Contract Value</th>
<th>Original Contract Value Excluding CCIP</th>
<th>$</th>
<th>%</th>
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### Bid Package #5

<table>
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<th>Original Contract Value</th>
<th>Original Contract Value Excluding CCIP</th>
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<th>%</th>
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</tbody>
</table>
## Attachment C

**LBE/MBE/WBE COMPLIANCE**

**SUMMARY REPORT**

**EXPENDITURES FOR REPORTING PERIOD**

<table>
<thead>
<tr>
<th>GOODS SUPPLIES and OTHER SERVICES</th>
<th>Total</th>
<th>Class</th>
<th>Percent</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total $ Awarded</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Total $ Expended</td>
<td></td>
<td></td>
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<tr>
<td>Total $ MBE</td>
<td></td>
<td></td>
<td>% MBE</td>
<td></td>
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<tr>
<td>Total $ WBE</td>
<td></td>
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<td>% WBE</td>
<td></td>
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<tr>
<td>Total $ M/WBE</td>
<td></td>
<td></td>
<td>% M/WBE</td>
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</tbody>
</table>
MINORITY AND WOMEN EMPLOYEES

List the name, address, trade, classification, date hired, sex and ethnic origin for each minority/women employed by your company.

<table>
<thead>
<tr>
<th>Name &amp; Address</th>
<th>Trade</th>
<th>Classification</th>
<th>Date Hired</th>
<th>Sex</th>
<th>Ethnic Origin</th>
</tr>
</thead>
<tbody>
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</tbody>
</table>
**EXHIBIT J**

**REVENUES CHART**

<table>
<thead>
<tr>
<th>Real Estate Taxes (TIF)</th>
<th>Sales &amp; Transient Taxes (Non-TIF)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Taxes on Base Assessed Value of $51,550 will flow thru to taxing jurisdictions as</td>
<td>1. Base set at $0 for UG sales taxes</td>
</tr>
<tr>
<td>they do now</td>
<td>2. 1.000% of City 1.625% general sales tax</td>
</tr>
<tr>
<td>2. 100% of increment for Years 1-20</td>
<td>3. The entire UG portion of the County</td>
</tr>
<tr>
<td></td>
<td>1.000% general sales tax</td>
</tr>
</tbody>
</table>
## EXHIBIT K

### ASSESSED VALUE SCHEDULE

<table>
<thead>
<tr>
<th>TIF Year</th>
<th>Projected Assessed Value (Sav-A-Lot Parcel)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>$ 149,120</td>
</tr>
<tr>
<td>2014</td>
<td>$ 152,102</td>
</tr>
<tr>
<td>2015</td>
<td>$ 155,144</td>
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<tr>
<td>2016</td>
<td>$ 158,247</td>
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<tr>
<td>2017</td>
<td>$ 161,412</td>
</tr>
<tr>
<td>2018</td>
<td>$ 164,641</td>
</tr>
<tr>
<td>2019</td>
<td>$ 167,933</td>
</tr>
<tr>
<td>2020</td>
<td>$ 171,292</td>
</tr>
<tr>
<td>2021</td>
<td>$ 174,718</td>
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<tr>
<td>2022</td>
<td>$ 178,212</td>
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<tr>
<td>2023</td>
<td>$ 181,776</td>
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<tr>
<td>2024</td>
<td>$ 185,412</td>
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<tr>
<td>2025</td>
<td>$ 189,120</td>
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<tr>
<td>2026</td>
<td>$ 192,903</td>
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<tr>
<td>2027</td>
<td>$ 196,761</td>
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<td>2028</td>
<td>$ 200,696</td>
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<tr>
<td>2029</td>
<td>$ 204,710</td>
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<tr>
<td>2030</td>
<td>$ 208,804</td>
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<tr>
<td>2031</td>
<td>$ 212,980</td>
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</tbody>
</table>
Economic Development

Goal: Foster an environment in which small and large businesses thrive, jobs are created, redevelopment continues, tourism continues to grow and businesses locate in the community.

I. Short Term
   A. Identify redevelopment strategy for Fairfax.

   B. Develop a strategy to attract “white collar” and technology/google related business opportunities in Wyandotte County.

   C. Market new NRA policy regarding the focus on small businesses and all available tools

   D. Create a website presence that outlines all available incentives for small and large businesses and retail, commercial, industrial and residential developments.

   E. Evaluate revolving loan fund policies to promote more use.

II. Long Term
   A. Develop a commercial component for the land bank to foster business development in addition to housing development

   B. Re-evaluate the role of local/minority/women business and prevailing wage regarding smaller projects to determine whether such a requirement affects their ability to succeed

   C. Define the Unified Government’s role in a business incubator, focusing on financial incentives, business support, partnerships with educational institutions, and funding

   D. Create an economic development policy that has long-term/sustainable components that extend beyond abatement periods