

**FIRST AMENDMENT TO INTERGOVERNMENTAL AGREEMENT AND MUTUAL
RELEASE AMONG THE TAX INCREMENT FINANCING COMMISSION OF
KANSAS CITY, MISSOURI, THE CITY OF KANSAS CITY, MISSOURI, JACKSON
COUNTY, MISSOURI, CONSOLIDATED SCHOOL DISTRICT NO. 2 (RAYTOWN)
AND MID-CONTINENT PUBLIC LIBRARY**

THIS FIRST AMENDMENT (this “**Amendment**”), entered into on April 30, 2018, amends that certain Intergovernmental Agreement and Mutual Release among the TAX INCREMENT FINANCING COMMISSION OF KANSAS CITY, MISSOURI (the “**Commission**”), the CITY OF KANSAS CITY, MISSOURI (“**City**”), JACKSON COUNTY, MISSOURI (“**County**”) CONSOLIDATED SCHOOL DISTRICT NO. 2 (RAYTOWN) (the “**School District**”) and MID-CONTINENT PUBLIC LIBRARY (the “**Library**”) dated April 1, 2013 (the “**Original Agreement**”) (capitalized terms used herein without definition shall have the meanings ascribed thereto in the Original Agreement).

R E C I T A L S

WHEREAS, on December 19, 1991, the Council, by Ordinance No. 911435, approved the Winchester Center Tax Increment Financing Plan (the “**Plan**”), pursuant to the authority granted the Council by the Real Property Tax Increment Financing Allocation Act, Sections 99.800 to 99.865 RSMo, et seq., as amended (the “**TIF Act**”), which Plan the Council has subsequently amended from time to time;

WHEREAS, on May 25, 2012, the Commission distributed notice, as required by Sections 99.825 and 99.830 RSMo., to each of the affected taxing districts regarding a public hearing to consider for recommendation to the Council a proposed Sixth Amendment to the Plan (the “**Proposed Sixth Amendment**”);

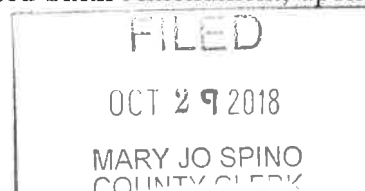
WHEREAS, on November 14, 2012, the Commission conducted a public hearing to consider the Proposed Sixth Amendment to the Plan, at which time the Consolidated School District No. 2 (Raytown), a school district organized and existing under the laws of the State of Missouri (the “**School District**”) submitted a letter to the Commission containing objections to the Proposed Sixth Amendment and which disputed the legality of the Proposed Sixth Amendment (the “**School District Letter**”);

WHEREAS, the School District expressed its intent to initiate litigation, if the issues outlined in the School District Letter cannot be resolved amicably;

WHEREAS, certain of the other affected taxing districts expressed a desire to resolve the issues outlined in the School District Letter;

WHEREAS, the City disagreed with the conclusions reached in the School District Letter and denied that the Proposed Sixth Amendment failed to comply with the TIF Act;

WHEREAS, rather than proceed with and incur the costs associated with litigating the issues raised in the School District Letter, the Commission, the City, the School District, the County and the Library determined that it was in their respective best interests to amicably resolve all issues relative to the Plan, including the Proposed Sixth Amendment, upon the terms



and conditions set forth in an Intergovernmental Agreement and Mutual Release by and among such parties (the “**Intergovernmental Agreement and Mutual Release**”);

WHEREAS, the Original Agreement contemplated, inter alia, that the Council would adopt (1) an Ordinance approving a modified Sixth Amendment to the Plan (the “**Modified Sixth Amendment**”) and (2) adopt an Ordinance to terminate the Plan and direct that after provision for payment of all remaining Redevelopment Project Costs contemplated by the Modified Sixth Amendment (consisting of improvements to Bennington Road, Neighborhood Infrastructure and Housing Program costs, KMBC Improvement costs and Commission administrative costs (the “**Remaining Projects**”)) in the amount of \$2,832,000 (the “**Remaining Project Costs**”), all moneys on deposit in the Special Allocation Funds (as defined in the Plan) (estimated to be \$9,102,957.31 in the aggregate), together with all TIF Revenues (as defined in the Plan) estimated to be collected throughout the available statutory life of the Plan were deemed surplus and transferred to the affected taxing districts, provided that the City, the County, the Commission, the School District and the Library have approved, executed and delivered the Original Agreement;

