



Board of Aldermen Request for Action

MEETING DATE: 10/17/2023

DEPARTMENT: Administration

AGENDA ITEM: Approve Bill No. 3012-23, An Ordinance approving the petition for establishment of the Fairview Crossing Community Improvement District - First Reading

REQUESTED BOARD ACTION:

A motion to approve Bill No. 3012-23, an Ordinance approving the petition for establishment of the Fairview Crossing Community Improvement District (CID), establishing the district, and making findings and authorizing actions related to establishment of the district. First reading by title only.

SUMMARY:

In May of 2022, the Board approved a mixed-use development on 53.92 acres at the northeast corner of 169 Highway and 144th Street. Planning and Zoning and Board of Aldermen review of the Fairview Crossing and Fairview Crossing North developments have occurred over the ensuing months, with plat approval in early 2023.

This summer, a funding agreement between the City of Smithville and Kansas City Properties & Investments, LLC was approved in order to facilitate review of a proposed CID.

State statute outlines the process by which the Governing Body of any city, may establish a community improvement district, which begins with submission of a petition requesting formation of the district. A petition was filed on September 8, 2023. The Petition for Establishment of the Fairview Crossing Community Improvement District (the "Petition") meets the statutory requirements of a valid petition. All statutorily required notices were complied with. In conjunction with the establishment of a CID, the City must hold a public hearing.

The Petition provides that the CID will be governed by a Board of Directors (the "Board") comprised of five directors, four of which are property owner's representatives and one City representative. The initial Board is named in the Petition, but successor directors will be appointed by the Mayor with the consent of the Board of Aldermen. Further, revenues within the CID will be generated by a 1% sales tax to fund improvements within the District.

The District intends to fund all public improvements and services, in accordance with the CID Act. These include site work and grading for the public improvements, stormwater improvements, public parking improvements, utility improvements, public right-of-way improvements, landscaping, lawns and trees in public areas. Estimated costs are initially estimated to be \$3,240,000.

A map of the Cid is included as Exhibit B of the Petition.

The City's Economic Development Policy recommends a 20-year limit on CID terms and outlines a preference that the CID Board be Developer-controlled with City representation. The petition submitted by the development team requests the statutory maximum term of 27 years. The petition complies with the recommendation that the Board be developer controlled.

PREVIOUS ACTION:

Preliminary plat and conceptual plans were approved by both the Planning and Zoning Commission and Board of Aldermen this spring.

A Funding Agreement with Kansas City Properties & Investments, LLC was approved in July.

A public hearing was held earlier in this meeting.

POLICY OBJECTIVE:

Click or tap here to enter text.

FINANCIAL CONSIDERATIONS:

ATTACHMENTS:

- | | |
|---|-----------------------------------|
| <input checked="" type="checkbox"/> Ordinance | <input type="checkbox"/> Contract |
| <input type="checkbox"/> Resolution | <input type="checkbox"/> Plans |
| <input type="checkbox"/> Staff Report | <input type="checkbox"/> Minutes |
| <input checked="" type="checkbox"/> Other: Petition | |

AN ORDINANCE APPROVING THE PETITION FOR ESTABLISHMENT OF THE FAIRVIEW CROSSING COMMUNITY IMPROVEMENT DISTRICT, ESTABLISHING THE DISTRICT, AND MAKING FINDINGS AND AUTHORIZING ACTIONS RELATED TO ESTABLISHMENT OF THE DISTRICT.

WHEREAS, Sections 67.1401 to 67.1571 RSMo, 2000, as amended (the "CID Act"), authorized the governing body of any city, upon presentation of a proper petition requesting the formation and after a public hearing, to adopt an ordinance establishing a community improvement district; and

WHEREAS, the City of Smithville, Missouri (the "City") is a fourth-class city and a political subdivision of the State of Missouri, duly created, organized and existing under and by virtue of the Constitution and laws of the State of Missouri; and

WHEREAS, property owners within the proposed community improvement district have filed with the Smithville City Clerk (the "City Clerk") a petition for the establishment of a community improvement district pursuant to the CID Act, entitled "Petition for Establishment of the Fairview Crossing Community Improvement District" (the "Petition") which is attached hereto as **Exhibit A** and incorporated herein by reference; and

WHEREAS, the City Clerk verified that the Petition substantially complies with the CID Act, submitted the verified Petition to the Board of Aldermen and set a public hearing with all proper notice being given in accordance with the CID Act or other applicable law; and

WHEREAS, none of the signatures of the signers of the Petition were withdrawn within seven days after the Petition was filed with the City Clerk; and

WHEREAS, all the real property included in the Fairview Crossing Community Improvement District (the "District") is entirely located within the City of Smithville; and

WHEREAS, on October 17, 2023, the Board of Aldermen held a public hearing at which all persons interested in the formation of the District were allowed an opportunity to speak; and

WHEREAS, the Petition to establish the District being fully heard before the Board of Aldermen, the Board of Aldermen now desires to approve the Petition, establish the District and take other actions related to establishment of the District.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF SMITHVILLE, MISSOURI, as follows:

SECTION 1. All terms used in this Ordinance shall be construed as defined in the CID Act and the Petition.

SECTION 2. The City Clerk has verified that the Petition substantially complies with all submission requirements of the CID Act.

SECTION 3. The Petition, as amended, a copy of which is attached hereto as **Exhibit A**, is hereby approved and the District is hereby established within the City as a political subdivision of the State of Missouri. The District includes the contiguous tracts of real estate as described in the Petition and shown on the map set forth in the Petition.

SECTION 4. As set forth in the Petition, the District shall be governed by a board of directors consisting of five (5) members. The initial directors shall be the persons named in the Petition, and successor directors shall be appointed by the Mayor with the consent of the Board of Aldermen.

SECTION 5. The District's Board of Directors shall have authority to establish a sales tax within the District as set forth in the Petition and in conformance with the CID Act.

SECTION 6. The District shall have and possess without limitation such powers authorized under the CID Act and as set forth or otherwise limited in the Petition.

SECTION 7. The District shall terminate twenty-seven (27) years after the effective date upon of this Ordinance.

SECTION 8. The City Clerk is hereby directed to prepare and file with the Missouri Department of Economic Development (the "Department") and the Missouri State Auditor the report specified in Section 67.1421.6 of the CID Act, substantially in the form provided by the Department.

