

August 2, 2022

VIA HAND DELIVERY

Ms. Marilyn Sanders
City Clerk
25th Floor, City Hall
414 E. 12th Street
Kansas City, MO 64106

Re: Petitions for Creation of Freight House Community Improvement District

Dear Marilyn:

Enclosed is the Petition to the City of Kansas City, Missouri for the creation of the Freight House Community Improvement District ("District").

The Petition has been signed by 100% of the property owners owning property within the proposed Districts as well as representing 100% of the assessed value of property within the Districts. Please note that the Petitioners are not requesting a declaration of blight under Sections 67.1401.2(3) and 67.4121.4. RSMo.

Please sign, date, and place your seal on the Clerk's Receipt of Petition page where indicated.

Very truly yours,



Michael H. Talboy

MHT:krm

enclosures

cc: Eluard Alegre, w/ Petition, via hand delivery
Mr. Dan Clothier, w/o encs., via electronic mail
Mr. Nicholas Grunauer, w/o encs., via electronic mail
Mr. Case Dorman, w/o encs., via electronic mail
Aaron G. March, Esq., w/o encs.

{33834 / 70496; 957564. }

**FREIGHT HOUSE
COMMUNITY IMPROVEMENT DISTRICT**

**PETITION TO THE
CITY OF KANSAS CITY, MISSOURI
FOR THE CREATION OF THE**

FREIGHT HOUSE COMMUNITY IMPROVEMENT DISTRICT

Submitted May 13, 2022

Revised June 17, 2022

Resubmitted August 2, 2022

PETITION FOR THE CREATION OF THE FREIGHT HOUSE COMMUNITY IMPROVEMENT DISTRICT

To the City Council ("City Council") of the City of Kansas City, Missouri ("City"):

The undersigned petitioners ("Petitioners"), (1) being the owners of record owning more than fifty percent (50%) by assessed value of the real property within the boundaries of the hereinafter described and proposed Freight House Community Improvement District (the "District"), and (2) comprising more than fifty percent (50%) per capita of all owners of real property within the boundaries of the District, do hereby petition and request that the City Council create such District to fund all or part of the costs of services and improvements described herein and provided and made within the District under the authority of Sections 67.1401 to 67.1571, R.S.Mo. (the "Act") and Chapter 74, Article VII of the Code of Ordinances, City of Kansas City, Missouri ("City Code").

1. Boundaries, Legal Description, and Map of District

The legal description of the District is attached hereto as Exhibit A. A map of the boundaries of the District is attached hereto as Exhibit B, confirming that the District is contiguous. The District is located entirely within corporate boundaries of the City. A summary of the parcels within the District owned by the Petitioners is attached hereto as Exhibit C.

2. Name of District

The name of the District is Freight House Community Improvement District.

3. Signatures May Not Be Withdrawn

Notice has been provided to all signers of the Petition that their signatures may not be withdrawn later than seven (7) days after the filing of this Petition with the City Clerk. This notice is included on each signature page attached to this Petition.

4. Right to Terminate District

All property owners within the District's boundaries have the right to terminate the proposed District as provided by Section 67.1481, R.S.Mo.

5. Five-Year Plan

A five-year plan stating a description of the purposes of the District, the services it will provide, the improvements it will make and an estimate of costs of these services and improvements to be incurred is attached hereto as Exhibit D.

6. District Type

The District will be established as a political subdivision of the State of Missouri in accordance with the Act.

7. District Governance, Number of Directors

The District will be governed by a board of directors elected by the District, which board shall consist of six (6) members.