WHEREAS, the City, pursuant to Ordinance No. 130155, approved the Modified Sixth Amendment and on April 1, 2013, the City and the Commission entered into a Cooperative Agreement to administer the remaining improvements contemplated by the Modified Sixth Amendment to the Plan, including the implementation of the Neighborhood Housing and Infrastructure Program described therein (the “**Sixth Amendment Improvements**”);

WHEREAS, the Original Agreement provides that in the event the Remaining Project Costs in the amount of \$2,832,000 have not been fully expended or obligated for Remaining Projects by April 2018, the City covenants to disburse the unexpended funds to all affected taxing districts (including, but not limited to, the parties to this Agreement) in amounts as if the funds to be so disbursed were surplus to be distributed pursuant to Section 99.850 RSMo., et seq., on termination of the Plan, provided that the City’s covenant to make such payments is subject to appropriation by the City Council;

WHEREAS, the City, by Ordinance No. 180222 accepted the recommendations of the Commission and approved the Seventh Amendment to the Plan, which provides, in part, for certain modifications to the guidelines of the Neighborhood Improvement and Infrastructure Program, including extending the time to implement the improvements contemplated by the Neighborhood and Infrastructure Program; and

WHEREAS, the City, the Commission, the County, the School District and the Library desire to amend the Original Agreement to extend the term for the completion of the improvements contemplated by the Neighborhood Housing and Infrastructure Program and the date for distribution of unexpended funds to all affected taxing districts.

A G R E E M E N T

In consideration of the mutual promises, covenants and conditions set forth in this Amendment, the parties hereto mutually agree as follows:

1. **Amendment No. 1.** Section 3.03 of the Original Agreement, entitled Deadline to Complete Remaining Projects; Disbursement of Unexpended Funds Relative to Remaining Project Costs, is hereby amended by deleting Section 3.03 in its entirety and inserting in lieu thereof the following Section 3.03.

3.03 Deadline to Complete Remaining Projects; Disbursement of Unexpended Funds Relative to Remaining Project Costs. The City represents that it expects to complete the Remaining Projects and disbursement of the funds for Remaining Project Costs within the period ending April 30, 2021 (the “**Initial Period**”), provided, however, the Commission, in its sole and absolute discretion, may extend the Initial Period by two (2) one-year additional periods (each a “**Subsequent Period**”) upon providing each of the parties hereto written notice no later than ten (10) days prior to the end of the Initial Period or the first Subsequent Period. The Initial Period and the Subsequent Period(s) shall hereinafter be referred to as the “**Term**”. In the event the Remaining Project Costs in the amount of \$2,832,000 have not been fully expended or obligated for Remaining Projects by the end of the Term, the City covenants to disburse any unexpended funds from the Remaining Project Costs to all affected taxing districts (including, but not limited to, the parties to this Agreement), in amounts as if the funds to be so disbursed were surplus to be distributed pursuant to Section 99.850 RSMo., et seq., on termination of the Plan, provided that the City’s covenant to make such payments is subject to appropriation by the City Council.

2. **Amendment No. 2.** Exhibit C to the Original Agreement, entitled Development Schedule, shall be deleted in its entirety and replaced with Exhibit C, attached hereto.

3. **Amendment No. 3** Exhibit H to the Original Agreement, entitled Neighborhood Improvement and Infrastructure Program, shall be deleted in its entirety and replaced with Exhibit H, attached hereto.


4. **Miscellaneous.** Except as amended hereby, the Original Agreement remains in full force and effect. This First Amendment may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one instrument.

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SIGNATURE PAGES FOLLOW]

**SIGNATURE PAGE TO FIRST AMENDMENT TO INTERGOVERNMENTAL
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CITY, MISSOURI, JACKSON COUNTY, MISSOURI, CONSOLIDATED SCHOOL
DISTRICT NO. 2 (RAYTOWN) AND MID-CONTINENT PUBLIC LIBRARY**

IN WITNESS WHEREOF, the parties have executed this First Amendment as of the date set forth in the first paragraph hereof.

CITY OF KANSAS CITY, MISSOURI

By: 

Name: TROY M. SCHULTE

Title: CITY MANAGER

Attest: 

Title: City Clerk

Approved: 

Title: ASSISTANT City Attorney

APPROVED AS TO FORM:

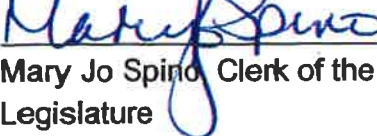

W. Stephen Nixon

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

By: 

Cynthia M. Circo, Chair

ATTEST:


Mary Jo Spino, Clerk of the
Legislature

JACKSON COUNTY, MISSOURI

By: 

Name: Frank White, Jr.

Title: Jackson County Executive

**CONSOLIDATED SCHOOL DISTRICT NO. 2
(RAYTOWN)**

By: 

Name: Alan Macklin

Title: Superintendent

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MID-CONTINENT PUBLIC LIBRARY

By: 
Name: Steven V Dalton
Title: Library Director

Winchester Housing Improvement Program Summary

The Winchester Housing Improvement Program funds will be targeted to a Benefit Area (Exhibit A Benefit Area Map) with a priority for:

- Rehabilitation of Owner Occupied Single-Family housing.
- Rehabilitation for Rental Single Family housing.
- Replace or repair sanitation/septic tanks systems to comply with Kansas City Code requirements.
- No TIF housing funds shall be used for rehabilitation of multifamily.

Primary recommendations about the administration of the Winchester Housing Program include:

- The TIF Commission will retain overall administrative responsibility. It may establish partnerships with existing organizations and institutions to carry out program delivery functions.
- Develop an evaluation mechanism for the Program.
- Program operations/implementation with availability of housing funds will have a Five Year term beginning the date the City passes an Ordinance, approving an Amendment to the Winchester TIF Plan, which incorporates the Winchester Housing Program. At the end of the Five Year term, any remaining funds not obligated for home repairs will be used to reimburse eligible Redevelopment Project Costs identified by the Winchester Plan.

Proposed Guidelines

The Housing Program, will award funding to qualified property owners within the targeted Winchester TIF Housing Benefit Area. The Winchester Housing Program will be administered by the TIF Commission, which may include administration through Program Delivery Contractors ("PDC's") who will solicit and review grant applications, and manage construction and fund disbursements. It is recommended that the PDC's have established ties to the City and Commission and be familiar with housing programs within the City.

A grant program is recommended for the septic system program and a funding program is recommended for the housing rehabilitation and repair program. The TIF staff shall determine, with input from the Commission (including the Housing Committee), appropriate funding limitations based on funding availability and projected needs of the particular target area within the Redevelopment Area. Factors, which should be considered when determining the projected needs and funding limitations for a particular target area, include: condition of housing stock, prioritizing exterior improvements and addressing safety/health issues on the exterior and interior of single and rental housing stock, and number of qualified applicants. It is recommended that the funding limits discussed below, under the Section entitled, *The Housing Program*, be adopted as initial guidelines, which may be subject to modification by the TIF Commission, with input from the Winchester Advisory Committee and the Housing Committee, based on new funding, if any, and periodic program evaluation.

The Winchester Housing Improvement Program (WHIP)

The Winchester Housing Improvement Program ("WHIP" or program) has two components: The septic system program and the housing program. The first priority will be the septic system program and the second priority will be the housing program. The septic system program will provide grants to qualified participants for the costs of septic and sanitation repairs to single family residential and residential rental properties. The housing program will provide funding to qualified participants for the costs of prioritized exterior improvements to single family residential and rental properties. Examples of eligible costs include façade, roofing, windows, porches, siding, masonry, painting, driveways, sidewalks, lighting, heating, cooling and electrical.

As an option, the Winchester Improvement Housing Program may engage existing third party organizations as PDC's for assistance in administering the Winchester Housing Program.

Funding - Each application for grants to repair and replace septic tanks will be evaluated and approved by the WHIP Advisory Committee. With respect to the Housing Program, the funding will be applied, on a house by house basis, first to septic system repairs or replacement and then to the housing repairs or rehab.

Septic Tank/Sanitation Inspection/Repair or Replacement

- Maximum grant amount of \$750.00 for septic tank/sanitation system inspection. If applicant participates in septic system program the cost of inspection will become part of the overall grant.
- If applicant does not participate in septic system program, the cost of the inspection will be given as a grant with no deed restrictions on property.
- Elimination of \$7,500.00 cap related to the repair or replacement of septic tanks.

Housing Program

Single Family Owner-Occupied

- Maximum grant amount for single family owner occupied home of up to \$15,000.00. Owner may be eligible for additional grant to repair/replace septic tanks. The cap of \$7,500.00 to repair or replace septic tanks has been eliminated.
- Elimination of the Dollar for Dollar funding requirement for residents who desire to participate in the housing program.
- **Single Family Rental Housing**
- Maximum grant amount of \$15,000.00 per Single-Family Rental (the housing grant is in addition to any necessary septic system repairs/replacement).
- Owner must match Dollar for Dollar

Residency Requirement:

No pre-existing residency requirement. Post funding-award residency of five (5) years is required. The funding for the Winchester Program will be structured as a five (5) year "forgivable loan". So long as the recipient of the forgivable loan resides in the single family house, each year of residency, beginning on the date of the closing of the forgivable loan, twenty percent (20%) of the loan will be forgiven, with the entire loan being forgiven after the fifth year of continued residency. If the single family house is a rental property, so long as the owner retains title in fee simple to the property, twenty percent (20%) of the forgivable loan will be forgiven each year of ownership, beginning on the date of the closing of the forgivable loan, with the entire loan being forgiven after the fifth year of the continued ownership.

Use of grant funds: Winchester Housing Program funding will be primarily limited to exterior improvements and addressing septic and sanitation issues. Exterior improvements may include, but are not limited to, façade, roofing, windows, porches, siding, masonry, painting, driveways, sidewalks and lighting. If health and safety violations are identified by Housing Program inspectors, during a pre-qualification inspection, these violations must be corrected prior to approval and authorization of Winchester Housing Program funding or included in the scope of work.

Repair process: The PDC will inspect the house to assist the homeowner in determining the scope of work to be performed. The PDC will provide the homeowner with a list of qualified contractors and assist the homeowners (as appropriate and needed) in reviewing the scope of work to be performed, perform all necessary construction oversight, and approve contractor draws. All work will be in accordance with Winchester Rehabilitation Standards (Exhibit B).

Rental Conversion Program**Single-Family**

1. Property Types: Single-family rental houses.
2. Maximum Funding Amount: \$15,000 per single family house.
3. Ownership Requirements: Rental ownership cannot extend past 18 months of loan/grant closing. If property is not sold to an owner-occupant within that period, the note will become due and payable.
4. Matching-Funding Requirements: All rental-conversion owners must match TIF funding on a dollar for dollar basis.
5. Application Process: All rental-conversion applications must be made to the PDC. All forgivable loans must be made in conjunction with loans and/or owner cash which will be matched on a dollar-for-dollar basis up to the maximum amount.
6. Use of Grant Funds: TIF housing funds will be primarily used for exterior improvements. Exterior improvements may include, but are not limited to:

façade, roofing, windows, porches, siding, masonry, painting, driveways, sidewalks and lighting, septic systems and inspections of sanitation systems. Properties containing dangerous and hazardous health and safety code violations that cannot be corrected with funding provided under this program or other financing will be disqualified from participation.

Targeting and Selection Criteria

Targeting Recommendations

- The Winchester Housing funds will be should be targeted to homes located within the Redevelopment Area.
- Property located outside the boundaries of the Redevelopment Area will NOT be eligible for benefits from the Winchester Housing Program.

(Exhibit B)

WINCHESTER HOUSING PROGRAM

REHABILITATION GUIDELINES

I. General

For single family home and rental rehabilitation.

The program is designed to rehabilitate and, in connection with the rental conversion program, sell residential dwellings.

- A. Both work to repair or replace items which constitute violations of City Codes as well as other work are eligible to receive funding from the Winchester Housing Program.
- B. Rehabilitated property must comply with requirements under the Kansas City Codes Department for any work that requires a City Codes inspection. In some cases a Certificate of Occupancy may be required depending on the extent of rehab work being performed

C. Ineligible rehab:

The following listed items include, but are necessarily limited to, improvements that cannot be funded by Winchester Housing Program:

- 1. Install swimming pools, hot tubs, saunas, Jacuzzi
 - 2. Window air conditioners, washer/dryer, or other freestanding appliance
 - 3. Pay owners for their own labor.
 - 4. If the PDC has any questions regarding any other work items to be done under this section, Land Bank Staff should be contacted.
- D. All code violations, as well as safety and health violations, including remediation of hazardous materials (Lead Based Paint, asbestos, etc.) must be addressed and resolved prior to or in connection with extending Winchester Housing Funds for any other aspect of a single family home.
 - E. The Winchester Housing Program requires repair or replacement of specified exterior or interior deficiencies that may cause the property to become uninhabitable. Funding may be withheld if said deficiencies are not addressed.

II. Specific Guidelines for the PDC to Consider

The PDC is responsible for checking the following items and considering addressing deficient items.

A. Exterior

1. Grading and drainage
2. Concrete/asphalt
3. Roofing
4. Windows, doors, soffits, fascia, walls and other surface areas, including porches
5. Gutters and downspouts
6. Paint/tuck pointing

B. Interior

1. Walls, ceilings, windows, doors
2. Floors and floor coverings
3. Paint
4. Basements
 - a) Plumbing (incl. hot water tanks)
 - b) Electrical
 - c) Heat
 - d) Walls
 - e) Beam, joists, support columns
5. Termite and extermination
 - a) Check wood beam, wood joists, wood support columns, windows and other surfaces
 - b) If there is evidence of active infestation, a termite inspection must be conducted. The cost of inspection as well as treatment expense is an eligible cost. Only licensed exterminators should treat properties. If there is active infestation of roaches, mice or rats, the property must be treated by a licensed pest control company.

The following standards should be used as a guide for property inspections:

A. Exterior

1. Roof

- a) If the roof has five (5) years or more of remaining life, the existing roof can remain.
- b) If, upon inspecting, the roof proves to have 3 or more overlays it must be stripped down to the roof decking and a new 30 year shingle installed.
- c) If an inspection by the PDC shows shingles are curling, loss of granules, missing and broken shingles, or leaking, the roof must be replaced.
- d) Inspect attic for visible signs of leakage.
- e) If there is only (1) layer and the roof is in fair condition, an overlay is permissible.
- f) When replacing or installing roof shingles, a 30 year laminated shingle is to be used.
- g) Rafters, ridge board and collar ties need to be inspected for warping, splitting, or other defects after shingles are removed, or via attic inspection in case of overlays.
- h) When replacing/repairing roof, installation of a minimum of two (2) roof vents, as per manufacturer's specifications and soffit vent is recommended, if possible.
- i) Chimneys, vent pipes, dormers, and edges, install new galvanize or aluminum metal flashing. Asphalt base tar is not acceptable as flashing.
- j) Exterior grade, 7/16 inch OSB (oriented strand board) sheathing and quality 30 year laminated shingles are to be used.

2. Chimneys

- a) There are three types of chimneys used in properties that will be inspected. They are brick (lined and unlined), rock and metalbestos.
- b) ***Cleanouts in basement will be inspected to check if bricks or other material have been dislodged, which could be hazardous in using the chimney.*** Chimney cleaning is an allowable expense and will be

required if the chimney will be used. If a wood or gas burning fireplace is intended to be operable, a report from a certified chimney company will be required. The report is to verify that the lining in the chimney is in good working condition and poses no fire hazards.

- c) Exterior inspection of chimney should be made to see if it is pulling away from the structure. If the chimney has not moved from the structure, caulking generally will take care of the problem. The inspection fee by a licensed structural engineer is an eligible expense.
- d) Tuck point mortar joints as needed.
- e) Installation of a rain cap with screening is allowed.
- f) If the chimney has excessive height, it can be reduced to approximately 3 linear feet in height above roof.
- g) ***If there is an existing furnace / hot water heater vented into the chimney, an inspection from a heating & cooling firm should be made to determine if the chimney should be re-lined. This will require a city inspection.*** A permit for the installation of the liner is an eligible expense.

3. Gutters, downspouts and storm drains

- a) Galvanized or aluminum downspouts in good condition and are draining properly do not need to be replaced.
- b) Gutters and downspouts that are not being replaced should be cleaned and painted, if galvanized, and inspected for proper drainage fall.
- c) Storm drains in good condition and operating properly do not need to be replaced. Drains not operating properly (letting water enter the basement or drains with broken tile) must be removed and sealed.
- d) Box gutters that indicate no visible signs of damage or leaking do not need to be replaced.
- e) Box gutters that are damaged or leaking may be repaired, relined, or covered up and replaced with traditional guttering.

4. Soffits, fascia and rafter tails:

Soffits, fascia and rafter tails can remain as-is if they are in good condition. If needed, they can be repaired or replaced. Wrapping is allowable.

5. Siding

The following types of siding may be used: Wood siding shingles and various types of lap siding, including wood, vinyl, steel and aluminum. Vinyl, aluminum or steel siding can be repaired, installed or replaced in order to make maintenance easier for the owner. (However, if property has been designated as an historic landmark or is located within an historic district, all exterior work, including siding, must comply with the Historic Designation provisions of the Development Code.)

6. Windows – exterior

- a) Operating windows that have missing ropes, locks, lifts and small glass cracks do not need to be replaced, but must be repaired.
- b) Windows showing excessive damage and missing parts need to be replaced with new window units.
- c) Replacement window units must meet an Energy Star Rating.
- d) Replacement of storm windows are eligible. Any broken or missing storm windows must be replaced to conserve energy.

7. Doors

- a) Exterior solid core doors with operable keyed lock set, hinges, in good operating condition are acceptable.
- b) Hollow core doors are not acceptable for exterior use.
- c) Exterior doors should have a proper fitting threshold and weather-stripping to provide a seal against weather.
- d) Screen or aluminum combination storm doors can be installed, repaired or replaced.
- e) Replacements for exterior doors must be pre-hung and insulated.

8. Sidewalks and Driveways

- a) Private sidewalks and driveways must have an all-weather surface to prevent mud tracking.
- b) Sidewalk surfaces are to be concrete. Driveway surfaces can be asphalt or concrete.
- c) Sidewalks and driveways with: An offset displacement exceeding three (3) inches cracks exceeding one (1) inch, or ponding water (for more than 5 days) shall be repaired or replaced. (Repair/replacement strongly recommended.)

9. Porches

- a) Porches are to be inspected to determine safety and soundness.
- b) Porch decking, headers, joists, support columns, ceiling, and rafters should be solid, secure and safe to use.
- c) Balustrades are to be anchored securely. Balustrades missing or not in usable condition must be replaced.
- d) Wood type porches, can be converted to a concrete deck porch, including new steps, balustrade and support columns.
- e) Existing concrete porch decks that are badly cracked, ponding water and presenting a safety hazard must be replaced with either wood or concrete.

10. Foundations

- a) If visual inspection of the foundation cannot determine the problems, an engineering report can be obtained. This may be an allowable expense.
- b) Foundation walls can be tuck-pointed, parged, replaced, repaired, or rebuilt as needed.

11. Lead-Based Paint

Homes built after 1978 shall not require a lead based paint inspection.

Homes built prior to 1978 shall have a lead based paint inspection as part of the overall environmental assessment.

12. Painting – Exterior and Interior

Exterior and interior painting by the contractor will be done in a manner, which includes cleaning of the exterior surfaces by means of washing, scraping of loose paint, spot priming and application of two (2) coats 100% latex paint (25 year life).

13. Garages/Outbuildings/Fences

- a) Repair/replacement are eligible expenses.
- b) Garages or outbuildings that will remain, must meet Neighborhood Preservation Codes requirements.

B. Interior

1. Plumbing (includes interior and exterior lines)

- a) Galvanized water lines with sufficient pressure and showing no signs of leakage or corrosion do not need to be replaced.
- b) Vertical and horizontal galvanized water lines that are to be replaced will be done with hard copper piping and lead-free solder or pix tubing.
- c) If horizontal galvanized water lines are being replaced, vertical lines above the first floor need to be replaced at the same time. If not replaced, a loss of water pressure to the upper floors could be caused due to calcium in the galvanized pipe
- d) Existing copper water lines connected to galvanized pipe must have dielectric couplings (see 1 above).
- e) PDC's should be aware of the advisability of repairing/replacing leaking faucets and/or fittings. Replacement of faucets shall include a low flow aerator.
- f) Hot water tanks older than 5 years old may be replaced, however, if not leaking or showing any signs of rust at the base of the tank, replacement is not required. If the tank is to be replaced, install minimum of 40-gallon Energy Star Rated tank complete with new vent pipe and pop off valve with overflow pipe for single family. If the hot water tank is not replaced, inspect vent pipe for rust, holes, leaking pop off valve, and drip leg.
- g) Copper gas lines must be replaced with black iron pipe.
- h) Waste lines serving the kitchen or bath that are leaking or showing extensive corrosion should be replaced or repaired.
- i) Repairs to septic systems are allowed. However, if public sanitary sewer is available, hookup to the system is strongly recommended.

2. Heating and Air Conditioning

- a) Gravity flow furnaces and ducts that appear to be in good condition and showing no deterioration can remain. However, a mechanical inspection is advised. ***Any wrapping on heat runs or furnace showing deterioration should be inspected for asbestos. Asbestos remediation must be performed by a company licensed to perform such work.***
- b) The mechanical inspection may be waived for forced air furnaces and ducts that have been installed in the past 5 years. Units over 5 years must have a mechanical inspection.

- c) Hot water or steam systems can remain as long as there is no sign of leakage. The system should have a mechanical inspection to verify the condition of the unit. If steam pipes are wrapped they should be checked for asbestos and abated or sealed by a certified company.
- d) If there is any doubt regarding the condition of the furnace, a mechanical inspection of the furnace is recommended. The cost for inspection is eligible.
- e) Flue pipes that are missing, defective, rusted, and/or have improper fall, should be replaced or repaired. All flue pipes going into the chimney must be sealed.
- f) Free standing gas or oil heating units, e.g., space heaters, must be disconnected. Vented heaters sitting on fire resistant mats are the only units that are approved for heating.
- g) If there is central air conditioning, the same procedure as used to inspect furnaces will be used.
- h) Replacement of a furnace shall be with a new unit that has a minimum of 90% energy efficiency and side vented.
- i) Replacement of a/c unit shall have a minimum of 13 SEER rating. (If a 14 SEER or greater unit is installed, KCPL will pay \$800.00 towards cost, PDC to check with KCPL for application before purchase of unit.)

3. Electrical

- a) If an existing 30 or 60 amp service is still in place, the panel box shall be up-graded to a minimum 100 amp service. Any additional wiring and the masthead shall be replaced to meet city code requirements.
- b) 100 amp Services left in place that are blowing fuses or circuit breakers due to overload shall be checked by a Licensed Electrician.
- c) Installation of updated service could require a masthead. It will be determined by KCPL as to where the service entrance will be located.
- d) All exposed knob and tube wiring (basement and attic areas) shall be removed and new romex wiring installed. If the wiring has been tampered with, the wiring and service panel must be replaced to comply with electrical code.
- e) In any room above basement level, when removal of plaster or drywall has resulted in the exposure of knob and tube wiring,

replacement with Romex must be done and a permit for city inspection obtained. If done, installation of outlets every twelve feet should be included or code required.

