

ANNUAL REPORT FOR
906 GRAND COMMUNITY IMPROVEMENT DISTRICT (the “District”)
FOR FISCAL YEAR ENDING APRIL 30, 2023

SECTION I

Date: August 10, 2023

CID Contact Information: c/o Curtis Petersen, Polsinelli PC (Legal Counsel), 900 West 48th Place, Suite 900, Kansas City, Missouri 64112, cpetersen@polsinelli.com, (913) 234-7458

Political Subdivision or Not for Profit: Political Subdivision

Date of and Ordinance No: Ordinance No. 220087, passed on February 3, 2022

SECTION II

PURPOSE OF THE DISTRICT AND SERVICES PERFORMED DURING FISCAL YEAR:

The purpose of the District shall be to provide funding for the construction of certain improvements and the provision of certain services within the District’s boundaries. The improvements initially contemplated are demolition, removal, renovation, reconstruction, and/or rehabilitation of one or more buildings within the District, as well any other improvements permitted by the CID Act. Services are expected to include cleaning, maintenance, and other services within the District. No such services were provided during FYE 4/20/2023.

SECTION III

BOARD MEMBERS AS OF DATE OF MOST RECENT ANNUAL MEETING:

Gib Kerr	kib.kerr@cushwake.com
David Mashburn	Dave.mashburn@gmail.com
Roger Summers	rsummers@fogel-anderson.com
Babette Macy	Babette.macy@link2built.com
Christian Arnold	christian@clockwork-ad.com

SECTION IV

The CID was established on February 3, 2022 but the initial CID Board of Directors meeting was not held until August 10, 2023. As such, the District did not prepare or submit a budget for FYE 4/30/2023 to the City or the District for approval. There were no revenues or expenses during FYE 4/30/2023.

SECTION V

**LIST OF RESOLUTIONS APPROVED DURING FISCAL YEAR
(ATTACH COPIES):**

Resolution #	Resolution
2023-1	Acknowledge Oaths of Office
2023-2	Ratify Organization of District and Authorize Reimbursement of Formation Costs
2023-3	Adopt a Fiscal Year for the District
2023-4	Adopt Bylaws for the District
2023-5	Express District's Intent to Comply with Missouri Sunshine Act
2023-6	Appoint Officers of the District
2023-7	Adopt a Budget for FYE 4/30/2024 and Appropriate Funds
2023-8	Authorize Procurement of Insurance for Board of Directors
2023-9	Authorize Execution of Engagement Letter with Polsinelli PC and Procurement of Legal Services
2023-10	Authorize CID Sales and Use Tax Election
2023-11	Authorize Execution of Construction and Financing Agreement
2023-12	Authorize Execution of Cooperative Agreement
2023-13	Authorize Preparation and Submittal of FYE 4/30/2024 Annual Report to City Clerk, Department of Economic Development, Department of Revenue and State Auditor
2023-14	Authorize Preparation and Submittal of FYE 4/30/2023 Annual Report to State Auditor

SUBMIT FORM AND ATTACHMENTS TO:

<p>Missouri Dept of Economic Development Attn: CID Annual Report 301 W. High Street, P. O. Box 118 Jefferson City, MO 65102 Phone: 1-573-526-8004 Fax: 1-573-522-9462 Email: redevelopment@ded.mo.gov</p>	<p>City Clerk 25th Floor, City Hall 414 E. 12th Street Kansas City, MO 64106 Phone: (816) 513-6401 Fax: (816) 513-3353 Email:Marilyn.Sanders@kcmo.org</p>
<p>Missouri Department of Revenue Email: localgov@dor.mo.gov</p>	<p>Missouri State Auditor Email: localgovernment@auditor.mo.gov</p>

906 GRAND COMMUNITY IMPROVEMENT DISTRICT

RESOLUTION OF THE BOARD OF DIRECTORS

RESOLUTION NO. 2023-1

ACKNOWLEDGE BOARD MEMBER ACCEPTANCE OF OATHS OF OFFICE

WHEREAS, the Petition for Establishment of the 906 Grand Community Improvement District (the "District") appointed the initial directors of the Board of Directors of the 906 Grand Community Improvement District. Gib Kerr, David Mashburn, Roger Summers, Babette Macy, and Christian Arnold were appointed as the initial members of the Board of Directors; and

WHEREAS, the Bylaws for the District state that a director shall not be deemed to have commenced his or her term of office or to have any powers or responsibilities of a director until the time such directors accepts the office of director either by a written acceptance or by participating in the affairs of the District at a meeting of the Board or otherwise.

WHEREAS, each of the current members of the Board of Directors will execute a written oath of office in which they will indicate their acceptance of the office of Director of the District.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE 906 GRAND COMMUNITY IMPROVEMENTS DISTRICT, AS FOLLOWS:

1. The Board officially acknowledges the appointment of Gib Kerr, David Mashburn, Roger Summers, Babette Macy, and Christian Arnold, as stated in the Petition, and hereby accepts any and all executed Oaths of Office upon receipt of same by the District.
2. The Executed Oaths of Office shall be maintained with the records of the District.
3. This Resolution shall take effect immediately.

PASSED by the Board of Directors of 906 Grand Community Improvement District on August 10, 2023.



Gib Kerr, Chairman

906 GRAND COMMUNITY IMPROVEMENT DISTRICT

RESOLUTION OF THE BOARD OF DIRECTORS

RESOLUTION NO. 2023-2

RATIFYING THE ORGANIZATION OF THE DISTRICT AND PAST ACTIONS

WHEREAS, the Board of Directors (the “**Board**”) of 906 Grand Community Improvement District (the “**District**”) desires to ratify the organization of the District; and

WHEREAS, the Board desires to ratify, acknowledge and accept all lawful actions taken by or on behalf of the District prior to its organization.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE 906 GRAND COMMUNITY IMPROVEMENTS DISTRICT, AS FOLLOWS:

1. The District has been duly organized.
2. All lawful actions taken by or on behalf of the District for the purposes of its formation are hereby ratified, acknowledged and accepted.
3. This Resolution shall take effect immediately.

PASSED by the Board of Directors of 906 Grand Community Improvement District on August 10, 2023.



Gib Kerr, Chairman

906 GRAND COMMUNITY IMPROVEMENT DISTRICT

RESOLUTION OF THE BOARD OF DIRECTORS

RESOLUTION NO. 2023-3

ADOPT FISCAL YEAR OF THE DISTRICT

WHEREAS, the Board of Directors (the "**Board**") of 906 Grand Community Improvement Development District (the "**District**") is required by Section 238.222.4, RSMo, as amended, to have a fiscal year for purposes of maintaining financial records.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE 906 GRAND COMMUNITY IMPROVEMENTS DISTRICT, AS FOLLOWS:

1. The fiscal year of the District shall end on the 30th day of April of each year, which is the same as the fiscal year of the City of Kansas City, Missouri.
2. This Resolution shall take effect immediately.

PASSED by the Board of Directors of 906 Grand Community Improvement District on August 10, 2023.



Gib Kerr, Chairman

906 GRAND COMMUNITY IMPROVEMENT DISTRICT

RESOLUTION OF THE BOARD OF DIRECTORS

RESOLUTION NO. 2023-4

ADOPT BYLAWS OF THE DISTRICT

WHEREAS, the Board of Directors (the “**Board**”) of 906 Grand Community Improvement District (the “**District**”) desires to adopt Bylaws and has determined that such Bylaws will provide an efficient and effective structure for the governance of the affairs of the District.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE 906 GRAND COMMUNITY IMPROVEMENTS DISTRICT, AS FOLLOWS:

1. The Bylaws, in the form attached as Exhibit A (the “**Bylaws**”), are approved and adopted.
2. The Chairman and Secretary are authorized and directed to execute the Bylaws.
3. The Secretary is instructed to cause the Bylaws to be annexed to the minutes of this meeting of the Board of Directors of the District and be made a part of the official records of the District.
4. The Chairman and Secretary are authorized and directed to take all further action necessary to carry out the purpose and intent of this Resolution.
5. This Resolution shall take effect immediately.

