
**PETITION FOR ESTABLISHMENT OF THE
HILLCREST COMMUNITY IMPROVEMENT DISTRICT
CITY OF KANSAS CITY, MISSOURI**

**PETITION FOR THE CREATION OF THE
HILLCREST COMMUNITY IMPROVEMENT DISTRICT**

To the Mayor and City Council of the City of Kansas City, Missouri:

The undersigned real property owner (the “Petitioner”), pursuant to RSMo Section 67.1421, being the owner of:

- (1) more than fifty percent (50%) by assessed value of the real property; and
- (2) more than fifty percent (50%) per capita of all owners of real property

within the boundaries of the hereinafter described proposed community improvement district, does hereby petition and request that the City Council of the City of Kansas City, Missouri create a community improvement district as described herein under the authority of Sections 67.1401 to 67.1571, RSMo (the “CID Act”). In support of this petition, the Petitioner sets forth the following information in compliance with the CID Act:

1. District Name. The name for the proposed community improvement district (“CID” or “District”) is:

HILLCREST COMMUNITY IMPROVEMENT DISTRICT.
2. Legal Description and Map. A legal description and map generally depicting the boundaries of the proposed District are attached hereto as **Exhibit A** and **Exhibit B**, respectively. The proposed district consists of 155.954 +/- acres and is located entirely within the City of Kansas City, Missouri.
3. Five-Year Plan. A five-year plan as required by the CID Act is attached hereto as **Exhibit C** (the “Five Year Plan”).
4. Form of District. The proposed district will be established as a political subdivision of the State of Missouri under the CID Act.
5. Board of Directors.
 - a. Number. The District shall be governed by a Board of Directors (the “Board”) consisting of five (5) members, whom shall be appointed in accordance with this petition.
 - b. Qualifications. Each Member of the Board (“Director”) shall meet the following requirements:
 - (1) be at least 18 years of age;
 - (2) be and must declare to be either an owner of real property within the District (“Owner”) or an authorized representative of an Owner, an owner of a business operating within the District (“Operator”), or a registered voter (“Resident”) residing within the District, as provided in the CID Act;
 - (3) be and have been a resident of the State of Missouri for at least one year immediately preceding the date upon which he or she takes office in accordance with Article VII, Section 8 of the Missouri Constitution; and
 - (4) except for the initial directors named in this Petition, be appointed according to a slate submitted as described in this Petition.

c. Initial Directors. The initial directors (“Initial Directors”) and their respective terms shall be:

- i. David Corey Owen - Owner’s Representative, four (4) year term
- ii. Bill Jackoboice - Owner’s Representative, four (4) year term
- iii. Kevin O’Connor - Owner’s Representative, two (2) year term
- iv. Jon Bortnick - Owner’s Representative, two (2) year term
- v. Jimmy Connell* – Owner’s Representative, two (2) year term

If there are no registered voters residing in the District on the date this Petition is filed with the City Clerk, at least one Director must be a resident of Kansas City, Missouri that is registered to vote, has no financial interest in any real property or business within the District, and is not related (second degree blood or marriage) to any owner of real estate or any business in the CID. The Director(s) identified with an “*” above satisfy such additional qualification requirements.

d. Terms. Initial Directors shall serve for the term set forth above. Each Successor Director shall serve a four (4) year term or until his/her successor is appointed in accordance with this Petition. If, for any reason, a Director is not able to serve his/her term, the remaining Directors shall elect an Interim Director to fill the vacancy of the unexpired term.

Notwithstanding anything to the contrary, any Director’s failure to meet the qualification requirements set forth above, either in a Director’s individual capacity or in a Director’s representative capacity, shall constitute cause for the Board to take appropriate action to remove said Director.

e. Successor Directors. Successor Directors shall be appointed by the Mayor with the consent of the City Council by resolution approved by the Board. Upon receipt of a slate of Successor Directors, the City of Kansas City, Missouri’s City Clerk (the “City Clerk”) shall promptly deliver the slate to the Mayor for consideration by the City Council. The slate shall serve as a non-binding recommendation of persons to be appointed by the Mayor.

