

REIMBURSEMENT PRIORITIZATION AGREEMENT

BY AND AMONG

**THE TAX INCREMENT FINANCING COMMISSION
OF KANSAS CITY, MISSOURI**

AND

MD MANAGEMENT, INC

AND

HUNT MIDWEST REAL ESTATE DEVELOPMENT, INC.

AND

THE CITY OF KANSAS CITY, MISSOURI

**FOR THE CONSTRUCTION OF INFRASTRUCTURE IMPROVEMENTS
CONTEMPLATED BY THE PLATTE PURCHASE DEVELOPMENT PLAN**

February ___, 2020

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REIMBURSEMENT PRIORITIZATION AGREEMENT

THIS REIMBURSEMENT PRIORITIZATION AGREEMENT (this “**Agreement**”) dated February _____, 2020 (the “**Effective Date**”), is made by and among the TAX INCREMENT FINANCING COMMISSION OF KANSAS CITY, MISSOURI (the “**Commission**”), MD MANAGEMENT, INC. (“**MD**”), HUNT MIDWEST REAL ESTATE DEVELOPMENT, INC. (“**Hunt Midwest**”) and THE CITY OF KANSAS CITY, MISSOURI, (the “**City**”) (collectively, the “**Prioritized Developers**”) with respect to the following facts and objectives:

A. Pursuant to the Real Property Tax Increment Financing Allocation Act, Section 99.800 RSMo. 1982, et seq., as amended (“**Act**”), on July 28, 2016, the City Council of Kansas City, Missouri (the “**Council**”), by way of Ordinance No. 160415, approved the Platte Purchase Development Plan (the “**Plan**”), and designated the area to be developed therein as a redevelopment area (the “**Redevelopment Area**”);

B. The Platte Purchase Development Plan was subsequently amended on December 14, 2017, by Ordinance No. 170971, on April 18, 2019, by Ordinance No. 190264, on October 17, 2019, by Ordinance No. 190826, and on _____ by Ordinance No. _____ (the Platte Purchase Development Plan, as amended by these ordinances is hereinafter referred to as the “**Plan**”);

C. The Plan provides for, among other things, the improvement of certain roadways within and adjacent to the Redevelopment Area, including (1)(a) the construction of a 6,900 linear foot sanitary sewer line extension near NW Tiffany Springs Road and Line Creek Parkway and south of MO-152 near N. Platte Purchase Drive, (b) the construction of NW Tiffany Springs Road from N. Platte Purchase Drive to Line Creek Parkway and (c) the construction of Line Creek Parkway, from Old Tiffany Springs Road to Tiffany Springs Parkway (collectively, the “**Tranche 1 Improvements**”), as more particularly described on **Exhibit A**, attached hereto, (2) the construction of water and sewer lines along N. Platte Purchase Drive, beginning at NE 108th Street and continuing south to Platte Purchase Park entrance and including water and sewer lines within Platte Purchase Park (the “**Tranche 2 Improvements**”), as more particularly described on **Exhibit B**, attached hereto, (3) the construction of an Interchange at MO-152 and N. Platte Purchase Drive, as more particularly described on **Exhibit C**, attached hereto (the “**Tranche 3 Improvements**”), and the construction of 6100 linear feet of trails along Second Creek between Line Creek Parkway and NW 97th Street, as more particularly described on **Exhibit D**, attached hereto (the “**Tranche 4 Improvements**”), and the construction of improvements to N. Platte Purchase Drive, beginning at NE 108th Street and continuing south to NE 100th Street, as more particularly described on **Exhibit E**, attached hereto (the “**Tranche 5 Improvements**,” and together with the Tranche 1 Improvements, the Tranche 2 Improvements, the Tranche 3 Improvements and the Tranche 4 Improvements the “**Prioritized Improvements**”);

D. On _____, upon the recommendation of the Platte Purchase Advisory Committee, the Commission, by Resolution No. _____, attached hereto as **Exhibit F**, approved the reimbursement of certain redevelopment project costs related to the Prioritized Improvements (“**Prioritized Redevelopment Costs**”) as described in the Plan and

incurred in connection with the implementation of the Prioritized Improvements, subject to the following: (1) the execution and performance of separate development agreements (the “**Prioritized Development Agreements**”) by and between the Commission and the Prioritized Developers, (2)(a) the availability of Economic Activity Taxes generated within the Redevelopment Area (“**EATS Revenue**”) which are not captured as part of the Commission’s administrative fee or utilized to secure the Improvement Revenue Bonds (Platte Purchase Project A) Series 2019 in the original principal amount of \$19,500,000 (the “**Platte Purchase Bonds**”) that were issued by the Industrial Development Authority of the City of Kansas City (“**Authority**”), pursuant to that certain Trust Indenture by and between the Authority and Security Bank of Kansas City, dated August 1, 2019 and/or (b) proceeds from the Platte Purchase Bonds, (c) with respect to, and solely with respect to, the Tranche 3 Improvements, funds received by the City, pursuant to that certain Funding and Reimbursement Agreement, dated _____ (the “**Tranche 3 Funding Agreement**”), by and between the Commission and the City and (d) with respect to, and solely with respect to, the Tranche 5 Improvements, funds received by the City, pursuant to that certain Funding and Reimbursement Agreement, dated _____, (the “**Tranche 5 Funding Agreement**”), by and between the Commission and the City (collectively, “**Available Funds**”).

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

1. Recitals Incorporated. The above Recitals are hereby incorporated into this Agreement in full and form an integral part hereof.

2. Prioritization. Each of the parties hereto agree, subject to the Commission’s Certification of Costs and Reimbursement Policy, attached hereto as Exhibit G, that,

a. The City shall be reimbursed or provision for the City’s reimbursement shall made for costs it incurs in connection with the Tranche 1 Improvements, up to the “**Tiffany Springs Reimbursement Amount**” set forth on Exhibit I, attached hereto, prior to the reimbursement of any other costs identified by the Plan;

b. after the payment or provision has been made for the payment of the Tiffany Springs Reimbursement Amount, Hunt Midwest shall be reimbursed or provision for Hunt Midwest’s reimbursement shall be made for costs it incurs in connection with the implementation of the Tranche 2 Improvements, up to the “**Water and Sewer Line Reimbursement Amount**” set forth on Exhibit I, attached hereto, prior to the reimbursement of any other costs identified by the Plan;

c. after the payment or provision has been made for the payment of the Water and Sewer Line Reimbursement Amount, the Commission shall pay or provision shall be made for the Commission’s payment to the Missouri Highways and Transportation Commission (“**MODOT**”) with funds the Commission has received pursuant to the Tranche 3 Funding Agreement and thereafter from all other remaining Available Funds, all amounts required pursuant to the terms of that certain Missouri Highways and Transportation Commission Cost Share Agreement, dated _____ (the “**Cost Share Agreement**”), up to the “**MO-**

152 and Platte Purchase Interchange Reimbursement Amount” set forth on **Exhibit I**, attached hereto, prior to the reimbursement of any other costs identified by the Plan;

d. after the payment or provision has been made for the payment of the MO-152 and Platte Purchase Interchange Reimbursement Amount, the City shall be reimbursed or provision shall have been made for City’s reimbursement of costs it incurs in connection with the Tranche 4 Improvements, up to the “**TS1 Trail Reimbursement Amount**” set forth on **Exhibit I**, attached hereto; prior to the reimbursement of any other costs identified by the Plan; and

e. after the payment or provision has been made for the payment of the TS1 Trail Reimbursement Amount, Hunt Midwest shall be reimbursed or provision shall be made for Hunt Midwest’s reimbursement of costs it incurs in connection with the implementation of the Tranche 5 Improvements, with funds the Commission has received pursuant to the Tranche 5 Funding Agreement and thereafter from all other remaining Available Funds, up to “**N. Platte Purchase Drive Reimbursement Amount**” set forth on **Exhibit I**, attached hereto, prior to the reimbursement of any other costs identified by the Plan.

If and to the extent the Commission shall receive funds from the City, pursuant to the Tranche 3 Funding Agreement or the Tranche 5 Funding Agreement, as the case may be, the Commission, notwithstanding the foregoing prioritization, shall pay such amounts received pursuant to the Tranche 3 Funding Agreement, in accordance with the Cost Share Agreement and shall reimburse Hunt Midwest such amounts the Commission received pursuant to the Tranche 5 Funding Agreement, in accordance with that certain Agreement, dated _____, by and between the Commission and Hunt Midwest.

3. Interest. Recognizing that each Prioritized Developer will incur private interest costs to finance the payment of reimbursable Prioritized Redevelopment Costs prior to the time such costs are certified and reimbursed, construction period interest incurred by each Prioritized Developer on such Prioritized Redevelopment Costs, which are to be reimbursed following certification, shall be reimbursed to a Prioritized Developer, based upon the prioritization described by **Section 2** hereof, provided such Prioritized Redevelopment Costs are presented by such Prioritized Developer to the Commission for certification within sixty (60) days of the date such Prioritized Redevelopment Costs are incurred (“**Timely Certification Request**”) and such amount of interest is not in excess of the amount of Available Funds. Construction period interest, which may be reimbursed, shall accrue at such rate that is not in excess of the applicable rates as set forth in the Commission’s Interest Policy, attached hereto as **Exhibit H**, and, provided a Timely Certification Request is made, shall begin to accrue on the Prioritized Redevelopment Costs as of the date Developer incurs the Prioritized Redevelopment Costs. In the event a Timely Certification Request is not made, Construction period interest shall begin to accrue on the date the Commission certifies such Prioritized Redevelopment Costs. Construction period interest incurred in connection with the financing of the Prioritized Redevelopment Costs shall only be certified and reimbursed if the underlying Prioritized Redevelopment Costs on which the interest was charged is also certified. Notwithstanding anything to the contrary herein or in the Commission’s Interest Policy, reimbursable construction period interest shall not exceed 5% per annum.

4. Reimbursement.

a. Each Prioritized Developer, subject to **subsection c** below and in accordance with the limitations set forth in **Sections 2 and 3**, is entitled to be reimbursed for its respective Reimbursement Amount identified on **Exhibit I**, attached hereto, from Available Funds until the earlier of (i) each such Prioritized Developer receiving full reimbursement of its projected Reimbursement Amount appearing opposite the Prioritized Developer's name on **Exhibit I**, attached hereto, or (ii) twenty-three (23) years after the date in which the last Redevelopment Project within the Plan is approved by separate ordinance by the Council.

b. Notwithstanding **Section 7**, the Commission and each Prioritized Developer, with the consent of the other Prioritized Developer, may modify its respective Reimbursement Amount appearing on **Exhibit I** to account for changes in the costs and expenses related to its respective Prioritized Improvement described on **Exhibit I** that were not anticipated at the time of execution of this Agreement. All such modifications to the Reimbursement Amounts shall occur at a public meeting of the Commission and each other party hereto shall be notified, as soon as practicable, prior to such Commission meeting.

c. The Commission shall not be obligated to make any reimbursements under this Agreement or otherwise to a Prioritized Developer if such Prioritized Developer is in breach of its respective Prioritized Development Agreement.

5. Contract Contingent Upon Certain Agreements. The obligations of the Commission under this Agreement as to each Prioritized Developer are contingent upon the execution and due performance of the Prioritized Development Agreements by and between each of the Prioritized Developers and the Commission, the Cost Share Agreement, the Tranche 3 Funding Agreement and the Tranche 5 Funding Agreement.

6. Assignment. This Agreement, and the rights, duties and obligations hereunder, may not and shall not be assigned by any Prioritized Developer, except upon terms and conditions agreeable to the Commission, in its sole and absolute discretion. In the event this Agreement is assigned in whole or part by any such Prioritized Developer, the Prioritized Developer shall not be relieved from any obligations set forth herein unless and until the Commission specifically agrees in writing to release such Prioritized Developer. No such release of one Prioritized Developer shall affect the duties and obligations of the other Prioritized Developer.

7. Modification. The terms, conditions and provisions of this Agreement can be neither modified, amended nor eliminated except by written agreement between the Commission and all of the Prioritized Developers. Any such modification to this Agreement as approved by the Commission and all of the Prioritized Developers shall be incorporated herein by reference.

8. Term of Agreement. This Agreement shall become effective on the Effective Date and shall remain in force and effect until the earlier of (i) each Prioritized Developer receiving full reimbursement of the Total Reimbursement Amount, or (ii) twenty-three (23)

years after date in which the last Redevelopment Project within the Plan is approved by separate ordinance of the Council (the “Term”).

9. Notice. All notices required by this Agreement shall be in writing and shall be served either personally or by certified mail, or by any other delivery service which obtains a receipt for delivery unless any such notice is required by law and such law provides a different form of delivery or service. Any such notice or demand served personally shall be delivered to the party being served (provided that such notice may be delivered to the receptionist or any other person apparently in charge of such party’s office at its address hereinafter set forth), and shall be deemed complete upon the day of actual delivery or attempted delivery, as shown by an affidavit of the person so delivering such notice. Any notice so served by certified mail shall be deposited in the United States Mail with postage thereon fully prepaid and addressed to the party or parties so to be served at its address hereinafter stated, and service of any such notice by certified mail shall be deemed complete on the date of actual delivery as shown by the certified mail receipt. Service of any such notice by another delivery service shall be deemed complete upon the date of delivery as shown on the receipt obtained by such delivery service.

Notices to the Commission shall be addressed to:

Executive Director
Tax Increment Financing Commission
300 Wyandotte, Suite 400
Kansas City, Missouri 64105

with a copy to: Wesley O. Fields
Bryan Cave Leighton Paisner LLP
1200 Main Street, Suite 3800
Kansas City, Missouri 64105

Notices to Hunt Midwest shall be addressed to:

Ora H Reynolds
President
Hunt Midwest Real Estate Development, Inc.
8300 N.E. Underground Drive, Suite 200
Kansas City, Missouri 64161

Notices to MD shall be addressed to:

Erika Feingold
President
MD Management, Inc.
5201 Johnson Drive, Suite 450
Shawnee Mission, Kansas 66201

with copies to: James Bowers, Jr., Esq.
Rouse Frets White Goss Gentile Rhodes, P.C.
4510 Bellevue, Suite 300

Kansas City, Missouri 64111

Notices to City shall be addressed to:

Office of City Manager
Wes Minder
29th Floor, City Hall
414 E. 12th Street
Kansas City, Missouri 64106

Each party shall have the right to specify that notice be addressed to any other address by giving to the other party ten (10) days written notice thereof.

10. Headings. The headings or captions of this Agreement are for convenience and reference only, and in no way define, limit or describe the scope or intent of the contract or any provisions hereof.

11. Validity and Severability. It is the intention of the parties hereto that the provisions of this Agreement shall be enforced to the fullest extent permissible under the laws and public policies 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.

If this Agreement contains any unlawful provisions not an essential part of this Agreement and which shall not appear to have a controlling or material inducement to the making thereof such provisions shall be deemed of no effect and shall be deemed stricken from this Agreement without affecting the binding force of the remainder. In the event any provision of this Agreement is capable of more than one interpretation, one that would render the provision invalid and one, which would render the provision valid, the provision shall be interpreted so as to render it valid.

12. Time is of the Essence. Time and exact performance are of the essence of this Agreement.

13. Sole Agreement. This Agreement, including all exhibits, riders or addenda attached hereto, constitutes the sole agreement between the parties and supersedes any prior understandings or written or oral agreements between the parties.

14. Technical Amendments. In the event that there are minor inaccuracies contained herein or any Exhibit attached hereto or any other agreement contemplated hereby, or the parties agree that changes are required due to unforeseen events or circumstances, or technical matters arising during the term of this Agreement, which changes do not alter the substance of this Agreement, the respective presiding officers of the Commission, and the officers of the Developers, are authorized to approve such changes, and are authorized to execute any required

instruments, to make and incorporate such amendment or change to this Agreement or any Exhibit attached hereto or any other agreement contemplated hereby.

15. Choice of Law. The interpretation, construction and performance of this Agreement shall be governed by the laws of the State of Missouri without giving effect to Missouri's choice of law provisions. Venue for any cause of action arising out of or in connection with this Agreement shall be in Jackson County, Missouri, and parties shall waive any and all objections to jurisdiction and venue; and shall not raise forum non conveniens as an objection to the location of any litigation.

16. Multiple Counterparts. This Agreement may be executed in multiple counterpart copies, each of which will be considered an original and all of which constitute but one and the same instrument, binding on all parties hereto, even though all the parties are not signatory to the same counterpart. Any counterpart of this Agreement, which has attached to it separate signature pages which together contain the signatures of all parties hereto shall be deemed for all purposes a fully executed original.

IN WITNESS WHEREOF, the parties who have signed where indicated below have caused this Agreement to be executed pursuant to due authority as of the date first above set forth.

[Remainder of page left intentionally blank. Signature pages follow.]

TAX INCREMENT FINANCING COMMISSION
OF KANSAS CITY, MISSOURI

By: _____
Alissia R. Canady, Chair

ATTEST:

By: _____
Heather A. Brown, Secretary

Approved as to form:

Counsel to the Commission

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

On this ____ day of _____, 2020, before me, the undersigned a Notary Public in and for the County and State aforesaid came the Chair of the Tax Increment Financing Commission of Kansas City, Missouri, a commission duly organized, incorporated and existing under and by virtue of the laws of the State of Missouri, who is personally known to me to be the same person who executed, as such official, the within instrument on behalf of said commission, and such person duly acknowledged the execution of the same to be the act and deed of said commission.

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

Notary Public

My Commission Expires:

HUNT MIDWEST REAL ESTATE DEVELOPMENT, INC.

By: _____
Ora H. Reynolds, President & CEO

ATTEST:

Secretary

STATE OF _____)
) ss.
COUNTY OF _____)

On this ____ day of _____, 2018, before me, a Notary Public in and for the state and county aforesaid, appeared Ora H. Reynolds, to me personally known, and who being by me duly sworn, did say that she is the President and CEO of Hunt Midwest Real Estate Development, Inc., and that said instrument was signed on behalf of said corporation by authority of its Board of Directors on behalf of Hunt Midwest Real Estate Development, Inc. and said President acknowledged said instrument to be the free act and deed of said corporation.

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

Notary Public

My Commission Expires:

MD MANAGEMENT, INC.

By: _____
Erika Feingold, President

ATTEST:

Secretary

STATE OF _____)
) ss.
COUNTY OF _____)

On this ____ day of _____, 2020, before me, a Notary Public in and for the state and county aforesaid, appeared Erika Feingold, to me personally known, and who being by me duly sworn, did say that she is the President of MD Management, Inc., and that said instrument was signed on behalf of said corporation by authority of its Board of Directors on behalf of MD Management, Inc. and said President acknowledged said instrument to be the free act and deed of said corporation.

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

Notary Public

My Commission Expires:

ATTEST:

CITY OF KANSAS CITY, MISSOURI,
A Constitutionally Chartered City of the State of
Missouri

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

APPROVED AS TO FORM & LEGALITY:

By: _____
City Attorney

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

On this _____ day of _____, 2018, before me, a Notary Public in and for the state and county aforesaid, appeared _____, to me personally known, and who being by me duly sworn, did say that s/he is the _____ of the City of Kansas City, Missouri, a constitutional charter city, and that said instrument was signed on behalf of said city by authority of its governing body, and said officer acknowledged said instrument to be executed for the purposes therein stated and as the free act and deed of said city.

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

Notary Public

My Commission Expires:

Exhibit A
Tranche 1 Improvements

Public Improvements	Public Number Within Plan	Total Reimbursement Amounts
Sanitary Sewer Extension of approximately 6,900 linear feet near NW Tiffany Springs Road and Line Creek Parkway; and south of MO-152 near N Platte Purchase Drive		
NW Tiffany Springs Road from N Platte Purchase Drive to Line Creek Parkway	3, 4, 7a and 10	\$14,382,000
N Platte Purchase Drive from MO-152 to Tiffany Springs Parkway (Phase 1)		
Line Creek Parkway from Old Tiffany Springs Road to Tiffany Springs Parkway		

Exhibit B
Tranche 2 Improvements

Public Improvements	Public Number Within Plan	Total Reimbursement Amounts
Water and Sanitary Sewer Main Extension – Water Main and Sewer extension along N. Platte Purchase Drive, South approximately 2700 feet to the entrance of Platte Purchase Park, and including Water and Sewer Main extensions within Platte Purchase Park	11	\$1,134,000

Exhibit C
Tranche 3 Improvements

Public Improvements	Public Number Within Plan	Total Reimbursement Amounts
MO-152 & N Platte Purchase Drive Interchange – Reconstruct the interchange from a Standard diamond interchange to a diverging diamond interchange	6	\$3,445,739

Exhibit D
Tranche 4 Improvements

Public Improvements	Public Number Within Plan	Total Reimbursement Amounts
TS1 Trails – Construction of a 10' wide concrete non-motorized transportation facility along Second Creek between Line Creek Parkway to approximately NW 97 th Street. Improvements will include the following:	TS1	\$338,000

Exhibit E
Tranche 5 Improvements

Public Improvements	Public Number Within Plan	Total Reimbursement Amounts
Platte Purchase Phase 1 - Platte Purchase Drive from NE 108th Street to Platte Purchase Park entrance	7c	\$3,457,000
Platte Purchase Phase 2 - Purchase Park entrance to NE 100 th Street	7b	\$4,758,000

Exhibit F

Resolution _____

Exhibit G
Certification of Costs and Reimbursement Policy

Exhibit H

Interest Policy

Exhibit I
Prioritized Redevelopment Costs

Prioritized Road Improvements	Project Cost Number Within Plan	Total Reimbursement Amounts	Prioritized Developer
Tranche 1 Improvements	3, 4, 7a, 10	\$14,382,000	MD
Tranche 2 Improvements	11	\$1,166,000	Hunt Midwest
Tranche 3 Improvements	6	\$3,445,739	MODOT
Tranche 4 Improvements	TS1	\$338,000	City
Tranche 5 Improvements	7b, 7c	\$8,215,000	Hunt Midwest