8. Board of Directors

Pursuant to Section 67.1451.6, R.S.Mo., the initial board of directors and their respective terms shall be:

Nicholas Grunauer	4 years
Ivy Brock	4 years
Peter Clothier	4 years
Connor Dorman	2 years
Nathan Tilton	2 years
Sean Kelley	2 years (Satisfying the requirement of Section 67.1451.2(3) R.S.Mo)

Successor directors shall be elected by the District for four-year terms and one successor director shall be appointed by the governing body of the City of Kansas City, Missouri. Pursuant to Mo. Const. Art. 7, §8, each of the above initial board members are citizens of the United States, and have resided in the State of Missouri for at least one year preceding the submittal date of this Petition. Additionally, pursuant to Section 67.1451.2(3), R.S.Mo., and as noted at least one director identified above is a person who (a) resides within the municipal limits of Kansas City, Missouri; (b) is qualified and registered to vote under chapter 115 according to the records of the election authority as of thirtieth day prior to the date of the applicable election; (c) has no financial interest in any real property or business operating within the District; and (d) is not a relative within the second degree of consanguinity of affinity to an owner of real property or a business operating in the District.

9. Total Assessed Value

The total estimated assessed value of all real property located within the District, as reported by the Jackson County Assessor's Office, is \$1,917,124.00. As depicted on Exhibit C, Petitioners own real property within the District currently assessed at \$1,917,124.00 representing 100% of the assessed value of all of the real property within the District.

10. Determination of Blight

Petitioners are not seeking a determination of blight.

11. Proposed Length of Time

The life of the District shall begin from the effective date of the ordinance establishing the District, and shall be in existence for twenty (20) years from the date the sales tax goes into effect to fund capital improvements and services, provided

however the District's life may be continued until all of the project costs are satisfied, in accordance with Section 67.1481.6, R.S.Mo.

12. Proposed Method of Financing District Projects - Sales Tax

The proposed District Projects will be financed through a conventional secured loan, and/or reimbursement agreement or bonds issued by the District or other authorized body, any of which will be secured by the pledge of revenue received from the imposition of up to a one percent (1%) District sales tax within the District ("CID Sales Tax"). The initial CID Sales Tax will be one percent (1%). The estimated total CID Sales Tax revenues anticipated to be collected by the District to fund the District's capital improvements and services is estimated to be \$3,503,505 over the proposed twenty-year term of the District. The capital improvements and services funded by District revenues are more fully described in Exhibit D.

13. Maximum Rates of Business Licenses and Real Property Taxes

The District will impose no real property tax levy or business license taxes within the District.

14. Method of Assessment and Maximum Rates of Special Assessments

The District will impose no special assessments within the District.

15. Limitations on Borrowing Capacity

Petitioners do not seek limitations on the borrowing capacity of the District.

16. Limitations on Revenue Generation

Petitioners do not seek limitations on the revenue generation of the District.

17. Other Limitations on District Powers

Petitioners do not seek limitations on the powers of the District.

18. Audit

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

19. Severability / Exhibits

It is the intention of the Petitioners that the provisions of this Petition shall be enforced to the fullest extent permissible under the laws and public policies of the 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 Petition. Accordingly, if any provision of this Petition

shall be deemed invalid or unenforceable in whole or in part, this Petition 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 Petition in order to render the same valid and enforceable. All exhibits attached hereto are hereby incorporated into this Petition by reference.

20. Request for Establishment

By execution and submission of this Petition, the Petitioners respectfully requests that the City Council establish the **Freight House Community Improvement District** as set forth in this Petition.

21. Public Benefits

In accordance with Section 74-302(a)(3) of the City Code, the estimated revenue to be used for benefits to the public are over 93% including pedestrian walkway improvements, signage and wayfinding, district lighting, landscaping, public art and security for First Friday and special events.

IN WITNESS WHEREOF, I, the undersigned Petitioner, have executed the above foregoing Petition to create a Community Improvement District:

Name of Owner	Lidia's Freight House, LLC
Owner's Telephone Number	(816) 808-1610
Owner's Mailing Address	6233 West 126 th Street, Overland Park, Kansas 66209
Name of Signer	Dan Clothier
Signer's Legal Authority to Sign	Manager
Signer's Telephone Number	Same as above.
Signer's Mailing Address	Same as above.
Type of Entity	Missouri Limited Liability Company
Map, Parcel Number and Assessed Value of Each Tract of Property Owned within the District	See following pages

By executing this Petition, the undersigned represents and warrants that he or she is legally authorized to execute this Petition on behalf of the property owner named immediately above. The undersigned acknowledges that he or she has been given notice that his or her signature below may not be withdrawn later than seven (7) days after the filing of this Petition with the City Clerk.