6. Assessed Value. The total assessed value of all real property in the District is approximately \$1,025,929.

7. Duration of District. The proposed length of time for the existence of the District is twenty-seven (27) years from the date the Petition is approved and an ordinance is passed establishing the District to assist in the remediation of blight within the District as permitted under Sec. 74-302(b) of the City’s Code of Ordinances. The District may be terminated prior to the end of such term in accordance with the provisions of the CID Act and this Petition, and said term shall not be extended unless a new petition is submitted and approved pursuant to the terms of the CID Act.

8. Real Property and Business License Taxes. The District will not have the power to impose a real property tax levy or business license taxes.

9. Special Assessments. The District will not have the power to impose special assessments.

10. Sales Tax. Qualified voters of the District may be asked to approve a sales tax of up to one percent (1%) (“District Sales Tax”), in accordance with the CID Act, to fund certain improvements within the District and/or to pay the costs of services provided by the District. Additional details about the District Sales Tax

are set forth in the Five Year Plan attached hereto as **Exhibit C**. The Five Year Plan illustrates how the proceeds generated by the District Sales Tax shall be used to remediate blight. Primarily, District Sales Tax proceeds shall be spent towards exterior building, landscaping, and hardscape costs incurred in the reconstruction of a golf course.

11. **Borrowing Limits**. Petitioner does not seek limitations on the borrowing capacity of the District.
12. **Revenue Limits**. Petitioner does not seek limitations on the revenue generation of the District.
13. **Future Five Year Plans**. The District shall submit future Five (5) Year Plans meeting the requirements of Section 67.1421.2(3)(d), RSMo (as amended or replaced from time to time) to the City for comment and review no earlier than 180 days and no later than 90 days prior to the expiration of each then-current Five (5) Year Plan.
14. **Authority Limits**. Petitioner does not seek limitations on the authority of the District, except as set forth in this Petition.
15. **Blight**. Petitioner is requesting the City Council make a determination that the proposed District is a blighted area. Pursuant to Sec. 74-302(c) of the City's Code of Ordinances, the Petition is providing the following information as required for a blight determination:

(1) the Petitioner has owned the property contained within the District since March 5, 2024. Since taking ownership of the District, Petitioner has worked to remove any known illegal trespassers and take measure to discourage illegal activities occurring within the District. Provided that, the damages caused by these illegal activities remain and the illegal activities cannot be completely alleviated until work is completed to alleviate blighted conditions. The Petitioners did not own the Property in the time prior to March 5, 2024, so cannot advise as to maintenance of the District prior to this date;

(2) Documentation notarized by the County identifying the assessed valuation of the District will be submitted concurrently with this Petition to the City;

(3) See **Exhibit A** of the Five Year Plan (attached as **Exhibit C** below); and

(4) Timing required to remediate blight factors anticipated as follows:

(a) Insanitary or Unsafe Conditions: Estimated commencement in Q4-Q1 of 2025-2026 and completion in Q4-Q5 of 2026-2027; and

(b) Deterioration of Site Improvements: Estimated commencement in Q4-Q1 of 2025-2026 and completion in Q4-Q5 of 2026-2027.

16. **Right to Terminate**. The property owners within the District shall have the right to petition the City Council to terminate the District at any time in accordance with the CID Act.
17. **City Auditor Right to Audit**. The City Auditor shall have the right to examine or audit the books and records of the District and the District shall make such records available to the city auditor within ten days after a written request for the same is made.
18. **Public Benefit/Purpose**. As required under Sec. 74-302(a) of the City's Code of Ordinances, the public benefit provided by the District is remediation of blight and completion of exterior improvements.

Pursuant to Section 67.1461.2(2), RSMo, the District involves the revitalization of a continuously distressed census tract through re-birth of one of Kansas City's most historic golf courses, which, among other associated benefits, is anticipated to increase sales tax generation through retail sales, attract out of state tourists to participate in golf tournaments, feature high profile names as members of the golf course, eliminate criminal activity now present within the District, and attract additional redevelopment and investment into a part of the City that has not seen adequate investment and new life, all of which serves a public purpose.

19. **Revocation of Signatures. THE PETITIONER ACKNOWLEDGES THAT THE SIGNATURE OF THE SIGNER OF THIS PETITION MAY NOT BE WITHDRAWN FROM THIS PETITION LATER THAN SEVEN (7) DAYS AFTER THE FILING HEREOF WITH THE CITY CLERK.**

WHEREFORE, Petitioner respectfully requests that the City Council establish the requested Hillcrest Community Improvement District in accordance with the information set forth in this Petition and that the Mayor appoint and the City Council consent to the proposed members for the Board of Directors as set forth in this Petition and take all other appropriate and necessary action that is consistent with the CID Act to establish the requested district.