PASSED by the Board of Directors of 906 Grand Community Improvement District on August 10, 2023.



Gib Kerr, Chairman

EXHIBIT A

BYLAWS

BYLAWS
OF THE
906 GRAND
COMMUNITY IMPROVEMENT DISTRICT

ARTICLE I
OFFICES, RECORDS, SEAL

- 1. Principal Office.** The principal office of the District shall be located at such place as may from time to time be designated by the Board.
- 2. Records.** The District shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of the Board of Directors (the "Board") and each committee of the Board. The District shall keep a record of the name and place of residence of each director and each officer.
- 3. Seal.** The Board may adopt, and may alter at its pleasure, a corporate seal, which shall have inscribed thereon the name of the District and the words: Corporate Seal – Missouri. The corporate seal may (but shall not be required to) be used by causing it, or a facsimile thereof, to be impressed or affixed or to be in any other manner reproduced.

ARTICLE II
PURPOSES

The purposes of the District shall be to provide those services and improvements set forth in the petition for creation of the District (the "Petition") and the Five Year Plan attached thereto, and for all other lawful purposes that may be authorized by the Board and permitted under Sections 67.1401 through 67.1571, RSMo (the "Act").

ARTICLE III
BOARD

- 1. Powers of Board.** The Board shall have and is vested with all powers and authorities granted by the Act, except as it may be expressly limited by law or these Bylaws, to supervise, control, direct and manage the property, affairs and activities of the District, to determine the policies of the District, to do or cause to be done any and all lawful things for and on behalf of the District, to exercise or cause to be exercised any or all of its powers, privileges or franchises, and to seek the effectuation of its objects and purposes.

2. **Official Actions.** In accordance with Section 67.1451.8, RSMo, all official acts of the Board shall be by written resolution approved by the Board.

3. **Number of Directors; Qualifications.** The number of directors of the District to constitute the Board shall be five (5). The initial directors constituting the Board (the "Initial Directors") were set forth in the Petition, and successors to the Initial Directors (the "Successor Directors") shall be appointed as set forth in the Petition.

4. **Commencement of Term of Office of Directors.** A director shall not be deemed to have commenced his or her term of office or to have any of the powers or responsibilities of a director until the time such director accepts the office of director either by a written acceptance or by participating in the affairs of the District at a meeting of the Board or otherwise.

5. **Length of Term of Office of Directors.** In accordance with Section 67.1451, RSMo, the length of the term of the Initial Directors is stated in the petition for formation of the District, and Successor Directors shall serve for a four (4) year term or until his/her successor is appointed in accordance with these Bylaws, the Petition, and the Act. If for any reason a director is not able to serve his/her term, the remaining directors shall elect an interim director ("Interim Director") to fill the vacancy for the unexpired term.

6. **Removal for Cause.** In accordance with Section 67.1451.7, RSMo, any director may be removed for cause by a two-thirds affirmative vote of the Board (four directors). Written notice of the proposed removal shall be given to all directors prior to action thereon. 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.

7. **Resignation.** Any director may resign from the Board. Such resignation shall be in writing addressed to the Secretary of the District and shall be effective immediately or upon its acceptance by the Board as such resignation may provide.

8. **Vacancy.** In accordance with Section 67.1451.4, RSMo, in the event of a vacancy on the Board prior to the expiration of a director's term, the remaining directors shall elect an Interim Director to fill the vacancy for the unexpired term. At the expiration of the remaining term of the Interim Director, a Successor Director shall be appointed as set forth in Section 3 above.

9. **Compensation of Directors.** No director shall receive compensation from the District for any service such director may render to it as a director. A director may be reimbursed for his or her actual expenses reasonably incurred in and about such director's performance of his or her duties as a director.

10. **Committees.** The Board shall have no authority to appoint an executive committee or any other committee having the authority of the Board. The Board may create and

appoint such committees as it deems necessary and advisable to conduct studies and reviews and provide advice and recommendations to the Board.

ARTICLE IV **MEETINGS AND PROCEDURES**

1. Procedural Rules. All meetings and proceedings of the District shall be in accordance with Robert's Rules of Order except as otherwise directed by these Bylaws.

2. Place. Meetings of the Board of the District shall be held at the principal office of the District, as designated by the Board, or at any other place as may be determined from time to time by the Board.

3. Notice of Meetings. Meetings may be called by the Chairman, the Secretary or by a majority of the Board by written notice calling the same and given in the manner hereinafter provided. Written notice stating the time, date, place and tentative agenda of a meeting shall be delivered to each director not less than twenty-four (24) hours before the time of the meeting, either personally, by mail or by facsimile. If mailed, such notice shall be deemed to be delivered three days after depositing such notice in the United States mail addressed to the director at such director's address as it appears on the records of the District, with postage thereon prepaid.

4. Waiver of Notice. Any notice provided or required to be given to the directors may be waived in writing by any of them whether before or after the time stated therein. Attendance of a director at any meeting shall constitute a waiver of notice of such meeting except where the director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

5. Quorum. The presence of a majority of the Board shall be requisite for and shall constitute a quorum for the transaction of business at all meetings. Vacant positions are not counted in determining a majority of the Board. The acts of directors, in accordance with Robert's Rules of Order, who are present at a meeting at which a quorum is present shall be valid as the act of the Board except in those specific instances in which a larger vote may be required according to Robert's Rules of Order, by law or these Bylaws.

6. Adjournment. Whether or not a quorum shall be present at any such meeting, the directors present shall have power to adjourn the meeting, without notice other than announcement at the meeting, to a specified date. At any such adjourned meeting at which a quorum shall be present, any business may be transacted that could have been transacted at the original session of the meeting.

7. Voting. Each director present at any meeting shall be entitled to cast one vote on each matter coming before such meeting for decision. If a roll call is taken, all votes shall be recorded so as to attribute each "aye" and "nay" vote, or abstinence if not voting, to the name of the respective director.

8. **Official Actions.** In accordance with Section 67.1451.8, RSMo, all official acts of the Board shall be by written resolution approved by the Board.

9. **Meeting by Conference Telephone.** Members of the Board may participate in a meeting of the Board by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other, and participation in a meeting in this manner shall constitute presence in person at the meeting. Notice for such meetings shall designate a place where members of the public may hear the conference call for purposes of complying with Chapter 610 of the Revised Statutes of Missouri, as amended (the "Sunshine Law").

10. **Compliance with State Sunshine Law.** The District is a "public governmental body" pursuant to the Sunshine Law; therefore, notwithstanding any other provision of these Bylaws and in addition to any requirements of these Bylaws, the District shall give notice of and conduct all meetings of the Board in accordance with the Sunshine Law.

ARTICLE V OFFICERS

1. **General.** The officers of the District shall be a Chairman, an Executive Director, a Secretary, a Treasurer and such other officers as the Board may appoint. The officers shall be appointed from among the members of the Board and shall at all times while holding such offices be members of the Board. Any two or more offices may be held by the same person.

2. **Election and Terms of Office.** Initially, the officers shall be appointed by the Board named in these Bylaws at the first meeting of that body, to serve until the first annual meeting of the Board and until their successors are duly elected and qualified.

At the first and each subsequent annual meeting of the Board, the Board shall appoint officers to serve until the next annual meeting of the Board and until their successors are duly appointed and qualified.

