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

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**RECEIVED BY  
THE CITY CLERK**

**FEB 06 2018**



**PETITION FOR THE CREATION OF THE  
HISTORIC KANSAS CITY CLUB COMMUNITY IMPROVEMENT DISTRICT**

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

The undersigned real property owner (the "Petitioner"), being the owner of:

- (1) One Hundred Percent (100%) by assessed value of the real property; and
- (2) One Hundred Percent (100%) 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:  
Historic Kansas City Club 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 .809 +/- 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 by the municipality 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) 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. Ryan Andeson – Owner’s Representative, Four (4) year term
  - ii. Terry Anderson – Owner’s Representative, Four (4) year term
  - iii. Evan Welsh – Owner’s Representative, Two (2) year term
  - iv. Chris Lemke– Owner’s Representative, Two (2) year term
  - v. Jennifer Overholtzer – Owner’s Representative, Two (2) year term
- 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 according to a slate submitted by the Executive Director of the District to the City of Kansas City, Missouri’s City Clerk (the “City Clerk”), which slate may be comprised of any individuals that meet the above-listed criteria in the discretion of the Executive Director. Upon receipt of a slate of Successor Directors, the City Clerk shall promptly deliver the slate to the Mayor for consideration by the City Council.

6. Assessed Value. The total assessed value of all real property in the District is \$1,806,646.
7. Duration of District. The proposed length of time for the existence of the District is twenty (20) years from the date upon which any sales tax is levied within the District pursuant to this Petition. 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.
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.

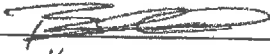
13. Future Five Year Plans. The District shall submit future Five (5) Year Plans meeting the requirements of Section 1421.2(3)(d), RSMo (as amended or replaced from time to time) to the City for comment and review no earlier than 180 days and no later than 90 days prior to the expiration of each then-current 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 does not seek a finding of blight under this Petition.
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 Council Right to Audit. The City Council shall have the right to audit the books and records of the District at any time upon reasonable request.
18. **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 Historic Kansas City Club Center 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  
HISTORIC KANSAS CITY CLUB COMMUNITY IMPROVEMENT DISTRICT**

Name of owner: MFH Properties LLC  
 Owner's address: 4200 W 115<sup>th</sup> Street, Leawood, KS 66211  
 Owner's telephone number:

**IF SIGNER IS DIFFERENT FROM OWNER:**

Name of signer:  Ryan Anderson  
 Title: Manager  
 Signer's telephone number: 816-285-3875  
 Signer's mailing address: 4270 Shawnee Mission Pkwy Ste B101 Fairway, KS 66205

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(s):

29-230-05-08-00-0-00-000
29-230-05-07-00-0-00-000

Remaining property located within District is unplatted property that is tax exempt property located within publicly dedicated right of way in which Petitioner holds reversionary interest to fee title.

Total Assessed value: \$1,535,544

[Signature follows on separate page.]



**EXECUTION PAGES FOR PETITION FOR THE CREATION OF THE  
HISTORIC KANSAS CITY CLUB COMMUNITY IMPROVEMENT DISTRICT**

Name of owner: Kansas City Downtown Hotel Group LLC  
 Owner's address: 300 W 11<sup>th</sup> Street, Kansas City, Missouri 64105  
 Owner's telephone number:

**IF SIGNER IS DIFFERENT FROM OWNER:**

Name of signer: Edward Meriman  
 Title: Analyst  
 Signer's telephone number: (816) 391-2004  
 Signer's mailing address: 300 W. 11<sup>th</sup> Street, Kansas City, Mo

If owner is an individual:             Single   X   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(s):

29-230-05-06-00-0-00-000

Remaining property located within District is unplatted property that is tax exempt property located within publicly dedicated right of way in which Petitioner holds reversionary interest to fee title.

Total Assessed value: \$271,102

[Signature follows on separate page.]