**EXECUTION PAGES FOR PETITION FOR THE CREATION OF THE
HILLCREST COMMUNITY IMPROVEMENT DISTRICT**

Name of owner: 635 Holdings, LLC

Owner's address: 635 W 56TH ST KANSAS CITY, MO 64113

Owner's telephone number: 913-263-4400

IF SIGNER IS DIFFERENT FROM OWNER:

Name of signer: Robb Heineman

Title: Authorized Signatory

Signer's telephone number: 913-263-4400

Signer's mailing address: 635 W 56TH ST KANSAS CITY, MO 64113

If owner is an individual: _____ Single _____ Married

If owner is not an individual, state what type of entity (Mark Applicable Box):

<input type="checkbox"/>	Corporation	<input type="checkbox"/>	General Partnership
<input type="checkbox"/>	Limited Partnership	<input checked="" type="checkbox"/>	Limited Liability Company
<input type="checkbox"/>	Partnership	<input type="checkbox"/>	Urban Redevelopment Corporation
<input type="checkbox"/>	Not-for-Profit Corporation	<input type="checkbox"/>	Other

Map and parcel number:

Parcel Number
46-810-02-04-00-0-00-000 (Assessed Value = \$904)
46-810-02-06-00-0-00-000 (Assessed Value = \$35,073)
46-810-02-05-00-0-00-000 (Assessed Value = \$164,483)
46-840-01-01-00-0-00-000 (Assessed Value = \$138,989)
46-840-01-02-00-0-00-000 (Assessed Value = \$686,480)

Total approximate Assessed value of District: \$1,025,929

[Signature follows on separate page.]

By executing this petition, the undersigned represents and warrants that he is authorized to execute this petition on behalf of the property owner named immediately below.

635 HOLDINGS, LLC,
a Missouri limited liability company

By:

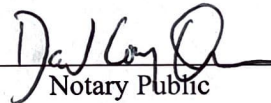


Robb Heineman, Authorized Signatory

STATE OF Missouri)
) ss:
COUNTY OF Jackson)

On this ____ day of _____, 2025, before me appeared Robb Heineman, to me personally known, who, being by me duly sworn did say that he is the Authorized Signatory of 635 HOLDINGS, LLC, a Missouri limited liability company, and that said instrument was signed on behalf of said limited liability company, and said limited liability company acknowledged said instrument to be the free act and deed of said entity.

WITNESS my hand and official seal this 21 day of October, 2025.


Notary Public

My Commission Expires: 1-17-2027

DAVID COREY OWEN
Notary Public, Notary Seal
State of Missouri
Jackson County
Commission # 23689070
My Commission Expires 01-17-2027

