ANNUAL REPORT FOR TIFFANY SQUARE EAST COMMUNITY IMPROVEMENT DISTRICT ("CID")

SECTION I

Date: January 26, 2023

CID Contact Information: Mark Untersee

mark@unterseelaw.net

(816) 531-1333

Political Subdivision or Not for Profit: Political Subdivision

Date of and Ordinance No: February 10, 2022, Ordinance No. 220088

SECTION II

PURPOSES OF CID AND SERVICES PERFORMED DURING FISCAL YEAR 2022

Purpose:

- a) provide or cause to be provided for the benefit of the District, certain services described in Paragraph 3B of the Petition (the "Eligible Services");
- b) borrow money ("CID Debt") from any public or private source to finance the costs of the Eligible Services and other costs incurred by the District to carry out its purposes and for the repayment of the same, provided that the District's borrowing capacity shall be limited to \$1,581,008 ("CID Debt Cap"); and
- c) authorize and collect sales and use tax ("District Sales Tax").

Services:

The Eligible Services may generally include, but are not necessarily limited to, earthwork, installation of geo-piers, paving and construction of parking lots, water distribution, a fire line, storm drainage, sanitary sewer and sanitary sewer relocation, landscaping, green space and irrigation, construction of curbs, gutters, approaches, sidewalks and electrical distribution, streetlights, and site lighting, and overall rehabilitation of the District. The estimated initial costs of the Eligible Services are shown on Exhibit C of the Petition ("Estimated Cost of Eligible Services") annexed to and made an integral part of this Petition.

No 2022 annual budget was approved, as the CID was not established until February 10, 2022.

SECTION III

BOARD MEMBERS AS OF DATE OF MOST RECENT ANNUAL MEETING:

Kiley Brooks – <u>kileyb@tutera.com</u>

William Dana – <u>bdana@centralbankkc.com</u>

Mark Untersee – <u>mark@unterseelaw.net</u>

Mike Levitt – <u>mikel@tutera.com</u>

Esty Frakes – <u>estyf@tutera.com</u>

SECTION IV

REVENUE AND EXPENSES – FISCAL YEAR 2022

INCOME:		
a) Sales & Use Tax Revenue		\$0.00
TOTAL INCOME		\$0.00
EXPENSES		
EXPENSES:		
I. Administrative:	0.00	
a) Legal	\$0.00	
b)		
c)		
SUB-TOTAL		
II. Services:		
a)		
b)		
c)		
SUB-TOTAL		
III. Capital Improvements		
a)		
b)		
c)		
SUB-TOTAL		
IV. Other		
a) Debt Service	\$0.00	
b)		
c)		
SUB-TOTAL		
EXPENSE TOTAL:		
I. Administrative	\$0.00	
II. Services		
III. Capital Improvements		
IV. Other		
TOTAL EXPENSES	\$0.00	
TOTAL INCOME		\$0.00
LESS TOTAL EXPENSES		\$0.00
BALANCE		\$0.00

SECTION V

LIST OF RESOLUTIONS APPROVED DURING FISCAL YEAR 2022 (ATTACH COPIES):

RESOLUTION	RESOLUTION TITLE
NUMBER	
2022 - 01	Adoption of Bylaws
2022 - 02	Appointment of Officers
2022 - 03	Ratify Organization of District and Past Actions
2022 - 04	Conformance with Missouri Sunshine Act
2022 - 05	Levy of One Percent (1.0%) Sales and Use Tax
2022 - 06	Adopting a Fiscal Year and Corporate Seal
2022 - 07	Authorizing the District Manager to Purchase Liability Insurance
2022 - 08	Intent of the District to Engage Counsel and Authorizing Execution of
	Engagement Letter
2022 - 09	Intent of the District to Appoint 4 Individuals to Count Ballots for Mail-
	In Election
2022 - 10	Authorizing District Manager to Select a Bank, Establish an Account for
	the Deposit of Monies Paid to the District, Approving and Authorizing
	Execution of Missouri Department of Revenue Forms and Internal
	Revenue Service Form