An officer shall be deemed qualified when such officer enters upon the duties of the office to which such officer has been appointed and furnishes any bond required by the Board or these Bylaws; but the Board may also require of such person a written acceptance and promise faithfully to discharge the duties of such office.

The term of office of each officer of the District shall terminate at the annual meeting of the Board next succeeding his or her appointment and at which any officer of the District is appointed unless the Board provides otherwise at the time of his or her appointment.

3. Removal. If for any reason any officer who is also a member of the Board ceases to be a member, then such officer shall be deemed automatically removed from office in the District.

4. Compensation of Officers. No officer who is also a member of the Board shall receive any salary or compensation from the District for any services such officer may render to it as an officer. Salaries and compensation of all other officers, agents and employees of the District, if any, may be fixed, increased or decreased by the Board, but until action is taken with respect thereto by the Board, the same may be fixed, increased or decreased by the Chairman, or such other officer or officers as may be empowered by the Board to do so; provided, however, that no person may fix, increase or decrease his or her own salary or compensation. Each officer may be reimbursed for such officer's actual expenses if they are reasonable and incurred in connection with the purposes and activities of the District.

5. Vacancies. Vacancies caused by the death, resignation, incapacity, removal or disqualification of an officer of the District shall be filled by the Board at any annual or other regular meeting or at any special meeting called for that purpose, and such person or persons so elected to fill any such vacancy shall serve at the pleasure of the Board until the next annual meeting of the Board, and until such officer's successor is duly elected and qualified.

6. The Chairman. The Chairman shall be the chief executive officer of the District, shall have such general executive powers and duties of supervision and management as are usually vested in the office of the chief executive officer of a District, and shall carry into effect all directions and resolutions of the Board. The Chairman shall preside at all meetings of the Board at which he or she may be present.

The Chairman may execute all bonds, notes, debentures, mortgages, and other contracts requiring a seal, under the seal of the District and may cause the seal to be affixed thereto, and all other instruments for and in the name of the District.

The Chairman shall have the right to attend any meeting of any committee of the Board and to express his or her opinion and make reports at such meeting; provided, however, that unless the Chairman shall be specifically appointed to any committee, the Chairman shall not be considered to be a committee member or have the right to vote or be counted for the purpose of determining a quorum at any such meeting.

The Chairman shall have such other duties, powers and authority as may be prescribed elsewhere in these Bylaws or by the Board.

7. The Secretary. The Secretary shall attend the meetings of the Board and shall record or cause to be recorded all votes taken and the minutes of all proceedings in the minute book of the District to be kept for that purpose. The Secretary shall perform like duties for any committee established pursuant to these Bylaws when requested by such committee to do so. The Secretary shall be the custodian of all the books, papers and records of the District and shall,

at such reasonable times as may be requested, permit an inspection of such books, papers and records by any director of the District. The Secretary shall upon reasonable demand furnish a full, true and correct copy of any book, paper or record in his or her possession. The Secretary shall be the administrative and clerical officer of the District under the supervision of the Chairman and the Board.

The Secretary shall keep in safe custody the seal of the District and when authorized to do so shall affix the same to any instrument requiring the seal, and when so affixed, the Secretary shall attest the same by his or her signature.

The Secretary shall have the principal responsibility to give or cause to be given notice of the meetings of the Board, but this shall not lessen the authority of others to give such notice as provided in these Bylaws.

The Secretary shall have the general duties, powers and responsibilities of a secretary of a district and shall have such other or further duties or authority as may be prescribed elsewhere in these Bylaws or from time to time by the Board.

8. Treasurer. The Treasurer shall have supervision and custody of all moneys, funds and credits of the District and shall cause to be kept full and accurate accounts of the receipts and disbursements of the District in books belonging to it. The Treasurer shall keep or cause to be kept all other books of account and accounting records of the District as shall be necessary, and shall cause all moneys and credits to be deposited in the name and to the credit of the District in such accounts and depositories as may be designated by the Board. The Treasurer shall disburse or supervise the disbursement of funds of the District in accordance with the authority granted by the Board, taking proper vouchers therefor. The Treasurer shall be relieved of all responsibility for any moneys or other valuable property or the disbursement thereof committed by the Board to the custody of any other person or district, or the supervision of which is delegated by the Board to any other officer, agent or employee.

The Treasurer shall render to the Chairman or the Board, whenever requested by them, an account of all transactions as Treasurer and of those under the Treasurer's jurisdiction and the financial condition of the District.

The Treasurer shall have the general duties, powers and responsibilities of a treasurer of a district, shall be the chief financial and accounting officer of the District and shall have and perform such other duties, responsibilities and authorities as may be prescribed from time to time by the Board.

9. The Executive Director. The Executive Director shall execute documents, take any action and perform any further duties as may be prescribed from time to time by the Board.

10. Other Agents. The Board from time to time may also appoint such other agents for the District as it shall deem necessary or advisable, each of whom shall serve at the pleasure

of the Board or for such period as the Board may specify, and shall exercise such powers, have such titles and perform such duties as shall be determined from time to time by the Board or by an officer empowered by the Board to make such determinations.

11. Duties of Officers May Be Delegated. If any officer of the District be absent or unable to act, or for any other reason that the Board may deem sufficient, the Board may delegate, for the time being, some or all of the functions, duties, powers and responsibilities of any officer to any other officer, or to any other agent or employee of the District or other responsible person, provided a majority of the whole Board concurs therein.

ARTICLE VI **GENERAL PROVISIONS**

1. Contracts. The Board may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the District. All contracts shall be approved by written resolution of the Board.

2. Depositories and Checks. The moneys of the District shall be deposited in such manner as the Board shall direct in such banks or trust companies as the Board may designate and shall be drawn out by checks or drafts signed in such manner as may be provided by resolution adopted by the Board.

3. Bonds. The Board may require that any officer or employee handling money of the District be bonded at the District's expense, in such amounts as may be determined by the Board.

4. Custodian of Securities. The Board may from time to time appoint one or more banks or trust companies to act for reasonable compensation as custodian of all securities and other valuables owned by the District, and to exercise in respect thereof such powers as may be conferred by resolution of the Board. The Board may remove any such custodian at any time.

5. Fiscal Year. The District's fiscal year shall begin on May 1 of each year and end on April 30 of the following year.

6. Certain Loans Prohibited. The District shall not make any loan to any officer or director of the District. No loans shall be contracted on behalf of the District and no evidence of any financial obligation shall be issued in its name unless authorized by resolutions of the Board of the District.

7. Indemnification and Liability of Directors and Officers. Each person who is or was a director or officer of the District (including the heirs, executors, administrators and estate of such person) shall be indemnified by the District as of right to the full extent permitted or authorized by the laws of Missouri, as now in effect and as hereafter amended, against any liability, judgment, fine, amount paid in settlement, cost and expense (including attorneys' fees)

asserted or threatened against or incurred by such person in such person's capacity as or arising out of such person's status as a director or officer of the District. The indemnification provided by this Bylaw provision shall not be exclusive of any other rights to which those indemnified may be entitled under any other bylaw provision or under any agreement, vote of disinterested directors or otherwise, and shall not limit in any way any right which the District may have to make different or further indemnifications with respect to the same or different persons or classes of persons.

No person shall be liable to the District for any loss, damage, liability or expense suffered by it on account of any action taken or omitted to be taken by such person as a director or officer of the District if such person (i) exercised the same degree of care and skill as a prudent person would have exercised under the circumstances in the conduct of his or her own affairs, or (ii) took or omitted to take such action in reliance upon advice of counsel for the District, or upon statements made or information furnished by directors, officers, employees or agents of the District which such person had no reasonable grounds to disbelieve.

