

**INTERGOVERNMENTAL AGREEMENT REGARDING
THE DISTRIBUTION OF CERTAIN PILOTS**

This Intergovernmental Agreement Regarding the Distribution of Certain PILOTS (“**Agreement**”) is made and entered into this 11th day of November, 2013, by and between the City of Kansas City, Missouri, a constitutionally chartered municipal corporation (the “**City**”) and Jackson County, Missouri, a political subdivision of the State of Missouri (the “**County**”).

RECITALS:

WHEREAS, City and Kansas City Live, LLC (“**Developer**”) are party to that certain Master Development Agreement, dated April 27, 2004, as the same has been amended from time-to-time (the “**MDA**”), which MDA governs the development of the area generally encompassed by the 1200 Main or South Loop Tax Increment Financing District (“**SOLO**”); and

WHEREAS, on or about August 22, 2012, City and Developer executed the Eleventh Amendment of Master Development Agreement (the “**11th Amendment**”) to provide, among other things, for the development of an approximately 250 unit new residential building to be located on Block 110 (the “**Residential Building**”); and

WHEREAS, Developer is obligated by the 11th Amendment to make certain payments to City that include, but are not limited to, the amounts set forth in “**Attachment A**” to this Agreement for a period of 25 years commencing on January 1 of the calendar year following the issuance of any certificate of occupancy for the Residential Building (such payments being individually and collectively referred to herein as the “**Residential Building PILOT Amount**”); and

WHEREAS, City is agreeable to a pro rata distribution of the Residential Building PILOT Amount paid to City during certain years as provided for in this Agreement; and

WHEREAS, County is agreeable to distributing any Residential Building PILOT Amount that it may receive from City to the affected taxing jurisdictions on a pro rata basis;

NOW, THEREFORE, the parties hereto agree as follows:

**ARTICLE I
REPRESENTATIONS**

1.01 The City represents and warrants to the County as follows:

(a) Organization and Authority. The City (i) is a constitutionally chartered municipal corporation validly existing under the laws of the State of Missouri; (ii) has lawful power and authority to enter into, execute and deliver this Agreement and to carry out its obligations hereunder; and (iii) by all necessary action has, been duly authorized to execute and deliver this Agreement, acting by and through its duly authorized officers.

(b) No Defaults or Violations. The execution and delivery of this Agreement by the City will not conflict with or result in a breach of any of the terms of, or constitute a

default under, any agreement or instrument to which the City is a party or by which it or any of its property is bound, or any of the constitutional or statutory laws, rules or regulations applicable to the City or its property.

1.02 The County represents and warrants to the City as follows:

(a) Organization and Authority. The County (i) is a political subdivision duly organized and validly existing under the laws of the State of Missouri; (ii) has lawful power and authority to enter into, execute and deliver this Agreement and to carry out its obligations hereunder; and (iii) by all necessary action has, been duly authorized to execute and deliver this Agreement, acting by and through its duly authorized officers.

(b) No Defaults or Violations. The execution and delivery of this Agreement by the County will not conflict with or result in a breach of any of the terms of, or constitute a default under, any agreement or instrument to which the County is a party or by which it or any of its property is bound, or any of the constitutional or statutory laws, rules or regulations applicable to County or its property.

1.03 All representations of the City and County contained in this Agreement shall survive the execution and delivery thereof.

ARTICLE II

MODIFICATION TO RESIDENTIAL BUILDING PILOT AMOUNT

2.01 The parties to this Agreement acknowledge that the Residential Building PILOT Amount as reflected on Attachment A to this Agreement may vary as it has been calculated based upon an assumption that the Residential Building will include 250 residential units. The 11th Amendment provides that the amount of the Residential Building PILOT Amount might be increased or decreased in the event the final number of residential units constructed shall differ. The amount of the Residential Building PILOT Amount as may be adjusted by the City and Developer pursuant to the terms of the 11th Amendment shall control notwithstanding the terms of Attachment A to this Agreement.

ARTICLE III

COVENANTS OF THE CITY

3.01 Every Residential Building PILOT Amount paid by Developer to City after the expiration or termination of the last redevelopment project to be activated under the 1200 Main/South Loop Tax Increment Financing Plan, as such plan has been amended, shall be forwarded in its entirety by City to County. City shall have no obligation to forward to County any Residential Building PILOT Amount paid or payable by Developer to City prior to such date.

**ARTICLE IV
COVENANTS OF THE COUNTY**

4.01 The County shall receive and accept from City every Residential Building PILOT Amount forwarded to it by City pursuant to Section 3.01 of this Agreement and shall distribute the same on a pro rata basis to each of the affected taxing jurisdictions, inclusive of City, provided that any such distribution shall be in the same manner and subject to the same fees, off sets, deductions, protest impounds and other retentions as for ad valorem taxes collected by the County. The County shall have no obligation to distribute any portion of any Residential Building PILOT Amount not coming into its possession.

**ARTICLE V
MISCELLANEOUS**

5.01 Survival. The representations, warranties and covenants herein shall survive the transfer of any funds described herein and shall remain in full force and effect after the transactions contemplated by this Agreement have been consummated.

5.02 Notices. Any notice, payment, demand or communication required or permitted to be given by any provision of this Agreement will be deemed to have been given when (a) delivered personally to the party designated to receive such notice, (b) on the third (3rd) business day after the same is sent by certified mail, postage and charges prepaid, (c) on the next business day after such notice is delivered to a regularly scheduled overnight delivery service with delivery fees prepaid or an arrangement, satisfactory with such carrier, made for payment of such fees, or (d) by facsimile transmission on the date of transmission if a business day or the next business day if not transmitted on a business day or prior to noon on a business day, in each case, directed to the following addresses or to such other or additional addresses as any party might designate by written notice to the other parties:

City:

City Attorney
City of Kansas City, Missouri
28th Floor, City Hall
414 E. 12th St.
Kansas City, MO 64106
816-513-3142
Fax: 816-513-3133

County:

County Executive
Jackson County Courthouse, 2nd Floor
415 E. 12th Street
Kansas City, MO 64106

5.03. No Partnership or Joint Venture. Nothing contained in this Agreement will be deemed to create a partnership or joint venture between all or any of the parties hereto, or to cause any party to be liable or responsible in any way for the actions, liabilities, debts or obligations of any other party.

5.04 Severability. If any clause or provision of this Agreement is determined to be illegal, invalid or unenforceable under any present or future law by the final judgment of a court of competent jurisdiction, the remainder of this Agreement will not be affected thereby. It is the intention of the parties that if any such provision is held to be illegal, invalid or unenforceable, there shall be added in lieu thereof a provision as similar in terms to such provision as is possible which will be legal, valid and enforceable.

5.05 Counterpart Execution. This Agreement may be executed in counterparts, each of which shall be deemed an original document, but all of which shall constitute a single document.

5.06 Governing Law and Venue. This Agreement will be interpreted and construed under the laws of the State of Missouri. Venue shall be in a state or federal court having jurisdiction over Jackson County, Missouri.

5.07 Cooperation; Further Documents. The parties agree to execute and deliver, or to cause to be executed and delivered, such documents and to do, or cause to be done, such other acts and things as might reasonably be requested to assure that the benefits of this Agreement are realized by the parties.

5.08 Entire Agreement; Written Modifications Only. This Agreement, the exhibits attached hereto and the documents referred to herein or contemplated herein constitute the sole and entire agreement between the parties hereto with respect to the subject matter hereof, and there are no other covenants, promises, agreements or understandings regarding the same. This Agreement, including the provisions of this Section, may not be modified except by written amendment to this Agreement signed by the parties affected by the same, and the parties hereto hereby (a) expressly agree that it shall not be reasonable for any of them to rely on any alleged, non-written amendment to this Agreement; (b) irrevocably waive any and all right to enforce any alleged, non-written amendment to this Agreement; and (c) expressly agree that it shall be beyond the scope of authority (apparent or otherwise) for any of their respective agents to agree to any non-written modification of this Agreement.

5.09 Construction of Agreement. The following rules of construction are applicable for the purposes of this Agreement and all documents and instruments supplemental hereto unless the context clearly requires otherwise:

(a) All references herein to numbered sections or to lettered exhibits are references to the sections hereof and the exhibits annexed hereto.

(b) The terms "include," "including," and similar terms shall be construed as if followed by the phrase "without being limited to."

(c) Words of masculine, feminine or neutral gender shall mean and include the correlative words of the other genders, and words importing the singular number shall mean and include the plural, and vice versa.

(d) No inference in favor of or against any party hereto shall be drawn from the fact that such party has drafted any portion of this Agreement.

5.10 Binding on Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, personal representatives, successors and permitted assigns.

5.11 Headings. The headings of sections contained in this Agreement are for convenience only and shall not be deemed to control or effect a meaning or construction of any provision of this Agreement.

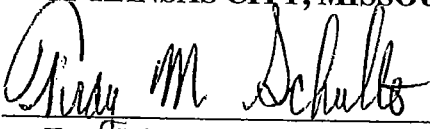
5.12 Representation by Counsel. The parties acknowledge that each one has read this Agreement carefully, that each party has consulted with its attorney(s) prior to the execution of this Agreement about its contents, and that each party further states that it understands the entire contents of this Agreement. Each party shall be responsible for its respective attorneys' fees.

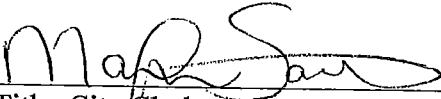
5.13 Enforcement. The parties specifically agree that this Agreement may be enforced in court and used as evidence in any matter in which the terms hereof are deemed relevant by a court of competent jurisdiction.

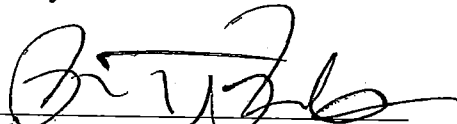
5.14 Beneficiaries. The relevant taxing jurisdictions entitled to a pro rata distribution of any Residential Building PILOT Amount are intended third party beneficiaries under this Agreement and shall be entitled to enforce its terms. Notwithstanding the foregoing, the references herein to the MDA and the 11th Amendment are intended solely for the purposes of defining the City and County's obligations pursuant to the terms of this Agreement and shall not be construed as granting County, the relevant taxing jurisdictions, or any other person or entity whatsoever any rights or beneficiary status under the MDA as the same may be amended from time to time.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed as of the Effective Date.

CITY OF KANSAS CITY, MISSOURI

By: 
Name: Troy Schulte
Title: City Manager

Attest: 
Title: City Clerk

Approved: 
Title: Assistant City Attorney

JACKSON COUNTY, MISSOURI

By: _____
Name: _____
Title: _____

ATTACHMENT A**Residential Building PILOT Amount**

Year	RESIDENTIAL PILOT PAYMENT AMOUNT
1	\$189,573
2	\$189,573
3	\$198,103
4	\$198,103
5	\$207,018
6	\$207,018
7	\$216,334
8	\$216,334
9	\$226,069
10	\$226,069
11	\$236,242
12	\$236,241
13	\$246,872
14	\$246,871
15	\$257,980
16	\$257,980
17	\$269,589
18	\$269,589
19	\$281,721
20	\$281,720
21	\$294,397
22	\$294,397
23	\$307,645
24	\$307,644
25	\$321,488