SUBMIT FORM AND ATTACHMENTS TO:

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: missouridevelopment@ded.mo.gov

Kansas City - City Clerk 25th Floor, City Hall 414 E. 12th Street

Kansas City, MO 64106 Phone: (816) 513-3360 Fax: (816) 513-3353

Email: Marilyn. Sanders@kcmo.org

RESOLUTION OF THE TIFFANY SQUARE EAST COMMUNITY IMPROVEMENT DISTRICT (THE "DISTRICT") ADOPTING BYLAWS OF THE DISTRICT

WHEREAS, the District, which was formed by Ordinance No. 220088 adopted by the City Council of Kansas City, Missouri, is a public body created under the authority of the "Missouri Community Improvement District Act," Section 67.1401, *et seq.*, RSMo, as may be amended (the "Act"); and is transacting business and exercising powers granted by the Act;

WHEREAS, the Board of Directors (the "Board") of the District desires to adopt the Bylaws of the District (the "Bylaws") in substantially the form attached as Exhibit A 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 the District as follows:

- 1. The Bylaws are approved and adopted.
- 2. The Chairman is authorized and directed to execute the Bylaws.
- The Secretary is instructed to cause the Bylaws to be annexed to the minutes of the first meeting of the Board of the District and be made a part of the corporate records of the District.
- The officers of the Board 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.

Adopted this 19th day of May, 2022.

Mike Levitt, Chairman

/

ATTEST:

RESOLUTION OF THE TIFFANY SQUARE EAST COMMUNITY IMPROVEMENT DISTRICT (THE "DISTRICT") APPOINTING OFFICERS

WHEREAS, the District, which was formed by Ordinance No. 220088 adopted by the City Council of Kansas City, Missouri, is a public body created under the authority of the "Missouri Community Improvement District Act," Section 67.1401, *et seq.*, RSMo, as may be amended (the "Act"); and is transacting business and exercising powers granted by the Act;

WHEREAS, the Board of Directors (the "Board") of the District desires to appoint a Chairman, Vice Chairman, Secretary, Treasurer and District Manager in accordance with the District's bylaws.

NOW, THEREFORE, BE IT RESOLVED by the Board of the District as follows:

- 1. Mike Levitt is appointed Chairman of the District.
- 2. William Dana is appointed Vice Chairman of the District.
- 3. Kiley Brooks is appointed Secretary of the District.
- 4. Kiley Brooks is appointed Treasurer of the District.
- 5. Mark Untersee is appointed District Manager of the District.
- 6. This resolution shall take effect immediately.

Adopted this 19th day of May, 2022.

Mike Levitt, Chairman

ATTEST:

RESOLUTION OF THE TIFFANY SQUARE EAST COMMUNITY IMPROVEMENT DISTRICT (THE "DISTRICT") RATIFYING ORGANIZATION OF DISTRICT AND PAST ACTIONS

WHEREAS, the District, which was formed by Ordinance No. 220088 adopted by the City Council of Kansas City, Missouri, is a public body created under the authority of the "Missouri Community Improvement District Act," Section 67.1401, *et seq.*, RSMo, as may be amended (the "Act"); and is transacting business and exercising powers granted by the Act;

WHEREAS, the Board of Directors (the "Board") of the District 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 the District as follows:

- 1. That all lawful actions taken by the District or on behalf of the District for purposes of its formation and in the furtherance of the proposed projects to be undertaken by the District, are hereby ratified, acknowledged and accepted.
- 2. This resolution shall take effect immediately.

Adopted this 19th day of May, 2022.