EXHIBIT A

Legal Description of the Hillcrest Community Improvement District

ALL THAT PART OF THE SOUTHWEST QUARTER OF SECTION 13 AND THAT PART OF THE SOUTHEAST QUARTER AND THE NORTHEAST QUARTER OF SECTION 14, TOWNSHIP 48, RANGE 33, KANSAS CITY, JACKSON COUNTY, MISSOURI, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 14; THENCE ALONG THE NORTH LINE OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 14, NORTH 90° 00' 00" WEST (DEED = WEST), 220.00 FEET; THENCE PARALLEL WITH THE EAST LINE OF THE SOUTHWEST QUARTER OF SAID NORTHEAST QUARTER, SOUTH 00° 24' 41" EAST (DEED = SOUTH), 1123.50 FEET; THENCE SOUTH 79° 44' 28" WEST, 1117.33 FEET (DEED = SOUTH 80° 10' WEST, 1113.7 FEET) TO THE CENTER OF SAID SECTION 14; THENCE ALONG THE WEST LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 14, SOUTH 00° 36' 33" EAST (DEED = SOUTH), 700 FEET; THENCE SOUTH 57° 16' 48" EAST, 719.31 FEET (DEED = SOUTH 66° 42' EAST, 720.3 FEET); THENCE SOUTH 29° 27' 13" EAST, 1166.5 FEET (DEED = SOUTH 29° EAST, 1166.1 FEET); THENCE SOUTH 08° 58' 41" EAST, 630.37 FEET (DEED = SOUTH 08° 30' EAST) TO A POINT 25 FEET NORTH OF THE SOUTH LINE OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION 14; THENCE PARALLEL WITH THE SOUTH LINE OF SAID QUARTER QUARTER SECTION, SOUTH 89° 49' 07" EAST, 1292.39 FEET (DEED = SOUTH 87° 01' 36" EAST, 1292.92 FEET) TO A POINT ON THE WEST RIGHT-OF-WAY LINE OF HILLCREST ROAD AS DESCRIBED IN COUNTY ROAD RECORD BOOK 3 AT PAGE 383; THENCE ALONG THE WEST RIGHT-OF-WAY LINE OF SAID HILLCREST ROAD THE FOLLOWING COURSES AND DISTANCES: NORTH 00° 31' 05" WEST, 1467.78 FEET; THENCE NORTH 20° 52' 06" EAST, 223.72 FEET; THENCE NORTH 08° 52' 06" EAST, 128.40 FEET; THENCE NORTH 15° 07' 54" WEST, 161.05 FEET; THENCE NORTH 50° 07' 54" WEST, 306.33 FEET; THENCE NORTH 17° 07' 54" WEST, 466.61 FEET; THENCE NORTH 08° 16' 00" WEST, 218.05 FEET; THENCE NORTH 13° 44' 00" EAST, 155.24 FEET; THENCE NORTH 22° 14' 00" EAST, 481.90 FEET; THENCE NORTH 31° 44' 00" EAST, 213.99 FEET; THENCE NORTH 03° 46' 01" WEST, 347.37 FEET TO A POINT ON THE NORTH LINE OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 14; THENCE ALONG THE NORTH LINE OF SAID QUARTER QUARTER SECTION, NORTH 90° 00' 00" WEST (DEED = WEST), 1272.90 FEET TO THE POINT OF BEGINNING.

AS ALSO DESCRIBED AS FOLLOWS:

ALL THAT PART OF THE SOUTHWEST QUARTER OF SECTION 13, TOWNSHIP 48 NORTH, RANGE 33 WEST, AND ALL THAT PART OF THE EAST HALF OF SECTION 14, TOWNSHIP 48 NORTH, RANGE 33 WEST, BEING IN KANSAS CITY, JACKSON COUNTY, MISSOURI, AS HEREIN DESCRIBED BY TIMOTHY BLAIR WISWELL, PROFESSIONAL LAND SURVEYOR NO. 2009000067, OF OLSSON, INC. AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 14-T48N-R33W; THENCE SOUTH 87 DEGREES 17 MINUTES 22 SECONDS EAST, ON THE NORTH LINE OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 14-T48N-R33W, A DISTANCE OF 1272.63 FEET, TO A POINT ON THE WEST RIGHT-OF-WAY LINE OF HILLCREST ROAD, AS ESTABLISHED IN BOOK 3 AT PAGE 383; THENCE SOUTH 01 DEGREES 03 MINUTES 20 SECONDS EAST, ON SAID WEST RIGHT-OF-WAY LINE, A DISTANCE OF 347.83 FEET, TO A POINT; THENCE SOUTH 34 DEGREES 26 MINUTES 41 SECONDS WEST, CONTINUING ON SAID WEST RIGHT-OF-WAY LINE, A DISTANCE OF 213.99 FEET, TO A POINT; THENCE SOUTH 24 DEGREES 56 MINUTES 41 SECONDS WEST, CONTINUING ON SAID WEST RIGHT-OF-WAY LINE, A DISTANCE OF 481.90 FEET, TO A POINT; THENCE SOUTH 15 DEGREES 59 MINUTES 18 SECONDS WEST, CONTINUING ON SAID WEST RIGHT-OF-WAY LINE, A DISTANCE OF 154.28 FEET, TO A POINT; THENCE SOUTH 05 DEGREES 09 MINUTES 41 SECONDS EAST, CONTINUING ON SAID WEST RIGHT-OF-WAY LINE, A DISTANCE OF 218.49 FEET, TO A POINT; THENCE SOUTH 14 DEGREES 25 MINUTES 13 SECONDS EAST, CONTINUING ON SAID WEST RIGHT-OF-WAY LINE, A DISTANCE OF 466.61 FEET, TO A POINT; THENCE SOUTH 47 DEGREES 25 MINUTES 13 SECONDS EAST, CONTINUING ON SAID WEST RIGHT-OF-WAY LINE, A DISTANCE OF 306.33 FEET, , TO A POINT; THENCE SOUTH 12 DEGREES 25 MINUTES 13 SECONDS EAST, CONTINUING ON SAID WEST RIGHT-OF-WAY LINE, A DISTANCE OF 161.05 FEET, TO A POINT; THENCE SOUTH 11 DEGREES 34 MINUTES 47 SECONDS WEST, CONTINUING ON SAID WEST RIGHT-OF-WAY LINE, A DISTANCE OF 128.40 FEET, TO A POINT; THENCE SOUTH 23 DEGREES 34 MINUTES 47 SECONDS WEST, CONTINUING ON SAID WEST RIGHT-OF-WAY LINE, A DISTANCE OF 223.99 FEET, TO A POINT; THENCE SOUTH 02 DEGREES 11 MINUTES 55 SECONDS WEST, CONTINUING ON SAID WEST RIGHT-OF-WAY LINE, A DISTANCE OF 1467.13 FEET, TO THE POINT OF INTERSECTION OF THE WEST RIGHT-OF-WAY LINE OF SAID HILLCREST ROAD AND THE NORTH RIGHT-OF-WAY LINE OF E. 83RD STREET, AS ESTABLISHED IN BOOK K-1620 AT PAGE 1038; THENCE NORTH 87 DEGREES 06 MINUTES 07 SECONDS WEST, ON SAID NORTH RIGHT-OF-WAY LINE, A DISTANCE OF 1292.02 FEET; THENCE NORTH 06 DEGREES 17 MINUTES 45 SECONDS WEST, DEPARTING THE NORTH RIGHT-OF-WAY LINE OF SAID E. 83RD STREET, A DISTANCE OF 630.46 FEET, TO A POINT; THENCE NORTH 26 DEGREES 44 MINUTES 03 SECONDS WEST, A DISTANCE OF 1166.36 FEET, TO A POINT; THENCE NORTH 64 DEGREES 33 MINUTES 39 SECONDS WEST, A DISTANCE OF 718.86 FEET, TO A POINT ON THE WEST LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 13-T48N-R33W; THENCE NORTH 02 DEGREES 05 MINUTES 48 SECONDS WEST, ON SAID WEST LINE, A DISTANCE OF 700.16 FEET, TO THE CENTER OF SAID SECTION 13-T48N-R33W; THENCE NORTH 82 DEGREES 27 MINUTES 19 SECONDS EAST, DEPARTING SAID WEST LINE, A DISTANCE OF 1117.28 FEET, TO A POINT; THENCE NORTH 02 DEGREES 17 MINUTES 58 SECONDS EAST, A DISTANCE OF 1123.34 FEET, TO A POINT ON THE NORTH LINE OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 13-T48N-R33W; THENCE SOUTH 87 DEGREES 17 MINUTES 22 SECONDS EAST, ON THE NORTH LINE OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 13-T48N-R33W, A DISTANCE OF 220.07 FEET, TO THE POINT OF BEGINNING, CONTAINING 6,793,355 SQUARE FEET, OR 155.9540 ACRES, MORE OR LESS.

Parcel Numbers included in Hillcrest Community Improvement District
46-810-02-04-00-0-00-000
46-810-02-06-00-0-00-000
46-810-02-05-00-0-00-000
46-840-01-01-00-0-00-000
46-840-01-02-00-0-00-000

EXHIBIT B

General Boundary Map of the Hillcrest Community Improvement District

The District boundary includes all parcels numbered below 1-5.