SECTION 9. Approval of the Petition and the District by this Ordinance is conditioned upon the District entering into a cooperative agreement with the City, upon terms and conditions mutually acceptable to the City and District, which provides for implementation of the District, the process for reimbursement of eligible District costs and expenses and other matters as mutually determined by the City and District. No payment or reimbursement of District costs and expenses shall occur and no disbursement of District revenues shall occur until the cooperative agreement is approved and executed by the City and the District. Failure of the District to enter into such agreement within six (6) months following the effective date of this Ordinance shall nullify

and render void the approvals granted in this Ordinance upon such declaration by the Board of Aldermen.

SECTION 10. City staff, the City's special legal counsel, and other appropriate City officials are hereby authorized to take any and all actions as may be deemed necessary or convenient to carry out and comply with the intent of this Ordinance and to execute and deliver for and on behalf of the City all certificates, instruments, and agreements or other documents as may be necessary, desirable, convenient, or proper to perform all matters authorized herein.

SECTION 11. It is hereby declared to be the intention of the Board of Aldermen that each and every part of this Ordinance shall be separate and severable from each and every other part. In the event that any part of this Ordinance shall be determined to be or to have been unlawful or unconstitutional, the remaining parts shall be in full force and effect.

SECTION 12. This Ordinance shall be in full force and effect from and after the date of its passage and approval.

PASSED by the Board of Aldermen, and **APPROVED** by the Mayor, of the City of Smithville, Missouri, this 7th day of November, 2023.

Damien Boley, Mayor

ATTEST:

Linda Drummond, City Clerk

First Reading: 10/17/2023

Second Reading: 11/7/2023

EXHIBIT A
PETITION TO ESTABLISH DISTRICT

[Attached]

**PETITION FOR ESTABLISHMENT OF THE
FAIRVIEW CROSSING COMMUNITY IMPROVEMENT DISTRICT
CITY OF SMITHVILLE, MISSOURI**

**PETITION FOR THE CREATION OF THE
FAIRVIEW CROSSING COMMUNITY IMPROVEMENT DISTRICT**

To the Mayor and City Board of Aldermen of the City of Smithville, Missouri:

The undersigned real property owner (the "Petitioner"), pursuant to RSMo Section 67.1421, being the owner of:

- (1) more than fifty percent (50%) by assessed value of the real property; and
- (2) more than fifty percent (50%) per capita of all owners of real property

within the boundaries of the hereinafter described proposed community improvement district, does hereby petition and request that the City Board of Aldermen of the City of Smithville, Missouri create a community improvement district as described herein under the authority of Sections 67.1401 to 67.1571, RSMo (the "CID Act"). In support of this petition, the Petitioner sets forth the following information in compliance with the CID Act:

1. District Name. The name for the proposed community improvement district ("CID" or "District") is:

Fairview Crossing Community Improvement District.
2. Legal Description and Map. A legal description and map generally depicting the boundaries of the proposed District are attached hereto as Exhibit A and Exhibit B, respectively. The proposed district consists of 63.47 +/- acres and is located entirely within the City of Smithville, Missouri.
3. Five-Year Plan. A five-year plan as required by the CID Act is attached hereto as Exhibit C (the "Five Year Plan").
4. Form of District. The proposed district will be established as a political subdivision of the State of Missouri under the CID Act.
5. Board of Directors.
 - a. Number. The District shall be governed by a Board of Directors (the "Board") consisting of five (5) members, whom shall be appointed in accordance with this petition.
 - b. Qualifications. Each Member of the Board ("Director") shall meet the following requirements:
 - (1) be at least 18 years of age;
 - (2) be and must declare to be either an owner of real property within the District ("Owner") or an authorized representative of an Owner, an owner of a business operating within the District ("Operator"), or a registered voter ("Resident") residing within the District, as provided in the CID Act;
 - (3) be and have been a resident of the State of Missouri for at least one year immediately preceding the date upon which he or she takes office in accordance with Article VII, Section 8 of the Missouri Constitution; and
 - (4) except for the initial directors named in this Petition, be appointed according to a slate

submitted as described in this Petition.

c. Initial Directors. The initial directors (“Initial Directors”) and their respective terms shall be:

- i. Shane Crees - Owner’s Representative, four (4) year term
- ii. *Cory Fautsch - Owner’s Representative, four (4) year term
- iii. *Alicia Neth - Owner’s Representative, two (2) year term
- iv. Todd Nitsche - Owner’s Representative, two (2) year term
- v. Gina Pate – City’s Representative, two (2) year term

If there are no registered voters residing in the District on the date this Petition is filed with the City Clerk, at least one Director must be a resident of Smithville, Missouri that is registered to vote, has no financial interest in any real property or business within the District, and is not related (second degree blood or marriage) to any owner of real estate or any business in the CID. The Director(s) identified with an “*” above satisfy such additional qualification requirements.

d. Terms. Initial Directors shall serve for the term set forth above. Each Successor Director shall serve a four (4) year term or until his/her successor is appointed in accordance with this Petition. If, for any reason, a Director is not able to serve his/her term, the remaining Directors shall elect an Interim Director to fill the vacancy of the unexpired term.

Notwithstanding anything to the contrary, any Director’s failure to meet the qualification requirements set forth above, either in a Director’s individual capacity or in a Director’s representative capacity, shall constitute cause for the Board to take appropriate action to remove said Director.

e. Successor Directors. Successor Directors shall be appointed by the Mayor with the consent of the City Board of Aldermen by resolution. The Executive Director of the District may submit a proposed slate of successor directors to the City of Smithville, Missouri’s City Clerk (the “City Clerk”), which slate may be comprised of any individuals that meet the above-listed criteria in the discretion of the Executive Director. Upon receipt of a slate of Successor Directors, the City Clerk shall promptly deliver the slate to the Mayor for consideration by the City Board of Aldermen. The slate shall serve as a non-binding recommendation of persons to be appointed by the Mayor.

6. Assessed Value. The total assessed value of all real property in the District is \$143,000.

7. Duration of District. The proposed length of time for the existence of the District is twenty-seven (27) years from the date the ordinance establishing the District is approved. The District may be terminated prior to the end of such term in accordance with the provisions of the CID Act and this Petition, and said term shall not be extended unless a new petition is submitted and approved pursuant to the terms of the CID Act.

8. Real Property and Business License Taxes. The District will not have the power to impose a real property tax levy or business license taxes.