- f) Electric outlets in rooms where plaster or drywall is not being removed do not have to comply with paragraph e above. One (1) outlet is all that will be required. Appliance outlets may be installed as needed.
- g) Existing two (2) hole outlets do not have to be replaced with grounded units. New outlets must be grounded.
- h) GFCI outlets need not be installed unless the electric wiring in the home is being updated. However, the GFCI is a safety factor and grounded outlets in kitchen and bath areas are recommended.
- i) Electric switches operating properly do not need to be replaced; however, if electrical work is being done, wall switches must be installed in kitchens and bathrooms to replace pull chain switches, even if they are operating properly.
- j) Electric fixtures that are working properly do not need to be replaced, even though shades are missing. Light fixtures equipped with pull chain switches and operating properly can remain. The participant can select fixtures that are to be replaced.
- k) Ceiling fans equipped with light kit can be installed.
- l) Existing doorbells can be made operable or installed.
- m) Exterior floodlights can be repaired, replaced or installed new.
- n) There must be a smoke detector on each floor, located generally in basements, hallways, and other areas adjacent to bedrooms. Units must be in place prior to final inspection of the property.

4. Walls and Ceilings

- a) Plaster walls and ceilings having few cracks or holes, and/or wallpaper in good condition, will not require any action.
- b) Large holes and cracks in walls and ceilings may be indicative of other problems, and should be considered for repair.
- c) Depending on the condition severity of walls and ceilings, overlay with drywall is acceptable. If overlaying drywall on interior walls that have an exterior side, must be blown with insulation prior to drywall installation to reduce energy loss.

- d) Defective ceiling plaster, adjacent to the attic, should generally be repaired (if small) or covered with sheetrock if removed.
 - e) Removal of plaster from walls and ceiling will require that the wiring be brought up to electrical code. Therefore, it is recommended that walls/ceilings be laminated with sheetrock if serious cracks/deterioration occurs.
5. Doors and Trim
- a) Missing or non-operable interior doors must be replaced or repaired.
 - b) Bathroom doors must be equipped with operable locks.
 - c) Interior doors must fit openings, and have working passage sets and hinges.
 - d) Door trim that is missing, must be repaired or replaced.
6. Windows and Trim
- a) Windows that are non-operable must be repaired or replaced.
 - b) Missing hardware and sash cords must be repaired or replaced.
 - c) Sashes with broken or rotted wood must be repaired or replaced.
 - d) Window glass that is missing or with large holes and cracks exceeding $\frac{1}{4}$ inch displacement must be replaced.
 - e) Basement windows must be operable or sealed and glass not broken. Small cracks in glass are permissible. Basements must have one operating window for ventilation.
 - f) Storm window repair or replacement is an eligible cost. Any broken or non-operating storms must be repaired or replaced.
 - g) Windows located in the basement can be replaced with new energy efficient window units.
7. Floors and Floor covering
- a) Hardwood and pine floors needing repair or refinishing should be addressed.
 - b) Hardwood floors can be sanded and refinished as needed.
 - c) Pine or softwood floors are not to be sanded. They can be refinished/painted only.

10. Energy Reduction

When making changes to any energy related items, all efforts shall be made to achieve a reduction in use of energy.

- a) When plaster or drywall has been removed from an exterior wall, that wall shall be insulated to an R-19.
- b) Any areas that allow air to infiltrate into the home shall be sealed.
- c) All exterior doors shall be weather tight.
- d) Basement rim joists shall be insulated if accessible.
- e) If light fixtures are to be replaced, they shall be replaced with Energy Star Rated fixtures. All new appliances shall have a Energy Star Rating.

11. Environmental and Historical regulations must be followed

- a) Lead Based Paint Clearance
- b) Any asbestos wrappings on duct work, heating systems etc. shall be removed by a certified company with a report from that company submitted to the TIF staff or PDC.

A Any alterations to the exterior of properties designated as an historic landmark or located within a area designated as an historic district shall be approved by the Historic Preservation Commission before any exterior work commences.

Exhibit C

Development Schedule

<u>Neighborhood Improvement and Infrastructure Improvements</u>	<u>Commencement</u>	<u>Completion</u>
Bennington Road Improvements	Spring 2014	Winter 2021
Neighborhood Housing and Infrastructure Program	April 2013	April 2021*

* The Commission, pursuant to Section 4.01, may extend the date for the completion of the Neighborhood Housing and Infrastructure Program to April 2023.

Exhibit H

Neighborhood Improvement and Infrastructure Program