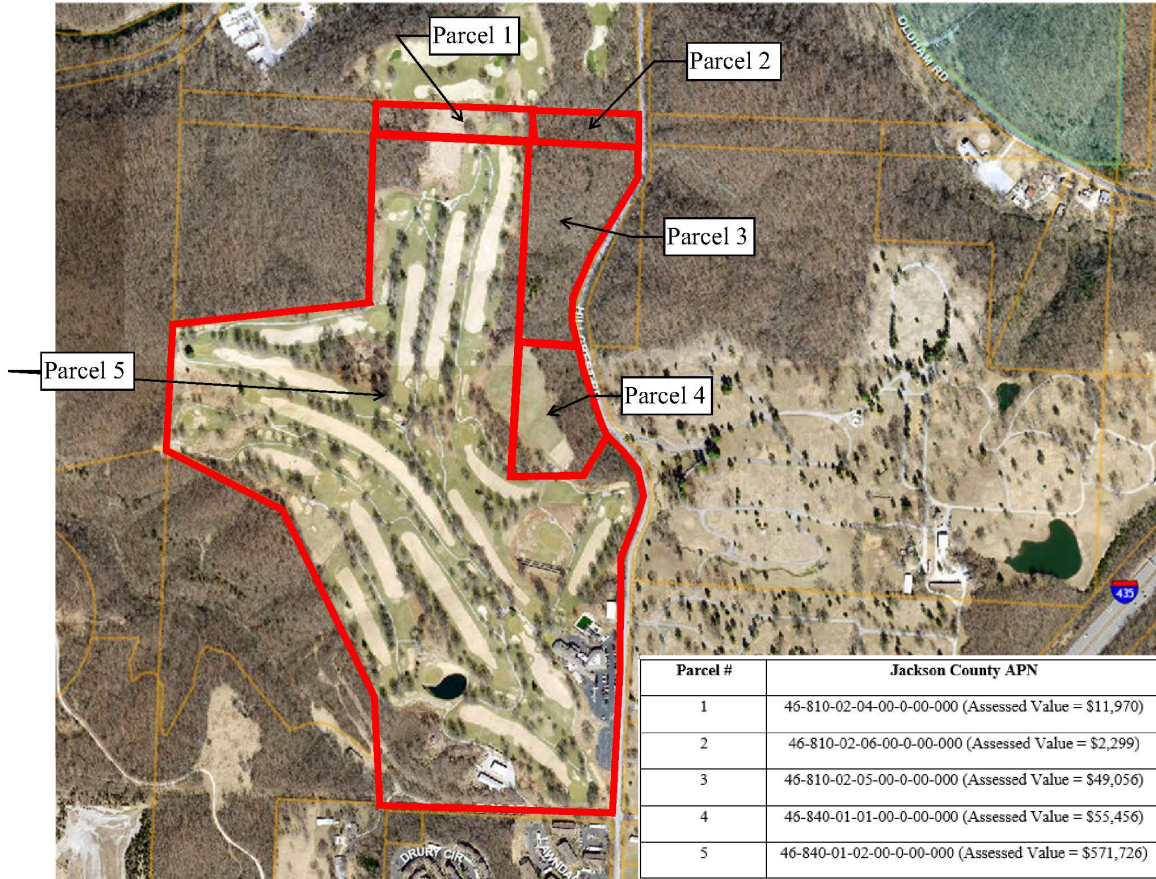


EXHIBIT C
FIVE YEAR PLAN

(Attached)

FIVE YEAR DISTRICT MANAGEMENT PLAN

OF THE

HILLCREST COMMUNITY IMPROVEMENT DISTRICT

CITY OF KANSAS CITY, MISSOURI

The information and details outlined in the following pages represent the strategies, and activities that it is anticipated will be undertaken during the initial five-year duration of the Hillcrest Community Improvement District in Kansas City, Missouri. It is an integral and composite part of the petition to establish the Hillcrest Community Improvement District.

Introduction

The Hillcrest Community Improvement District (the “District”) is created pursuant to Section 67.1401 through 67.1571 of the Revised Statutes of Missouri (the “CID Act”). Section 67.1421, RSMo, requires that the petition for the creation of the District be accompanied by a five-year plan which includes a description of the purposes of the proposed district, the services it will provide, the improvements it will make and an estimate of the costs of these services and improvements to be incurred. This Five-Year District Management Plan (the “Plan”) is intended to satisfy this statutory requirement, and is appended to the Petition for Formation of the District as an integral part thereof.

Section 1 - Why Create a Community Improvement District?

The District will encompass a 155.954 +/- acre plot of land located northwest of the intersection of 83rd Street and Hillcrest Road in Kansas City, Missouri (the “Development”). The purpose of the District is to undertake certain improvements and services within the District, as discussed below, and to use or make available its revenue to pay the costs thereof, including without limitation debt service on any notes, bonds or other obligations issued and outstanding from time to time to finance all or any of such costs.

Section 2 - What is a Community Improvement District?