9. Special Assessments. The District will not have the power to impose special assessments.

10. Sales Tax. Qualified voters of the District may be asked to approve a sales tax of up to one percent (1%) (“District Sales Tax”), in accordance with the CID Act, to fund certain improvements within the District and/or to pay the costs of services provided by the District. Additional details about the District Sales Tax are set forth in the Five-Year Plan attached hereto as **Exhibit C**.
11. Borrowing Limits. Petitioner does not seek limitations on the borrowing capacity of the District.
12. Revenue Limits. Petitioner does not seek limitations on the revenue generation of the District.
13. Future Five Year Plans. The District shall submit future Five (5) Year Plans meeting the requirements of Section 1421.2(3)(d), RSMo (as amended or replaced from time to time) to the City for comment and review no earlier than 180 days and no later than 90 days prior to the expiration of each then-current Five (5) Year Plan.
14. Authority Limits. Petitioner does not seek limitations on the authority of the District, except as set forth in this Petition. The District will not fund any costs until a cooperative agreement is executed between the District, the City of Smithville and the developer of record for the project.
15. Right to Terminate. The property owners within the District shall have the right to petition the City Board of Aldermen to terminate the District at any time in accordance with the CID Act.
16. City Board of Aldermen Right to Audit. The City Board of Aldermen shall have the right to audit the books and records of the District at any time upon reasonable request.
17. **Revocation of Signatures. THE PETITIONER ACKNOWLEDGES THAT THE SIGNATURE OF THE SIGNER OF THIS PETITION MAY NOT BE WITHDRAWN FROM THIS PETITION LATER THAN SEVEN (7) DAYS AFTER THE FILING HEREOF WITH THE CITY CLERK.**
18. Blight Determination. Petitioner is not seeking a determination that the District is a blighted area.

WHEREFORE, Petitioner respectfully requests that the City Board of Aldermen establish the requested Fairview Crossing Community Improvement District in accordance with the information set forth in this Petition and that the Mayor appoint and the City Board of Aldermen consent to the proposed members for the Board of Directors as set forth in this Petition and take all other appropriate and necessary action that is consistent with the CID Act to establish the requested district.

**EXECUTION PAGES FOR PETITION FOR THE CREATION OF THE
FAIRVIEW CROSSING COMMUNITY IMPROVEMENT DISTRICT**

Name of owner: KANSAS CITY PROPERTIES & INVESTMENTS, LLC

Owner's address: 13530 Mt. Olivet Road, Smithville, Missouri 64089

Owner's telephone number: (816) 719-9327

IF SIGNER IS DIFFERENT FROM OWNER:

Name of signer: C. Shane Crees

Title: Managing Member

Signer's telephone number: (816) 719-9327

Signer's mailing address: P.O. Box 475, Smithville, Missouri 64089

If owner is an individual: _____ Single _____ Married

If owner is not an individual, state what type of entity (Mark Applicable Box):

| | | | |
|--------------------------|----------------------------|--------------------------|---------------------------------|
| <input type="checkbox"/> | Corporation | <input type="checkbox"/> | General Partnership |
| <input type="checkbox"/> | Limited Partnership | x | Limited Liability Company |
| <input type="checkbox"/> | Partnership | <input type="checkbox"/> | Urban Redevelopment Corporation |
| <input type="checkbox"/> | Not-for-Profit Corporation | <input type="checkbox"/> | Other _____ |

Map and parcel number(s):

| |
|----------------------------------|
| 05917000700800 05917000700900 |
|----------------------------------|

Total Assessed value:

\$140,730

**EXECUTION PAGES FOR PETITION FOR THE CREATION OF THE
FAIRVIEW CROSSING COMMUNITY IMPROVEMENT DISTRICT**

Name of owner: KCPI 3, LLC

Owner's address: P.O. Box 475, Smithville, Missouri 64089

Owner's telephone number: (816) 719-9327

IF SIGNER IS DIFFERENT FROM OWNER:

Name of signer: C. Shane Crees

Title: Manager

Signer's telephone number: (816) 719-9327

Signer's mailing address: P.O. Box 475, Smithville, Missouri 64089

If owner is an individual: _____ Single _____ Married

If owner is not an individual, state what type of entity (Mark Applicable Box):

| | | | |
|--------------------------|----------------------------|--------------------------|---------------------------------|
| <input type="checkbox"/> | Corporation | <input type="checkbox"/> | General Partnership |
| <input type="checkbox"/> | Limited Partnership | x | Limited Liability Company |
| <input type="checkbox"/> | Partnership | <input type="checkbox"/> | Urban Redevelopment Corporation |
| <input type="checkbox"/> | Not-for-Profit Corporation | <input type="checkbox"/> | Other _____ |

Map and parcel number(s):

| |
|----------------|
| 05917000700500 |
|----------------|

Total Assessed value:

\$2,140

**EXECUTION PAGES FOR PETITION FOR THE CREATION OF THE
FAIRVIEW CROSSING COMMUNITY IMPROVEMENT DISTRICT**

Name of owner: KCPI 4, LLC

Owner's address: P.O. Box 475, Smithville, Missouri 64089

Owner's telephone number: (816) 719-9327

IF SIGNER IS DIFFERENT FROM OWNER:

Name of signer: C. Shane Crees

Title: Manager

Signer's telephone number: (816) 719-9327

Signer's mailing address: P.O. Box 475, Smithville, Missouri 64089

If owner is an individual: _____ Single _____ Married

If owner is not an individual, state what type of entity (Mark Applicable Box):

| | | | |
|--------------------------|----------------------------|--------------------------|---------------------------------|
| <input type="checkbox"/> | Corporation | <input type="checkbox"/> | General Partnership |
| <input type="checkbox"/> | Limited Partnership | x | Limited Liability Company |
| <input type="checkbox"/> | Partnership | <input type="checkbox"/> | Urban Redevelopment Corporation |
| <input type="checkbox"/> | Not-for-Profit Corporation | <input type="checkbox"/> | Other _____ |

Map and parcel number(s):

| |
|----------------|
| 05917000700600 |
|----------------|

Total Assessed value: \$130

[Signature follows on separate page.]

