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**DEVELOPMENT AGREEMENT  
(Pizza 51 South)**

**by and between the  
CITY OF OLATHE, KANSAS**

**and**

**PIZZA 51 SOUTH, LLC**

**and**

**PT PROPERTY, LLC  
(jointly and severally, “Developer”)**

**July 23, 2024**

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## DEVELOPMENT AGREEMENT

**THIS DEVELOPMENT AGREEMENT** (this “**Agreement**”) is entered into by and between the **CITY OF OLATHE, KANSAS**, a municipal corporation duly organized and existing under the laws of the State of Kansas as a city of the first class (the “**City**”), and **PIZZA 51 SOUTH, LLC**, a Kansas limited liability company (“**Pizza 51**”), and **PT PROPERTY, LLC**, a Kansas limited liability company (“**PT Property**” and jointly and severally with Pizza 51, “**Developer**,” and together with the City, the “**Parties**,” and each a “**Party**”), and is dated as of June 26, 2024 (the “**Effective Date**”).

### **RECITALS**

**WHEREAS**, the City is the owner of certain real property comprised of approximately 0.31 acres generally located at the southeast corner of W. Loula Street and S. Kansas Avenue, all in the City of Olathe, Johnson County, Kansas (the “**Property**”); and

**WHEREAS**, the City has the authority to undertake community improvement district financing pursuant to the Kansas Community Improvement District Act, K.S.A. 12-6a26 *et seq.* (the “**CID Act**”); and

**WHEREAS**, the City will submit a petition countersigned by the Developer (the “**CID Petition**”) requesting the formation of the CID (as defined below) and the imposition of a two-percent (2.0%) tax on the sale of tangible personal property at retail and rendering or furnishing of services in the CID (the “**CID Sales Tax**”) in accordance with the CID Act; and

**WHEREAS**, pursuant to a public hearing held to be held and an ordinance to be considered by the City in the future (the “**CID Ordinance**”), the City intends to create a community improvement district encompassing the Property, the boundaries of which are legally described on Exhibit A attached hereto (the “**CID**”) and approved the imposition of the CID Sales Tax and this Agreement, all in accordance with the CID Act; and

**WHEREAS**, the Developer seeks to construct or improve upon the Property certain improvements described in a general manner as consisting of some or all of the following uses: construction and reconstruction of the approximately 1,672 square foot existing structure and addition of approximately 1,100 additional square feet for purposes of a family-friendly pizza establishment to be known as “Pizza 51 South” and other facilities or improvements associated with or incidental to such use, including demolition of existing facilities and all public and private infrastructure improvements or facilities as generally described in the Project Budget (collectively, the “**Project**”), as the Project is generally depicted on the conceptual floorplan attached hereto as Exhibit F; and

**WHEREAS**, the Parties agree that construction and improvement of the Project and the CID financing is to their mutual benefit; and

**WHEREAS**, the City and the Developer now desire to enter into this Agreement to formalize the development and financing of the Project.

**NOW, THEREFORE**, in consideration of the foregoing, and of the mutual covenants and agreements herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties do hereby agree as follows:

**ARTICLE I  
DEFINITIONS AND RULES OF CONSTRUCTION**

**Section 1.01. Rules of Construction.** For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following rules of construction apply in construing the provisions of this Agreement.

- A. The terms defined in this Article include the plural as well as the singular.
- B. All accounting terms not otherwise defined herein shall have the meanings assigned to them, and all computations herein provided for shall be made, in accordance with generally accepted accounting principles.
- C. All references herein to “generally accepted accounting principles” refer to such principles in effect on the date of the determination, certification, computation or other action to be taken hereunder using or involving such terms.
- D. All references in this instrument to designated “Articles,” “Sections” and other subdivisions are to be the designated Articles, Sections and other subdivisions of this instrument as originally executed.
- E. The words “herein,” “hereof” and “hereunder” and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section or other subdivision.
- F. The Article and Section headings herein are for convenience only and shall not affect the construction hereof,
- G. The representations, covenants and recitations set forth in the foregoing recitals are material to this Agreement and are hereby incorporated into and made a part of this Agreement as though they were fully set forth in this Section. The provisions of the CID Petition, and such resolutions and ordinances of the City introduced or adopted by the City Council which create the CID and approved the CID Sales Tax, and the provisions of the CID Act, as amended, are hereby incorporated herein by reference and made a part of this Agreement, subject in every case to the specific terms hereof.

**Section 1.02. Definitions of Words and Terms.** Capitalized words used in this Agreement shall have the meanings set forth in the Recitals to this Agreement or they shall have the following meanings:

“**Agreement**” means this Development Agreement (Pizza 51 South), as amended from time to time.

“**Applicable Law and Requirements**” means any applicable constitution, treaty, statute, rule, regulation, ordinance, order, directive, code, interpretation, judgment, decree, injunction, writ, determination, award, permit, license, authorization, directive, requirement or decision of or agreement with or by Governmental Authorities.

“**Certificate of CID Costs**” means a certificate relating to CID Costs in substantially the form attached hereto as **Exhibit B**.

“**Certificate of Substantial Completion**” means a certificate evidencing the Substantial Completion of the Project, in substantially the form attached hereto as **Exhibit C**.

“**CID**” means the community improvement district to be created by the City pursuant to the CID Ordinance.

“**CID Act**” means the Kansas Community Improvement District Act, K.S.A. 12-6a26 through 12-6a36, as amended and supplemented from time to time.

“**CID Costs**” means those costs listed as “CID Eligible Costs” in the Project Budget attached as **Exhibit D** hereto and eligible to be paid from CID Revenues in accordance with K.S.A. 12-6a26 *et seq.*

“**CID Costs Cap**” means Seven Hundred Thirty-Six Thousand One Hundred Seventy-Three Dollars and 00/100 Dollars (\$736,173).

“**CID Fund**” means the 200 S. Kansas Avenue CID Fund, created pursuant to the CID Act and **Section 6.01** hereof.

“**CID Ordinance**” means the ordinance establishing the CID referred to in the recitals hereof.

“**CID Revenues**” means the revenues generated from the CID Sales Tax.

“**CID Sales Tax**” means the 2.00% community improvement district sales tax within the CID, as described in the recitals to this Agreement.

“**CID Term**” means that period of time equal to twenty-two (22) years beginning on the date the CID Sales Tax is first imposed within the CID.

“**City**” means the City of Olathe, Kansas.

“**City Contribution**” means the City’s contribution to finance a portion of the cost to do certain interior demolition and “white box” work and refurbish and extend the roof of the Project as described in **Section 4.01.C**.

“**City Event of Default**” shall have the meaning set forth in Section 9.02 of this Agreement.

“**City Expenses**” means the expenses described in Section 6.01 of this Agreement.

“**City Improvements**” means the improvements described in Section 4.01.A of this Agreement.

“**City Representative**” means the Mayor or City Manager of the City, and such other person or persons at the time designated to act on behalf of the City in matters relating to this Agreement.

“**Code**” means the Internal Revenue Code of 1986, as amended.

“**Construction Plans**” means plans, drawings, specifications and related documents, and construction schedules for the construction of the Project, together with all supplements, amendments or corrections, submitted by the Developer and (if required to be pursuant to Applicable Law and Requirements) approved by the City in accordance with this Agreement.

“**County**” means Johnson County, Kansas.

“**Developer**” means, jointly and severally, Pizza 51 and PT Property and any successors and assigns permitted pursuant to this Agreement.

“**Developer Event of Default**” shall have the meaning set forth in Section 9.01 of this Agreement.

“**Developer Representative**” means Jason Pryor and such other person or persons designated and duly authorized to act on behalf of the Developer in matters relating to this Agreement.

“**Excusable Delays**” means any delay beyond the reasonable control of the Party affected, caused by damage or destruction by fire or other casualty, power failure, strike, shortage of materials, unavailability of labor, delays in the receipt of Permitted Subsequent Approvals as a result of unreasonable delay on the part of the applicable Governmental Authorities, adverse weather conditions such as, by way of illustration and not limitation, severe rain storms or below freezing temperatures of abnormal degree or abnormal duration, tornadoes, and any other events or conditions, which shall include but not be limited to any litigation interfering with or delaying the construction of all or any portion of the Project in accordance with this Agreement, which in fact prevents the Party so affected from discharging its respective obligations hereunder.

“**Governmental Approvals**” means all plat approvals, re-zoning or other zoning changes, site plan approvals, conditional use permits, variances, building permits, architectural review or other subdivision, zoning or similar approvals required for the implementation of the Project and the CID, and consistent with this Agreement.



**“Governmental Authorities”** means any and all jurisdictions, entities, courts, boards, agencies, commissions, offices, divisions, subdivisions, departments, bodies or authorities of any type of any governmental unit (federal, state or local) whether now or hereafter in existence.

**“Maintenance Plan”** means the maintenance plan as set forth in **Exhibit G** hereto.

**“Municipal Code”** means the municipal code of the City, as may be supplemented or amended.

**“Pay As You Go”** means “Pay-as-you-go financing” as defined in the CID Act.

**“Permitted Subsequent Approvals”** means the building permits and other governmental approvals customarily obtained prior to construction which have not been obtained on the date that this Agreement is executed, which the City or other governmental entity has not yet determined to grant.

**“Pizza 51”** means Pizza 51 South, LLC, a Kansas limited liability company.

**“Plans”** means Site Plans, Construction Plans and all other Governmental Approvals necessary to construct the Project in accordance with City’s Unified Development Ordinance, applicable laws of Governmental Authorities and this Agreement.

**“Project”** shall have the meaning described in the recitals to this Agreement.

**“Project Budget”** means the project budget as set forth in **Exhibit D** hereto.

**“Project Improvements”** shall have the meaning set forth in **Section 4.01** hereof.

**“Project Schedule”** means the project schedule as set forth in **Exhibit E** hereto.

**“PT Property”** means PT Property, LLC, a Kansas limited liability company.

**“Real Estate Contract”** means the Real Estate Contract between the City and Developer dated on or about the date hereof.

**“Site Plan”** means the final site development plan for the Project submitted by the Developer to the City and approved by the City pursuant to applicable City ordinances, regulations and City’s Unified Development Ordinance provisions, which may be approved as a whole or approved in phases or stages.

**“Statutory Limitations”** means, with respect to the City, the Kansas Cash-Basis Law (K.S.A. 10-1101 *et seq.*) and the Budget Law (K.S.A. 79-2925 *et seq.*).

**“Substantial Completion”** has the meaning set forth in **Section 4.07**.

“**Unified Development Ordinance**” means the Unified Development Ordinance adopted by the City of Olathe, Kansas, as amended from time to time in accordance with the provisions thereof.

## **ARTICLE II REPRESENTATIONS AND WARRANTIES**

**Section 2.01. Representations of City.** The City makes the following representations and warranties, which are true and correct on the date hereof, to the best of the City’s knowledge:

A. **Due Authority.** The City has full constitutional and lawful right, power and authority, under current applicable law, to execute and deliver and perform the terms and obligations of this Agreement, and this Agreement has been duly and validly authorized and approved by all necessary City proceedings, findings and actions. Accordingly, this Agreement constitutes the legal valid and binding obligation of the City, enforceable in accordance with its terms.

B. **No Defaults or Violation of Law.** The execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and the fulfillment of the terms and conditions hereof do not and will not conflict with or result in a breach of any of the terms or conditions of any agreement or instrument to which it is now a party, and do not and will not constitute a default under any of the foregoing.

C. **No Litigation.** There is no litigation, proceeding or investigation pending or, to the knowledge of the City, threatened against the City with respect to the Project or this Agreement. In addition, no litigation, proceeding or investigation is pending or, to the knowledge of the City, threatened against the City seeking to restrain, enjoin or in any way limit the approval or issuance and delivery of this Agreement or which would in any manner challenge or adversely affect the existence or powers of the City to enter into and carry out the transactions described in or contemplated by the execution, delivery, validity or performance by the City of the terms and provisions of this Agreement.

D. **Governmental or Corporate Consents.** No consent or approval is required to be obtained from, and no action need be taken by, or document filed with, any governmental body or corporate entity in connection with the execution and delivery by the City of this Agreement.

E. **No Default.** No default or City Event of Default has occurred and is continuing, and no event has occurred and is continuing which with the lapse of time or the giving of notice, or both, would constitute a default or a City Event of Default in any material respect on the part of the City under this Agreement.

### **Section 2.02. Representations of the Developer.**

The Developer makes the following representations and warranties, which are true and correct on the date hereof, to the Developer’s actual knowledge:

A. **Due Authority.** The Developer has all necessary power and authority to execute and deliver and perform the terms and obligations of this Agreement and to execute and deliver the documents required of the Developer herein, and such execution and delivery has been duly and validly authorized and approved by all necessary proceedings. Accordingly, this Agreement constitutes the legal valid and binding obligation of the Developer, enforceable in accordance with its terms.

B. **No Defaults or Violation of Law.** The execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and the fulfillment of the terms and conditions hereof do not and will not conflict with or result in a breach of any of the terms or conditions of any corporate or organizational restriction or of any agreement or instrument to which it is now a party, and do not and will not constitute a default under any of the foregoing.