Mike Levitt, Chairman

ATTEST:

RESOLUTION OF THE TIFFANY SQUARE EAST COMMUNITY IMPROVEMENT DISTRICT (THE "DISTRICT") EXPRESSING THE DISTRICT'S INTENT TO CONFORM WITH THE MISSOURI SUNSHINE ACT

WHEREAS, the District, which was formed by Ordinance No. 220088, adopted by the City Council of Kansas City, Missouri, is a public body created under the authority of the "Missouri Community Improvement District Act," Sections 67.1401, et seq., RSMo, as may be amended (the "Act"), and is transacting business and exercising the powers granted by the Act;

WHEREAS, the District desires to ensure that it conforms with the requirements set out in Section 610.010 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 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 all additional procedures required under the Sunshine Act.
- 2. This resolution shall take effect immediately.

Adopted this 19th day of May, 2022.

Mike Levitt. Chairman

ATTEST:

RESOLUTION OF THE TIFFANY SQUARE EAST COMMUNITY IMPROVEMENT DISTRICT (THE "DISTRICT"), APPROVING A ONE PERCENT (1.0%) SALES AND USE TAX (THE "DISTRICT SALES TAX") TO BE PRESENTED TO QUALIFIED VOTERS IN THE DISTRICT FOR THEIR APPROVAL IN A MAIL-IN ELECTION, PURSUANT TO STATUTE

WHEREAS, the District, which was formed by Ordinance No. 220088 adopted by the City Council of Kansas City, Missouri, is a public body created under the authority of the "Missouri Community Improvement District Act," Section 67.1401, *et seq.*, RSMo, as may be amended (the "Act"); and is transacting business and exercising powers granted by the Act;

WHEREAS, the District desires to: (1) provide or cause to be provided, within and for the benefit of the District, (a) construction of vehicular and pedestrian accessibility improvements, (b) remediation of subsurface conditions which are presently unsuitable for fill and development, and shall specifically include earthwork, installation of geo-piers, paving and construction of parking lots, water distribution, a fire line, storm drainage, sanitary sewer and sanitary sewer relocation, landscaping, green space and irrigation, and (c) construction of curbs, gutters, approaches, sidewalks and electrical distribution, street lights, and site lighting (collectively, the "Eligible Services"); (2) issue obligations ("CID Debt") to finance (a) the costs of the Eligible Services, (b) other costs incurred by the District to carry out its purposes, (c) costs of issuance, (d) capitalized interest and (e) a debt service reserve fund related to the issuance of the CID Debt; (3) authorize and collect a sales and use tax; and (4) provide for any other actions required in the furtherance of the above stated objectives (collectively, the "District Purposes"), as the Board deems necessary, and as authorized pursuant to the Act, including those items described in Section 67.1461.1 and Section 67.1461.2(1) and (2) RSMo, as amended;

WHEREAS, Section 67.1545, RSMo authorizes the Board of the District to submit a District Sales Tax proposal to an election by the qualified voters of the District for the purposes of funding the District Purposes;

WHEREAS, Section 67.1545, RSMo authorizes the use of a mail-in election procedure for such District Sales Tax proposal;

WHEREAS, the Board of the District desires to submit to the qualified voters of the District to approve a one percent (1.0%) District Sales Tax on sales in the District for a period ending upon the earlier of twenty-seven (27) years from the date on which the District Sales Tax is first imposed, or until such time as the District is terminated (if such time is less than twenty-seven (27) years);

WHEREAS, the District Sales Tax will be imposed on all retail sales made in the District which are subject to taxation pursuant to the provisions of Sections 144.010 to 144.525, RSMo, except sales of motor vehicles, trailers, boats or outboard motors and sales to public utilities; and

WHEREAS, the funds to be raised by the District Sales Tax are necessary to fund the District Purposes.