EXHIBIT A

Legal Description of the Fairview Crossing Community Improvement District

THE COMMUNITY IMPROVEMENT DISTRICT (CID) SHALL INCLUDE ALL THE LANDS WITHIN IN THE FOLLOWING DESCRIPTIONS AS FOLLOWS:

TRACT I

ALL LAND WITHIN THE RIGHT-OF-WAY OF U.S. 169 HIGHWAY FROM STATION 11+490 METERS (37+696.77 FEET) TO STATION 11+706.19 METERS (38+406.06 FEET), ALONG THE NORTH BOUND LANES, THE INTERSECTION OF U.S. 169 HIGHWAY AND NE 144TH STREET BEING AT STATION 11+706.19 METERS (38+406.06 FEET), AND STATION 11+490 METERS (37+696.77 FEET) BEING 216.19 METERS (709.28 FEET) NORTH OF THE INTERSECTION OF U.S. 169 HIGHWAY AND NE 144TH STREET. HIGHWAY STATIONING IS IN METERS PER MISSOURI DEPARTMENT OF TRANSPORTATION HIGHWAY PLANS AND CONVERTED TO FEET FOR THE PURPOSES OF THIS DESCRIPTION.

TRACT II

A OF A STRIP OF LAND IN THE SOUTHWEST QUARTER OF SECTION 35, TOWNSHIP 53 NORTH, RANGE 33 WEST, OF THE FIFTH PRINCIPAL MERIDIAN, LOCATED IN THE CITY OF SMITHVILLE, COUNTY OF CLAY, STATE OF MISSOURI, BEING A PART OF A TRACT OF LAND DESCRIBED IN INSTRUMENT P 13158, IN BOOK 2893, AT PAGE 219, RECORDED SEPTEMBER 29, 1998, IN THE OFFICE OF THE CLAY COUNTY RECORDER OF DEEDS OFFICE, SAID STRIP OF LAND DESCRIBED BY PHILLIP JAMES SCHNITZ , PLS 2014020715 ON OCTOBER 28, 2022, AS FOLLOWS: BASIS OF BEARINGS IS SOUTH 00°57'10" WEST ALONG THE WEST LINE OF 'HILLS OF SHANNON' AS DETERMINED BY GLOBAL POSITIONING SYSTEM OBSERVATIONS USING MODOT VRS, 2018 GEOID, AND REFERENCED TO THE MISSOURI STATE PLANE COORDINATE SYSTEM, WEST ZONE (NAD83). COMMENCING AT THE NORTHWEST CORNER OF THE SAID SOUTHWEST QUARTER OF SECTION 35; THENCE SOUTH 1° 03' 09" WEST, 705.50 FEET; THENCE SOUTH 88° 56' 51" EAST, 133.27 FEET, TO THE SOUTHWEST CORNER OF SAID TRACT OF LAND DESCRIBED IN INSTRUMENT P13158, AND THE POINT OF BEGINNING; THENCE NORTH 0° 08' 44" EAST, 36.00 FEET, ON THE WEST LINE OF SAID TRACT OF LAND DESCRIBED IN INSTRUMENT P13158; THENCE SOUTH 89° 09' 18" EAST, 244.89 FEET; THENCE ON A CURVE TO THE LEFT, TANGENT WIT THE LAST DESCRIBED COURSE, HAVING A RADIUS OF 70.00 FEET, A CHORD BEARING OF NORTH 47° 09' 02" EAST, A CHORD DISTANCE OF 96.71 FEET, AN ARC LENGTH OF 106.77 FEET, TO A POINT ON THE EAST LINE; THENCE SOUTH 3° 27' 37" WEST, 102.92 FEET ON THE EAST LINE OF SAID TRACT OF LAND DESCRIBED IN INSTRUMENT P13158, TO THE SOUTHEAST CORNER OF SAID TRACT OF LAND; THENCE NORTH 89° 09' 18" WEST, 309.68 FEET ON THE SOUTH LINE OF SAID TRACT OF LAND DESCRIBED IN INSTRUMENT P13158, TO THE SOUTHWEST CORNER OF SAID TRACT OF LAND AND THE POINT OF BEGINNING. EXCEPT THAT PART IN ROAD RIGHT-OF-WAYS. SAID STRIP OF LAND CONTAIN 11,826 SQUARE FEET OR 0.27 ACRES MORE OR LESS.

AND

TRACT III

ALL OF THE SOUTHWEST QUARTER OF SECTION THIRTY-FIVE (35) IN TOWNSHIP FIFTY-THREE (53), RANGE THIRTY-THREE (33), IN CLAY COUNTY, MISSOURI, SUBJECT TO THAT PART, IF ANY, IN STREETS, ROADWAYS, HIGHWAYS OR OTHER PUBLIC RIGHT-OF-WAYS. EXCEPT THE FOLLOWING DESCRIBED TRACTS: ALL OF A TRACT OF LAND IN THE SOUTHWEST QUARTER OF SECTION 35, TOWNSHIP 53 NORTH, RANGE 33 WEST, CLAY COUNTY, MISSOURI DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHWEST CORNER OF SAID SOUTHWEST QUARTER; THENCE SOUTH 01 DEGREE 00 MINUTES 27 SECONDS WEST ALONG THE WEST LINE OF SAID SOUTHWEST QUARTER 50.34 FEET TO A POINT; THENCE SOUTH 89 DEGREES 11 MINUTES 16 SECONDS EAST, 79.22 FEET TO A SET 5/8 INCH SET REBAR AT THE INTERSECTION OF THE EAST RIGHT-OF-WAY OF U.S. HIGHWAY 169 AND THE SOUTH RIGHT-OF-WAY LINE OF COMMERCIAL AVENUE BEING THE TRUE POINT OF BEGINNING; THENCE SOUTH 89 DEGREES 11 MINUTES 16 SECONDS EAST ALONG THE SOUTH RIGHT-OF-WAY LIEN OF COMMERCIAL AVENUE 328.40 FEET TO A 5/8 INCH SET REBAR; THENCE SOUTH 00 DEGREES 48 MINUTES 44 SECONDS WEST, 10.0 FEET TO A 5/8 INCH SET REBAR; THENCE SOUTH 89 DEGREES 11 MINUTES 16 SECONDS EAST ALONG A LINE PARALLEL TO THE NORTH LINE OF SAID SOUTHWEST QUARTER 330.05 FEET TO A 5/8 INCH SET REBAR; THENCE SOUTH 01 DEGREES 00 MINUTES 27 SECONDS WEST ALONG A LINE PARALLEL TO THE WEST LINE OF SAID SOUTHWEST QUARTER OF SECTION 35, 646.85 FEET TO A 5/8 INCH SET REBAR; THENCE NORTH 89 DEGREES 11 MINUTES 16 SECONDS WEST ALONG A LINE PARALLEL TO THE NORTH LINE OF SAID SOUTHWEST QUARTER 678.96 FEET TO A 5/8 INCH SET REBAR ON THE EAST RIGHT-OF-WAY OF U.S. HIGHWAY 169; THENCE ALONG SAID RIGHT-OF-WAY THE FOLLOWING BEARINGS AND DISTANCES NORTH 03 DEGREES 13 MINUTES 44 SECONDS EAST, 97.19 FEET; THENCE SOUTH 86 DEGREES 46 MINUTES 16 SECONDS EAST, 70.0 FEET; THENCE NORTH 03 DEGREES 13 MINUTES 44 SECONDS EAST, 20.0 FEET; THENCE NORTH 85 DEGREES 46 MINUTES 16 SECONDS WEST 75.0 FEET; THENCE NORTH 03 DEGREES 13 MINUTES 44 SECONDS EAST, 540.03 FEET TO THE POINT OF BEGINNING, FILED FOR RECORD AS INSTRUMENT NO. F59666 IN BOOK 1732 AT PAGE 984. AND EXCEPT: A TRACT OF LAND LYING AND BEING SITUATED IN THE SOUTHWEST QUARTER OF SECTION 35, TOWNSHIP 53 NORTH, RANGE 33 WEST, OF THE FIFTH PRINCIPAL MERIDIAN, COUNTY OF CLAY, STATE OF MISSOURI, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: COMMENCING AT A FOUND ALUMINUM MONUMENT AT THE SOUTHWEST CORNER OF SECTION 35 TOWNSHIP 53 NORTH, RANGE 33 WEST; THENCE NORTH 09 DEGREES 40 MINUTES 03 SECONDS EAST, 1042.51 FEET TO A SET 5/8 INCH IRON PIN WITH CAP, SAID POINT BEING ON THE TRUE POINT OF BEGINNING; THENCE NORTH 01 DEGREES 46 MINUTES 04 SECONDS WEST 255.81 FEET TO A SET COPPERWELD; THENCE ON A CURVE TO THE RIGHT HAVING A RADIUS OF 11,188.72 FEET, A DISTANCE OF 44.56 FEET, AND CHORD BEARS NORTH 01 DEGREES 38 MINUTES 45 SECONDS WEST TO A SET COPPERWELD; THENCE SOUTH 88 DEGREES 55 MINUTES 34 SECONDS EAST 285.82 FEET TO A SET 5/8 INCH IRON PIN WITH CAP; THENCE SOUTH 25 DEGREES 06 MINUTES 39 SECONDS EAST 334.31 FEET TO A SET 5/8 INCH IRON PIN WITH CAP; THENCE NORTH 88 DEGREES 55 MINUTES 28 SECONDS WEST, 418.65 FEET TO THE POINT OF BEGINNING AND EXCEPT THE FOLLOWING PLATS ALL OF HILLS OF SHANNON - FIRST PLAT, A SUBDIVISION IN THE CITY OF SMITHVILLE, CLAY COUNTY, MISSOURI, FILED FOR RECORD AS INSTRUMENT NO. M29883 IN BOOK D AT PAGE 55. ALL OF HILLS OF SHANNON - SECOND PLAT, A SUBDIVISION IN THE CITY OF SMITHVILLE, CLAY COUNTY, MISSOURI, FILED FOR RECORD AS INSTRUMENT NO. M72777 IN BOOK E AT PAGE 3. ALL OF HILLS OF SHANNON - THIRD PLAT, A SUBDIVISION IN THE CITY OF SMITHVILLE, CLAY COUNTY, MISSOURI, FILED FOR RECORD AS INSTRUMENT NO. N19596 IN CABINET E SLEEVE 28. ALL OF HILLS OF SHANNON - FOURTH PLAT, A SUBDIVISION IN THE CITY OF SMITHVILLE, CLAY COUNTY, MISSOURI, FILED FOR RECORD AS INSTRUMENT NO.

P24772 IN CABINET E SLEEVE 97. ALL OF HILLS OF SHANNON - FIFTH PLAT, A SUBDIVISION IN THE CITY OF SMITHVILLE, CLAY COUNTY, MISSOURI, FILED FOR RECORD AS INSTRUMENT NO. Q11906 IN CABINET E SLEEVE 152. ALL OF ESTATES OF WILKERSON CREEK, A SUBDIVISION IN THE CITY OF SMITHVILLE, CLAY COUNTY, MISSOURI, FILED FOR RECORD AS INSTRUMENT NO. 2019039687 IN BOOK I AT PAGE 88.4.

AND

TRACT IV

A TRACT OF LAND LYING AND BEING SITUATED IN THE SOUTHWEST QUARTER OF SECTION 35, TOWNSHIP 53 NORTH, RANGE 33 WEST, OF THE FIFTH PRINCIPAL MERIDIAN, COUNTY OF CLAY, STATE OF MISSOURI, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: COMMENCING AT A FOUND ALUMINUM MONUMENT AT THE SOUTHWEST CORNER OF SECTION 35 TOWNSHIP 53 NORTH, RANGE 33 WEST; THENCE NORTH 09 DEGREES 40 MINUTES 03 SECONDS EAST, 1042.51 FEET TO A SET 5/8 INCH IRON PIN WITH CAP, SAID POINT BEING ON THE TRUE POINT OF BEGINNING; THENCE NORTH 01 DEGREES 46 MINUTES 04 SECONDS WEST 255.81 FEET TO A SET COPPERWELD; THENCE ON A CURVE TO THE RIGHT HAVING A RADIUS OF 11,188.72 FEET, A DISTANCE OF 44.56 FEET, AND CHORD BEARS NORTH 01 DEGREES 38 MINUTES 45 SECONDS WEST TO A SET COPPERWELD; THENCE SOUTH 88 DEGREES 55 MINUTES 34 SECONDS EAST 285.82 FEET TO A SET 5/8 INCH IRON PIN WITH CAP; THENCE SOUTH 25 DEGREES 06 MINUTES 39 SECONDS EAST 334.31 FEET TO A SET 5/8 INCH IRON PIN WITH CAP; THENCE NORTH 88 DEGREES 55 MINUTES 28 SECONDS WEST, 418.65 FEET TO THE POINT OF BEGINNING.

AND

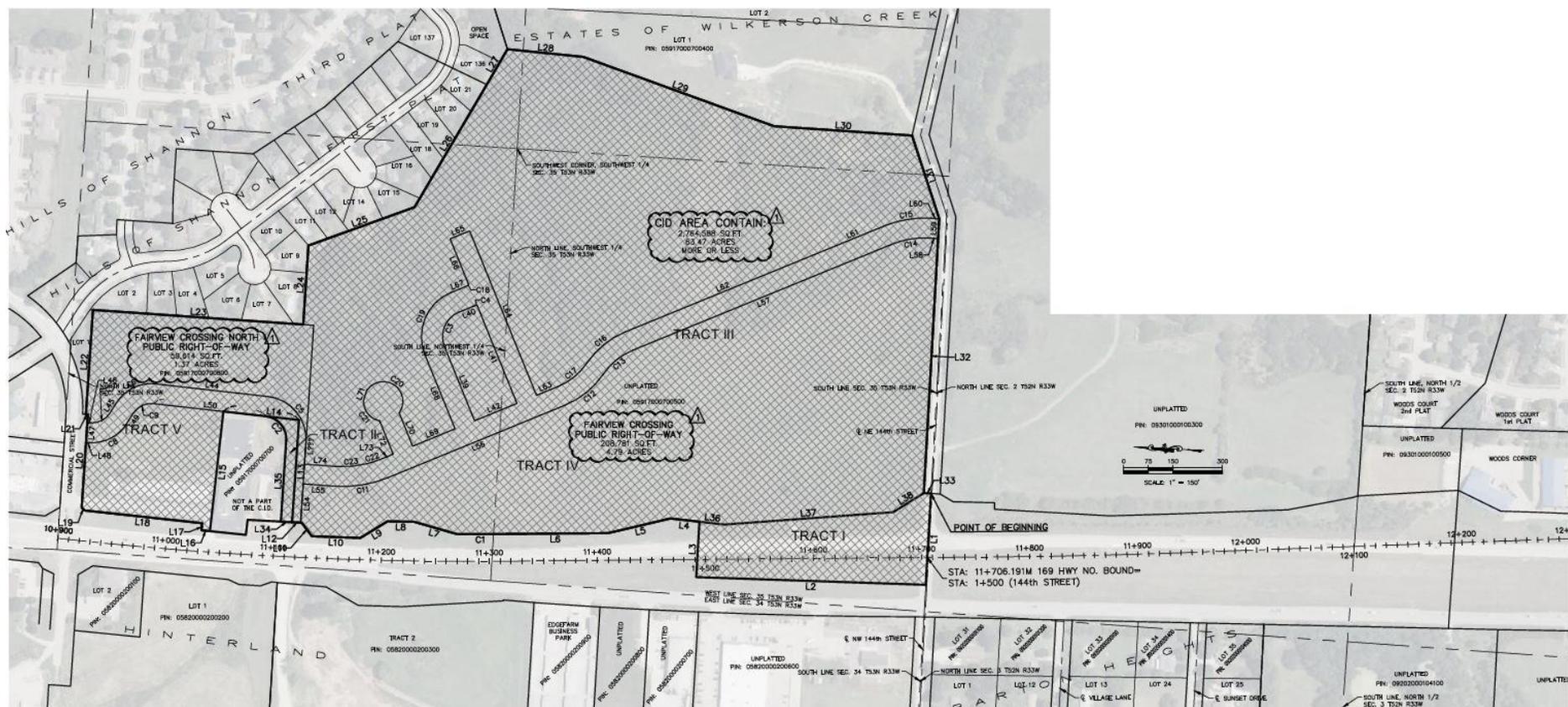
TRACT V

ALL OF A TRACT OF LAND IN THE SOUTHWEST QUARTER OF SECTION 35, TOWNSHIP 53 NORTH, RANGE 33 WEST, CLAY COUNTY, MISSOURI, DESCRIBED AS FOLLOWS: COMMENCING AT THE NORTHWEST CORNER OF SAID SOUTHWEST QUARTER; THENCE SOUTH 01 DEGREES 00 MINUTES 27 SECONDS WEST ALONG THE WEST LINE OF SAID SOUTHWEST QUARTER, 50.34 FEET TO A POINT; THENCE SOUTH 89 DEGREES 11 MINUTES 16 SECONDS EAST, 79.22 FEET TO A SET 5/8 INCH SET REBAR AT THE INTERSECTION OF THE EAST RIGHT-OF-WAY OF U.S. HIGHWAY 169 AND THE SOUTH RIGHT-OF-WAY LINE OF COMMERCIAL AVENUE BEING THE TRUE POINT OF BEGINNING; THENCE SOUTH 89 DEGREES 11 MINUTES 16 SECONDS EAST ALONG THE SOUTH RIGHT-OF-WAY LINE OF COMMERCIAL AVENUE, 328.40 FEET TO A 5/8 INCH SET REBAR; THENCE SOUTH 00 DEGREES 48 MINUTES 44 SECONDS WEST, 10.0 FEET TO A 5/8 INCH SET REBAR; THENCE SOUTH 89 DEGREES 11 MINUTES 16 SECONDS EAST ALONG A LINE PARALLEL TO THE NORTH LINE OF SAID SOUTHWEST QUARTER, 330.05 FEET TO A 5/8 INCH SET REBAR; THENCE SOUTH 01 DEGREES 00 MINUTES 27 SECONDS WEST ALONG A LINE PARALLEL TO THE WEST LINE OF SAID SOUTHWEST QUARTER OF SECTION 35, 646.85 FEET TO A 5/8 INCH SET REBAR; THENCE NORTH 89 DEGREES 11 MINUTES 16 SECONDS WEST ALONG A LINE PARALLEL TO THE NORTH LINE OF SAID SOUTHWEST QUARTER, 678.96 FEET TO A 5/8 INCH SET REBAR ON THE EAST RIGHT-OF-WAY OF U.S. HIGHWAY 169; THENCE ALONG SAID RIGHT-OF-WAY THE FOLLOWING BEARINGS AND DISTANCES NORTH 03 DEGREES 13 MINUTES 44 SECONDS EAST, 97.19 FEET; THENCE SOUTH 86 DEGREES 46 MINUTES 16 SECONDS EAST, 70.0 FEET; THENCE NORTH 03 DEGREES 13 MINUTES 44 SECONDS EAST, 20.0 FEET; THENCE NORTH 85 DEGREES 46 MINUTES 16 SECONDS WEST, 75.0 FEET;