C. **No Litigation.** No litigation, proceeding or investigation is pending or, to the knowledge of the Developer, threatened against the Project, the Developer or any officer, director, member or shareholder of the Developer and affecting the Project. In addition, no litigation, proceeding or investigation is pending or, to the knowledge of the Developer, threatened against the Developer seeking to restrain, enjoin or in any way limit the approval or issuance and delivery of this Agreement or which would in any manner challenge or adversely affect the existence or powers of the Developer to enter into and carry out the transactions described in or contemplated by the execution, delivery, validity or performance by the Developer, of the terms and provisions of this Agreement. Further, none of Developer, its principals or officers, or any related, affiliated, or parent company of Developer, is currently engaged in or has threatened a suit, action, or proceeding against the City.

D. **No Material Change.** There has been no material adverse change in the business, financial position, prospects or results of operations of the Developer, which could materially and adversely affect the Developer's ability to perform its obligations pursuant to this Agreement from that shown in the financial information provided by the Developer to the City in connection with this Agreement.

E. **Governmental or Corporate Consents.** As of the Effective Date, no additional consent or approval is required to be obtained from, and no action need be taken by, or document filed with, any governmental body or corporate entity, in connection with the execution, delivery and performance by the Developer of this Agreement, other than Permitted Subsequent Approvals.

F. **No Default.** No default or Developer Event of Default has occurred and is continuing, and no event has occurred and is continuing which with the lapse of time or the giving of notice, or both, would constitute a default or a Developer Event of Default in any material respect on the part of the Developer under this Agreement, or any other material agreement or material instrument affecting the Property to which the Developer is a party or by which the Developer is or may be bound.

G. **Approvals.** Except for Permitted Subsequent Approvals, the Developer has received and is in good standing with respect to all certificates, licenses, inspections, franchises, consents, immunities, permits, authorizations and approvals, governmental or otherwise, necessary to conduct and to continue to conduct its business as heretofore conducted by it and to own or lease and operate the Property as contemplated to be owned or leased by it under this Agreement. Except

for Permitted Subsequent Approvals, the Developer has obtained all certificates, licenses, inspections, franchises, consents, immunities, permits, authorizations and approvals, governmental or otherwise, necessary to acquire, construct, equip, operate and maintain the Project. The Developer reasonably believes that all such certificates, licenses, consents, permits, authorizations or approvals which have not yet been obtained will be obtained in due course.

H. **Construction Permits.** Except for Permitted Subsequent Approvals, all governmental permits and licenses required by applicable law to construct, occupy and operate the Project have been issued and are in full force and effect or, if the present stage of development does not allow such issuance, the Developer reasonably believes, after due inquiry of the appropriate governmental officials, that such permits and licenses will be issued in a timely manner in order to permit the Project to be constructed.

I. **Compliance with Laws.** The Developer is in compliance with all valid laws, ordinances, orders, decrees, decisions, rules, regulations and requirements of every duly constituted governmental authority, commission and court applicable to any of its affairs, business, operations contemplated by this Agreement.

J. **Other Disclosures.** The information furnished to the City by the Developer in connection with the matters covered in this Agreement are true and correct and do not contain any untrue statement of any material fact and do not omit to state any material fact required to be stated therein or necessary to make any statement made therein, in the light of the circumstances under which it was made, not misleading.

**Section 2.03. Developer's Acquisition of the Property.** At the time that this Agreement is executed, Developer represents that, pursuant to the Real Estate Contract, it may acquire fee simple title to all of the real property in the CID, except for adjacent public right-of-way.

**Section 2.04. Conditions to the Effective Date of this Agreement.** Contemporaneously with the execution of this Agreement, and as a precondition to the effectiveness of this Agreement, the Developer shall submit the following documents to the City:

A. A copy of each of the Developer's Articles of Organization and certificate of good standing to conduct business in the State of Kansas, certified by the Secretary of State of the State of Kansas; and

B. A copy of each of the Operating Agreements of the Developer; and

C. A legal opinion from counsel to the Developer in form and substance acceptable to the City covering: (i) the due organization of the Developer and the power and authority of the Developer to execute this Agreement, and (ii) the enforceability of this Agreement against the Developer.

**ARTICLE III  
REIMBURSEMENT OF DEVELOPER'S CID COSTS**

**Section 3.01. Developer to Advance Costs.** Except as otherwise set forth herein, Developer will advance all costs as necessary to complete the Project.

**Section 3.02. City's Obligation to Reimburse Developer.**

A. **Obligation to Reimburse.** Subject to the terms of this Agreement and the conditions in this Section, the City shall reimburse Developer for CID Costs in a total amount not to exceed the CID Costs Cap. The Developer shall be reimbursed by the City for CID Costs from the CID Fund on a Pay As You Go basis as set forth in **Article VI** hereof.

B. **Timing of Reimbursement.** Subject to the terms of this Agreement, the City shall have no obligation to reimburse Developer until funds are available in the CID Fund and the conditions listed in **Section 6.01(C)** hereof are satisfied.

C. **Source of Reimbursement.** The City shall make payments from the CID Fund on a Pay As You Go basis in the order of priority set forth in **Section 6.01**.

**Section 3.03. Developer Reimbursement Process.**

A. All requests for reimbursement of CID Costs shall be made in a Certificate of CID Costs in substantial compliance with the form attached hereto as **Exhibit B**. Requests for reimbursement shall be submitted by the Developer to the City not more often than quarterly; provided, Developer shall not submit a Certificate of CID Costs to the City until the City has executed a Certificate of Substantial Completion for the Project. The Developer shall provide itemized invoices, receipts or such other information reasonably satisfactory to the City to confirm that any such cost has been paid and qualifies as a CID Cost and shall further provide a summary sheet detailing the costs requested to be reimbursed. Such summary sheet shall show the date such cost was paid, the payee, a brief description of the type of cost paid, and the amount paid. The Developer shall provide such additional information as reasonably requested by the City to confirm that such costs have been paid and qualify as CID Costs.

B. The City reserves the right, upon reasonable written notice to Developer, to have its engineer or other agents or employees inspect all work in respect of which a Certificate of CID Costs is submitted, to examine the Developer's and others' records relating to all expenses related to the invoices to be paid, and to obtain from such parties such other information as is reasonably necessary for the City to evaluate compliance with the terms hereof.

C. The City shall have 30 calendar days after receipt of any Certificate of CID Costs to review and respond by written notice to the Developer. If the submitted Certificate of CID Costs and supporting documentation demonstrates that (1) the request relates to the CID Costs; (2) the expense has been paid; (3) Developer is not in material default under this Agreement; (4) there is no fraud on the part of the Developer; and (5) the conditions precedent listed in **Section 6.01(C)** have been satisfied, then the City shall approve the Certificate of CID Costs and make, or cause to

be made, reimbursement from the CID Fund in accordance with **Article VI** hereof; provided, the City shall disburse CID Funds to the Developer on no more than a quarterly basis. If such funds are not so received by Developer due to the City's inability to process the Certificate of CID Costs within the time set forth above, the unpaid balance shall be subject to a penalty of one and one half percent (1.5%) per month until paid, but in no event shall such penalty exceed eighteen percent (18%) per annum, and Developer shall be relieved of any and all obligations under this Agreement until paid. If the City reasonably disapproves of the Certificate of CID Costs in accordance with this **Article III**, the City shall notify the Developer in writing of the reason for such disapproval within such 30-day period, in which event the Developer shall have the right to revise and re-submit the Certificate of CID Costs to address the City's reason for disapproval, and the City will review and approve (or disapprove) the revised Certificate of CID Costs in accordance with this Section. Approval of the Certificate of CID Costs will not be unreasonably withheld, conditioned or delayed.

**Section 3.04. Right to Inspect and Audit.** The Developer agrees that, up to one year after completion of the Project, the City, with reasonable advance notice and during normal business hours, shall have the right and authority to review and audit, from time to time, all the Developer's books and records relating to the CID Costs (including, but not limited to, all general contractor's sworn statements, general contracts, subcontracts, material purchase orders, waivers of lien, paid receipts and invoices); provided, however, that (to the extent it may legally do so) the City agrees to maintain the confidentiality of the foregoing materials and, under no circumstances, allow the same to become public record.

**Section 3.05. Limitation on City's Payment Obligations.** Notwithstanding any other term or provision of this Agreement, the City's obligation to reimburse the Developer for CID Costs shall be limited to monies in the CID Fund to which the Developer has rights under this Agreement and shall not be payable from any other source.

**Section 3.06. The CID, Generally.** The City shall not, under any circumstances other than by a future written agreement between the parties, terminate the CID or take any action to reduce the CID Term prior to such time as the Developer has been reimbursed for the total CID Costs Cap. The Developer shall not, under any circumstances other than by future written agreement between the parties, protest or seek to modify or terminate the CID or the CID Sales Tax.

## **ARTICLE IV THE PROJECT**

### **Section 4.01. Scope of the Project.**

A. The City shall cause the following items to be completed: construction of certain exterior improvements at an estimated cost of \$43,445 pursuant to the bids procured by Developer for providing such work included as **Exhibit I**, including asphalt paving of the existing parking lot, installation of fences and gates, and landscaping (collectively, the "**City Improvements**").

B. Subject to the terms and conditions of this Agreement, the Developer shall construct, or cause to be constructed, all elements of the Project except for the City Improvements. The Project will include the following: construction and reconstruction of the approximately 1,672 square foot existing structure and addition of approximately 1,100 additional square feet for purposes of a family-friendly pizza establishment to be known as “Pizza 51 South” and other facilities or improvements associated with or incidental to such use, including demolition of existing facilities and all public and private infrastructure improvements or facilities, all as generally described in the Project Budget and depicted on the conceptual floorplan attached hereto as **Exhibit F** (collectively, the “**Project Improvements**”).

C. The parties acknowledge that the Developer plans to (1) demolish internal spaces as generally described in **Exhibit H** to provide a “white box” space (i.e., concrete slab floor and exterior walls, doors, and windows) at an estimated cost of \$7,500 pursuant to the bids procured by Developer for providing such work included as **Exhibit I**, and (2) refurbish and extend the roof of the existing facility at an estimated cost of \$31,500 pursuant to the bids procured by Developer for providing such work included as **Exhibit J**. Upon Developer’s completion of the same, Developer’s provision of itemized invoices, receipts or such other information reasonably satisfactory to the City to confirm that any such cost has been paid and a summary sheet detailing the costs requested to be reimbursed, subject to Statutory Limitations, the City will reimburse Developer for such costs in an amount not to exceed \$39,000 (the “**City Contribution**”).

#### **Section 4.02. Project Schedule.**

A. Subject to the terms and conditions of this Agreement, after the Effective Date and receipt of all applicable Governmental Approvals, the Developer shall promptly commence (or cause to be commenced), and shall promptly thereafter diligently prosecute to completion, the construction of the Project in accordance with the Project Schedule attached as **Exhibit E**.

B. Subject to the terms and conditions of this Agreement, the Developer shall complete each of its obligations under this Agreement with respect to the acquisition, construction, and completion of the Project Improvements in accordance with the Project Schedule, subject to delays caused by Excusable Delays and delays caused by the City. The completion of the Project shall be evidenced by the Developer’s delivery of a Certificate of Substantial Completion in accordance with **Section 4.07** of this Agreement.

C. The City agrees to act in good faith to timely process and review all Plans and consider the issuance of all necessary permits and other approvals, including building permits, rezoning approvals, preliminary and final plat approval, and all other permits or approvals which are required for the Developer and businesses within the CID to construct the Project. To the extent the City determines that any Plans or other documents or requests submitted by the Developer for the City’s approval are unacceptable, as determined pursuant to the Unified Development Ordinance and the Municipal Code, the City shall provide a written description detailing the portions of the Plans or documents that are unacceptable.

**Section 4.03. Project Budget.** The estimated Project Budget is attached as **Exhibit D** hereto. The total investment in the Project is estimated at Eight Hundred Ten Thousand Seven

Hundred Sixty-Nine Dollars and 42/100 (\$810,769.42); however, Developer may only be reimbursed for CID Costs incurred for improvements listed in the Project Budget, as further set forth in **Section 6.01**. The Parties hereby agree that the Project Budget is not a proposed cap on the amount of any specific type of expenditure shown in **Exhibit D**; rather, the City will reimburse Developer for any CID Costs up to the CID Costs Cap. Developer hereby acknowledges that the Project remains subject to the City's planning process as set forth in the Unified Development Ordinance and Municipal Code, and the approval of a final site development plan (or related approvals) may require additional Project components not currently contemplated by the Project Budget, the cost of which will be the responsibility of Developer (subject to Developer rights to reimbursement as set forth in this Agreement).

**Section 4.04. Design of Project.** In order to further the development of the Project, the City hereby authorizes the Developer to construct, or cause to be constructed, the Project according to the final Plans approved by the City.

**Section 4.05. Project Zoning, Planning, Platting and Construction.**

A. **Site Plan.** The parties agree and acknowledge that the City has approved, or the City will consider approving, the Site Plan for the Project pursuant to the City's Unified Development Ordinance. The Site Plan will be in substantial conformance with this Agreement; provided the Site Plan may change from time to time, in Developer's sole discretion subject to compliance with the Unified Development Ordinance.