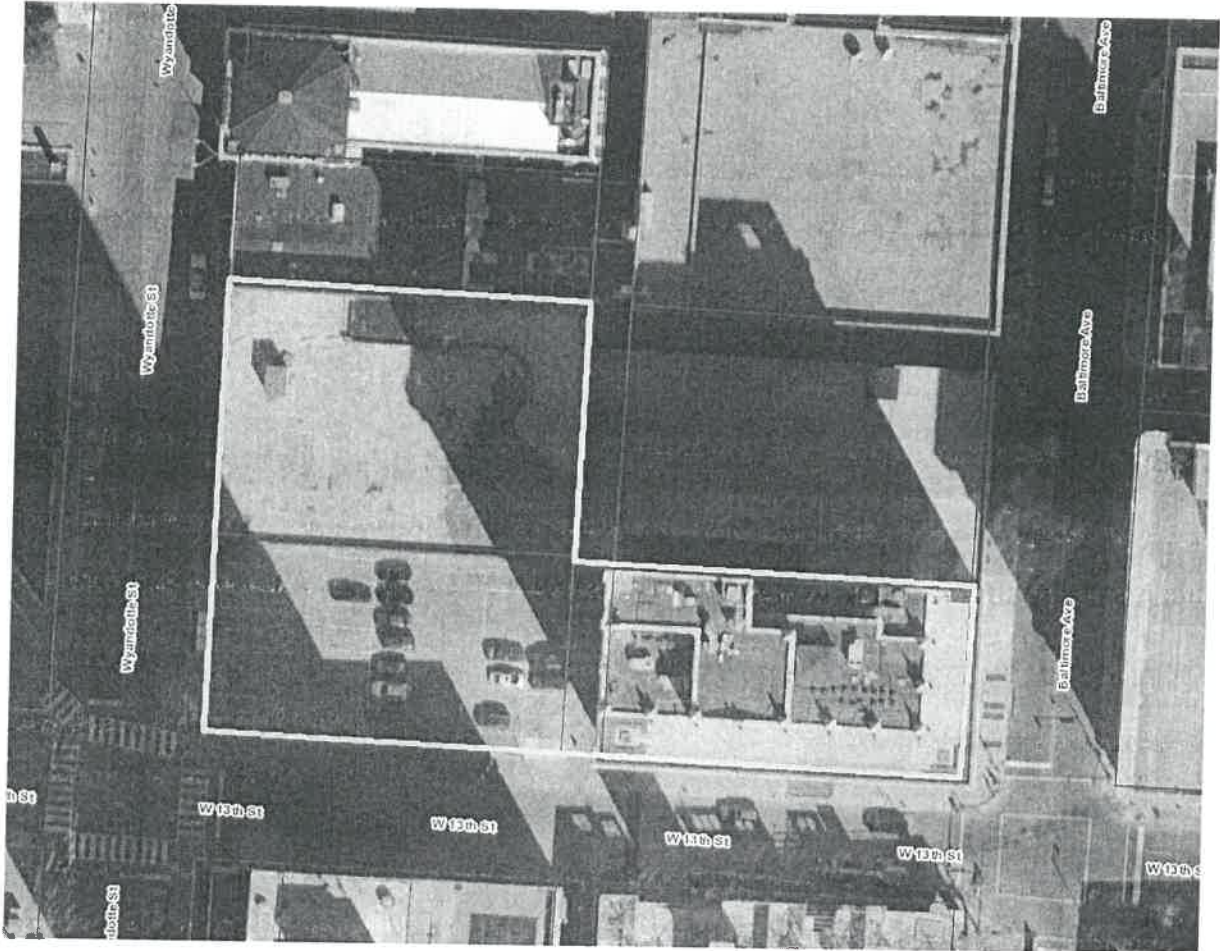
**EXHIBIT A**

Legal Description of Historic Kansas City Club Community Improvement District

REIDS ADD S 23 FT OF LOT 15 & ALL LOT S 16 -24 BLK 2

EXHIBIT B

General Boundary Map of the Historic Kansas City Club Community Improvement District



**EXHIBIT C  
FIVE YEAR PLAN**

**(Attached)**

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**FIVE YEAR DISTRICT MANAGEMENT PLAN**  
**OF THE**  
**HISTORIC KANSAS CITY CLUB 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 Historic Kansas City Club Center Community Improvement District in Kansas City, Missouri. It is an integral and composite part of the petition to establish the Historic Kansas City Club Community Improvement District.**

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## Introduction

The Historic Kansas City Club 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 the historic Kansas City Club and adjacent parking lots located at the northwest corner of Baltimore Avenue and 13<sup>th</sup> Street and the northeast corner of Wyandotte Street and 13<sup>th</sup> Street 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 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 Wyandotte Street and Baltimore Avenue north of 13<sup>th</sup> Street in Kansas City, Missouri and consists of approximately .809+/- acres.

*Assessed Value of District:*

The total assessed value of the properties within the District on the date of the Petition is \$1,806,646.

*Improvements and Services:*

The purpose of the District is to provide funding for the construction of certain public improvements and the provision of certain services within the District's boundaries. The improvements initially contemplated include demolition of existing structures, site work, grading, infrastructure improvements, parking improvements/structures, utility improvements, right-of-way improvements, landscaping, lawns, and trees, as well as any other improvements (the "Improvements") or services (the "Services") permitted by the CID Act. It is intended that the Improvements will remediate existing blighting conditions within the District to bring it to its highest and best use. The particular items included within the Improvements may be modified from those listed herein from time to time, and the costs of the Improvements to be financed by the District shall include all associated design, architecture, engineering, financing costs incurred to finance such Improvements, legal and administrative costs of 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 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.

*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 (20) years from the date that the District Sales Tax commences to be collected within 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. It is anticipated that if the District submits names of suggested successor directors to the City in writing at least thirty (30) days prior to the expiration date of the terms of the applicable directors, the Mayor shall appoint such directors as successor directors, with the consent of the City Council, unless the Mayor provides the District with a reasonable written explanation that such suggested successor directors do not meet applicable legal requirements or lack the competency to serve as directors.

*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.

**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  
HISTORIC KANSAS CITY CLUB COMMUNITY IMPROVEMENT DISTRICT**

ESTIMATED COSTS OF IMPROVEMENTS AND SERVICES<sup>1</sup>

Units/GSF		293
Trade Description	Site & Structure	Garage
Sitework & Demolition	787,980	-
Concrete	6,026,107	-
Masonry	-	89,121
Structural & Misc Steele	283,561	370,800
Carpentry & Plastics	15,409	-
Thermal & Moisture Protection	882,588	55,945
Doors & Windows	-	74,469
Finishes	52,736	63,216
Specialties	-	46,350
Equipment	-	72,100
Furnishings	-	-
Special Construction	-	240,443
Conveyors	615,940	-
Mechanical	2,698,648	134,930
Electrical	1,750,133	383,572
<b>Subtotal</b>	<b>13,113,102</b>	<b>1,530,946</b>
Construction Management	887,244	103,094
Design Management	1,013,993	117,822
Permit	63,375	7,364
Insurance	20,280	2,356
Bonds	106,469	12,371
Fee	605,417	70,347
<b>Total</b>	<b>15,809,880</b>	<b>1,844,300</b>
Area Costs w/Assigned Structure		8,594,980
\$/sf Per Area (\$/stall for garage)		29,334

<sup>1</sup> These costs are estimates and may fluctuate based on actual costs incurred for purposes permitted under the CID Act.

CASH FLOW PROJECTION<sup>2</sup>

<b>CID Year</b>	<b>CID Sales Tax Revenue</b>
1	\$ 0
2	\$ 159,494
3	\$ 174,504
4	\$ 184,335
5	\$ 193,598

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<sup>2</sup> Any annual revenue generated will be utilized to pay any costs of the District in the discretion of the Board of Directors.