NOW, THEREFORE, BE IT RESOLVED by the Board of the District as follows:

1. That the Board approves the submission of a one percent (1.0%) District Sales Tax on all retail sales made in the District which are subject to taxation under Sections 144.010 to 144.525, RSMo, to the qualified voters of the District for their approval in accordance with the mail-in provisions of Section 67.1545, RSMo, and as ordered by the City Council of the City of Kansas City, Missouri, pursuant to the following ballot proposition:

Shall the Tiffany Square East Community Improvement District impose a community improvement district-wide sales and use tax (the "District Sales Tax") at the maximum rate of one percent (1.0%) for a period ending upon the earlier of twenty-seven (27) years from the date on which the District Sales Tax is first imposed, or until such time as the District is terminated (if such time is less than twenty-seven (27) years), for the purpose of providing revenue for the following district purposes (collectively the "District Purposes"): (1) provide or cause to be provided, within and for the benefit of the District, (a) construction of vehicular and pedestrian accessibility improvements, (b) remediation of subsurface conditions which are presently unsuitable for fill and development, and shall specifically include earthwork, installation of geo-piers, paving and construction of parking lots, water distribution, a fire line, storm drainage, sanitary sewer and sanitary sewer relocation, landscaping, green space and irrigation, and (c) construction of curbs, gutters, approaches, sidewalks and electrical distribution, street lights, and site lighting (collectively, the "Eligible Services"); (2) issue obligations ("CID Debt") to finance (a) the costs of the Eligible Services, (b) other costs incurred by the District to carry out its purposes, (c) costs of issuance, (d) capitalized interest and (e) a debt service reserve fund related to the issuance of the CID Debt; (3) authorize and collect a sales and use tax; and (4) provide for any other actions required in the furtherance of the above stated objectives, as the Board deems necessary, and as authorized pursuant to the Act, including those items described in Section 67.1461.1 and Section 67.1461.2(1) and (2) RSMo, as amended.

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."

- 2. Upon approval of the District Sales Tax by the qualified voters of the District, pursuant to Section 67.1545.3 RSMo, the District shall notify the director of the Department of Revenue within ten days of such approval.
- Upon approval of the District Sales Tax by the qualified voters of the
 District, pursuant to Section 67.1545.3 RSMo, the District Stales Tax shall
 become effective on the first day of the second calendar quarter after the
 director of the Department of Revenue receives notice of the adoption of
 the District Sales Tax.
- 4. The District Manager is 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.

Adopted this 19th day of May, 2022.

Mike Levitt, Chairman

ATTEST:

RESOLUTION OF THE TIFFANY SQUARE EAST COMMUNITY IMPROVEMENT DISTRICT (THE "DISTRICT") ADOPTING FISCAL YEAR AND SEAL OF THE DISTRICT

WHEREAS, the District, which was formed by Ordinance No. 220088 adopted by the City Council of Kansas City, Missouri, is a public body created under the authority of the "Missouri Community Improvement District Act," Section 67.1401, et seq., RSMo, as may be amended (the "Act"); and is transacting business and exercising powers granted by the Act;

WHEREAS, the 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 the City of Kansas City, Missouri; and

WHEREAS, the Board of Directors (the "Board") believes the District's interests will be well served to adopt a seal to authenticate documents executed by officers of the District.

NOW, THEREFORE, BE IT RESOLVED by the Board of the District as follows:

- 1. The fiscal year of the District shall end on the same day as the last day of the fiscal year of the City of Kansas City, Missouri.
- 2. The District's seal shall be circular with the word "seal" in the center and the words "Tiffany Square East Community Improvement District" around its circumference.
- 3. The Chairman and Secretary are authorized and directed to take all further action necessary to carry out the purpose and intent of this resolution.
- 4. This resolution shall take effect immediately.

Adopted this 19th day of May, 2022.