B. **Construction Plans.** After approval of the Site Plan, the Developer shall submit Construction Plans for the Project for review and approval pursuant to the Unified Development Ordinance and Municipal Code. Construction Plans may be submitted in phases or stages. The Developer agrees that all construction, improvement, equipping, and installation work on the Project shall be done in accordance with the Site Plan, Construction Plans, and related documents to be approved by the City in compliance with City's Unified Development Ordinance and Municipal Code. Any deviations to the Site Plan must be approved by the City if and to the extent such approval is required pursuant to the City's Unified Development Ordinance.

C. **Construction Permits and Approvals.** Before commencement of construction or development of any buildings, structures or other work or improvements, the Developer shall, at its own expense, secure or cause to be secured any and all permits and approvals which may be required by the City's Unified Development Ordinance, Municipal Code, and any other Applicable Law and Requirements, with respect to such buildings, structures or other work or improvements. The City shall cooperate with and provide all usual assistance to the Developer in securing these permits and approvals, and shall diligently process, review and consider all such permits and approvals as may be required by law; except that the City shall not be required to issue any such permits or approvals for any portion of the Project not in conformance with this Agreement or the Unified Development Ordinance and Municipal Code.

D. **Development Schedule.** Subject to the terms and conditions of this Agreement, the Developer shall commence construction of the Project in good and workmanlike manner in accordance with the terms of this Agreement and shall cause the Project to be completed with due



diligence. During the construction period of the Project, Developer will provide monthly construction progress reports to the City Manager or his designee. Additionally, upon reasonable advance notice, the Developer shall meet with the City to review and discuss the design and construction of the Project in order to enable the City to monitor the status of construction and to determine that the Project is being performed and completed substantially in accordance with this Agreement.

E. **Continuation and Completion.** Subject to Excusable Delays and the terms and conditions of this Agreement, once the Developer has commenced construction of the Project, or a particular phase of the Project as permitted under this Agreement, the Developer shall not permit cessation of work on the Project or such phase of the Project for a period in excess of thirty (30) consecutive days or sixty (60) days in the aggregate without prior written consent of the City, which consent shall not be unreasonably withheld, conditioned or delayed.

F. **Antidiscrimination During Construction.** The Developer, for itself, its successors and assigns, and any contractor with whom the Developer has contracted for the performance of work on the Project, agrees that in the construction, renovation, improvement, equipping, repair and installation of the Project provided for in this Agreement, the Developer shall not discriminate against any employee or applicant for employment because of race, color, creed, religion, age, sex, marital status, disability, national origin or ancestry.

G. **No Waiver.** Nothing in this Agreement shall constitute a waiver of the City's right to consider and approve or deny Governmental Approvals pursuant to the City's regulatory authority as provided by the City's Unified Development Ordinance, Municipal Code, and applicable state law. The Developer acknowledges that satisfaction of certain conditions contained in this Agreement requires the reasonable exercise of the City's discretionary zoning authority by the City's Planning Commission and City Council in accordance with the City's Unified Development Ordinance and applicable state law.

H. **Public Art.** Developer will comply with Section 2.82.130 of the Olathe Municipal Code relating to public art associated with development incentives for the Project. Developer hereby acknowledges that no costs incurred as a result of compliance with Section 2.82.130 relating to public art may be reimbursed with CID Revenues.

I. **Utilization of City-Owned Utilities.** In accordance with Section 4-B-6 of City Council Policy F-9 (last revised per Resolution No. 23-1079), Developer and any tenants, subtenants, operators, and licensees of the Project will use City-owned utilities, including the City's water, sewer, and solid waste services, unless it is demonstrated in writing that a City-owned utility cannot feasibly provide acceptable service to such portion of the Project.

**Section 4.06. Rights of Access.** Representatives of the City shall have the right of access to the Property, upon reasonable notice to Developer in advance, without charges or fees, at normal construction hours during the period of construction, for the purpose of ensuring compliance with this Agreement, including, but not limited to, the inspection of the work being performed in constructing, renovating, improving, equipping, repairing and installing the Project, so long as they comply with all safety rules. Except in case of emergency, prior to any such access, such representatives of the City will check in with the on-site manager. Such representatives of the City

shall carry proper identification, shall insure their own safety, assuming the risk of injury, and shall not interfere with the construction activity.

**Section 4.07. Certificate of Substantial Completion.** Promptly after the Substantial Completion of the Project in accordance with the provisions of this Agreement, the Developer may submit a Certificate of Substantial Completion to the City. “**Substantial Completion**” shall mean that the Developer shall have completed the Project and shall have been granted a Certificate of Occupancy for the Project by the City Building Official. The Certificate of Substantial Completion shall be in substantially the form attached as Exhibit C. The City shall, within thirty (30) days following delivery of the Certificate of Substantial Completion, carry out such inspections as it deems necessary to verify to its reasonable satisfaction the accuracy of the certifications contained in the Certificate of Substantial Completion. The City’s execution of the Certificate of Substantial Completion and issuance of a Certificate of Occupancy shall constitute evidence of the satisfaction of the Developer’s agreements and covenants to construct the Project.

## ARTICLE V USE OF THE CID

### **Section 5.01. Permitted Uses; City Approvals.**

A. **Permitted Uses.** Developer shall operate the Project substantially in accordance with the description of the Project as described herein unless approved in writing by the City. All other uses of the Project are prohibited unless approved in writing by the City.

B. **City Approvals.** The Developer may not sell or lease the property or any portion thereof within the CID unless approved in writing by the City Council. If Developer wishes to sell or lease any property within the CID, Developer will present such potential disposition to the City in writing at least thirty (30) days in advance of entering such legal obligation for the sale or lease of such property. The City will respond to Developer with its approval or disapproval (or, in the case of a proposed sale, the City’s exercise of its ROFR described herein), in the City’s sole discretion, within ninety (90) days of the receipt of such communication. Developer shall promptly notify the City upon execution of any such legal obligation for the sale or lease of property within the CID.

### **Section 5.02. Operation of Project.**

A. **Compliance with Applicable Laws.** The Project shall comply with all applicable building and zoning, health, property maintenance, environmental and safety codes and laws and all other applicable laws, rules and regulations. The Developer shall, at its own expense, secure or cause to be secured any and all permits which may be required by the Unified Development Ordinance and any Applicable Law and Requirements for the construction and operation of the Project, including but not limited to obtaining all necessary rental licenses and paying any necessary fees to obtain required permits and licenses.

B. **Maintenance.** During the term of this Agreement, Developer shall cause the Project and all parts thereof to be maintained, preserved and kept in good repair and working order

and in good and safe condition, consistent with industry standards for similarly situated projects in the greater metropolitan Kansas City area. Developer may make additions, alterations and changes to the Project so long as such additions, alterations and changes are made in compliance with all Applicable Law and Requirements, and as long as the same do not materially adversely affect Developer's ability to perform its obligations under this Agreement. Additionally, the Developer will diligently maintain all public access drives, parking areas, landscape areas, and open space areas within the Project, and will repair any and all damage to such areas in a timely manner, in accordance with all applicable codes and property maintenance standards implemented for similarly situated projects in the Kansas City area, and the Project shall otherwise be maintained in accordance with the "Maintenance Plan" attached hereto as **Exhibit G**.

C. **Continuous Operation.** Developer shall continuously operate the Project as such Project is described herein with no interruption in its operations longer than thirty (30) consecutive days and one hundred eighty (180) days in the aggregate, subject to Excusable Delays.

### **Section 5.03. Sales Tax Information.**

A. The Developer shall provide the City written notice of all current tenants of the Project within ten (10) days of the opening or closing for business of any business within the CID, and at all other times upon the written request of the City Manager or the Director of Economy.

B. The Developer shall provide to the City simultaneously with submission to the Kansas Department of Revenue the monthly sales tax returns for Developer's facilities in the CID, and such obligation shall be a covenant running with the land enforceable against all businesses operating in the CID that will only terminate: (i) upon the passage by the City of an ordinance terminating the CID; or (ii) upon termination of this Agreement as provided hereunder.

C. The Developer agrees to use best efforts to cause all prospective assignees, purchasers, tenants, subtenants or any other entity acquiring property or occupancy rights in the CID following the Effective Date to be obligated by written contract (lease agreement or other enforceable document) to provide to the City simultaneously with submission to the Kansas Department of Revenue the monthly sales tax returns for their facilities in the CID. The Developer hereby agrees that it will use best efforts to ensure that each such prospective lease agreement provides that the City is an intended third party beneficiary of such provisions and has a separate and independent right to enforce such provisions directly against such tenant or purchaser.

D. To the extent it may legally do so, information obtained pursuant to this Section shall be kept confidential by the City in accordance with K.S.A. 79-3657 and the City shall take all actions necessary to preserve the confidentiality thereof and to ensure that, under no circumstances, will such information become public record.

### **Section 5.04. Taxes, Assessments, Encumbrances and Liens.**

A. So long as the Developer owns the real property within the CID, the Developer shall pay (or cause to be paid), prior to delinquency, all real estate taxes and assessments on the real property owned by the Developer within the CID. Nothing herein shall be deemed to prohibit

the Developer from contesting the validity or amounts of any tax, assessment, encumbrance or lien, nor to limit the remedies available to the Developer in respect thereto.

B. Developer agrees that no mechanics' or other liens shall be established or remain against the Project, or the funds in connection with any of the Project, for labor or materials furnished in connection with any acquisition, construction, additions, modifications, improvements, repairs, renewals or replacements so made. However, the Developer shall not be in default if mechanics' or other liens are filed or established and the Developer contests in good faith said mechanics' liens and in such event may permit the items so contested to remain undischarged and unsatisfied during the period of such contest and any appeal therefrom. The Developer hereby agrees and covenants to indemnify and hold harmless the City in the event any liens are filed against the Project as a result of the acts of the Developer, its agents or independent contractors.

#### **Section 5.05. Financing During Construction; Rights of Holders.**

A. **No Encumbrances Except Mortgages during Construction.** Notwithstanding any other provision of this Agreement, mortgages are permitted for the acquisition, construction, renovation, improvement, equipping, repair and installation of the Project and to secure permanent financing thereafter. However, nothing contained in this paragraph is intended to permit or require the subordination of general property taxes, special assessments or any other statutorily authorized governmental lien to be subordinate in the priority of payment to such mortgages.

B. **Holder Not Obligated to Construct Improvements.** The holder of any mortgage authorized by this Agreement shall not be obligated by the provisions of this Agreement to construct or complete the Project or to guarantee such construction or completion. Nothing in this Agreement shall be deemed to construe, permit or authorize any such holder to devote the CID to any uses or to construct any improvements thereon, other than those uses or improvements provided for or authorized by this Agreement.

C. **Notice of Default to Mortgage Holders; Right to Cure.** With respect to any mortgage granted by Developer as provided herein, whenever the City shall deliver any notice or demand to Developer with respect to any breach or default by the Developer in completion of construction of the Project, the City shall at the same time deliver to each holder of record of any mortgage authorized by this Agreement a copy of such notice or demand, but only if City has been requested to do so in writing by Developer. Each such holder shall (insofar as the rights of the City are concerned) have the right, at its option, within sixty (60) days after the receipt of the notice, to cure or remedy or commence to cure or remedy any such default and to add the cost thereof to the mortgage debt and the lien of its mortgage. Nothing contained in this Agreement shall be deemed to permit or authorize such holder to undertake or continue the construction or completion of the Project (beyond the extent necessary to conserve or protect the Project or construction already made) without first having expressly assumed the Developer's obligations to the City by written agreement satisfactory to and with the City. The holder, in that event, must agree to complete, in the manner provided in this Agreement, that portion of the Project to which the lien or title of such holder relate, and submit evidence satisfactory to the City that it has the qualifications and financial responsibility necessary to perform such obligations.

D. The restrictions on Developer financing in this Section are intended to and shall apply only to financing during the construction period for the improvements and any financing obtained in connection therewith. Nothing in this Agreement is intended or shall be construed to prevent the Developer from obtaining any financing for the Project or any aspect thereof.

**Section 5.06. Covenant for Non-Discrimination.** The Developer covenants by and for itself and any successors in interest that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, age, disability, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the CID, nor shall the Developer itself or any person claiming under or through it establish or, to the actual knowledge of Developer or such other person claiming under or through it, permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees of the CID.

The covenant established in this Section shall, without regard to technical classification and designation, be binding for the benefit and in favor of the City, its successors and assigns and any successor in interest to the CID or any part thereof. The covenants contained in this Section shall remain for so long as this Agreement is in effect.

**Section 5.07. Industrial Revenue Bonds.** Developer may submit, and the City agrees to consider in good faith upon receipt, an application for issuance of industrial revenue bonds to be purchased by Developer or its designee (“IRBs”), in one or more series, granting a 10-year, 100% real property tax abatement (excluding mills that cannot be abated under Kansas law), and a sales tax exemption for the purchase of building materials, equipment, and labor for any portion of the Project eligible for such incentives. Developer acknowledges that retail enterprises identified under the North American industry classification system (NAICS) sectors 44 and 45 cannot be exempt from property taxation pursuant to IRBs. City agrees that it will waive or pay fees relating to the application for and issuance of such IRBs, including the City’s application fee, the City’s origination fee, the City’s bond counsel fees, trustee fees, and Kansas Board of Tax Appeals filing fees.