8. Absence of Personal Liability. The directors and officers of the District are not individually or personally liable for the debts, liabilities or obligations of the District.

9. Budgets. The District will annually prepare a budget for the upcoming fiscal year and submit it to the City between October 31 and January 31. The budget shall set forth the expected expenditures, revenues, and rates of taxes for the following fiscal year. The City Council, in its discretion, may review and comment on the submitted budget, and if comments are given, the comments must be submitted to the District no later than March 2. At the District's annual meeting, which is to be held no later than April 1, the District must adopt a budget for the next fiscal year.

10. Annual Report. No later than August 29, the District must also submit a report to the City Clerk and the Missouri Department of Economic Development stating the services provided by the District, revenues collected and expenditures made by the District during the previous fiscal year, the dates the District adopted its annual budget, the date(s) the District submitted its annual budget to the municipality, the date(s) the District submitted its annual report to the municipal clerk, and copies of all resolutions approved by the Board during such fiscal year.

ARTICLE VII **AMENDMENTS**

The Board of the District shall have the power to make, alter, amend and repeal the Bylaws of the District and to adopt new Bylaws, which power may be exercised by a vote of a majority of the members of the full Board. The District shall keep at its principal office a copy of the Bylaws, as amended, which shall be open to inspection by any member of the Board at all reasonable times during office hours.

CERTIFICATE TO BYLAWS

The foregoing Bylaws were duly adopted as and for the Bylaws of the 906 Grand Community Improvement District by the Board of said District at its meeting held on _____, 2021.

Executive Director of the District

Secretary of the District

906 GRAND COMMUNITY IMPROVEMENT DISTRICT

RESOLUTION OF THE BOARD OF DIRECTORS

RESOLUTION NO. 2023-5

**EXPRESSING THE DISTRICT'S INTENT TO COMPLY
WITH THE MISSOURI SUNSHINE ACT**

WHEREAS, the 906 Grand Community Improvement District (the "**District**") is a political subdivision and a public body created under the authority of the "Missouri Community Improvement District Act," Sections 67.401, *et seq.*, RSMo, as amended (the "**Act**"), and is transacting business and exercising the powers granted by the Act; and

WHEREAS, the District desires to ensure that it conforms with the requirements set out in Section 610.101 to Section 610.200, RSMo, otherwise commonly known as the Missouri Sunshine Act (the "**Sunshine Act**").

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE 906 GRAND COMMUNITY IMPROVEMENTS DISTRICT, AS FOLLOWS:

1. The District, duly created as a political subdivision under the Act, does resolve that it shall comply with all policies and procedures attached hereto as **Exhibit A**, and comply with any and all additional procedures required under the Sunshine Act.
2. The Secretary of the District is designated as the Custodian of Records of the District for purposes of the Sunshine Act.
3. This Resolution shall take effect immediately.

PASSED by the Board of Directors of 906 Grand Community Improvement District on August 10, 2023.



Gib Kerr, Chairman

EXHIBIT A
Sunshine Act Policy

SUNSHINE ACT POLICY

906 GRAND COMMUNITY IMPROVEMENT DEVELOPMENT DISTRICT OPEN MEETINGS AND RECORDS POLICY

Section 1. All meetings, records and votes of all boards, commissions, committees or governmental bodies of the 906 Grand Community Improvement Development District (the “**District**”) are open to the public, except the governmental body may close any meeting, record or vote relating to the following:

(a) Legal actions, causes of action or litigation involving a public governmental body and any confidential or privileged communications between a public governmental body or its representatives and its attorneys. However, any minutes, vote, settlement agreement relating to legal actions, causes of action or litigation involving a public governmental body or any agent or entity representing its interest or acting on its behalf of its authority, including any insurance company acting on behalf of a public governmental body as its insured, shall be made public upon final disposition of the matter voted upon or upon the signing by the parties of the settlement agreement, unless, prior to final disposition, the settlement agreement is ordered closed by a court after a written finding that the adverse impact to a plaintiff or plaintiffs to the action clearly outweighs the public policy considerations of Section 610.011 of the Revised Statutes of Missouri, as amended, however, the amount of any moneys paid by, or on behalf of, the public governmental body shall be disclosed; provided, however, in matters involving the exercise of the power of eminent domain, the vote shall be announced or become public immediately following the action on the motion to authorize institution of such a legal action. Legal work product shall be considered a closed record.

(b) Leasing, purchase or sale of real estate by a public governmental body where public knowledge of the transaction might adversely affect the legal consideration therefore. However, any minutes, vote or public record approving a contract relating to the leasing, purchase or sale of real estate by a public governmental body shall be made public within seventy-two (72) hours after execution of the lease, purchase or sale of the real estate.

(c) Hiring, firing, disciplinary or promoting of particular employees by a public governmental body when personal information about the employee is discussed or recorded. However, any vote on a final decision, when taken by a public governmental body, to hire, fire, promote or discipline an employee of a public governmental body must be made available with a record of how each member voted to the public within seventy-two (72) hours of the close of the meeting where such action occurs; provided, however, that any employee so affected shall be entitled to prompt notice of such decision during the seventy-two (72) hour period before such decision is made available to the public. As used in this subdivision, the term “personal information” means information relating to the performance or merit of individual employees.

(d) Preparation, including any discussions or work product, on behalf of a public governmental body or its representatives, for negotiations with employee groups;

(e) Specifications for competitive bidding, until either the specifications are officially approved by the public governmental body or the specifications are published for bid;

(f) Sealed bids and related documents, until the earlier of either when the bids are opened, or all bids are accepted, or all bids are rejected;

(g) Individually identifiable personnel records, performance ratings or records pertaining to employees or applicants for employment, except that this exemption shall not apply to the names, positions, salaries and lengths of service of officers and employees of public agencies once they are employed as such;

(h) Records which are protected from disclosure by law;

(i) Confidential or privileged communications between the governmental body and its auditor, including all auditor work product.

Section 2. All records that may be closed are hereby deemed closed records unless the governmental body votes to make them public. Before closing a meeting to the public, a majority of a quorum of the governmental body must vote to do so in a public vote. The vote of each member of the governmental body on the question of closing the meeting or vote and the reason for closing the meeting by reference to a specific exception listed in Section 1 herein shall be announced publicly at an open meeting of the governmental body and entered into the minutes.

Section 3. The governmental body shall give notice of the time, date and place of a closed meeting or vote and the reason for holding it by reference to a specific exception listed in Section 1 herein. The notice shall be the same as described in Section 4 below. No other business may be discussed in a closed meeting, record or vote which does not directly relate to the specific reason announced to close the meeting or vote to the public. The governmental body holding a closed meeting must close only an existing portion of the meeting facility necessary to house the members of the governmental body in the closed session, allowing members of the public to remain to attend any subsequent open session held by the governmental body following the closed session.

Section 4. The governmental body shall give notice of the time, date, place of each meeting, and its tentative agenda, in a manner reasonably calculated to advise the public of the matters to be considered. The notice shall be placed in a prominent place which is easily accessible to the public and clearly designated for the purpose of providing notice at the principal office of the District as described in the Bylaws, or at the principal meeting place of the body holding the meeting if the meeting place is not at the District's principal office. Notice shall be given at least twenty-four (24) hours, exclusive of weekends and holidays when the facility is closed, prior to the commencement of the meeting. If an emergency makes it impossible or impractical to give twenty-four (24) hour notice, the reason must be reflected in the minutes, and as much notice as is reasonably possible shall be given. Notice shall also be provided to any representative of the news media who requests notice of a particular meeting concurrent with the notice being made available to the members of the particular governmental body.

Section 5. The meeting place must be reasonably accessible to the public and the meeting time must be reasonably convenient to the public. At any meeting conducted by telephone or other

electronic means, the public shall be allowed to observe and attend the meeting at a designated location identified in the notice of the meeting. Reasonable efforts must be made to grant special access to the meeting to handicapped or disabled individuals. If it is not possible or not practical to hold the meeting at a time that is reasonably convenient to the public or a place that is reasonably accessible to the public, then the reason must be stated in the minutes.

Section 6. A formally constituted subunit of the District may conduct a meeting without notice as required by this policy during a lawful meeting of the Board of Directors of the District, a recess in that meeting, or immediately following that meeting if the meeting of the subunit is publicly announced at the meeting of the Board of Directors of the District and the subject of the meeting reasonably coincides with the subjects discussed or acted upon by the Board of Directors of the District.

Section 7. The Secretary of the District shall be the custodian of records and will be responsible for maintenance and control of all records. The custodian of records will be located at the principal office of the District as described in the Bylaws. Fees for copying public records shall not exceed the actual cost of document search and duplication. Copies of records of the District shall be furnished to the public at a cost of no more than \$.10 per page. The hourly fee for duplicating requested records shall not exceed the average hourly rate of pay for clerical staff of the governmental body.

Section 8. All requests for records, notices, or information shall be in writing, and shall be accompanied by a deposit of the estimated cost of reproducing the requested information. Oral requests, if received by the District, shall be immediately recorded in written form to document the same. Any request received by the District shall be initialed by the custodian of records, with the date and time of receipt noted.

Section 9. The Secretary of the District shall provide public access to all public records as soon as possible but no later than the end of the third business day following the date the request is received by the Secretary of the District. If access to the public record is not granted immediately, the Assistant Secretary of the District shall give a detailed explanation for the delay and the place and earliest time and date that the record will be available for inspection. If a request for access is denied, the Assistant Secretary of the District shall provide, upon request, a written statement of the grounds for such denial. Such statement shall cite the specific provision of law under which access is denied and shall be furnished to the requester no later than the end of the third business day following the date that the request for the statement is received.

906 GRAND COMMUNITY IMPROVEMENT DISTRICT

RESOLUTION OF THE BOARD OF DIRECTORS

RESOLUTION NO. 2023-6

APPOINTING OFFICERS OF THE DISTRICT

WHEREAS, the Bylaws of the 906 Grand Community Improvement District (the “**District**”) require the District’s Board of Directors (the “**Board**”) to appoint a Chairman, Executive Director, Secretary, Treasurer and such other officers or employees as it deems necessary;

WHEREAS, the Board desires to appoint a Chairman, Executive Director, Secretary, and Treasurer as the officers of the District in accordance with the Bylaws; and

WHEREAS, the Chairman, Executive Director, Secretary, and Treasurer shall have the powers and duties described in the Bylaws.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE 906 GRAND COMMUNITY IMPROVEMENTS DISTRICT, AS FOLLOWS:

1. Gib Kerr is appointed as the Chairman/Executive Director of the District.
2. Roger Summers is appointed as the Secretary and Treasurer of the District.
3. Each officer of the District shall exercise those powers and perform those duties as set forth in the Bylaws of the District.
4. This Resolution shall take effect immediately.

PASSED by the Board of Directors of 906 Grand Community Improvement District on August, 2023.


Gib Kerr, Chairman

906 GRAND COMMUNITY IMPROVEMENT DISTRICT

RESOLUTION OF THE BOARD OF DIRECTORS

RESOLUTION NO. 2023-7

**APPROVING PROPOSED ANNUAL BUDGET FOR THE
FYE 4/30/2024 AND APPROPRIATE FUNDS**

WHEREAS, the Board of Directors (the “**Board**”) of 906 Grand Community Improvement District (the “**District**”) desires to adopt an annual budget for the operation of the District;

WHEREAS, the District has prepared a proposed annual budget that has been reviewed by the Board; and

WHEREAS, the District desires to adopt the proposed annual budget for the operation of the District with respect to the District’s FYE 4/30/2024.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE 906 GRAND COMMUNITY IMPROVEMENTS DISTRICT, AS FOLLOWS:

1. The District hereby adopts as its annual Budget with respect to the District’s FYE 4/30/2024, the Budget attached hereto as **Exhibit A** and authorizes appropriation of funds in accordance therewith.
2. The Chairman of the District is directed to provide to the City Clerk of Kansas City, Missouri a copy of the District’s Budget with respect to the District’s FYE 4/30/2024.
3. This Resolution shall take effect immediately.

PASSED by the Board of Directors of 906 Grand Community Improvement District on August 10, 2023.



Gib Kerr, Chairman

EXHIBIT A

FYE 4/30/2024 BUDGET

906 GRAND COMMUNITY IMPROVEMENT DISTRICT

FYE 4/30/2021 PROPOSED BUDGET

BUDGET MESSAGE:

The 906 Grand Community Improvement District was established by the City Council of Kansas City, Missouri on February 3, 2022.

The District's Board of Directors and the owner of the real property that constitutes the District anticipate approving a 1.0% CID sales and use tax in 2023. It is anticipated that the CID Sales Tax will become effective on April 1, 2023.

	<u>FYE 4/30/2024*</u> (proposed)	<u>FYE 4/30/2023*</u> (proposed)	<u>FYE 4/30/2022</u> (actual)
FUNDS AVAILABLE:			
- Cash on Hand (Beginning of Fiscal Year)	(N/A)	(N/A)	(N/A)
ESTIMATED REVENUE:			
- CID Sales Tax (1%)	\$ 90,000.00	(N/A)	(N/A)
- Net Proceeds of Developer Advances	\$ 2,235,000.00	(N/A)	(N/A)
TOTAL ESTIMATED FUNDS AVAILABLE & REVENUE:	<u>\$ 2,325,000.00</u>	<u>(N/A)</u>	<u>(N/A)</u>
ESTIMATED EXPENDITURES:			
- Operating/Administrative costs (e.g., Insurance)	\$ 10,000.00	(N/A)	(N/A)
- Formation Costs	\$ 25,000.00	(N/A)	(N/A)
- Design & Construction Costs of Improvements	\$ 2,200,000.00	(N/A)	(N/A)
- Principal and/or interest in repayment of Developer Advances**	\$ 35,000.00	(N/A)	(N/A)
TOTAL ESTIMATED EXPENDITURES:	<u>\$ 2,270,000.00</u>	<u>(N/A)</u>	<u>(N/A)</u>
FUNDS AVAILABLE:			
- Cash on Hand End of Fiscal Year	\$ 55,000.00	(N/A)	(N/A)

*Estimated values.



906 GRAND COMMUNITY IMPROVEMENT DISTRICT

RESOLUTION OF THE BOARD OF DIRECTORS

RESOLUTION NO. 2023-8


AUTHORIZE THE PROCUREMENT OF INSURANCE FOR THE DISTRICT

WHEREAS, the Board of Directors (the "**Board**") of 906 Grand Community Improvement District (the "**District**") wishes to obtain a policy of directors' and officers' liability insurance.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE 906 GRAND COMMUNITY IMPROVEMENTS DISTRICT, AS FOLLOWS:

1. The Chairman is authorized to select and purchase a policy of directors' and officers' liability insurance as deemed appropriate by the Chairman.
2. This Resolution shall take effect immediately.

PASSED by the Board of Directors of 906 Grand Community Improvement District on August 10, 2023.



Gib Kerr, Chairman

906 GRAND COMMUNITY IMPROVEMENT DISTRICT

RESOLUTION OF THE BOARD OF DIRECTORS

RESOLUTION NO. 2023-9

**ENGAGING GENERAL COUNSEL AND AUTHORIZING THE EXECUTION OF AN
ENGAGEMENT LETTER BETWEEN THE DISTRICT AND POLSINELLI PC**

WHEREAS, the Board of Directors (the “**Board**”) of 906 Grand Community Improvement District (the “**District**”) desires to engage general counsel for legal services.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE 906 GRAND COMMUNITY IMPROVEMENTS DISTRICT, AS FOLLOWS:

1. The District is authorized to engage Polsinelli PC as general counsel to the District and the Chairman of the District is authorized to enter into an engagement letter with Polsinelli PC in form and substance acceptable to the Chairman.
2. The District is authorized to seek legal services from Polsinelli PC to the extent determined necessary by the District’s officers in furtherance of the administration of the District and other District powers, purposes and responsibilities.
3. This Resolution shall take effect immediately.

PASSED by the Board of Directors of 906 Grand Community Improvement District on August 10, 2023.



Gib Kerr, Chairman

906 GRAND COMMUNITY IMPROVEMENT DISTRICT

RESOLUTION OF THE BOARD OF DIRECTORS

RESOLUTION NO. 2023-10

**APPROVING A ONE PERCENT SALES AND USE TAX TO BE PRESENTED TO
QUALIFIED VOTERS IN THE DISTRICT FOR THEIR APPROVAL**

WHEREAS, the 906 Grand Community Improvement District (the "District") was established by the City Council of the City of Kansas City, Missouri, on February 3, 2022, by Ordinance No. 220087, upon the filing of a Petition by certain owners of real property within the District (the "Formation Petition");

WHEREAS, the Board of Directors (the "**Board**") of 906 Grand Community Improvement Development District (the "**District**") desire to assist in the funding for certain improvements within the District, services, formation costs, and operating costs (together, the "**CID Costs**");

WHEREAS, Section 67.1545, RSMo, and the Formation Petition authorize the Board to submit a sales and use tax proposal to the District's qualified voters for election regarding whether to levy such tax to pay for and/or reimburse (with interest) of the CID Costs;

WHEREAS, the Board desires to impose, subject to requisite approval by the qualified voters of the District, a district wide sales and use tax at the rate of one percent (1%) on all retail sales made within the District, which are subject to taxation pursuant to Section 144.010 to 144.525, RSMo, other than the sale or use of motor vehicles, trailers, boats or outboard motors, sales of electricity or electrical current, water and gas, natural or artificial, or sales of service to telephone subscribers, either local or long distance (the "**Sales Tax**") for the purpose of funding the CID Costs to the extent, but only to the extent, authorized by Section 67.1545, RSMo, for a period of thirty (30) years from the date of the ordinance approving the Petition; and

WHEREAS, the Board desires to submit the question of the imposition of the Sales Tax to the qualified voters of the District for their approval as provided by law.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE 906 GRAND COMMUNITY IMPROVEMENTS DISTRICT, AS FOLLOWS:

1. There is imposed, subject to approval by a majority of the votes cast by the qualified voters of the District, a district wide sales and use tax at the rate of one percent (1%) on all retail sales made within the District, which are subject to taxation pursuant to Section 144.010 to 144.525, RSMo, other than the sale or use of motor vehicles, trailers, boats or outboard motors, sales of electricity or electrical current, water and gas, natural or artificial, or sales of service to telephone subscribers, either local or long distance.

2. The Board approves submission of the following ballot language to the District's qualified voters:

Shall the 906 Grand Community Improvement District (the "District") impose a community improvement district-wide sales and use tax at the maximum rate of one percent (1.00%) for a period not to exceed twenty-seven (27) years from the date of the ordinance approving the Petition for the purpose of providing revenue to pay the costs of (a) demolish, remove, renovate, reconstruct, and/or rehabilitate one or more buildings within the District (b) the costs of operation and administration of the District, (c) the costs of the provision of such services as may be determined to be provided by the Board of Directors of the District, if any, (d) the costs of formation of the District, and (e) costs of financing all of the costs set forth above, including but not limited to interest and loan fees.

YES

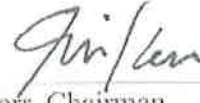
NO

If you are in favor of the question, place an "X" in the box opposite "YES." If you are opposed to the question, place an "X" in the box opposite "NO."

3. The election will be conducted by mail-in ballot. The Chairman of the District is authorized and directed to conduct an election to (a) certify the "qualified voters" (within the meaning of the Community Improvement District Act, 67.1401 through 67.1571 of the Revised Statutes of Missouri, as amended) for purposes of such election, and (b) publish notice of such election once a week for two successive weeks in a newspaper of general circulation, and (c) take all other actions necessary in order to cause such election to be conducted and completed as a mail-in election in accordance with applicable law.
4. If a majority of the votes cast by the qualified voters on the Sales Tax is in favor of the tax, then the resolution is adopted. If a majority of the votes cast by the qualified voters is opposed to the Sales Tax, then the resolution is void.
5. Within 10 days after the qualified voters have approved the imposition of the Sales Tax, the District shall, in accordance with Section 32.087, RSMo, notify the Director of the Missouri Department of Revenue (the "Director"). The Sales Tax shall become effective on the first day of the second quarter after the Director receives notice of the adoption of such tax.
6. The District will perform all functions incident to the administration, enforcement, and operation of the Sales Tax, to the extent not performed by the State of Missouri, including the collection and distribution of Sales Tax revenues pursuant to the appropriations of the District.

7. This Resolution shall take effect immediately.

PASSED by the Board of Directors of 906 Grand Community Improvement District on August 10, 2023.



Gib Kerr, Chairman

906 GRAND COMMUNITY IMPROVEMENT DISTRICT

RESOLUTION OF THE BOARD OF DIRECTORS

RESOLUTION NO. 2023-11

AUTHORIZING EXECUTION OF CONSTRUCTION AND
FINANCING AGREEMENT

WHEREAS, the owner of the real property and improvements thereon within the District (“Developer”) wishes for the District to facilitate and finance design and construction of certain improvements (the “Improvements”) specified within the Construction and Financing Agreement attached hereto as Exhibit A (the “Agreement”) between the District and the Developer;

WHEREAS, the District wishes to facilitate and finance design and construction of the Improvements, but does not currently have sufficient funds to carry out the Improvements or to pay for Formation Costs or Operating Costs (as those terms are used in the Agreement) of the District;

WHEREAS, the District wishes for the Developer to advance the funds necessary to carry out the Improvements and the funds necessary to pay for the Formation Costs and Operating Costs; and; and

WHEREAS, the District wishes to enter into the Agreement, and any Promissory Note(s) called for in the Agreement at the applicable amount(s) and if and when applicable, with Developer whereby Developer will be reimbursed for such funds advanced to the District, with interest, as soon as funds become available, subject to the District’s annual appropriations.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE 906 GRAND COMMUNITY IMPROVEMENTS DISTRICT, AS FOLLOWS:

1. The District’s Chairman is authorized and instructed to execute a Construction and Financing Agreement, and any Promissory Note(s) called for in the Construction and Financing Agreement at the applicable amount(s) and if and when applicable, with Developer in a form substantially similar to the agreement set forth on Exhibit A attached hereto.
2. This Resolution shall take effect immediately.

PASSED by the Board of Directors of 906 Grant Community Improvement District on August 10, 2023.


Gib Kerf, Chairman

EXHIBIT A
CONSTRUCTION AND FINANCING AGREEMENT

CONSTRUCTION AND FINANCING AGREEMENT

Dated as of August 10, 2023

between

906 GRAND COMMUNITY IMPROVEMENT DISTRICT

and

906 GRAND BOULEVARD HOSPITALITY, LLC, an Arkansas limited liability company

CONSTRUCTION AND FINANCING AGREEMENT

THIS CONSTRUCTION AND FINANCING AGREEMENT, dated as of August 10, 2023 (this “**Agreement**”), is entered into by and between **906 GRAND COMMUNITY IMPROVEMENT DISTRICT**, a political subdivision of the State of Missouri (the “**District**”), and **903 GRAND BOULEVARD HOSPITALITY, LLC**, an Arkansas limited liability company and its successors and assigns (the “**Developer**”).

RECITALS

WHEREAS, the District was established by the City Council of the Kansas City, Missouri on February 3, 2022 by Ordinance No. 220087 (the “**Formation Ordinance**”), pursuant to and in accordance with Sections 67-1401, *et seq.*, RSMo (the “**CID Act**”) and the Petition to Establish the 906 Grand Community Improvement District filed with the City Clerk on December 7, 2021 (the “**Petition**”);

WHEREAS, the Developer owns all of the real property located within the District;

WHEREAS, the Developer desires to contract with the District to cause certain improvements within the District, including, without limitation, [insert scope selected by VCC and bid in compliance with CID notice/publication requirements] (the “**Improvements**”), and the District is willing to undertake the Improvements and to use its revenues to pay the costs of the Improvements as permitted by the CID Act and any contractual agreement between the District and Kansas City, Missouri;

WHEREAS, the District has incurred and may incur additional “**Formation Costs**” and “**Operating Costs**” (including the costs of administering the District, and any other costs of improvements or “**Services**” as provided by the Petition and the CID Act);

WHEREAS, the District does not presently have sufficient funds to pay the costs of the Improvements, Formation Costs, Services, or Operating Costs (collectively the “**CID Costs**”);

WHEREAS, the District anticipates that it will be authorized to levy and impose a sales and use tax of one percent (1%) within the District in accordance with the CID Act (the “**District Sales Tax**”);

WHEREAS, the Developer and the District desire to set forth their mutual agreements with respect to the performance of the Improvements, and the financing of the Improvements, Formation Costs, Services, and Operating Costs; and

WHEREAS, the execution and delivery of this Agreement on the part of the District and the performance of its obligations hereunder, have been authorized by the District’s Resolution 2023-12, adopted on August 10, 2023.

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledges, the parties agree as follows:

Section 1: District's Performance of Improvements

1.1 Subject to the availability of funds for such purposes as contemplated by this Agreement, the District shall, utilizing funds of the District, undertake and perform the design and construction of the Improvements in accordance with the written direction of the Developer, and pursuant to plans and specifications approved in advance by the Developer.

1.2 Following the date of this Agreement, the District shall contract with a construction contractor approved in advance by the Developer to perform the Improvements in accordance with a scope of work and schedule of performance designated by the Developer and at a contract price approved in advance by the Developer. Thereafter, the District shall, from time to time upon request of the Developer, contract with a construction contractor approved in advance by the Developer to perform other aspects of the Improvements in accordance with respective scopes of work designated by the Developer, and at a contract price approved in advance by the Developer, with respect to each such part of the Improvements. With respect to each such construction contract (collectively, the "**Construction Contracts**"), the District shall use diligent, commercially reasonable efforts to cause such component of the Improvements to be completed in accordance with such Construction Contract's schedule of performance. No change order to any such Construction Contract shall be approved by the District without first obtaining the prior consent of the Developer.

1.3 In furtherance of construction of the Improvements, the District and its agents, officers, contractors and subcontractors shall have the right to enter upon the private property within the District at any time. At all times during the performance of the Improvements, the District shall use commercially reasonable efforts to minimize interference with the conduct of the businesses operating within the District.

1.4 The District shall generally keep the Developer apprised of the progress of any construction related to the Improvements.

1.5 The District shall consult with the Developer in selecting, retaining, and coordinating the professional services related to any Improvements, including services of surveyors, testing laboratories, and others.

1.6 The District shall review, analyze, and certify requests for payment made by contractors or subcontractors, and facilitate the payment of same using funds available to the District from the sources contemplated by this Agreement.

1.7 The District shall require that the contractor under any Construction Contract, and all subcontractors, maintain commercially appropriate insurance coverage with respect to the performance under such Construction Contract and any subcontracts related thereto.

1.8 Upon mutual agreement of the District's Executive Director and the Developer, Developer, rather than the District, may undertake, contract for, and complete the work described above.

Section 2: Financing of Improvements, Formation Costs, Services, and Operating Costs of the District

2.1 In accordance with the CID Act, the District intends, subject to annual appropriation, to use and apply the revenue from the District Sales Tax to pay the cost of the Improvements as well as Formation Costs incurred by the Developer, any Services provided by the District, and the Operating Costs of the District.

2.2 The parties acknowledge that the timing of the availability of revenue from the District Sales Tax, and the total amount of such revenue, is not likely to be sufficient to pay the full cost of the performance of the Improvements plus Formation, Services, and Operating Costs as such costs become due and payable. The Developer agrees that it shall lend to the District from time to time such funds as are necessary in order to pay for such costs (each a “**Developer Loan**”). At the request of Developer, each Developer Loan may (a) be represented by a Promissory Note issued by the District to the order of the Developer in form and content mutually acceptable to the District and the Developer (each an “**Owner Note**”), (b) bear interest at the rate of seven percent (7.00%) per annum, (c) be payable solely from the proceeds of the District Sales Tax, (d) be subordinate in payment to any Formation Costs and Operating Costs, and (e) be subject to annual appropriation.

Section 3: Miscellaneous

3.1 All notices, demands or other communications to be given or delivered under this Agreement shall be in writing and shall be deemed to have been given (a) upon receipt by the recipient if (i) delivered personally to the recipient by receipted delivery, or (ii) sent via facsimile to the number set forth below with a copy contemporaneously mailed to the recipient via U.S. mail, certified or registered mail, return receipt requested, postage prepaid, (b) on the next business day after deposit with a nationally recognized overnight delivery service, if sent to the recipient in such manner (charges prepaid), or (c) on the second business day after deposit in the U.S. mail, certified or registered mail, return receipt requested, postage prepaid, if sent to the recipient solely in such manner. Such notices, demands and other communications shall be sent to the respective parties at the addresses set forth below. Any party shall have the right to change its address for notices by a written notice to that effect.

If to the District:

906 Grand CID
119 S. Izard Street, Suite 200
Little Rock, Arkansas 72201
Attention: Rocky Govind

If to the Developer:

906 Grand Boulevard Hospitality, LLC
119 S. Izard Street, Suite 200
Little Rock, Arkansas 72201
Attention: Rocky Govind

With a copy to:

Polsinelli PC
900 W 48th Place, Suite 900
Kansas City, Missouri 64112
Attention: Curtis J. Petersen Esq.

3.2 For purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires: (a) the terms defined in this Agreement have the meanings

assigned to them in this Agreement and include the plural as well as the singular, and the use of any gender herein shall be deemed to include the other gender; (b) the words "herein," "hereof," "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular provision; (c) the term "include" or "including" shall mean without limitation by reason of enumeration; and (d) the clause, Section and subsection headings herein are for convenience of reference only, and shall not limit or otherwise affect the meaning of the provisions contained therein.

3.3 This Agreement will inure to the benefit of, and will be binding upon, the parties hereto and their heirs, legal and personal representatives, successors and permitted assigns.

3.4 No amendment, modification or waiver of this Agreement will be valid unless the same is in writing and signed by the party against whom enforcement of such amendment or modification or waiver is sought. The failure of any party at any time to insist upon strict performance of any condition, promise agreement or understanding set forth herein will not be construed as a waiver or relinquishment of the right to insist upon strict performance of the same or any other condition, promise, agreement or understanding at a future time.