THENCE NORTH 03 DEGREES 13 MINUTES 44 SECONDS EAST, 540.03 FEET TO THE POINT OF BEGINNING. EXCEPT THAT PART CONVEYED BY THE WARRANTY DEED RECORDED SEPTEMBER 29, 1998 AS DOCUMENT NO. P-13158 IN BOOK 2893 AT PAGE 219, MORE PARTICULARLY DESCRIBED AS FOLLOWS: A TRACT OF LAND IN THE SOUTHWEST QUARTER OF SECTION 35, TOWNSHIP 53 NORTH, RANGE 33 WEST, SMITHVILLE, CLAY COUNTY, MISSOURI, DESCRIBED AS FOLLOWS: BEGINNING AT THE NORTHWEST CORNER OF SAID SOUTHWEST QUARTER; THENCE SOUTH 01 DEGREES 00 MINUTES 27 SECONDS WEST, ALONG THE WEST LINE OF SAID SOUTHWEST QUARTER, 50.34 FEET; THENCE LEAVING SAID WEST LINE SOUTH 89 DEGREES 11 MINUTES 16 SECONDS EAST, 79.22 FEET TO THE INTERSECTION OF THE EASTERLY RIGHT-OF-WAY LINE OF U.S. HIGHWAY 169 AND THE SOUTHERLY RIGHT-OF-WAY LINE OF COMMERCIAL AVENUE; THENCE SOUTH 03 DEGREES 13 MINUTES 44 SECONDS WEST, ALONG SAID EASTERLY RIGHT-OF-WAY OF U.S. HIGHWAY 169, 409.03 FEET TO THE TRUE POINT OF BEGINNING; THENCE LEAVING SAID EASTERLY RIGHT-OF-WAY LINE SOUTH 86 DEGREES 37 MINUTES 23 SECONDS EAST, 345.29 FEET; THENCE SOUTH 03 DEGREES 22 MINUTES 37 SECONDS WEST, 150.00 FEET; THENCE NORTH 86 DEGREES 37 MINUTES 23 SECONDS WEST, 237.26 FEET; THENCE NORTH 03 DEGREES 13 MINUTES 44 SECONDS EAST, PARALLEL WITH SAID EAST RIGHT-OF-WAY LINE, 40.39 FEET; THENCE NORTH 86 DEGREES 37 MINUTES 23 SECONDS WEST, 107.64 FEET TO THE SAID EASTERLY RIGHT-OF-WAY LINE; THENCE NORTH 03 DEGREES 13 MINUTES 44 SECONDS EAST, ALONG SAID EASTERLY RIGHT-OF-WAY LINE, 109.61 FEET TO THE TRUE POINT OF BEGINNING.

EXHIBIT B

General Boundary Map of the Fairview Crossing Community Improvement District



**EXHIBIT C
FIVE YEAR PLAN**

(Attached)

FIVE YEAR DISTRICT MANAGEMENT PLAN

OF THE

FAIRVIEW CROSSING COMMUNITY IMPROVEMENT DISTRICT

CITY OF SMITHVILLE, MISSOURI

The information and details outlined in the following pages represent the strategies, and activities that it is anticipated will be undertaken during the initial five-year duration of the Fairview Crossing Community Improvement District in Smithville, Missouri. It is an integral and composite part of the petition to establish the Fairview Crossing Community Improvement District.

Introduction

The Fairview Crossing Community Improvement District (the “District”) is created pursuant to Section 67.1401 through 67.1571 of the Revised Statutes of Missouri (the “CID Act”). Section 67.1421, RSMo, requires that the petition for the creation of the District be accompanied by a five-year plan which includes a description of the purposes of the proposed district, the services it will provide, the improvements it will make and an estimate of the costs of these services and improvements to be incurred. This Five-Year District Management Plan (the “Plan”) is intended to satisfy this statutory requirement and is appended to the Petition for Formation of the District as an integral part thereof.

Section 1 - Why Create a Community Improvement District?

The District will encompass a 63.47 +/- acre plot of land located northeast of the intersection of Northeast 144th Street and U.S. Highway 169 in Smithville, Missouri (the “Development”). The purpose of the District is to undertake certain improvements and services within the District, as discussed below, and to use or make available its revenue to pay the costs thereof, including without limitation debt service on any notes, bonds or other obligations issued and outstanding from time to time to finance all or any of such costs.

Section 2 - What is a Community Improvement District?

A community improvement district is an entity that is separate from the City of Smithville and is formed by the adoption of an ordinance by the City Board of Aldermen following a public hearing before the City Board of Aldermen regarding formation of the District. A CID may take the form of a political subdivision of the State of Missouri, or a nonprofit corporation that is formed and operated under Missouri corporation laws. CIDs are empowered to provide a variety of services and to construct and/or finance a number of different public improvements, and in a blighted area, private improvements, as set forth more particularly in the CID Act. CIDs derive their revenue from taxes and assessments levied within the boundaries of the CID. Such revenues are then used to pay the costs of the services or improvements. A CID is operated and managed by a board of directors, whose members may be appointed or elected. Board members serve for a designated period of time, and the Board positions are again elected or appointed at the expiration of each term as provided in the petition creating such CID.

Section 3 - Management Plan Summary

The District in this case will take the form of a separate political subdivision of the State of Missouri, which will be governed by a Board of Directors that will consist of five (5) members appointed by the Mayor of Smithville with the consent of the City Board of Aldermen pursuant to a slate submitted in accordance with the Petition.

District Formation:

CID formation requires submission of signed petitions from a group of property owners:

- collectively owning more than fifty percent (50%) by assessed value of the real property within the District, and
- representing more than fifty percent (50%) per capita of all owners of real property within the District.

In this case, the Petition to which this Plan is attached has been signed by the owners of 100% of the assessed value and 60% of the per capita property owners within the District.

Location:

The Development is located at the northeast intersection of Northeast 144th Street and U.S. Highway 169 in Smithville, Missouri and consists of approximately 63.47 +/- acres, as more particularly described in the Petition.

Assessed Value of District:

The total assessed value of the properties within the District on the date of the Petition is \$143,000.