LIDIAS FREIGHT HOUSE, LLC
a Missouri Limited Liability Company

By: *Dan Clothier*
Name: Dan Clothier, Manager
Date: 6-21-22

Kansas
STATE OF MISSOURI)
) ss.
COUNTY OF Johnson)

BE IT REMEMBERED, that on this 21 day of June 2022, before me, the undersigned, a Notary Public in and for the County and State aforesaid, came Dan Clothier as the Manager of Lidia's Freight House, LLC, who executed the foregoing instrument on behalf of said limited liability company and he duly acknowledged the execution of the same to be the act and deed of said limited liability company.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year last above written.

Queen M. Asia
NOTARY PUBLIC

My Commission Expires: 06/30/22



Lidia's Freight House, LLC

FREIGHT HOUSE CID

Parcel Numbers and Assessed Values (2021):

Map #	Parcel ID	Address	AV 2021
1	29-520-33-24-00-0-01-001	101 W 22nd Street Unit 100	\$ 704,000
2	29-520-33-24-00-0-00-000	101 W 22nd Street Tract A	\$ 4
	Total		\$ 704,004

IN WITNESS WHEREOF, I, the undersigned Petitioner, have executed the above foregoing Petition to create a Community Improvement District:

Name of Owner	Vienna Group, LLC
Owner's Telephone Number	(816) 283-3234
Owner's Mailing Address	101 W. 22nd Street Unit 200, Kansas City, Missouri 64108
Name of Signer	Nicholas Grunauer
Signer's Legal Authority to Sign	Manager
Signer's Telephone Number	Same as above.
Signer's Mailing Address	Same as above.
Type of Entity	Missouri Limited Liability Company
Map, Parcel Number and Assessed Value of Each Tract of Property Owned within the District	See following pages

By executing this Petition, the undersigned represents and warrants that he or she is legally authorized to execute this Petition on behalf of the property owner named immediately above. The undersigned acknowledges that he or she has been given notice that his or her signature below may not be withdrawn later than seven (7) days after the filing of this Petition with the City Clerk.

Vienna Group, LLC
a Missouri Limited Liability Company

By: [Signature]
Name: Nicholas Grunauer, Manager
Date: 6/21/22

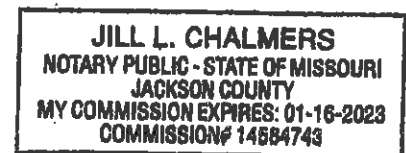
STATE OF MISSOURI)
COUNTY OF Jackson) ss.

BE IT REMEMBERED, that on this 21st day of June 2022, before me, the undersigned, a Notary Public in and for the County and State aforesaid, came Nicholas Grunauer as the Manager of Vienna Group, LLC, who executed the foregoing instrument on behalf of said limited liability company and he duly acknowledged the execution of the same to be the act and deed of said limited liability company.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year last above written.

[Signature]
NOTARY PUBLIC

My Commission Expires: 01-16-2023



Vienna Group, LLC

FREIGHT HOUSE CID

Parcel Numbers and Assessed Values (2021):

Map #	Parcel ID	Address	AV 2021
1	29-520-33-24-00-0-02-001	101 W 22nd Street Suite 200	\$ 572,160
	Total		\$ 572,160

IN WITNESS WHEREOF, I, the undersigned Petitioner, have executed the above foregoing Petition to create a Community Improvement District:

Name of Owner	J-DOR Real Estate, LLC
Owner's Telephone Number	(816) 472-7427
Owner's Mailing Address	9000 W 137 th Street Overland Park, Kansas 66221
Name of Signer	Case Dorman
Signer's Legal Authority to Sign	Manager
Signer's Telephone Number	Same as above.
Signer's Mailing Address	Same as above.
Type of Entity	Kansas Limited Liability Company
Map, Parcel Number and Assessed Value of Each Tract of Property Owned within the District	See following pages

By executing this Petition, the undersigned represents and warrants that he or she is legally authorized to execute this Petition on behalf of the property owner named immediately above. The undersigned acknowledges that he or she has been given notice that his or her signature below may not be withdrawn later than seven (7) days after the filing of this Petition with the City Clerk.