Mike Levitt, Chairman

ATTEST:

RESOLUTION OF THE TIFFANY SQUARE EAST COMMUNITY IMPROVEMENT DISTRICT (THE "DISTRICT") AUTHORIZING THE DISTRICT MANAGER TO OBTAIN LIABILITY INSURANCE

WHEREAS, the District, which was formed by Ordinance No. 220088 adopted by the City Council of Kansas City, Missouri, is a public body created under the authority of the "Missouri Community Improvement District Act," Section 67.1401, *et seq.*, RSMo, as may be amended (the "Act"); and is transacting business and exercising powers granted by the Act;

WHEREAS, the Board of Directors (the "Board") of the District desire to authorize the District Manager of the District (the "District Manager") to obtain liability insurance ("Insurance") for the District.

NOW, THEREFORE, BE IT RESOLVED by the Board of the District as follows:

- The District Manager is authorized and directed to take all action necessary to obtain relevant Insurance for the District.
- 2. This resolution shall take effect immediately.

Adopted this 19th day of May, 2022.

Mike Levitt, Chairman

ATTEST:

RESOLUTION OF THE TIFFANY SQUARE EAST COMMUNITY IMPROVEMENT DISTRICT (THE "DISTRICT") EXPRESSING THE DISTRICT'S INTENT TO ENGAGE COUNSEL AND AUTHORIZING THE EXECUTION OF THE ENGAGEMENT LETTER ("ENGAGEMENT LETTER") BETWEEN THE DISTRICT AND HUSCH BLACKWELL, LLP ("HUSCH BLACKWELL")

WHEREAS, the District, which was formed by Ordinance No. 220088 adopted by the City Council of Kansas City, Missouri, is a public body created under the authority of the "Missouri Community Improvement District Act," Section 67.1401, et seq., RSMo, as may be amended (the "Act"); and is transacting business and exercising powers granted by the Act;

WHEREAS, pursuant to Section 67.1461 of the Act, the District may employ or contract for legal and other necessary services; and

WHEREAS, the Board of Directors (the "Board") of the District desire to engage the law firm of Husch Blackwell, LLP as counsel for legal services.

NOW, THEREFORE, BE IT RESOLVED by the Board of the District as follows:

- 1. The District Manager, on behalf of the District, is authorized to execute and to enter into the Engagement Letter, in substantially the same form as attached hereto as <u>Exhibit A</u>, to engage the services of Husch Blackwell, LLP, as general counsel, and, in the event the District issues bonds, as bond counsel in addition to Husch Blackwell's general representation. The District's officers and directors are authorized and directed to take such further actions as are necessary relating to the execution and carrying out of the transactions contemplated by the Engagement Letter.
- This resolution shall take effect immediately.

Adopted this 19th day of May, 2022.

Mike Levitt, Chairman

ATTEST:

DocuSigned by:

RESOLUTION OF THE TIFFANY SQUARE EAST COMMUNITY IMPROVEMENT DISTRICT (THE "DISTRICT") APPOINTING INDIVIDUALS TO COUNT BALLOTS FOR MAIL-IN ELECTION

WHEREAS, the District, which was formed by Ordinance No. 220088 adopted by the City Council of Kansas City, Missouri, is a public body created under the authority of the "Missouri Community Improvement District Act," Section 67.1401, *et seq.*, RSMo, as may be amended (the "Act"); and is transacting business and exercising powers granted by the Act;

WHEREAS, to fund the District Purposes the Board of Directors (the "Board") has approved presenting to the property owners in the District a mail-in election procedure for the approval of a One Percent (1.0%) Sales and Use Tax.

WHEREAS, the Board of the District desires to appoint four (4) individuals to count and certify the results of the mail-in election ballots.

NOW, THEREFORE, BE IT RESOLVED, by the Board of the District as follows:

<u>Section 1</u>. The following four (4) individuals are hereby appointed to count and certify the results of the mail-in election ballots:

- a. Charles Renner
- b. Will Nulton
- c. Chris Kline
- d. Lisa Woodward

Section 2. This resolution shall take effect immediately.

Adopted this 19th day of May, 2022.