Improvements and Services:

The purpose of the District is to provide funding for the construction of certain public improvements and the provision of certain services pursuant to RSMo Section 67.1461 within the District's boundaries. The improvements initially contemplated include site work and grading associated with Public Improvements, stormwater improvements, public parking improvements, utility improvements, public right-of-way improvements, landscaping, lawns, and trees which are in public areas (collectively, the "Public Improvements"). The particular items included within the Public Improvements may be modified from those listed herein as allowed pursuant to a cooperative agreement between the District, City and developer of the project. The costs of the Public Improvements to be financed by the District shall include all associated with design, architecture, engineering, financing costs incurred to finance such Public Improvements, and legal and administrative costs of same. The District may also provide funding for the District's formation and its ongoing operation and administration costs on an annual basis.

It is also anticipated that all costs, including attorneys' fees, associated with formation of the District, including, but not limited to, the preparation of the CID Petition, the negotiation and drafting of any agreements entered into upon formation of the District in furtherance of the District's purposes, and the initial implementation of the District ("Formation Costs") will be reimbursed to the advancing party, or paid directly, from funds generated by the District.

The District will enter into a cooperative agreement with the City and the developer of the project, and such agreement will set forth the restrictions and limitations associated with funding the Public Improvements and the approval of any additional improvements that are not set forth in this initial Five-Year Plan. The cooperative agreement will also contain provisions which permit the District to fund services after all Public Improvement Costs have been reimbursed to the appropriate party.

Method of Financing:

It is proposed that the District will impose a sales and use tax of up to one percent (1%) (the "District Sales Tax"), which is in addition to any other state, county or city sales and use tax. The District Sales Tax is payable on the same retail sales that are subject to taxation pursuant to Sections 144.010 to 144.525, RSMo, except sales of motor vehicles, trailers, boats or outboard motors, and sales to or by public utilities and providers of communications, cable, or video services. All costs of the District shall be financed in the manner and amount determined by the Board of Directors from the amounts on deposit with the CID. Amounts advanced to the District by the Petitioner, or its successors or assigns, to cover the costs contemplated hereunder will be reimbursed by the District upon the availability of funds. All financing costs, including interest costs, associated with any loan obtained by

the District, or notes, bonds, or other obligations issued by District to finance Improvements and/or Services may be paid from CID Sales Tax revenues. It is proposed that the District Sales Tax will be imposed for twenty-seven years.

Estimated Costs:

Attached as **Exhibit A** to this Plan is a table setting forth the estimated cost of the Improvements and the Services, and a table setting forth the projected cash flow for the first five years of the District's existence.

City Services:

The CID Act mandates that existing City services will continue to be provided within a CID at the same level as before the District was created (unless services are decreased throughout the City) and that District services shall be in addition to existing City services. The District anticipates that City services will continue to be provided within the District at the same level as before the District was created, and the District will not cause the level of City services within the District to diminish.

Duration:

The District will operate for a maximum term of twenty-seven (27) years from the date the ordinance establishing the CID is approved. Notwithstanding that the District is at the time providing Services, but subject to the contractual rights of any third parties, the District may be terminated prior to the end of such maximum term if the Improvements have been completed and the costs thereof paid for or reimbursed in full with CID Sales Tax revenue. The petition process must be repeated for the District to continue beyond such maximum term.

**Section 4
District Boundaries**

The legal description of the District is attached as Exhibit A to the Petition.

**Section 5
Facilities and Services to Be Provided**

As explained above, during the first five years, the purpose of the District is to provide revenue sources in support of contracting with any private property owner to effectuate the Improvements, and providing or contracting for the Services.

**Section 6
Governing the Community Improvement District**

City Board of Aldermen:

Following the submission of the Petition, the City Board of Aldermen will conduct a public hearing and then consider an ordinance to create the District.

Board of Directors for District:

The District will be governed by a Board of Directors that will consist of five members appointed by the Mayor of Smithville with the consent of the City Board of Aldermen pursuant to the terms of the Petition. It is anticipated that if the District submits names of suggested successor directors

to the City in writing at least thirty (30) days prior to the expiration date of the terms of the applicable directors, the Mayor shall appoint such directors as successor directors, with the consent of the City Board of Aldermen, unless the Mayor provides the District with a reasonable written explanation that such suggested successor directors do not meet applicable legal requirements or lack the competency to serve as directors.

Annual Budget:

The District's budgets will be proposed and approved annually, within the limitations set forth in this Plan, by the District's Board of Directors. Budgets will be submitted annually to the City Board of Aldermen of the City of Smithville for review and comment in accordance with the CID Act. The District will operate at all times in accordance with the District Rules and Regulations (Section 7) and the Bylaws of the District.

**Section 7
District Rules and Regulations**

1. The District shall operate at all times in accordance with Bylaws that may be adopted by the Board of Directors. The District shall at all times conduct its proceedings in accordance with Robert's Rules of Order, except as otherwise provided in any Bylaws.
2. The Board of Directors of the District will meet at least on an annual basis.

**EXHIBIT A TO FIVE YEAR PLAN OF THE
FAIRVIEW CROSSING COMMUNITY IMPROVEMENT DISTRICT**

ESTIMATED COSTS OF IMPROVEMENTS AND SERVICES¹

| | Cost* |
|--|---------------------------|
| <u>Site Work / Infrastructure**</u> | <u>\$3,240,000</u> |
| Land Acquisition | |
| Construction of Fairview Drive | |
| Construction of 147 th Street | |
| Improvements to 169 Highway | |
| Stormwater Improvements | |
| Construction of public right of way | |
| Extensions of public utilities | |

| | |
|---|---------------------------|
| Subtotal: | \$3,240,000 |
| 10% Contingency: | \$324,000 |
| District Formation Costs: | \$30,000 |
| Annual Operating Costs (5 years) | \$2,500 (per year) |
| Grand Total: | \$3,606,500 |

*Excludes financing costs incurred to undertake such costs.

**Only items permitted by the CID Act shall be eligible to be financed with District Sales Tax.

CASH FLOW PROJECTION²

| CID Year | CID Sales Tax Revenue |
|-----------------|------------------------------|
| 1 | \$45,750 |
| 2 | \$94,665 |
| 3 | \$177,808 |
| 4 | \$241,422 |
| 5 | \$246,251 |

¹ These costs are estimates and may fluctuate based on actual costs incurred for purposes permitted under the CID Act. Costs to be funded by the District will be limited as set forth in a cooperative agreement among the City of Smithville, the District and the developer of the project.

² Any annual revenue generated will be utilized to pay any costs of the District as approved in the District annual budget.