J-DOR Real Estate, LLC
a Kansas Limited Liability Company

By: [Signature]
Name: Case Dorman, Manager
Date: _____

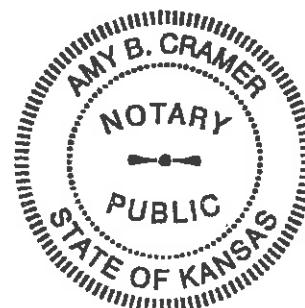
KANSAS
STATE OF MISSOURI) AC
COUNTY OF JOHNSON) ss.

BE IT REMEMBERED, that on this 23 day of JUNE 2022, before me, the undersigned, a Notary Public in and for the County and State aforesaid, came Case Dorman as the Manager of J-DOR Real Estate, LLC, who executed the foregoing instrument on behalf of said limited liability company and he duly acknowledged the execution of the same to be the act and deed of said limited liability company.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year last above written.

My Commission Expires: 11.20.22

[Signature]
NOTARY PUBLIC



J-DOR Real Estate, LLC

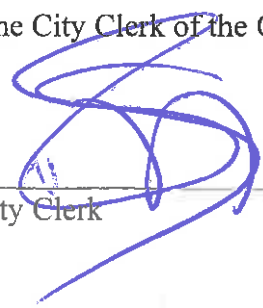
FREIGHT HOUSE CID

Parcel Numbers and Assessed Values (2021):

Map #	Parcel ID	Address	AV 2021
1	29-520-33-24-00-0-03-001	101 W 22nd Street Unit 300	\$ 640,960
	Total		\$ 640,960

CLERK'S RECEIPT OF PETITION

This Petition was filed in the office of the City Clerk of the City of Kansas City, Missouri
on the 2nd day of August, 2022.



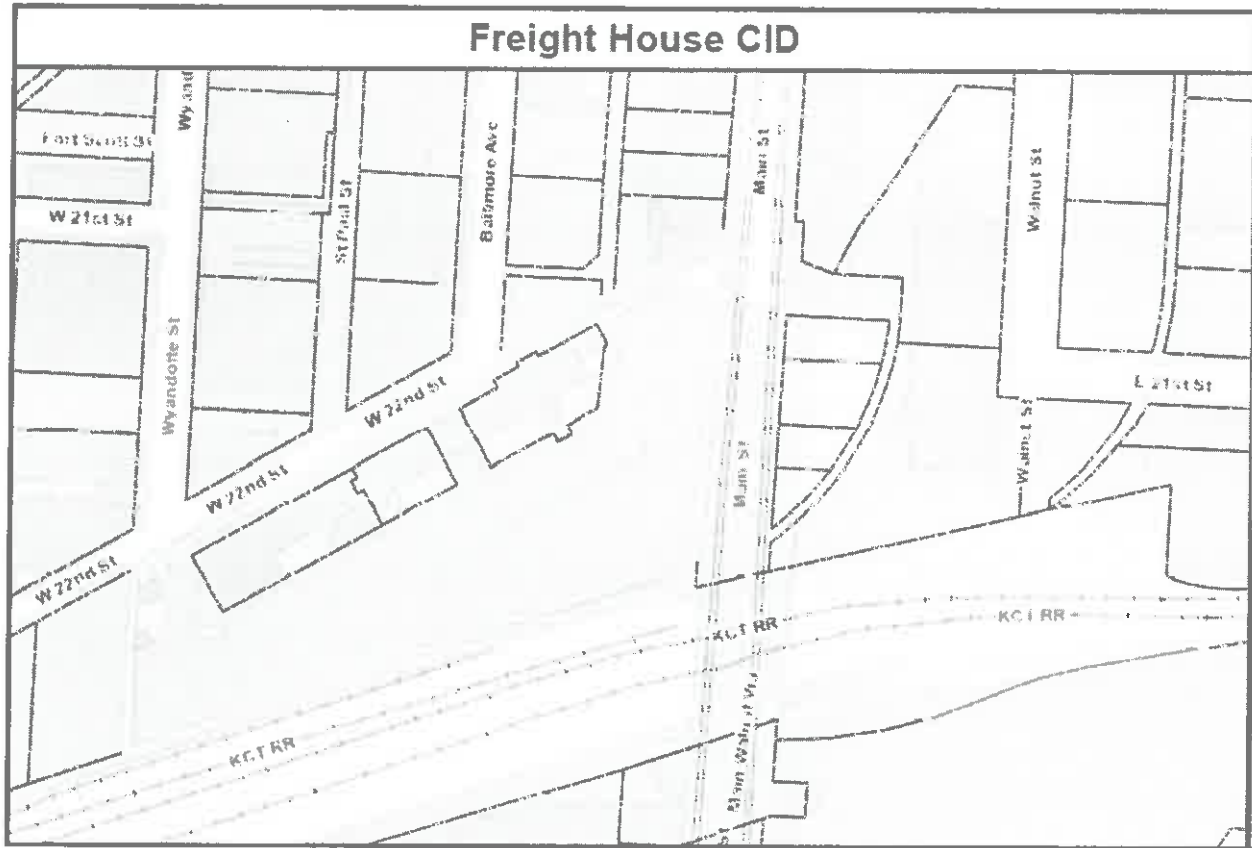
City Clerk

[SEAL]

EXHIBIT A
LEGAL DESCRIPTION OF DISTRICT

Units 100, 200, and 300 and the Common Element, FREIGHT HOUSE CONDOMINIUM, a condominium subdivision in Kansas City, Jackson County, Missouri according to the condominium plat recorded July 14, 2014 as document 2014E0055881, Book 150, Page 88.

EXHIBIT B
MAP OF DISTRICT



District Boundary:

EXHIBIT C
PARCEL NUMBERS AND ASSESSED VALUES OF PROPERTY WITHIN DISTRICT

PETITIONERS' TRACTS:

LIDIAS FREIGHT HOUSE, LLC:

Parcel ID	Address	AV 2021
29-520-33-24-00-0-01-001	101 W 22nd Street Unit A	\$ 704,000
29-520-33-24-00-0-00-000	101 W 22nd Street Unit 100	\$ 4
Total		\$ 704,004

VIENNA GROUP, LLC:

Parcel ID	Address	AV 2021
29-520-33-24-00-0-02-001	101 W 22nd Street Suite 200	\$ 572,160
Total		\$ 572,160

J-DOR REAL ESTATE, LLC:

Parcel ID	Address	AV 2021
29-520-33-24-00-0-03-001	101 W 22nd Street Unit 300	\$ 640,960
Total		\$ 640,960

PETITIONER'S PERCENTAGE OF TOTAL CID ASSESSED VALUE:

Total AV Petitioner's Parcel		\$ 1,917,124
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Total AV CID		\$ 1,917,124
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Percentage of Total AV		100%
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EXHIBIT D

FIVE-YEAR PLAN OF DISTRICT

A. General. The District will be established for the purposes of: 1) providing ongoing services related to security, marketing, annual maintenance, and any other services authorized under the act, and 2) to provide funding for the financing, design, construction, demolition, removal, renovation, reconstruction or rehabilitation of certain public improvements or portions thereof, located within the District and related improvements and structures, as authorized pursuant to the Act and R.S.Mo. § 67.1461.1. Such improvements and renovations are described as those projects eligible for funding or reimbursement from CID revenue as shown in greater detail in the budget described below. The District's purposes also include providing funding for the initial startup costs and ongoing operating costs of the District.

B. Purposes. The purposes of the District are to:

- (1) Form and govern the District in accordance with the Act and the revised statutes of the State of Missouri;
- (2) Provide or cause to be provided per the benefit of the District services related to security, marketing, maintenance, and other services authorized under the Act described herein;
- (3) Provide or cause to be provided for the benefit of the District, certain improvements and services described herein;
- (4) Obtain financing for the costs, expenditures, and undertakings of the District;
- (5) To levy and collect the CID Sales Tax in order to provide a source of repayment for CID Obligations issued to finance the District Projects, or to pledge toward the repayment of CID Obligations issued to finance the District Projects; and
- (6) Such other purposes authorized by the Act.

C. District Administrative/Operation Costs. The administrative/operational services to be performed by the District shall include, but not be limited to, the following:

- (1) Adopting bylaws, passing resolutions, and otherwise governing the District in the manner required by the Act and the revised statutes of the State of Missouri;
- (2) Developing funding sources, including the levying of the CID Sales Tax, necessary in order to pay for the required expenses, costs and expenses of the District in a manner authorized by the Act;
- (3) Providing such accountings, reports and communications as are required by the Act and the Cooperative Agreement;
- (4) Employing or contracting for necessary agents, attorneys, engineers, appraisers, construction managers, environmental inspectors and experts of various types and

descriptions in order to obtain competent plans and contracts for the construction (such term to include, inter alia, construction, demolition, removal, renovation, reconstruction or rehabilitation) of District Projects as described in this Petition;

- (5) Arranging for the construction of the District Projects in accordance with approved plans for same;
- (6) Complying with the terms and conditions of the ordinance of the City authorizing the creation of the District; and

The estimated costs for the District's Administrative/Operational Costs are approximately \$25,000 annually.

D. District Services & Budget. The District is authorized to provide all of those services authorized by the Act, including provision of safety services, marketing services, services related to the maintenance of public improvements and public and private property within the District, and supporting business activity and economic development in the District, including, but not limited to, the promotion of business activity, development and retention, and the recruitment of businesses. The estimated costs for annual District services is approximately \$240,000.

District Services Budget – 5-year plan

	Total	Allowable Costs
Services:		
First Friday & special event security	\$ 80,000	§ 67.1461.1(21)
Pedestrian Way & Parking Lot Mgmt & Maint.	\$ 796,000	§ 67.1461.1(16)(a), (22)
Public Area Landscaping, Lighting, & Maint.	\$ 175,000	§ 67.1461.1(16)(b), (g)
Curate & Commission Public Art	\$ 55,000	§ 67.1461.1(16)(i)
District marketing expenses	\$ 55,000	§ 67.1461.1(24)
Annual accounting, legal, and auditing	\$ 70,000	§ 67.1461.1(5)
Total District Services	\$1,231,000	

E. District Projects & Budget. The District Projects to be constructed by the District shall include, but not be limited to the following costs necessary for the construction of the following public improvements within the District:

Capital Improvements Budget – 5-year plan

	Total	Allowable Costs
Capital Improvements:		
Landscaping and other site improvements	\$ 50,000	§ 67.1461.1(16)(b)
District lighting	\$ 50,000	§ 67.1461.1(16)(g)
Pedestrian walkway improvements	\$ 250,000	§ 67.1461.1(16)(d)
New signage and wayfinding	\$ 250,000	§ 67.1461.1(16)(d)
Total Capital Improvements	\$ 600,000	

F. Schedule. The commencement of the construction of District Projects and commencement of District Services and the levy and collection of the CID Sales Tax are anticipated to occur within the first year of the District's existence.

G. Initial Start Up Costs. All costs associated with the formation of the District, including, but not limited to, the drafting, filing and prosecuting of this Petition, the negotiation of any and all agreements between the District and the City, including but not limited to legal fees, insurance and accounting fees. The estimated cost of the initial startup of the District is approximately \$20,000.

H. Sources of Funds to Pay District Costs. It is anticipated by the District that all of the initial start up costs, costs to fund District services and costs incurred for capital improvements will be financed by the property owners and businesses located within the District's boundaries and reimbursed by the District from unencumbered District Revenues. Some District costs may be directly funded with District Revenues. The sources of unencumbered District Revenues may include the CID Sales Tax and revenue received from subleasing daytime parking from adjoining businesses payable as rent to the landlord.

I. Anticipated Term of the Sources of Funds to Pay District Costs. The anticipated term of the sources of funds set out above shall be conterminous of the life of the District.