

FUNDING AGREEMENT

This Funding Agreement (“Agreement”) is entered into as of the ____ day of _____, 20____ (“Effective Date”), this Agreement was executed on behalf of the last party to execute it, by YANA Properties, LLC (the “Company”), and the LAND CLEARANCE FOR REDEVELOPMENT AUTHORITY OF KANSAS CITY, MISSOURI (the “Authority”).

RECITALS

- A. The Authority is a public body corporate and politic created by the Land Clearance for Redevelopment Authority Law, Section 99.300, *et seq.*, of the Revised Statutes of Missouri and is transacting business and exercising the powers granted by the Land Clearance for Redevelopment Authority Law by virtue of Committee Substitute for Ordinance No. 16120, duly passed by the City Council of the City of Kansas City, Missouri, November 21, 1952.
- B. The Company is a Missouri Limited Liability Company with offices at 601 Spratley Street, Birmingham, MO 64161
- C. The Company has requested that the Authority provide certain services in regard to the Blue Nile Contractors, I-70 & 40 Highway, Kansas City, Missouri (the “Project”).
- D. The Project is located within the Blue Valley Urban Renewal Area (“Urban Renewal Area”) and is to be carried out as a part of the Blue Valley Urban Renewal Plan (“Plan”).
- E. In order to pay the Authority for services rendered by the Authority and to pay the costs and expenses of the Authority incurred in the course of providing services related to the Project to or for the benefit of the Company, the Authority requires the Company to provide assurance that the Authority will be paid by providing the initial deposit required by this Agreement and by the further covenants and agreements contained in this Agreement.

AGREEMENT

1. **Services to be Performed by the Authority.** The Authority shall provide services that it determines are necessary to cause the Project to be evaluated and, if appropriate in the Authority’s sole discretion, implemented and carried out, including, but not limited to,

- review and consideration of the Company’s Redevelopment Project Application for the potential granting of property tax abatement by the Authority
- acquisition assistance, to include: survey work, environmental studies, legal and closing costs

2. **Payment of Fees, Costs and Expenses.** The Company shall pay to the Authority, pursuant to this Agreement (including the LCRA Funding Schedule, which may be amended from time to time by the Authority, attached to this Agreement as Exhibit A and incorporated into this Agreement) all fees owed to the Authority for services rendered pursuant to this Agreement and all costs and expenses of the Authority incurred in performance of its obligations under this Agreement.

3. **Initial Funding.** The Authority acknowledges receipt of \$3,500.00 (Three Thousand Five Hundred Dollars (the “Funds”)) from the Company. The initial funding includes a pre-

payment for any outside costs, such as Legal Services, Miscellaneous Direct Plan/Project Expense, Recording Fee, and Other Due Diligence Costs, incurred by the Authority on behalf of the Company, in the amount of \$3,500.

The only portion of which is refundable are any unused City Application fees or recording fees. The Authority shall disburse the remainder of the Funds as set forth in Section 5 and shall bill the Company pursuant to Section 4 so that additional disbursements may be made by the Authority on a current basis.

4. **Additional Funding.** The Authority may, after exhaustion of the Funds and any other funds (“Additional Funds”) over and above the Funds, require the payment by the Company of Additional Funds by notifying the Company that the Funds and/or Additional Funds have been, or soon will be, exhausted and that the Authority deems it prudent to require the deposit of Additional Funds to pay anticipated additional expenditures by the Authority in conjunction with the Project; and by sending a statement to the Company for the advance of such Additional Funds.

5. **Statements and Payments.** The Company shall pay to the Authority the amounts set forth on such statement(s) for Additional Funds within fifteen (15) days of receipt of the statement(s). If such funds are not received within fifteen (15) days, the unpaid balance of any funds advanced by the Authority pursuant to this Agreement shall be subject to the payment by the Company of a penalty of two percent (2%) per month until paid, but in no event shall such penalty exceed eighteen percent (18%). The Authority shall be relieved of its obligations under this Agreement until all statements for Additional Funds are paid in full. The Authority may terminate this Agreement pursuant to Section 7.a.

The name and address for the Company’s account payable department is:

Name: Henok Tekeste
Address: 601 Spratley Street, Birmingham, MO 64161
Phone: 816-505-1302
E-Mail henok@bluenilecontractors.com

6. **Disbursement of Funds.** The Authority shall apply the Funds and Additional Funds only for the payment of fees owed to the Authority, and the costs of the services and expenses (including, but not limited to, the Authority’s legal fees) incurred by the Authority, pursuant to this Agreement. Upon reasonable notice, the Authority shall make its records related to disbursements of the Funds and Additional Funds available for inspection by the Company during normal business hours at the office of the Authority.

7. **Termination**

a. In the event the Company fails to perform any of its obligations under this Agreement, including, but not limited to, the timely payment of the Authority’s statement(s) for Additional Funds, or in the event that the Executive Director and/or the Board of Commissioners of the Authority determine, in the exercise of his or its reasonable judgment, that it is in the best interests of the Authority not to go forward with the Project and the services to be performed as provided herein, the Authority may terminate this Agreement, and any other agreement between the parties, at its sole discretion upon ten (10) days written notice to the Company; and if the Authority elects to terminate this Agreement, the Authority shall retain the

Funds and Additional Funds, if any, necessary to reimburse the Authority's outstanding costs of services and expenses incurred pursuant to this Agreement and any money due and owing to the Authority pursuant to any other agreement between the parties, and shall thereafter pay any remaining Funds and Additional Funds, if any, to the Company.

- b. The parties acknowledge that the Company may decide to abandon the Project. Upon the receipt of notice of the Company's abandonment of the Project, this Agreement shall terminate and the Authority shall retain the Funds and Additional Funds, if any, necessary to reimburse its staff time accumulated to date of termination and to pay the outstanding costs of services and expenses incurred pursuant to this Agreement and any money due and owing to the Authority pursuant to any other agreement and shall thereafter pay any remaining Funds and Additional Funds to the Company.
- c. In the event the Funds and Additional Funds are insufficient to reimburse the Authority for fees owed to the Authority and its outstanding costs of services and expenses payable pursuant to this Agreement, the Company shall reimburse the Authority such unpaid balance upon receipt of a statement from the Authority sent to the Company as set forth in Section 4, above.

8. **Notice**. Any notice, approval, request or consent required by or asked to be given under this Agreement shall be deemed to be given if it is in writing and mailed by United States mail, postage prepaid, or delivered by hand, and addressed as follows:

To the Authority: Land Clearance for Redevelopment Authority
of Kansas City, Missouri
Attention: Executive Director
1100 Walnut, Suite 1700
Kansas City, Missouri 64106

With a copy to: White Goss
Attention: Brian Engel, Esq.
4510 Belleview Avenue, Suite 300
Kansas City, Missouri 64111

To the Company: Yana Properties, LLC
Attention: Henok Tekeste
601 Spratley Street
Birmingham, MO 64161

Each party may specify that notice be addressed to any other person or address by giving to the other party ten (10) days prior written notice thereof.

The parties have caused this Agreement to be executed by their duly authorized representatives as of the Effective Date.

9. **Attorneys' Fees**. In the event the Authority commences any action to enforce this Agreement or to pursue or defend its rights under this Agreement, the Company shall be

responsible for, and shall pay to the Authority upon demand, all costs and expenses including reasonable attorneys' fees incurred by the Authority in connection with such action.

10. **Jurisdiction.** THE COMPANY IRREVOCABLY SUBMITS TO PERSONAL JURISDICTION IN MISSOURI AND OF THE UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF MISSOURI OR, AT THE OPTION OF THE AUTHORITY, ANY COURT IN WHICH THE AUTHORITY DECIDES TO INITIATE LEGAL OR EQUITABLE PROCEEDINGS CONCERNING THIS AGREEMENT, PROVIDED SUCH COURT HAS SUBJECT MATTER JURISDICTION OVER THE MATTER AND CONTROVERSY FOR THE ENFORCEMENT OF THE COMPANY'S OBLIGATIONS UNDER THIS AGREEMENT, AND THE COMPANY WAIVES ANY AND ALL RIGHTS UNDER THE LAW OF ANY OTHER STATE TO OBJECT TO JURISDICTION WITHIN MISSOURI FOR THE PURPOSES OF LITIGATION TO ENFORCE ITS OBLIGATIONS UNDER THIS AGREEMENT.

"AUTHORITY"

[SEAL]

LAND CLEARANCE FOR REDEVELOPMENT
AUTHORITY OF KANSAS CITY, MISSOURI

Dated: _____, 20__

By: _____
Steven D. Hamilton, Chairman

ATTEST:

Greg Flisram, Secretary

YANA Properties, LLC

Dated: _____, 20__

By: _____
Name: Henok Tekeste_____
Title: General Manager_____

[SEAL]

ATTEST:

Printed Name: _____
Title: Secretary/Assistant Secretary

EXHIBIT A

LCRA FEE SCHEDULE

Adopted by LCRA Board of Commissioners 6/23/99
(Revised 6/22/05; 1/25/06; 3/28/07; 2/27/08; 3/05/10; 9/15/17)¹

I. <u>Urban Renewal Plan or Plan Amendment</u>	
A. <u>1-5 Properties (base fee)</u>	\$3,500.00
1. With Staff blight study	\$1,000.00
2. With Consultant blight study (applicant responsible for cost)	At cost
*Plus all applicable City Plan Authority application fees	<u>At cost</u>
B. <u>6+ Properties (base fee)</u>	\$5,000.00
1. With Consultant blight study (applicant responsible for cost)	At cost
2. Surcharge for inclusion of eminent domain	\$2,500.00
*Plus all applicable City Plan Authority application fees	<u>At cost</u>
II. <u>Redevelopment Project Applications</u>	
A. <u>Multifamily (no commercial tenants)</u>	\$2,000.00
B. <u>Mixed-Use or Commercial Development</u>	\$3,500.00
*LCRA legal fees expenses to be reimbursed by applicant	At cost
**\$300 Redevelopment Contract recording fee included.	<u>Included</u>
III. <u>Tax Abatement Fees</u> (to be submitted with application for Certificate of Tax Abatement)	
A. <u>Multifamily, Mixed-Use or Commercial Projects</u>	
Construction costs < \$300,000	<u>\$500.00</u>
Construction costs > \$300,000 - .004 multiplied by hard construction costs	<u>Calculate</u>
IV. <u>Special Financing and Assistance Fees</u>	
A. <u>Bond Financing</u>	
Application Fee	<u>\$3,500.00</u>
Issuance Fee – LCRA Originated	
.5% of bond, plus Issuance expenses	<u>Calculate</u>
Conduit Fee	
.375% of first \$10,000,000	Calculate
.25% of next \$15,000,000	Calculate
125% of amount above \$25,000,000	Calculate
Plus legal expenses	<u>At cost</u>
B. <u>Land Acquisition</u>	
Offer to Purchase - 1% if ≤ \$2,500	Calculate
Acquisition Fee - 5% if ≥ \$2,500	<u>Calculate</u>
C. <u>Sale/Leaseback and/or Tax Exemptions</u>	
Personal Property Tax Exemption - .30% of original asset cost	Calculate
Sales Tax Exemption - .30% of original asset cost	<u>Calculate</u>
1. Which may be amended from time to time by the Authority	