A community improvement district is an entity that is separate from the City of Kansas City, Missouri and is formed by the adoption of an ordinance by the City Council following a public hearing before the City Council regarding formation of the District. A CID may take the form of a political subdivision of the State of Missouri, or a nonprofit corporation that is formed and operated under Missouri corporation laws. CIDs are empowered to provide a variety of services and to construct and/or finance a number of different public improvements, and in a blighted area, private improvements, as set forth more particularly in the CID Act. CIDs derive their revenue from taxes and assessments levied within the boundaries of the CID. Such revenues are then used to pay the costs of the services or improvements. A CID is operated and managed by a board of directors, whose members may be appointed or elected. Board members serve for a designated period of time, and the Board positions are again elected or appointed at the expiration of each term as provided in the petition creating such CID.

Section 3 - Management Plan Summary

The District in this case will take the form of a separate political subdivision of the State of Missouri, which will be governed by a Board of Directors that will consist of five (5) members appointed by the Mayor of Kansas City with the consent of the City Council pursuant to a slate submitted in accordance with the Petition.

District Formation:

CID formation requires submission of signed petitions from a group of property owners:

- collectively owning more than fifty percent (50%) by assessed value of the real property within the District, and
- representing more than fifty percent (50%) per capita of all owners of real property within the District.

In this case, the Petition to which this Plan is attached has been signed by the owners of 100% of the assessed value and 100% of the per capita property owners within the District.

Location:

The Development is located northwest of the intersection of 83rd Street and Hillcrest Road in Kansas City, Missouri and consists of approximately 155.954 +/- acres, as more particularly described in the Petition.

Assessed Value of District:

The total assessed value of the property contained within the District on the date of the Petition is \$1,025,929.

Improvements and Services:

The purpose of the District is to provide funding to demolish, remove, and reconstruct a golf course clubhouse to provide exterior improvements including the following: roof exterior repairs, finish carpentry & exterior trim, wood siding, decorative exterior metals, exterior painting & staining, exterior tile, irrigation remediation & landscaping, signage, gutter & downspouts, retaining walls, site concrete, patio & stair rails, decking, bollards, knox box, flashing & sheet metals, exterior structure, and waterproofing (the “Improvements”), and the provision of certain services within the District’s boundaries as permitted by the CID Act, which is anticipated to include, for example, annual operating costs and the promotion of tourism and recreational activities within the District through advertising, and otherwise supporting business activity (the “Services”). The costs of the Improvements to be financed by the District shall include all costs associated with design, architecture, engineering, financing costs incurred to finance such Improvements, and legal and administrative costs of the same. The District may also provide funding for the District’s formation and its ongoing operation and administration costs on an annual basis.

It is also anticipated that all costs, including attorneys’ fees, associated with formation of the District, including, but not limited to, the preparation of the CID Petition, the negotiation and drafting of any agreements entered into upon formation of the District in furtherance of the District’s purposes, and the initial implementation of the District (“Formation Costs”) will be reimbursed to the advancing party, or paid directly, from funds generated by the District.

Method of Financing:

It is proposed that the District will impose a sales and use tax of up to one percent (1%) (the “District Sales Tax”), which is in addition to any other state, county or city sales and use tax. The District Sales Tax is payable on the same retail sales that are subject to taxation pursuant to Sections 144.010 to 144.525, RSMo, except sales of motor vehicles, trailers, boats or outboard motors, and sales to or by public utilities and providers of communications, cable, or video services. All costs of the District shall be financed in the manner and amount determined by the Board of Directors from the amounts on deposit with the CID. Amounts advanced to the District by the Petitioner, or its successors or assigns, to cover the costs contemplated hereunder will be reimbursed by the District upon the availability of funds. All financing costs, including interest costs, associated with any loan obtained by the District, or notes, bonds, or other obligations issued by the District to finance Improvements and/or Services may be paid from CID Sales Tax revenues.

Estimated Costs:

Attached as **Exhibit A** to this Plan is a table setting forth the estimated cost of the Improvements and the Services, and a table setting forth the projected cash flow for the first five years of the District’s existence. The anticipated sources of funds to pay for the Improvements and Services are the proceeds of private loans and equity to be invested by the Petitioner. The District Sales Tax will be applied to

reimburse the Petitioner for a portion of such costs. The anticipated term of such private sources of funds is 10-30 years, while the period of reimbursement from the District Sales Tax shall occur as described below in the Section titled “Duration.”