Mike Levitt, Chairman

Kiley Brooks, Secretary

ATTEST:

RESOLUTION OF TIFFANY SQUARE EAST COMMUNITY IMPROVEMENT DISTRICT (THE "DISTRICT") AUTHORIZING THE DISTRICT MANAGER TO SELECT A BANK, AUTHORIZING THE DISTRICT TO ESTABLISH AN ACCOUNT FOR THE DEPOSIT OF MONIES PAID TO THE DISTRICT AND APPROVING AND AUTHORIZING EXECUTION OF MISSOURI DEPARTMENT OF REVENUE ACH FORM, MISSOURI DEPARTMENT OF REVENUE FORM 4379, MISSOURI DEPARTMENT OF REVENUE FORM 1746, AND INTERNAL REVENUE SERVICE FORM SS-4

WHEREAS, the District, which was formed by Ordinance No. 220088 adopted by the City Council of Kansas City, Missouri, is a public body created under the authority of the "Missouri Community Improvement District Act," Section 67.1401, et seq., RSMo, as may be amended (the "Act"); and is transacting business and exercising powers granted by the Act;

WHEREAS, the Board of Directors (the "Board") of the District desires to establish a bank account or bank accounts with a Missouri Bank (the "Bank") for the deposit of sales tax revenues, special assessment revenues, if any, and other monies paid to the District (the "Account(s)");

WHEREAS, the Board of the District desires to have the Missouri Department of Revenue (the "MO DOR") deposit sales tax revenues into the Bank via Automated Clearing House (the "ACH") transfers in accordance with the form attached hereto as Exhibit A;

WHEREAS, the Board of the District desires to have a monthly accounting by the MO DOR forwarded to its counsel setting forth the names of the businesses and the amount of sales and/or use taxes collected from the businesses located within the District, in accordance with Form 4379 attached hereto as Exhibit B;

WHEREAS, the Board of the District desires to apply to MO DOR for exemption from Missouri Sales/Use Taxes in accordance with Form 1746 attached hereto as Exhibit C; and

WHEREAS, the Board of the District desires to apply for a federal employee tax identification number ("FEIN") for reporting and accounting purposes in accordance with Form SS-4 attached hereto as Exhibit D.

NOW, THEREFORE, BE IT RESOLVED by the Board of the District as follows:

 The District Manager is authorized to select a Bank and establish an Account or Accounts for the deposit of sales tax revenues, special assessment revenues, if any, and other monies paid to the District.

Husch Blackwell LLP

- The Chairman and Treasurer are authorized to deposit all monies paid to the
 District in the name of the District in the Account(s) at the selected depository, to
 write and sign Account(s) checks and to perform tasks incidental to the
 maintenance of the Account(s).
- 3. All Account(s) checks shall be signed by both the Chairman and the Treasurer.
- 4. The Chairman and Treasurer are authorized to execute the MO DOR ACH Agreement, in substantially the format attached hereto as <u>Exhibit A</u>, in order for the District's sales tax revenues to be deposited into the Account via ACH transfer.
- 5. The Chairman is authorized to execute MO DOR Form 4379, in substantially the format attached hereto as Exhibit B, directing the MO DOR to send monthly accounting reports to the District's counsel setting forth the names of the businesses and the amount of sales tax revenues collected from those businesses located within the boundaries of the District.
- 6. The Chairman and Secretary are authorized to execute MO DOR Form 1746, in substantially the format attached hereto as Exhibit C, requesting that MO DOR issue a certificate exempting the District from payment of Missouri sales/use taxes.
- 7. The Chairman or District Manager is authorized to execute Internal Revenue Service Form SS-4, in substantially the format attached hereto as Exhibit D, requesting a FEIN from the Internal Revenue Service for reporting and accounting purposes of the District.
- 8. The Chairman and Treasurer are authorized and directed to take all further action necessary to carry out the purposes and intent of this Resolution.
- This resolution shall take effect immediately.

Adopted this 19th day of May, 2022.

Mike Levitt, Chairm

Kiley Brooks, Secretary

ATTEST: