

## **HILLCREST COMMUNITY IMPROVEMENT DISTRICT COOPERATIVE AGREEMENT**

**THIS COMMUNITY IMPROVEMENT DISTRICT COOPERATIVE AGREEMENT** (the "Agreement") entered into as of this \_\_\_\_ day of \_December, 2025\_ (the "Effective Date"), by and between the **CITY OF KANSAS CITY, MISSOURI** ("City"), and the **HILLCREST COMMUNITY IMPROVEMENT DISTRICT**, a community improvement district and political subdivision of the State of Missouri ("District") (City and District are each a "party" and are together the "parties").

### Recitals

- A. City Council of Kansas City, Missouri ("City Council"), did on \_\_\_\_\_, 2025, pass Ordinance No. \_\_\_\_\_ (the "Ordinance"), which approved the petition to establish the District (the "Petition").
- B. The Petition sets forth the purposes, powers and priorities of District.
- C. The Ordinance, and Section 74-302(e) of the City's Code of Ordinances ("Code"), require District to enter into a cooperative agreement with City addressing District requirements in Code and the Missouri Community Improvement District Act, Sections 67.1401, et seq. RSMo., as amended (the "CID Act").
- D. District is required to have a fiscal year for purposes of maintaining financial records, which, pursuant to law, must be the same as the fiscal year of City, which runs from May 1 through April 30 of each year (the "Fiscal Year").
- E. City is authorized in accordance with Section 74-304 of Code and Section 67.1471, RSMo., of the CID Act to review District's annual budget.

### Agreement

NOW, THEREFORE, for and in consideration of the premises, and the mutual covenants, herein contained, the parties agree as follows:

## **ARTICLE 1 INCORPORATION OF RECITALS**

The foregoing Recitals are true and correct and incorporated by reference as if fully set forth below.

## **ARTICLE 2 REPRESENTATIONS OF THE PARTIES**

- 2.1 Representations by District. District represents to City that:

- A. District is a community improvement district and political subdivision, duly organized and existing under the laws of the State of Missouri, including particularly the CID Act.
- B. District has authority to enter into this Agreement and to carry out its obligations under this Agreement. By proper action of its Board of Directors (“Board”), District has been duly authorized to execute and deliver this Agreement, acting by and through its duly authorized officers.
- C. There is no litigation or proceeding pending or threatened against District affecting the right of District to execute or deliver this Agreement or the ability of District to comply with its obligations under this Agreement or which would materially adversely affect its financial condition.

2.2. Representations by City. City represents to District that:

- A. City is duly organized and existing under the Constitution and laws of the State of Missouri.
- B. City has authority to enter into this Agreement and to carry out its obligations under this Agreement.
- C. There is no litigation or proceeding pending or threatened against City affecting the right of City to execute or deliver this Agreement or the ability of City to comply with its obligations under this Agreement.

### **ARTICLE 3 OBLIGATIONS OF DISTRICT**

3.1. Submission of Annual Budget and Annual Report by District.

- A. District shall annually prepare or cause to be prepared a budget (the “Budget”) for the upcoming Fiscal Year, which is consistent with the purposes and priorities of District as set forth in the Petition and sets forth expected expenditures, revenues, and rates of assessments and taxes, including a detailed breakdown of District revenue to be used toward public infrastructure improvements, exterior improvements, interior improvements and other improvements and services, in such a manner as may be provided by law. The Budget shall be submitted to the City Clerk for submission to the Mayor and City Council for review and comment not less than ninety (90) days prior to the first day of the upcoming Fiscal Year. Not later than thirty (30) days prior to the first day of the upcoming Fiscal Year, the Board shall adopt a Budget. If the Board fails to adopt a Budget by such time, District shall be deemed to have adopted for such Fiscal Year a Budget, which provides for the application of District's sale tax revenues collected in such Fiscal Year in accordance with the budget for the prior Fiscal Year.

- B. District shall, if requested by City, provide in written form or testimony information as to how the Budget is consistent with the purposes of District.
- C. District shall prepare and submit to City Clerk an annual report (the "Annual Report") within 120 days after the end of the then Fiscal Year stating the services provided, revenues collected and expenditures made by District during the Fiscal Year, including a detailed breakdown of District revenue used toward public infrastructure improvements, exterior improvements, interior improvements and other improvements and services, and copies of all written resolutions approved by the Board during the Fiscal Year. The Annual Report shall also include the name and contact information of each current Board member to be entered into City's electronic database.
- D. District shall, if requested by City, provide testimony as to the actions represented in the Annual Report that are in furtherance of the purposes and priorities as set forth in the Petition.
- E. District shall pay any fines issued by City for an untimely filed Budget or Annual Report pursuant to Section 74-305(b) of Code, as may be amended.

3.2. Reimbursement of City.

- A. Within 30 days of the receipt of an invoice from City, District shall reimburse City for the reasonable and actual expenses incurred by City in approval of District and review of the Budget and Annual Report ("First Reimbursement"). The First Reimbursement amount shall be determined by City and shall be no less than \$1,000.00 nor exceed \$1,500.00.
- B. In each subsequent year after the First Reimbursement and until the District is no longer in existence, within 30 days of the receipt of an invoice from City, District shall reimburse City for the reasonable and actual expenses incurred by City in review of the Budget and Annual Report. The invoice amount shall be determined by City and shall be no less than \$500.00 nor exceed \$1,000.00
- C. If the District amends its Petition, within 30 days of the receipt of an invoice from City, District shall reimburse City for the reasonable and actual expenses incurred by City in approval of the amended petition and review of the Budget and Annual Report. The invoice amount shall be determined by City and shall be no less than \$750.00 nor exceed \$1,250.00

3.3. City Audit.

- A. City Auditor shall the right to examine or audit the records of District and District shall make such records available to City Auditor within ten (10) days after a written request for the same is made.

## **ARTICLE 4 DEFAULTS AND REMEDIES**

- 4.1 Default. An event of default as specified in this Article (each, an “Event of Default”) shall occur upon the failure by either party in the performance of any covenant, agreement or obligation imposed or created by this Agreement and the continuance of such failure for fifteen (15) days after the non-defaulting party has given written notice to the defaulting party specifying such failure.
- 4.2 Remedies. If any Event of Default has occurred and is continuing, then any non-defaulting party may, upon its election or at any time after its election while such default continues, by mandamus or other suit, action or proceedings at law or in equity enforce its rights against the defaulting party and its officers, agents and employees, and require and compel duties and obligations required by the provisions of this Agreement. Any such enforcement action shall not preclude City from enforcing its Code and prosecuting Code violations of District and its officers, agents, and employees.

## **ARTICLE 5 MISCELLANEOUS**

- 5.1 Effective Date and Term. This Agreement shall become effective on the date this Agreement has been fully executed by the Parties. This Agreement shall remain in effect for as long as District is legally in existence.
- 5.2 Modification. The terms, conditions, and provision of this Agreement can be neither modified nor eliminated except in writing and by mutual agreement among City and District. Any modification to this Agreement as approved shall be attached hereto and incorporated herein by reference.
- 5.3 Jointly Drafted. The Parties agree that this Agreement has been jointly drafted and shall not be construed more strongly against another Party.
- 5.4 Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Missouri.
- 5.5 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 Missouri, 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.

5.6 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.

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IN WITNESS WHEREOF, the parties hereto executed this Cooperative Agreement as of the Effective Date first above written.

**CITY OF KANSAS CITY, MISSOURI**

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

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

Its: \_\_\_\_\_

Approved as to form:

\_\_\_\_\_  
Eluard Alegre  
Associate City Attorney

[SIGNATURES CONTINUE ON NEXT PAGE]

**COMMUNITY  
IMPROVEMENT DISTRICT**

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

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

Its: \_\_\_\_\_