City Services:

The CID Act mandates that existing City services will continue to be provided within a CID at the same level as before the District was created (unless services are decreased throughout the City) and that District services shall be in addition to existing City services. The District anticipates that City services will continue to be provided within the District at the same level as before the District was created, and the District will not cause the level of City services within the District to diminish.

Duration:

The District will operate for a maximum term of twenty-seven (27) years from the date the Petition is approved and an ordinance is adopted establishing the District. Notwithstanding that the District is at the time providing Services, but subject to the contractual rights of any third parties, the District may be terminated prior to the end of such maximum term if the Improvements have been completed and the costs thereof paid for or reimbursed in full with CID Sales Tax revenue. The petition process must be repeated for the District to continue beyond such maximum term.

**Section 4
District Boundaries**

The legal description of the District is attached as Exhibit A to the Petition.

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

As explained above, during the first five years, the purpose of the District is to provide revenue sources in support of contracting with any private property owner to effectuate the Improvements, and providing or contracting for the Services.

**Section 6
Governing the Community Improvement District**

City Council:

Following the submission of the Petition, the City Council will conduct a public hearing and then consider an ordinance to create the District.

Board of Directors for District:

The District will be governed by a Board of Directors that will consist of five members appointed by the Mayor of Kansas City with the consent of the City Council pursuant to the terms of the Petition.

Annual Budget:

The District’s budgets will be proposed and approved annually, within the limitations set forth in this Plan, by the District’s Board of Directors. Budgets will be submitted annually to the City Council of the City of Kansas City for review and comment in accordance with the CID Act. The District will operate at all times in accordance with the District Rules and Regulations (Section 7) and the Bylaws of the

District. The fiscal year of the District shall coincide with the City's fiscal year which is May 1 through April 30.

Section 7
District Rules and Regulations

1. The District shall operate at all times in accordance with Bylaws that may be adopted by the Board of Directors. The District shall at all times conduct its proceedings in accordance with Robert's Rules of Order, except as otherwise provided in any Bylaws.
2. The Board of Directors of the District will meet at least on an annual basis.

**EXHIBIT A TO FIVE YEAR PLAN OF THE
HILLCREST COMMUNITY IMPROVEMENT DISTRICT**

ESTIMATED COSTS OF IMPROVEMENTS AND SERVICES¹

Project Cost*	CID Reimbursement
Roof Exterior Repairs (Exterior Improvement)	\$897,350
Finish Carpentry + Exterior Trim (Exterior Improvement)	\$225,000
Wood Siding (Exterior Improvement)	\$78,648
Decorative Exterior Metals (Exterior Improvement)	\$50,000
Exterior Painting and Staining (Exterior Improvement)	\$75,000
Exterior Tile (Exterior Improvement)	\$16,402
Irrigation Remediation + Landscaping (Exterior Improvement)	\$1,338,066
Signage (Exterior Improvement)	\$7,500
Gutters and Downspouts (Exterior Improvement)	\$6,178
Retaining Walls (Exterior Improvement)	\$188,912
Site Concrete (Exterior Improvement)	\$36,940
Patio & Stair Rails + Decking (Exterior Improvement)	\$376,482
Bollards (Exterior Improvement)	\$3,000
Knox Box (Exterior Improvement)	\$701
Flashing & Sheet Metals (Exterior Improvement)	\$10,144
Exterior Structure (Exterior Improvement)	\$937,020
Waterproofing (Exterior Improvement)	\$38,025
Annual Operating Costs	\$12,500
Services intended to support business activity, economic activity, and tourism, which includes marketing for obtaining memberships from out of state residents, tournament promotion, and outreach to athletes	\$100,000

¹These costs are estimates and may fluctuate based on actual costs incurred for purposes permitted under the CID Act. In addition, the values provided herein are estimates and any CID Sales Tax revenues generated by the District can be used interchangeably for any of the Project Costs listed above.

TOTAL PROJECT COSTS	\$4,397,868
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***Assumes interest on such amounts will also be reimbursable.**

CASH FLOW PROJECTION²

CID Year	CID Sales Tax Revenue
1	\$190,950
2	\$196,679
3	\$202,579
4	\$208,656
5	\$214,916

²Any annual revenue generated will be utilized to pay any costs of the District as approved in the District annual budget.