**ARTICLE VI  
REIMBURSEMENT OF CID COSTS;  
COMMUNITY IMPROVEMENT DISTRICT FINANCING**

**Section 6.01. CID Fund.**

A. **Creation of CID Fund; Deposit of CID Revenues.** The City shall establish and maintain a separate fund and account known as the 200 S. Kansas Avenue CID Fund (the “**CID Fund**”). All CID Revenues shall be deposited into the CID Fund.

B. **Disbursements from the CID Fund.** All disbursements from the CID Fund shall be made only to pay the CID Costs and accrued interest as described below. Such disbursements shall be made in the following order of preference:

1. For the first five (5) years after commencement of the CID Sales Tax, one hundred percent (100%) of the funds in the CID Fund will be used to reimbursement Developer's CID Costs, subject to the CID Costs Cap.

2. Thereafter:

a. Forty percent (40%) of the remaining funds in the CID Fund will be used to reimburse Developer's CID Costs, subject to the CID Costs Cap.

b. Sixty percent (60%) of the remaining funds in the CID Fund will be reserved for use by the City.

3. After Developer has been reimbursed to the CID Costs Cap, all remaining funds in the CID Fund will be reserved for use by the City.

C. **Conditions Precedent to Reimbursements.** Developer hereby understands and agrees that it shall not receive any reimbursements from the CID Fund unless and until the conditions precedent set forth below have been fully satisfied as determined by City in its sole reasonable discretion:

1. Developer submits a Certificate of CID Costs for CID Costs of the Project which are included in the Project Budget (**Exhibit D** hereto); and

2. City has approved the Certificate of CID Costs; and

3. Developer shall be in full compliance with the terms and conditions of this Agreement and the Maintenance Plan; and

4. With respect to the CID Costs that are the subject of the request for reimbursement, the Developer shall have advanced all costs and shall have provided evidence of such advances; and

5. A Certificate of Substantial Completion shall have been submitted to and approved by the City; and

6. Developer shall have fully paid all outstanding property taxes on the Property that are then due, subject to Developer's legal rights to protest.

## **ARTICLE VII ASSIGNMENT; TRANSFER**

### **Section 7.01. Transfer of Obligations.**

A. The rights, duties and obligations hereunder of the Developer may not be assigned, in whole or in part, to another entity without the prior approval of the City Council. Any proposed

assignee shall have qualifications and financial responsibility, as reasonably determined by the City Manager, necessary and adequate to fulfill the obligations of the Developer with respect to the portion of this Agreement being assigned. Any proposed assignee shall, by instrument in writing, for itself and its successors and assigns, and expressly for the benefit of the City, assume all of the obligations of the Developer under this Agreement and agree to be subject to all the conditions and restrictions to which the Developer is subject (or, in the event the assignment is of or relates to a portion of this Agreement, such obligations, conditions and restrictions to the extent that they relate to such portion), in which event the Developer shall be relieved from any such obligations so assigned. The Developer agrees to record all assignments in the office of the Register of Deeds of Johnson County, Kansas, in a timely manner following the execution of such agreements, and to provide to the City proof of such recording so assigned.

B. The Parties' obligations pursuant to this Agreement, unless earlier satisfied, shall inure to and be binding upon the heirs, executors, administrators, successors and assigns of the respective parties as if they were in every case specifically named and shall be construed as a covenant running with the land, enforceable against the purchasers or other transferees as if such purchaser or transferee were originally a party and bound by this Agreement. No transferee or owner of property within the CID except the Developer shall be entitled to any rights whatsoever or claim upon the CID Revenues as set forth herein, except as specifically authorized in writing by the Developer.

C. The foregoing restrictions on assignment shall not apply to (and City approval shall not be required for): (a) any security interest granted to secure indebtedness to any construction or permanent lender (including, without limitation, collateral assignment of the Developer's rights hereunder to receive CID Revenues), and (b) any assignment to an Affiliate (as defined below). For purposes of this Agreement, the term "Affiliate" means any person, entity, subsidiary, affiliate or group of persons or entities in which the ownership or membership is owned or controlled by the Developer or a majority of its partners.

**Section 7.02. Corporate Reorganization.** Nothing herein shall prohibit (or require City approval to allow) the Developer from forming additional development or ownership entities to replace or joint venture with Developer for the purpose of business and/or income tax planning.

## **ARTICLE VIII GENERAL COVENANTS**

### **Section 8.01. Indemnification of City.**

A. Developer agrees to indemnify and hold the City, its employees, agents and independent contractors and consultants (collectively, the "**City Indemnified Parties**") harmless from and against any and all suits, claims, costs of defense, damages, injuries, liabilities, judgments, costs and/or expenses, including court costs and reasonable attorney's fees, resulting from, arising out of, or in any way connected with:

1. The Developer's actions and undertakings in the implementation of the CID and this Agreement;
2. The negligence or willful misconduct of Developer, its employees, agents or independent contractors and consultants in connection with the management, design, development, redevelopment and construction of the Project; and.
3. Any expense incurred by the City resulting from any litigation filed against the Developer by any member or shareholder of the Developer, any prospective investor, prospective partner or joint venture partner, lender, co-proposer, architect, contractor, consultant or other vendor.

This section shall not apply to willful misconduct or negligence of the City or its officers, employees or agents. This section includes, but is not limited to, any repair, cleanup, remediation, detoxification, or preparation and implementation of any removal, remediation, response, closure or other plan (regardless of whether undertaken due to governmental action) concerning any hazardous substance or hazardous wastes including petroleum and its fractions as defined in (i) the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA"; 42 U.S.C. Section 9601, et seq.), (ii) the Resource Conservation and Recovery Act ("RCRA"; 42 U.S.C. Section 6901 et seq.) and (iii) Article 34, Chapter 65, K.S.A. and all amendments thereto, at any place where Developer owns or has control of real property pursuant to any of Developer's activities under this Agreement. The foregoing indemnity is intended to operate as an agreement pursuant to Section 107 (e) of CERCLA to assure, protect, hold harmless and indemnify City from liability.

B. In the event any suit, action, investigation, claim or proceeding (collectively, an "**Action**") is begun or made as a result of which the Developer may become obligated to one or more of the City Indemnified Parties hereunder, any one of the City Indemnified Parties shall give prompt notice to the Developer of the occurrence of such event.

C. The right to indemnification set forth in this Agreement shall survive the termination of this Agreement.

#### **Section 8.02. Insurance.**

A. As used in this Section, "Replacement Value" means an amount sufficient to prevent the application of any co-insurance contribution on any loss but in no event less than 100% of the actual replacement cost of the Project, including additional administrative or managerial costs that may be incurred to effect the repairs or reconstruction, but excluding costs of excavation, foundation and footings. Upon the City's written request, no more than once every three years, the Developer shall obtain the then current Replacement Value of the Project by an appraisal or a report from an insurance consultant that is engaged by Developer ("**Insurance Consultant**"), or by such other means as is reasonably acceptable to the Insurance Consultant. If an appraisal or report is conducted, a copy of such appraisal or report shall be furnished to the City.



B. The Developer shall comply with the insurance requirements set forth in this Section unless the Developer requests approval of substitute insurance requirements, based on insurance required by one or more lenders to Developer, and the City approves such request in writing. Upon Developer's acquisition of the Property, Developer shall thereafter keep the Project continuously insured against such risks and in such amounts, with such deductible provisions as are customary in connection with the operation of facilities of the type and size comparable to the Project. The Developer, at the Developer's sole expense, shall carry and maintain or cause to be carried and maintained, and pay or cause to be paid in a timely manner the premiums for at least the following insurance with respect to the Project (unless the requirement therefore shall be waived by the City in writing):

1. Builder's completed value risk insurance and, on and after the completion date of each structure, property insurance, in each case (a) providing coverage during the construction of the Project for financial losses of the Developer relating to continuing expenses, caused by property damage during the construction of the Project, (b) providing coverage (including increased costs from changes in building laws, demolition costs and replacement cost coverage) for those risks which is equal or broader than that currently covered by an all-risk policy covering all improvements, fixtures and equipment in the Developer Project, (c) containing an agreed amount endorsement with a waiver of all co-insurance provisions, (d) providing for no deductible in excess of **\$500,000** (as increased each year by the increase in the CPI, if any, for the preceding calendar year) for all such insurance coverage, and (e) covering, without limitation, loss, including, but not limited to, the following:

- (a) fire,
- (b) extended coverage perils,
- (c) vandalism and malicious mischief,
- (d) water damage,
- (e) debris removal,
- (f) collapse, and
- (g) comprehensive boiler and machinery insurance,

in each case on a replacement cost basis in an amount equal to the Replacement Value; and

2. Commercial general liability insurance providing coverage for those liabilities which is equal or broader than that currently covered by a CGL policy (a standard ISO CGL form), including at least the following hazards: (a) premises and operations; (b) products and completed operations; (c) independent contractors; and (d) blanket contractual liability for all legal contracts; such insurance (x) to be on an "occurrence" form with a combined limit of not less than **\$2,000,000** in the aggregate and **\$1,000,000** per occurrence, and (y) with excess coverage of not less than Replacement Value;

3. Flood insurance, if the Project is located in an area identified as having "special flood hazards" as such term is defined pursuant to applicable federal law, initially in an amount of at least the Replacement Value (annual aggregate); and

4. Workers' compensation insurance with statutorily required coverage.

C. Developer shall contractually obligate any purchaser or contractor to comply with the relevant provisions of this Section.

D. The City does not represent in any way that the insurance specified herein, whether in scope, overall coverage or limits of coverage, is sufficient to protect the business or interests of the Developer.

E. Each insurance policy obtained in satisfaction of the foregoing requirements:

1. shall be by such insurer or insurers as shall be financially responsible, and shall have a rating equal to or higher than A+/FSC IX (if such insurance relates to property damage) or A- (if such insurance relates to anything other than property) or better by Best Insurance Guide and Key Ratings or shall be acceptable to the Insurance Consultant as evidenced by a written certificate delivered to the City, and

2. shall be in such form and with such provisions as are generally considered standard provisions for the type of insurance involved as evidenced by a written report of the Insurance Consultant delivered to the City on or prior to the date that the City disburses any CID Revenues to the Developer and at the time of delivery of any replacement policies.

F. Upon written request of the City, all such policies of Developer, or a certificate or certificates of the insurers that such insurance is in full force and effect, shall be provided to the City. The insurance so required may be provided by blanket policies now or hereafter maintained by the Developer if the Developer provides the City with a certificate from an Insurance Consultant to the effect that such policies provide the coverage required herein. All such policies required hereunder shall provide for 30 days' prior written notice to the Developer and the City of any cancellation (other than for nonpayment of premium), reduction in amount or material change in coverage.

G. In the event the Developer shall fail to maintain, or cause to be maintained, the full insurance coverage required by this Agreement, the Developer shall promptly notify the City of such event and the City, if any, may (but shall be under no obligation to) contract for the required policies of insurance and pay the premiums on the same; and the Developer agrees to reimburse the City to the extent of the amounts so advanced, with interest thereon at a rate of one and one half percent (1.5%) per month until paid, but in no event shall such penalty exceed eighteen percent (18%) per annum.

### **Section 8.03. Obligation to Restore.**

A. **Restoration of Project by Developer.** The Developer hereby agrees that if any portion of the Project owned by it shall be damaged or destroyed, in whole or in part, by fire or other casualty, the Developer shall promptly restore, replace or rebuild the same, or shall promptly cause the same to be restored, replaced or rebuilt, to as nearly as possible the value, quality and condition it was in immediately prior to such fire or other casualty or taking, with such alterations

or changes as may be approved in writing by the City, which approval shall not be unreasonably withheld, conditioned or delayed. The Developer agrees that it shall include in any documents for Developer private financing a requirement that, in the event insurance covering fire or other casualty results in payment of insurance proceeds to a lender, the lender shall be obligated to restore the Project in accordance with this Section. The Developer shall give prompt written notice to the City of any material damage or destruction to any of the Project owned by it by fire or other casualty.

B. **Restoration of Project by Third Parties.** The Developer further agrees that each contract, lease or sublease relating to the development, ownership or use of any portion of the Project not owned or controlled by the Developer shall include a provision to the effect that if any portion of the Project controlled by such owner, lessee or sublessee shall be damaged or destroyed, in whole or in part, by fire or other casualty, such owner, lessee or sublessee shall promptly either (i) restore, replace or rebuild the same (or shall promptly cause the same to be restored, replaced or rebuilt) to as nearly as possible the value, quality and condition it was in immediately prior to such fire or other casualty or taking, with such alterations or changes as may be approved in writing by the Developer and the City, which approval shall not be unreasonably withheld, conditioned or delayed or (ii) provide the Developer with all insurance proceeds realized as a result of such casualty to allow Developer to restore, replace or rebuild the same in accordance with this paragraph. The Developer agrees that each contract, lease or sublease relating to the development, ownership or use of any portion of the Project shall include a requirement that, in the event insurance covering fire or other casualty results in payment of insurance proceeds to a lender, the lender shall be obligated to restore certain portions of the Project in accordance with this Section. Each owner, lessee or sublessee shall also be required to give prompt written notice to the Developer and the City of any damages or destruction to any of the Project owned by such person by fire or other casualty, irrespective of the amount of such damage or destruction.

C. **Enforcement.** The restrictions set forth in this Section are for the benefit of the City and may be enforced by the City by a suit for specific performance or for damages, or both. In the event that the City institutes a suit for damages, the City may claim damages including, but not limited to, any amount of CID Revenues to be paid to the City on or after the date such fire or other casualty occurred, based on the Project Revenues being paid to the City prior to the date such fire or other casualty occurred.

**Section 8.04. Non-liability of Officials, Employees and Agents of the City.** No recourse shall be had for the reimbursement of the CID Costs or for any claim based thereon or upon any representation, obligation, covenant or agreement contained in this Agreement against any past, present or future official, officer, employee or agent of the City, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such officials, officers, employees or agents as such is hereby expressly waived and released as a condition of and consideration for the execution of this Agreement.

**Section 8.05. Community Benefit.** The Developer agrees to actively participate in the civic, charitable, educational, philanthropic and economic development of the City. Accordingly, at a minimum, the Developer shall: (a) at all times be a dues-paying member in good standing with the Olathe Chamber of Commerce; and (b) no later than March 1 of each year of the term of this

Agreement, submit to the City's Director of Economy a written report providing evidence of the Developer's philanthropic activity and community involvement within the City.

**Section 8.06. City Right of First Refusal and Rights to Purchase.** During the term of this Agreement, the City shall have the right of first refusal to buy the Property or any portion thereof ("**ROFR**") and the right to repurchase the Property or any portion thereof in accordance with the following:

A. **Developer Offer for Sale.** In the event Developer desires to sell the Property or portion thereof, Developer shall provide to the City written notice within ten (10) days of the availability of the Property for sale and the consideration and all other relevant terms and conditions upon which Developer then intends to sell the Property, including the identity of any proposed purchaser. Within ninety (90) days after receipt of Developer's notice of the proposed sale of the Property or any portion thereof, together with the proposed terms and conditions of such potential sale, the City shall notify Developer whether City will exercise the ROFR on the offered terms. Notwithstanding the terms of the potential sale, City shall have the right to inspect the Property in order to make the determination of whether to exercise the ROFR, and the Developer shall provide the City reasonable access to the Property for purposes of the same. If the City chooses to exercise the ROFR, the City and Developer will coordinate to accommodate the City's purchase of the Property or applicable portion thereof on the terms and conditions set forth in the notice Developer provided to the City and/or such other terms and conditions as the parties agree in writing.

B. **Developer Failure to Operate.** In the event Developer fails to operate the Project substantially in accordance with the description of the Project as described herein for a period of three (3) consecutive months (exclusive of up to six (6) months following a casualty event affecting a substantial portion of the Property), the City shall have the right to repurchase the Property for the then fair market value of the Property. If the City exercises the purchase right provided by this subparagraph, the City will notify Developer of such exercise and specify the name of an appraiser licensed in the State of Kansas that the City has engaged to assist to determine the appraised value of the Property. Within thirty (30) days of receipt of such notice, Developer shall provide the City with a commitment for title insurance on the Property from a title company licensed in the State of Kansas and shall specify the name of an appraiser licensed in the State of Kansas that the Developer has engaged to determine the appraised value of the Property. Within thirty (30) days of identifying the two appraisers, each shall make a determination of what they believe to be the appraised value of the Property and shall exchange such determinations. If the two appraisers cannot agree upon a single appraised value for the Property, then the two appraisers shall select a third appraiser licensed in the State of Kansas, and such third appraiser will, within ten (10) days of its appointment, determine which of the two appraisers' appraisals is closest to the current fair market value of the Property. The City and Developer will be notified of the appraisers' determination of appraised value. Within thirty (30) days of such notification, the City may exercise its purchase right contained in this subparagraph. If the City exercises such right, the appraisers' determination of fair market value will be the price that will be paid in cash at the closing in exchange for a general warranty deed to the Property from the Developer, and the Developer shall cause a policy of title insurance to be issued to the City in the amount of the appraised price so paid pursuant to the aforesaid title insurance commitment. If the City does not

exercise the purchaser right after the appraised price is so determined, the City will have no further purchase right under this subparagraph (but will retain a ROFR or purchase right provided under other provisions of this Agreement). The costs of determining the appraised value of the Property, the aforesaid title commitment and policy, and any other closing costs shall be split equally by the City and the Developer with any utilities, rents and taxes related to the Property being prorated as of the closing date.

C. **Developer Financing Default.** In the event Developer defaults under this Agreement or its loan (or other private financing arrangement) for the Property, the City shall have the right to purchase the Property at the price sufficient to pay off such loan relating to the Property. Upon Developer's default under this Agreement, its loan or other financing arrangement, Developer shall immediately notify the City of the same, including the amount of outstanding Developer debt or other financing relating to the Property. Within ninety (90) days after receipt of such notice, the City shall notify Developer whether City will exercise the City's purchase right pursuant to the terms of this subparagraph. If the City chooses to exercise its purchase right, the City and Developer will coordinate to accommodate the City's purchase of the Property on the terms and conditions set forth in this subparagraph or such other terms and conditions as the parties agree in writing.

**Section 8.07. Opportunity Zone.** The City will use commercially reasonable efforts to support Developer's use of opportunity zone financing; provided, nothing herein will obligate the City to expend City funds to for such purpose.

**Section 8.08. Similar Projects.** The City currently intends that, until at least two years after the Effective Date, it will not provide City incentives to a restaurant locating within downtown of the City that is primarily a pizza restaurant concept substantially similar to the Project.

## ARTICLE IX DEFAULTS AND REMEDIES

**Section 9.01. Developer Event of Default.** Subject to **Section 9.05**, a "Developer Event of Default" shall mean a default in the performance of any obligation or breach of any covenant or agreement of the Developer in this Agreement (other than a covenant or agreement, a default in the performance or breach of which is specifically dealt with elsewhere in this Agreement) or the Real Estate Contract, and continuance of such default or breach for a period of thirty (30) days after the City has delivered to Developer a written notice specifying such default or breach and requiring it to be remedied; provided, that if such default or breach cannot be fully remedied within such 30-day period, but can reasonably be expected to be fully remedied and the Developer is diligently attempting to remedy such default or breach, such default or breach shall not constitute an event of default if the Developer shall promptly upon receipt of such notice diligently attempt to remedy such default or breach and shall thereafter prosecute and complete the same with due diligence and dispatch.

**Section 9.02. City Event of Default.** Subject to **Section 9.05**, the occurrence and continuance of any of the following events shall constitute a “**City Event of Default**” hereunder:

Default in the performance of any obligation or breach of any other covenant or agreement of the City in this Agreement, and continuance of such default or breach for a period of thirty (30) days after there has been given to the City by the Developer a written notice specifying such default or breach and requiring it to be remedied; provided, that if such default or breach cannot be fully remedied within such 30-day period, but can reasonably be expected to be fully remedied and the City is diligently attempting to remedy such default or breach, such default or breach shall not constitute an event of default if the City shall immediately upon receipt of such notice diligently attempt to remedy such default or breach and shall thereafter prosecute and complete the same with due diligence and dispatch.

**Section 9.03. Remedies Upon a Developer Event of Default.**

A. Upon the occurrence and continuance of a Developer Event of Default, the City shall have the following rights and remedies, in addition to any other rights and remedies provided under this Agreement or by law:

1. The City shall have the right to terminate this Agreement and the Real Estate Contract or terminate all or any portion of Developer’s rights under this Agreement and the Real Estate Contract.

2. The City may pursue any available remedy at law or in equity by suit, action, mandamus or other proceeding to enforce and compel the performance of the duties and obligations of the Developer as set forth in this Agreement, to enforce or preserve any other rights or interests of the City under this Agreement or otherwise existing at law or in equity and to recover any damages incurred by the City resulting from such Developer Event of Default.

B. Upon termination of this Agreement for any reason, the City shall have no obligation to reimburse the Developer for any amounts advanced under this Agreement or costs otherwise incurred or paid by Developer.

C. If the City has instituted any proceeding to enforce any right or remedy under this Agreement by suit or otherwise, and such proceeding has been discontinued or abandoned for any reason, or has been determined adversely to the City, then and in every case the City and the Developer shall, subject to any determination in such proceeding, be restored to their former positions and rights hereunder, and thereafter all rights and remedies of the City shall continue as though no such proceeding had been instituted.

D. The exercise by the City of any one remedy shall not preclude the exercise by it, at the same or different times, of any other remedies for the same default or breach. No waiver made by the City shall apply to obligations beyond those expressly waived.

E. Any delay by the City in instituting or prosecuting any such actions or proceedings or otherwise asserting its rights under this Section shall not operate as a waiver of such rights or limit it in any way. No waiver in fact made by the City of any specific default by the Developer shall be considered or treated as a waiver of the rights with respect to any other defaults, or with respect to the particular default except to the extent specifically waived.

F. Notwithstanding the foregoing or anything in this Agreement (including, without limitation, this Section) to the contrary, under no circumstances will Developer be liable for any special, punitive, remote, or consequential damages, including (without limitation) lost tax revenues.

#### **Section 9.04. Remedies Upon a City Event of Default.**

A. Upon the occurrence and continuance of a City Event of Default the Developer shall have the following rights and remedies, in addition to any other rights and remedies provided under this Agreement or by law or in equity:

1. The Developer shall have the right to terminate this Agreement and the Developer's obligations hereunder;

2. The Developer may pursue any available remedy at law or in equity by suit, action, mandamus or other proceeding to enforce and compel the performance of the duties and obligations of the City as set forth in this Agreement, to enforce or preserve any other rights or interests of the Developer under this Agreement or otherwise existing at law or in equity and to recover any damages incurred by the Developer resulting front such City Event of Default.

B. If the Developer has instituted any proceeding to enforce any right or remedy under this Agreement by suit or otherwise, and such proceeding has been discontinued or abandoned for any reason, or has been determined adversely to the Developer, then and in every case the Developer and the City shall, subject to any determination in such proceeding, be restored to their former positions and rights hereunder, and thereafter all rights and remedies of the Developer shall continue as though no such proceeding had been instituted.

C. Each of the Developer's remedies provided hereunder shall be cumulative and in addition to each other such remedy, and the exercise by the Developer of any one remedy shall not preclude the exercise by it, at the same or different times, of any other remedies for the same default or breach. No waiver made by the Developer shall apply to obligations beyond those expressly waived.

D. Any delay by the Developer in instituting or prosecuting any such actions or proceedings or otherwise asserting its rights under this paragraph shall not operate as a waiver of such rights or limit it in any way. No waiver in fact made by the Developer of any specific default by the Developer shall be considered or treated as a waiver of the rights with respect to any other defaults, or with respect to the particular default except to the extent specifically waived.

F. Notwithstanding the foregoing or anything in this Agreement (including, without limitation, this Section) to the contrary, under no circumstances will the City be liable for any special, punitive, remote, or consequential damages, including (without limitation) lost profits or revenues.

**Section 9.05. Excusable Delays.** Neither the City nor the Developer shall be deemed to be in default of this Agreement because of an Excusable Delay.

**Section 9.06. Legal Actions.** Any legal actions related to or arising out of this Agreement must be instituted in the District Court of Johnson County, Kansas or, if federal jurisdiction exists, in the United States District Court for the District of Kansas.

## **ARTICLE X GENERAL PROVISIONS**

**Section 10.01. Mutual Assistance.** The City and the Developer agree to take such actions, including the execution and delivery of such documents, instruments, petitions and certifications as may be reasonably necessary or appropriate to carry out the terms, provisions and intent of this Agreement and to reasonably aid and assist each other in carrying out said terms, provisions and intent.

**Section 10.02. Effect of Violation of the Terms and Provisions of this Agreement; No Partnership.** The City is deemed the beneficiary of the terms and provisions of this Agreement, for and in its own rights and for the purposes of protecting the interests of the community and other parties, public or private, in whose favor and for whose benefit this Agreement and the covenants running with the land have been provided. The Agreement shall run in favor of the City, without regard to whether the City has been, remains or is an owner of any land or interest therein in the Project or the CID. The City shall have the right, if this Agreement or covenants herein are breached, to exercise all rights and remedies, and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breaches to which it or any other beneficiaries of this Agreement and covenants may be entitled. Nothing contained herein shall be construed as creating a partnership between the Developer and the City.

**Section 10.03. Time of Essence.** Time is of the essence of this Agreement. The Parties will make every reasonable effort to expedite the subject matters hereof and acknowledge that the successful performance of this Agreement requires their continued cooperation.

**Section 10.04. Amendments.** This Agreement may be amended only by the mutual consent of the Parties, by the adoption of a resolution of the City approving said amendment, as provided by law, and by the execution of said amendment by the Parties or their successors in interest.

**Section 10.05. Agreement Controls,** The Parties agree that the Project will be implemented as agreed in this Agreement and the Real Estate Contract, subject to the terms and conditions hereof and thereof. This Agreement and the Real Estate Contract specify the rights,



duties and obligations of the City and Developer with respect to constructing the Project, the payment of CID Costs and all other methods of implementing the Project. The Parties further agree that this Agreement and the Real Estate Contract supersede all prior agreements, negotiations and discussions relative to the subject matter hereof (including, without limitation, any memorandum of understanding) and are a full integration of the agreement of the Parties.

**Section 10.06. Conflicts of Interest.**

A. No member of the City's governing body or of any branch of the City's government that has any power of review or approval of any of the Developer's undertakings shall participate in any decisions relating thereto which affect such person's personal interest or the interests of any corporation or partnership in which such person is directly or indirectly interested. Any person having such interest shall immediately, upon knowledge of such possible conflict, disclose, in writing, to the City the nature of such interest and seek a determination with respect to such interest by the City and, in the meantime, shall not participate in any actions or discussions relating to the activities herein proscribed. Upon receiving notice of such possible conflict, the City shall promptly disclose the same to Developer in writing and, from that point forward until the Parties reach a mutually-agreeable resolution, keep Developer apprised of the status of such possible conflict.

B. The Developer warrants that it has not paid or given and will not pay or give any officer, employee or agent of the City any money or other consideration for obtaining this Agreement. The Developer further represents that, to its actual knowledge, no officer, employee or agent of the City who exercises or has exercised any functions or responsibilities with respect to the Project during his or her tenure, or who is in a position to participate in a decision making process or gain insider information with regard to the Project, has or will have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed in connection with the Project, or in any activity, or benefit therefrom, which is part of the Project at any time during or after such person's tenure.

**Section 10.07. Term.** Unless earlier terminated as provided herein, this Agreement shall remain in full force and effect until the expiration of the later of the CID Term or the time the IRBs are no longer outstanding.

**Section 10.08. Validity and Severability.** It is the intention of the Parties that the provisions of this Agreement shall be enforced to the fullest extent permissible under the laws and public policies of the State of Kansas, and that the unenforceability (or modification to conform with such laws or public policies) of any provision hereof shall not render unenforceable, or impair, the remainder of this Agreement. Accordingly, if any provision of this Agreement shall be deemed invalid or unenforceable in whole or in part, this Agreement shall be deemed amended to delete or modify, in whole or in part, if necessary, the invalid or unenforceable provision or provisions, or portions thereof, and to alter the balance of this Agreement in order to render the same valid and enforceable.

**Section 10.09. Required Disclosures.** The Developer shall immediately notify the City of the occurrence of any material event which would cause any of the information furnished to the

City by the Developer in connection with the matters covered in this Agreement to contain any untrue statement of any material fact or to omit to state any material fact required to be stated therein or necessary to make any statement made therein, in the light of the circumstances under which it was made, not misleading.

**Section 10.10. Tax Implications.** The Developer acknowledges and represents that (1) neither the City nor any of its officials, employees, consultants, attorneys or other agents has provided to the Developer any advice regarding the federal or state income tax implications or consequences of this Agreement and the transactions contemplated hereby, and (2) the Developer is relying solely upon its own tax advisors in this regard.

**Section 10.11. Authorized Parties.** Whenever under the provisions of this Agreement and other related documents, instruments or any supplemental agreement, a request, demand, approval, notice or consent of the City or the Developer is required, or the City or the Developer is required to agree or to take some action at the request of the other Party, such approval or such consent or such request shall be given for the City, unless otherwise provided herein, by the City Representative and for the Developer by any officer of Developer so authorized; and any person shall be authorized to act on any such agreement, request, demand, approval, notice or consent or other action and neither Party shall have any complaint against the other as a result of any such action taken. The City Representative may seek the advice, consent or approval of the City Council before providing any supplemental agreement, request, demand, approval, notice or consent for the City pursuant to this Section.

**Section 10.12. Notice.** All notices and requests required or desired to be given pursuant to this Agreement shall be sent as follows:

To the City:

City Clerk's Office  
City of Olathe  
P.O. Box 768  
Olathe, KS 66051-0768  
cco@olatheks.org

With a copy to:

Ronald R. Shaver, City Attorney  
City of Olathe  
P.O. Box 768  
Olathe, KS 66051-0768  
cityattorney@olatheks.org

and

Kevin Wempe  
Gilmore & Bell, P.C.  
2405 Grand Blvd., Suite 1100

To the Developer:

Pizza 51 South, LLC  
Attn: Jason Pryor  
17 E. 54<sup>th</sup> Street  
Kansas City, MO 64112  
jason@pizza51.com

With a copy to:

Troppito Miller Griffin, LLC  
Attn: Michael McVey  
15621 W. 87<sup>th</sup> Street #352  
Lenexa, KS 66219  
mikemcvey@troppitomiller.com

Kansas City, MO 64108  
kwempe@gilmorebell.com

or at such other addresses as the Parties may indicate in writing to the other in accordance with the provisions of this Agreement (with at least 10 days' notice of such change in writing), either by personal delivery, reputable overnight delivery service (such as UPS or FedEx), by certified mail, return receipt requested, or by email, with electronic or telephonic confirmation of receipt. Any notice sent by: (a) certified mail, return receipt requested, shall be deemed delivered two (2) business days after deposited in the United States Mail; (b) personal delivery shall be deemed delivered when actually received; (c) an overnight delivery service shall be deemed delivered on the business day following the date the notice is deposited with the overnight delivery service; and (d) email shall be deemed duly given as of the date of confirmation of receipt.

**Section 10.13. Kansas Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Kansas. Any action to enforce the provisions of this Agreement shall be brought in the District Court of Johnson County, Kansas or, if federal jurisdiction exists, in the United States District Court for the District of Kansas.

**Section 10.14. Counterparts.** This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same agreement. Hand signatures transmitted by electronic mail in portable document format (PDF) or similar format shall also be permitted as binding signatures to this Agreement.

**Section 10.15. Recordation of Agreement.** The Parties agree to execute and deliver an original of this Agreement and any amendments or supplements hereto, or a memorandum of same, in proper form for recording and/or indexing in the appropriate land or governmental records, including, but not limited to, recording in the real estate records of Johnson County, Kansas. This Agreement shall be recorded by the Developer at Developer's sole cost and expense, and proof of recording shall be provided to the City.


**Section 10.16. Consent or Approval.** Except as otherwise provided in this Agreement, whenever the consent, approval or acceptance of either Party is required hereunder, such consent, approval or acceptance shall not be unreasonably withheld, conditioned or unduly delayed.

**Section 10.17. Electronic Transactions.** The transaction described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

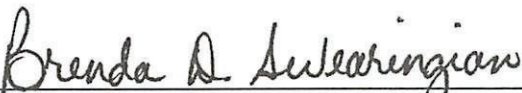
[Signature pages follow]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the Effective Date.

CITY OF OLATHE, KANSAS

By:   
John W Bacon (Jul 23, 2024 11:03 CDT)  
John Bacon, Mayor

ATTEST:

  
Brenda Swearingian, City Clerk



(SEAL)

ACKNOWLEDGMENT

STATE OF KANSAS        )  
                                  ) SS.  
COUNTY OF JOHNSON    )

On July 23, 2024, before me, the undersigned, a Notary Public in and for said state, personally appeared John Bacon and Brenda Swearingian, proved to me on the basis of satisfactory evidence to be the persons whose names are subscribed to the within instrument as Mayor and City Clerk, respectively, of the CITY OF OLATHE, KANSAS, the city of the first class therein named, and acknowledged to me that they executed the same in their authorized capacities, and that by their signatures on the instrument the entity upon behalf of which the persons acted, executed the instrument.

WITNESS my hand and official seal.



  
Notary Public

My commission expires: 4/21/28

**PT PROPERTY, LLC,**  
a Kansas limited liability company

By: \_\_\_\_\_  
*[Handwritten Signature]*

ACKNOWLEDGMENT

STATE OF Kansas )  
 ) SS.  
COUNTY OF Johnson )

On 07/22, 2024, before me, the undersigned, a Notary Public in and for said state, personally appeared Jason Pryor, proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument as Member of **PT PROPERTY, LLC**, a Kansas limited liability company, and acknowledged to me that they executed the same in his/her authorized capacity, and that by his/her signature on the instrument the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

*Brenda A. Swearingian*  
\_\_\_\_\_  
Notary Public

My commission expires:

8-12-24



**PIZZA 51 SOUTH, LLC,**  
a Kansas limited liability company

By: \_\_\_\_\_

ACKNOWLEDGMENT

STATE OF Kansas )  
 ) SS.  
COUNTY OF Johnson )

On 07/22, 2024, before me, the undersigned, a Notary Public in and for said state, personally appeared Jason Ryan proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument as MEMBER of **PIZZA 51 SOUTH, LLC**, a Kansas limited liability company, and acknowledged to me that they executed the same in his/her authorized capacity, and that by his/her signature on the instrument the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Brenda D. Swearingian  
Notary Public

My commission expires:

8-12-24



**EXHIBIT A**

**LEGAL DESCRIPTION OF CID**

The West 15 feet of Lot 6 and all of Lots 7,8, and 9, Block 61, CITY OF OLATHE, a subdivision in the City of Olathe, Johnson County, Kansas, except that part of Lot 9, described as follows: A triangular parcel of land Beginning at a point 15 feet South of the Northwest corner of Lot 9, Block 61, and on the West line of said Lot 9, thence 15 feet North to the Northwest corner of Lot 9; thence Easterly 15 feet along the North line of Lot 9; thence Southwesterly to the point of beginning.

ALSO INCLUDING:

All adjacent Right-of-Way.

**EXHIBIT B**

**FORM OF CERTIFICATE OF CID COSTS**

**CERTIFICATE OF CID COSTS**

TO: City of Olathe, Kansas  
Attention: City Manager

Re: 200 S. Kansas Avenue CID Project (Pizza 51 South)

*Terms not otherwise defined herein shall have the meaning ascribed to such terms in that certain Development Agreement (Pizza 51 South), dated as of June 26, 2024 (the "Agreement"), between the City of Olathe, Kansas ("City") and Pizza 51 South, LLC and PT Property, LLC (together, "the Developer").*

In connection with the Agreement, the undersigned hereby states and certifies that, to his or her actual knowledge:

1. Each item listed on *Schedule 1* hereto is a CID Cost and was incurred in connection with the construction of the Project.
2. These CID Costs have been paid by the Developer and are reimbursable under the CID Act and the Agreement.
3. Each item listed on *Schedule 1* has not previously been paid or reimbursed from money derived from the CID Fund, and no part thereof has been included in any other certificate previously filed with the City.
4. There has not been filed with or served upon the Developer any notice of any lien, right of lien or attachment upon or claim affecting the right of any person, firm or corporation to receive payment of the amounts stated in this request, except to the extent any such lien is being contested in good faith,
5. All necessary permits and approvals required for the work for which this certificate relates were issued and were in full force and effect at the time such work was being performed.
6. All work for which payment or reimbursement is requested has been performed in a good and workmanlike manner and in accordance with the Agreement.
7. The Developer is not in default or breach of any term or condition of the Agreement, and no event has occurred and no condition exists which constitutes a Developer Event of Default under the Agreement.
8. All of the Developer's representations set forth in the Agreement remain true and correct as of the date hereof.



Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

**[PIZZA 51 SOUTH, LLC][PT  
PROPERTY, LLC]**

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Approved for Payment this day of \_\_\_\_\_, 20\_\_\_\_.

CITY OF OLATHE, KANSAS

By: \_\_\_\_\_

Title: \_\_\_\_\_

## EXHIBIT C

### FORM OF CERTIFICATE OF SUBSTANTIAL COMPLETION

*Pursuant to **Section 4.07** of the Agreement, the City shall, within thirty (30) days following delivery of this Certificate, carry out such inspections as it deems necessary to verify to its reasonable satisfaction as to the accuracy of the certifications contained in this Certificate.*

### CERTIFICATE OF SUBSTANTIAL COMPLETION

The undersigned, [PIZZA 51 SOUTH, LLC][PT PROPERTY, LLC] (the “Developer”), pursuant to that certain Development Agreement (Pizza 51 South), dated as of June 26, 2024, between the City of Olathe, Kansas (the “City”) and the Developer (the “Agreement”), hereby certifies to the City as follows:

1. That as of \_\_\_\_\_, 20\_\_\_\_, the construction, renovation, repairing, equipping and constructing of the Project (as such term is defined in the Agreement) has been substantially completed in accordance with the Agreement.

2. The Project has been completed in a workmanlike manner and in accordance with the Construction Plans (as those terms are defined in the Agreement).

3. Lien waivers for the Project described above have been obtained, or, to the extent that a good faith dispute exists with respect to the payment of any construction cost with respect to the Project, Developer has provided the City with a bond or other security reasonably acceptable to the City.

4. This Certificate of Substantial Completion is accompanied by (a) the project architect’s certificate of substantial completion on AIA Form G-704 (or the substantial equivalent thereof), a copy of which is attached hereto as Appendix A and by this reference incorporated herein), certifying that the Project has been substantially completed in accordance with the Agreement; and (b) a copy of the Certificate(s) of Occupancy issued by the City Building Official with respect to the Project.