3.5 This Agreement sets forth all of the promises, agreements, conditions, understandings, warranties and representations among the parties hereto with respect to the subject matter hereof and any other matters set forth herein, and there are no other promises, agreements, conditions, understandings, warranties or representations, (oral or written, express or implied) between the parties with respect to the subject matter hereof.

3.6 All issues and questions concerning the construction, validity, enforcement and interpretation of this Agreement shall be governed by, and construed in accordance with, the laws of the State of Missouri, without giving effect to any choice of law or conflict of law rules or provisions.

NO FURTHER TEXT; SIGNATURE PAGES FOLLOW

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first above written.

**906 GRAND COMMUNITY IMPROVEMENT
DISTRICT**

By: _____
Name: Gib Kerr
Title: Executive Director/Chairman

*Signature Page – 906 Grand CID
Construction and Financing Agreement*

**906 Grand Boulevard Hospitality, LLC, an
Arkansas limited liability company**

By: _____
Name:
Title:

*Signature Page – Developer
Construction and Financing Agreement*

906 GRAND COMMUNITY IMPROVEMENT DISTRICT

RESOLUTION OF THE BOARD OF DIRECTORS

RESOLUTION NO. 2023-12

AUTHORIZING EXECUTION OF COOPERATIVE AGREEMENT

WHEREAS, the 906 Grand Community Improvement District (the “**District**”) wishes to enter into an agreement with the City of Kansas City, Missouri (“**City**”) as required by the City (the “**Cooperative Agreement**”).

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE 906 GRAND COMMUNITY IMPROVEMENTS DISTRICT, AS FOLLOWS::

1. The District’s Executive Director shall be authorized, and is instructed, to execute the Cooperative Agreement, the form of which is attached hereto as Exhibit A.
2. This Resolution shall take effect immediately.

PASSED by the Board of Directors of 906 Grant Community Improvement District on August 10, 2023.



Gib Kerr, Chairman John Shuff, Chairman

EXHIBIT A
COOPERATIVE AGREEMENT

COMMUNITY IMPROVEMENT DISTRICT COOPERATIVE AGREEMENT

THIS COMMUNITY IMPROVEMENT DISTRICT COOPERATIVE AGREEMENT (the "Agreement") entered into as of this ___ day of _____, 2022 (the "Effective Date"), by and between the **CITY OF KANSAS CITY, MISSOURI** ("City"), and the **906 GRAND 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 _____, 2022, pass Ordinance No. _____ (the "Ordinance"), which approved District (the "Petition").
- B. 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").
- C. City is authorized in accordance with the provisions of the "Missouri Community Improvement District Act", Sections 67.1401, et seq. RSMo, as amended (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, District has been duly authorized to execute and deliver this Agreement, acting by and through its duly authorized officers.

- C. The execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the performance of or compliance with the terms and conditions of this Agreement by District will not conflict with or result in a breach of any of the terms, conditions or provisions of, or constitute a default under, any mortgage, deed of trust, lease or any other restriction or any agreement or instrument to which District is a party or by which it or any of its property is bound, or any order, rule or regulation of any court or governmental body applicable to District or any of its property, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of District under the terms of any instrument or agreements to which District is a party.
- D. 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. The execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the performance of or compliance with the terms and conditions of this Agreement by City will not conflict with or result in a breach of any of the terms, conditions or provisions of, or constitute a default under, any mortgage, deed of trust, lease or any other restriction or any agreement or instrument to which City is a party or by which it or any of its property is bound, or any order, rule or regulation of any court or governmental body applicable to City or any of its property, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of City under the terms of any instrument or agreements to which City is a party.
- D. 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 of District and sets forth expected expenditures, revenues, and rates of assessments and taxes in such a manner as may be provided by law. The Budget shall be submitted to 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 of directors of District (the "Board of Directors") shall adopt a Budget. If the Board of Directors 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 proposed Budget is consistent with the purposes of District.
- C. District shall prepare and submit to City Clerk and the Missouri Department of Economic Development 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, and copies of all written resolutions approved by the Board of Directors during the Fiscal Year.
- 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 District's Petition.

3.2. Reimbursement of City.

- A. District shall annually reimburse City for the reasonable and actual expenses incurred by City to establish District and review the proposed Budget and Annual Report pursuant to an invoice provided to District by City. Such reimbursement shall not exceed one and one-half percent (1.5%) of the revenues collected by District in such year.

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.

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 and legality:

Eduard Alegre
Assistant City Attorney

906 GRAND COMMUNITY IMPROVEMENT DISTRICT

By: _____

Name: Gib Kerr

Its: Executive Director/Chairman

906 GRAND COMMUNITY IMPROVEMENT DISTRICT

RESOLUTION OF THE BOARD OF DIRECTORS

RESOLUTION NO. 2023-13

**AUTHORIZING PREPARATION AND SUBMITTAL OF AN ANNUAL REPORT
FOR FYE 4/30/2024 TO CITY CLERK, DEPARTMENT OF ECONOMIC
DEVELOPMENT, STATE AUDITOR, AND DEPARTMENT OF REVENUE**

WHEREAS, the Board of Directors (the "**Board**") of 906 Grand Community Improvement District (the "**District**") desires to engage general counsel for legal services.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE 906 GRAND COMMUNITY IMPROVEMENTS DISTRICT, AS FOLLOWS:

1. The District hereby directs its legal counsel, Polsinelli PC, to prepare and provide a copy of the FYE 4/30/2024 Annual Report to the Executive Director and Treasurer of the District at its earliest opportunity.
2. To the extent that changes to the Annual Report may be required, the District authorizes the Executive Director and Treasurer to review and approve such changes on behalf of the District.
3. If Polsinelli PC does not receive any comments from any of the above-referenced parties within the earlier of fifteen (15) days after the report is delivered or the statutory due date for such report, the report shall be deemed approved and the District authorizes Polsinelli PC to submit such report to the City Clerk, Missouri Department of Economic Development, Missouri State Auditor's Office, and the Missouri Department of Revenue on its behalf.
4. This Resolution shall take effect immediately

PASSED by the Board of Directors of 906 Grand Community Improvement District on August 10, 2023.


Gib Kerr, Chairman

906 GRAND COMMUNITY IMPROVEMENT DISTRICT

RESOLUTION OF THE BOARD OF DIRECTORS

RESOLUTION NO. 2023-14

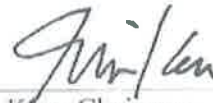
AUTHORIZING PREPARATION AND SUBMITTAL OF AN ANNUAL FINANCIAL
REPORT FOR FYE 4/30/2024 TO STATE AUDITOR'S OFFICE

WHEREAS, the Board of Directors (the "**Board**") of 906 Grand Community Improvement District (the "**District**") desires to engage general counsel for legal services.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE 906 GRAND COMMUNITY IMPROVEMENTS DISTRICT, AS FOLLOWS:

1. The District hereby directs its legal counsel, Polsinelli PC, to prepare and provide a copy of the 4/30/2024 Financial Report to the Executive Director and Treasurer of the District at its earliest opportunity.
2. To the extent that changes to the Annual Report may be required, the District authorizes the Executive Director and Treasurer to review and approve such changes on behalf of the District.
3. If Polsinelli PC does not receive any comments from any of the above-referenced parties within the earlier of fifteen (15) days after the report is delivered or the statutory due date for such report, the report shall be deemed approved and the District authorizes Polsinelli PC to submit such report to the Missouri State Auditor's Office on its behalf.
4. This Resolution shall take effect immediately.

PASSED by the Board of Directors of 906 Grant Community Improvement District on August 10, 2023.



Gib Kerr, Chairman