5. This Certificate of Substantial Completion is being issued by the Developer to the City in accordance with the Agreement to evidence the Developer’s satisfaction of all obligations and covenants with respect to the Project.

6. The City’s acceptance and recordation of this Certificate shall evidence the satisfaction of the Developer’s agreements and covenants to construct the Project described above.

This Certificate is given without prejudice to any rights against third parties which exist as of the date hereof or which may subsequently come into being.

Terms not otherwise defined herein shall have the meaning ascribed to such terms in the Agreement. This Certificate shall be recorded in the office of the Johnson County Recorder of Deeds.

IN WITNESS WHEREOF, the undersigned has hereunto set his/her hand this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

**[PIZZA 51 SOUTH, LLC][PT PROPERTY, LLC]**

a \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**ACCEPTED:**

**CITY OF OLATHE, KANSAS**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

(Insert Notary Blocks and Legal Description)

**EXHIBIT D**

**PROJECT BUDGET**

	<b>EST. AMOUNT</b>	<b>EST. CID ELIGIBLE</b>
General Requirements	\$172,815	\$172,815
Concrete / Masonry	127,247	127,247
Metals / Woods / Carpentry	29,115	29,115
Openings / Overhead Doors	78,550	78,550
Finishes	70,126	70,126
Furnishings / Fabricated Structure	22,015	22,015
Plumbing / Heating / Electrical	188,860	188,860
Earthwork / Exterior Improvements	47,445	47,445
<b>Total</b>	<b>\$736,173</b>	<b>\$736,173</b>

[See detailed budget attached]



### Bid Quote Itemized w/ OH & P

Pizza 51  
 200 South Kansas Avenue  
 Olathe, KS 66061

Printed: 02/26/2024

Description	Unit	Qty	Unit Price	Labor	Material	Sub	Misc	Total
<b>01 General Requirements</b>								
Contingency Allowances	LS	1.00	60,000.00	0.00	0.00	0.00	60,000.00	60,000.00
Supervision	WK	13.00	3,300.00	42,900.00	0.00	0.00	0.00	42,900.00
Administration	WK	2.00	2,000.00	4,000.00	0.00	0.00	0.00	4,000.00
Management	WK	7.00	3,300.00	23,100.00	0.00	0.00	0.00	23,100.00
Printing	LS	1.00	500.00	0.00	500.00	0.00	0.00	500.00
Architectural Fees	LS	1.00	28,000.00	0.00	0.00	0.00	28,000.00	28,000.00
Small Tools	LS	1.00	500.00	0.00	0.00	0.00	500.00	500.00
Temporary Toilets	EA	3.00	125.00	0.00	375.00	0.00	0.00	375.00
Lift/Lull	LS	3.00	1,950.00	0.00	0.00	0.00	5,850.00	5,850.00
Progress Cleaning	HR	36.00	65.00	2,340.00	0.00	0.00	0.00	2,340.00
Waste Mgmt and Disposal	EA	6.00	650.00	0.00	3,900.00	0.00	0.00	3,900.00
Final Cleaning	LS	2,250.00	0.60	0.00	0.00	1,350.00	0.00	1,350.00
<b>General Requirements - Subtotal</b>				<b>72,340.00</b>	<b>4,775.00</b>	<b>1,350.00</b>	<b>94,350.00</b>	<b>172,815.00</b>
<b>02 Existing Conditions</b>								
Demolition	LS	1.00	7,500.00	0.00	0.00	7,500.00	0.00	7,500.00
<b>Existing Conditions - Subtotal</b>				<b>0.00</b>	<b>0.00</b>	<b>7,500.00</b>	<b>0.00</b>	<b>7,500.00</b>
<b>03 Concrete</b>								
Concrete	LS	1.00	71,022.00	0.00	0.00	71,022.00	0.00	71,022.00
<b>Concrete - Subtotal</b>				<b>0.00</b>	<b>0.00</b>	<b>71,022.00</b>	<b>0.00</b>	<b>71,022.00</b>
<b>04 Masonry</b>								
Masonry	LS	1.00	56,225.00	0.00	0.00	56,225.00	0.00	56,225.00
<b>Masonry - Subtotal</b>				<b>0.00</b>	<b>0.00</b>	<b>56,225.00</b>	<b>0.00</b>	<b>56,225.00</b>
<b>05 Metals</b>								
Metals	LS	1.00	2,000.00	0.00	0.00	2,000.00	0.00	2,000.00
<b>Metals - Subtotal</b>				<b>0.00</b>	<b>0.00</b>	<b>2,000.00</b>	<b>0.00</b>	<b>2,000.00</b>
<b>06 Wood, Plastics, and Composites</b>								
Rough Carpentry	EA	1.00	27,115.00	0.00	0.00	27,115.00	0.00	27,115.00
<b>Wood, Plastics, and Composites - Subtotal</b>				<b>0.00</b>	<b>0.00</b>	<b>27,115.00</b>	<b>0.00</b>	<b>27,115.00</b>
<b>07 Thermal and Moisture Protection</b>								
Roofing	LS	1.00	57,239.00	0.00	0.00	57,239.00	0.00	57,239.00
<b>Thermal and Moisture Protection - Subtotal</b>				<b>0.00</b>	<b>0.00</b>	<b>57,239.00</b>	<b>0.00</b>	<b>57,239.00</b>
<b>08 Openings</b>								
D/F/H	LS	1.00	2,100.00	2,100.00	0.00	0.00	0.00	2,100.00
D/F/H	LS	1.00	9,450.00	0.00	0.00	9,450.00	0.00	9,450.00
Overhead doors	EA	1.00	27,000.00	0.00	0.00	27,000.00	0.00	27,000.00

Description	Unit	Qty	Unit Price	Labor	Material	Sub	Misc	Total
Glazing	LS	1.00	40,000.00	0.00	0.00	40,000.00	0.00	40,000.00
<b>Openings - Subtotal</b>				<b>2,100.00</b>	<b>0.00</b>	<b>76,450.00</b>	<b>0.00</b>	<b>78,550.00</b>
<b>09 Finishes</b>								
Gyp walls and ceilings	EA	1.00	12,624.00	0.00	0.00	12,624.00	0.00	12,624.00
Tile	LS	1.00	4,309.00	0.00	0.00	4,309.00	0.00	4,309.00
Flooring	LS	1.00	20,118.00	0.00	0.00	20,118.00	0.00	20,118.00
Painting	LS	1.00	33,075.00	0.00	0.00	33,075.00	0.00	33,075.00
<b>Finishes - Subtotal</b>				<b>0.00</b>	<b>0.00</b>	<b>70,126.00</b>	<b>0.00</b>	<b>70,126.00</b>
<b>10 Specialties</b>								
Toilet Accessories	LS	1.00	780.00	780.00	0.00	0.00	0.00	780.00
Toilet Accessories	LS	1.00	1,050.00	0.00	0.00	1,050.00	0.00	1,050.00
<b>Specialties - Subtotal</b>				<b>780.00</b>	<b>0.00</b>	<b>1,050.00</b>	<b>0.00</b>	<b>1,830.00</b>
<b>12 Furnishings</b>								
Furnishings	EA	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Window Blinds	LS	1.00	0.00	0.00	0.00	0.00	0.00	0.00
Casework and Countertops	LF	1.00	1,875.00	1,875.00	0.00	0.00	0.00	1,875.00
Casework and Countertops	LS	1.00	12,300.00	0.00	0.00	12,300.00	0.00	12,300.00
<b>Furnishings - Subtotal</b>				<b>1,875.00</b>	<b>0.00</b>	<b>12,300.00</b>	<b>0.00</b>	<b>14,175.00</b>
<b>13 Special Construction</b>								
Fabricated Structures	LS	1.00	7,840.00	0.00	0.00	7,840.00	0.00	7,840.00
<b>Special Construction - Subtotal</b>				<b>0.00</b>	<b>0.00</b>	<b>7,840.00</b>	<b>0.00</b>	<b>7,840.00</b>
<b>21 Fire Suppression</b>								
Fire Suppression	LS	1.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Fire Suppression - Subtotal</b>				<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>22 Plumbing</b>								
Plumbing	LS	1.00	35,500.00	0.00	0.00	35,500.00	0.00	35,500.00
<b>Plumbing - Subtotal</b>				<b>0.00</b>	<b>0.00</b>	<b>35,500.00</b>	<b>0.00</b>	<b>35,500.00</b>
<b>23 Heating, Ventilating, and Air Conditioning</b>								
HVAC	LS	1.00	90,000.00	0.00	0.00	90,000.00	0.00	90,000.00
<b>Heating, Ventilating, and Air Conditioning - Subtotal</b>				<b>0.00</b>	<b>0.00</b>	<b>90,000.00</b>	<b>0.00</b>	<b>90,000.00</b>
<b>26 Electrical</b>								
Electrical	LS	1.00	63,360.00	0.00	0.00	63,360.00	0.00	63,360.00
<b>Electrical - Subtotal</b>				<b>0.00</b>	<b>0.00</b>	<b>63,360.00</b>	<b>0.00</b>	<b>63,360.00</b>
<b>28 Electronic Safety and Security</b>								
Security Access Detection	LS	1.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Electronic Safety and Security - Subtotal</b>				<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>31 Earthwork</b>								
Earthwork	LS	1.00	4,000.00	0.00	0.00	4,000.00	0.00	4,000.00
<b>Earthwork - Subtotal</b>				<b>0.00</b>	<b>0.00</b>	<b>4,000.00</b>	<b>0.00</b>	<b>4,000.00</b>
<b>32 Exterior Improvements</b>								
Asphalt Paving	LS	1.00	33,671.00	0.00	0.00	33,671.00	0.00	33,671.00
Fences and Gates	LS	1.00	4,774.00	0.00	0.00	4,774.00	0.00	4,774.00
Landscaping	LS	1.00	5,000.00	0.00	0.00	5,000.00	0.00	5,000.00
<b>Exterior Improvements - Subtotal</b>				<b>0.00</b>	<b>0.00</b>	<b>43,445.00</b>	<b>0.00</b>	<b>43,445.00</b>
<b>TOTAL by Cost Category</b>				<b>Labor</b>	<b>Material</b>	<b>Sub</b>	<b>Misc</b>	
				<b>77,095.00</b>	<b>4,775.00</b>	<b>626,522.00</b>	<b>94,350.00</b>	
<b>Total Detail</b>								<b>\$802,742.00</b>
Labor Burden								\$0.00
Sales Tax								\$0.00

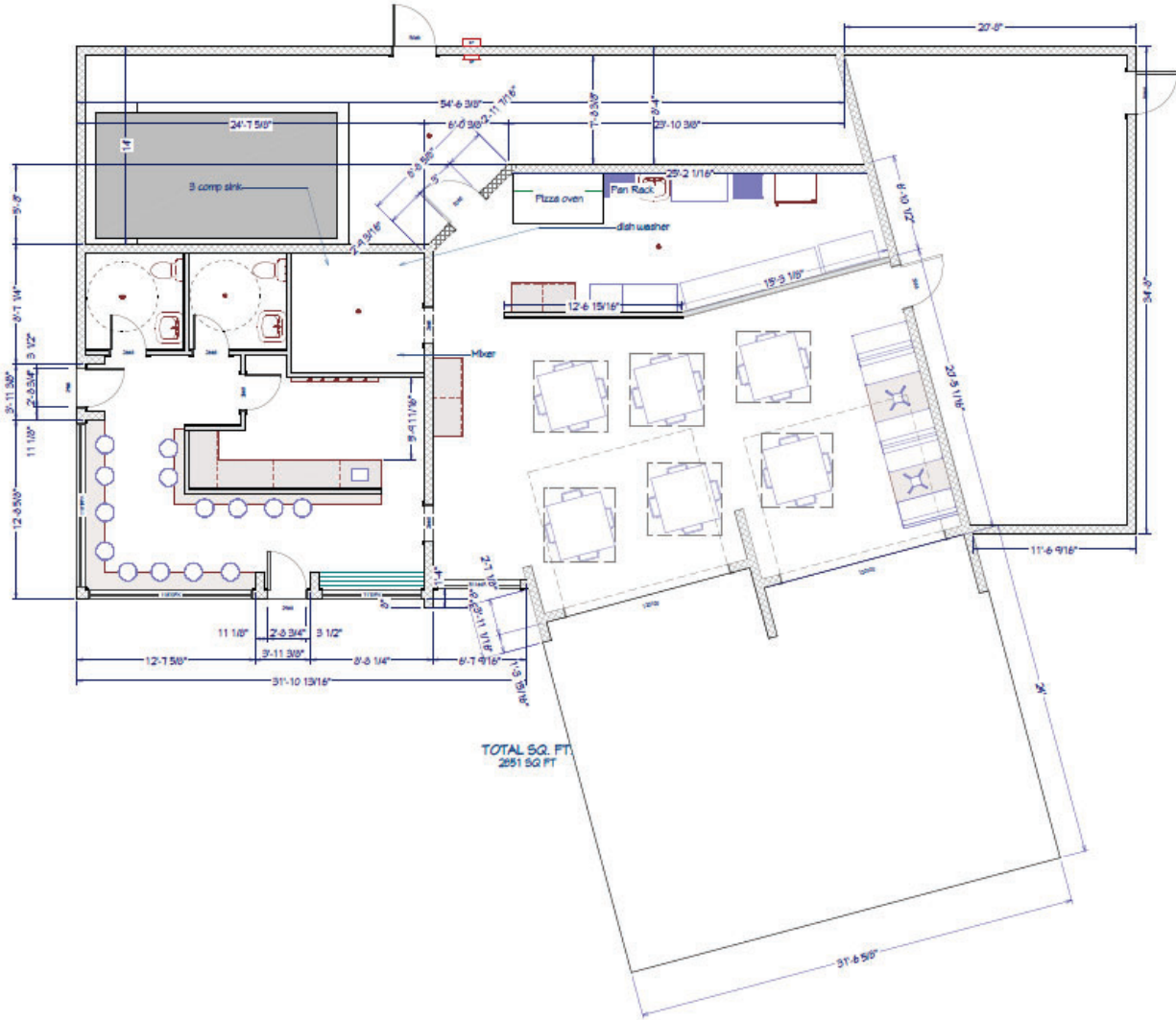
**EXHIBIT E**

**PROJECT SCHEDULE**

<b><u>Date</u></b>	<b><u>Milestone</u></b>
July 19, 2024	Execution of real estate agreement and development agreement
July 31, 2024	Deadline for Developer meets with City's Development Review Committee regarding design
August 16, 2024	Expiration of due diligence period / closing
September 1, 2024	Deadline for Developer to submit building permit and engage contractor for construction
October 1, 2024	Deadline for Developer to commence construction of Project
March 31, 2025	Deadline for Developer to submit Certificate of Substantial Completion and commence operation of Project

# EXHIBIT F

## CONCEPTUAL FLOORPLAN





## EXHIBIT G

### MAINTENANCE PLAN

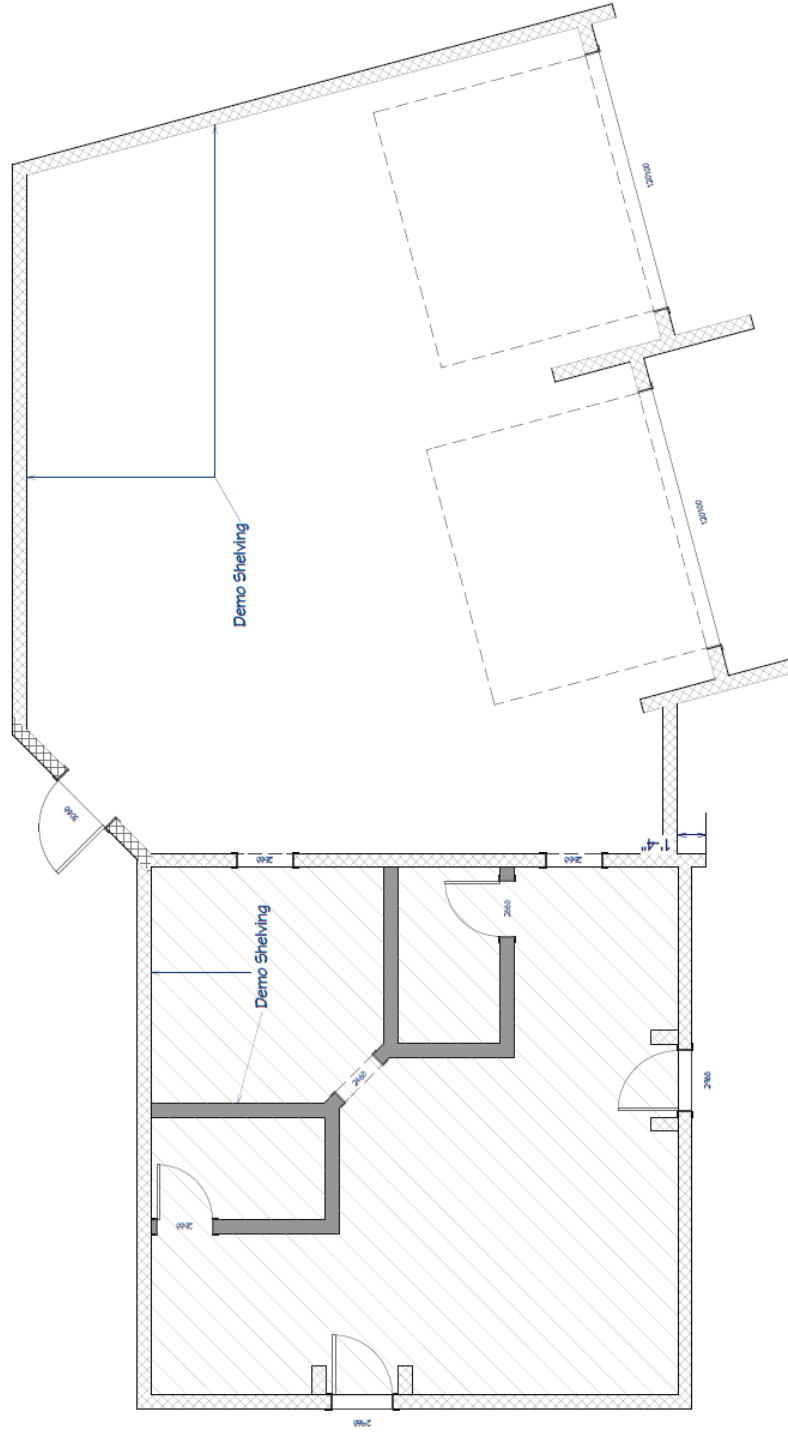
Developer will carefully maintain (or cause to be maintained) the Property and all structures, buildings, appurtenances, screening fences, parking areas and drives, pylon and entry signs, landscaping and other improvements of whatever nature thereon in a safe, clean and orderly manner, in condition and repair consistent with other similarly situated restaurants in the Kansas City metropolitan area, and all at times in accordance with the City's Unified Development Ordinance, and other Applicable Laws and Requirements, including, but not limited to, the implementation of the maintenance procedures set forth below. Developer's maintenance of the Property will include, without limitation, that:

1. Developer will act as property manager or engage a third-party property management company (the "Property Manager") to oversee the management of the Property. Any third-party Property Manager will be a reputable property management company qualified to implement the maintenance obligations described herein in a diligent and timely manner.
2. Once installed, all landscaping on the Property will be maintained in a neat and adequate manner, including, without limitation, mowing, trimming of bushes and trees, replacement of dead bushes and trees, watering as needed, and other similar maintenance and upkeep.
3. All parking areas, curbs, and drives and access on the Property will be paved with an impervious surface equal to asphalt or concrete and maintained in a sightly and well-kept condition at all times, free from excessive potholes. Each parking space provided will be designated by striping painted on the paved surfaces and will be adequate in size in accordance with the Unified Development Ordinance and Municipal Code, and such striping will be reasonably upkept and repainted as needed.
4. All façade improvements on the Property will be maintained in a sightly and well-kept condition at all times, including repair and replacement as deemed necessary by Developer (in its reasonable discretion) in accordance with the repair and replacement provisions set forth below.
5. All lighting and pylon- and entry-signage on the Property will be maintained in a sightly and well-kept condition at all times, including repair and replacement of the same as necessary to keep the Property well-lit in accordance with the Unified Development Ordinance, Municipal Code, and the repair and replacement provisions set forth below.
6. Developer will cause the Project to be maintained, preserved and kept in good repair and working order in a safe condition, consistent at all times with other similarly situated restaurants in the Kansas City metropolitan area and the maintenance procedures set forth herein.
7. Developer will make all repairs renewals, replacements and improvements necessary for the safe, efficient, and advantageous conduct of its business and operations upon the Property; provided, however, that, with respect to replacements in particular, Developer

will exercise its reasonable judgment as to whether any given improvement(s) may be repaired in such manner as to so maintain, preserve and keep such improvement(s) in good repair and working order in a safe condition, and will only be required to replace such improvement(s) following the expiration of their useful life at such time as they can no longer be repaired, in Developer's reasonable discretion, in such manner as to maintain, preserve and keep the same in good repair and working order in a safe condition. Notwithstanding the foregoing or anything in this Agreement to the contrary, nothing herein will preclude Developer from removing or demolishing any building(s) or improvement(s) if, in its reasonable judgment, such removal or demolition is desirable in the conduct of its business.

# EXHIBIT H

## DEMOLITION PLAN



### Demolition Scope

- Demolition of interior walls CMU walls around bathrooms
- Demolition of shelving in garage area
- Demolition of hanging heater
- Demolition of ductwork
- Demolition of anything hanging on the walls
- Demolition of drywall ceiling throughout entire building
- Demolition of floor tile
- Removal of furniture
- Demolition of toilet fixtures
- Demolition of shelving in back room (Behind bathrooms)

Demo Floor tile



Demo Walls



**EXHIBIT I**

**BIDS/ESTIMATES RELATED TO CITY IMPROVEMENTS**

(See attached; City Improvements only “32 Exterior Improvements;” portion of City Contribution shown in “02 Existing Conditions”)



### Bid Quote Itemized w/ OH & P

Pizza 51  
 200 South Kansas Avenue  
 Olathe, KS 66061

Printed: 02/20/2024

Description	Unit	Qty	Unit Price	Labor	Material	Sub	Misc	Total
<b>01 General Requirements</b>								
Contingency Allowances	LS	1.00	20,000.00	0.00	0.00	0.00	20,000.00	20,000.00
Supervision	WK	8.00	3,300.00	26,400.00	0.00	0.00	0.00	26,400.00
Administration	WK	2.00	2,000.00	4,000.00	0.00	0.00	0.00	4,000.00
Management	WK	5.00	3,300.00	16,500.00	0.00	0.00	0.00	16,500.00
Printing	LS	1.00	500.00	0.00	500.00	0.00	0.00	500.00
Architectural Fees	LS	1.00	15,000.00	0.00	0.00	0.00	15,000.00	15,000.00
Small Tools	LS	1.00	500.00	0.00	0.00	0.00	500.00	500.00
Temporary Toilets	EA	2.00	125.00	0.00	250.00	0.00	0.00	250.00
Lift/Lull	LS	2.00	1,950.00	0.00	0.00	0.00	3,900.00	3,900.00
Progress Cleaning	HR	36.00	65.00	2,340.00	0.00	0.00	0.00	2,340.00
Waste Mgmt and Disposal	EA	4.00	650.00	0.00	2,600.00	0.00	0.00	2,600.00
Final Cleaning	LS	0.00	0.60	0.00	0.00	0.00	0.00	0.00
<b>General Requirements - Subtotal</b>				<b>49,240.00</b>	<b>3,350.00</b>	<b>0.00</b>	<b>39,400.00</b>	<b>91,990.00</b>
<b>02 Existing Conditions</b>								
Demolition	LS	1.00	7,500.00	0.00	0.00	7,500.00	0.00	7,500.00
<b>Existing Conditions - Subtotal</b>				<b>0.00</b>	<b>0.00</b>	<b>7,500.00</b>	<b>0.00</b>	<b>7,500.00</b>
<b>03 Concrete</b>								
Concrete	LS	1.00	32,787.00	0.00	0.00	32,787.00	0.00	32,787.00
<b>Concrete - Subtotal</b>				<b>0.00</b>	<b>0.00</b>	<b>32,787.00</b>	<b>0.00</b>	<b>32,787.00</b>
<b>04 Masonry</b>								
Masonry	LS	0.00	30,000.00	0.00	0.00	0.00	0.00	0.00
<b>Masonry - Subtotal</b>				<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>05 Metals</b>								
Metals	LS	1.00	2,000.00	0.00	0.00	2,000.00	0.00	2,000.00
<b>Metals - Subtotal</b>				<b>0.00</b>	<b>0.00</b>	<b>2,000.00</b>	<b>0.00</b>	<b>2,000.00</b>
<b>06 Wood, Plastics, and Composites</b>								
Rough Carpentry	EA	0.00	15,115.00	0.00	0.00	0.00	0.00	0.00
<b>Wood, Plastics, and Composites - Subtotal</b>				<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>07 Thermal and Moisture Protection</b>								
Roofing	LS	1.00	46,019.00	0.00	0.00	46,019.00	0.00	46,019.00
<b>Thermal and Moisture Protection - Subtotal</b>				<b>0.00</b>	<b>0.00</b>	<b>46,019.00</b>	<b>0.00</b>	<b>46,019.00</b>
<b>08 Openings</b>								
D/F/H	LS	1.00	1,800.00	1,800.00	0.00	0.00	0.00	1,800.00
D/F/H	LS	1.00	8,100.00	0.00	0.00	8,100.00	0.00	8,100.00
Overhead doors	EA	1.00	27,000.00	0.00	0.00	27,000.00	0.00	27,000.00

Description	Unit	Qty	Unit Price	Labor	Material	Sub	Misc	Total
Glazing	LS	1.00	40,000.00	0.00	0.00	40,000.00	0.00	40,000.00
<b>Openings - Subtotal</b>				<b>1,800.00</b>	<b>0.00</b>	<b>75,100.00</b>	<b>0.00</b>	<b>76,900.00</b>
<b>09 Finishes</b>								
Gyp walls and ceilings	EA	1.00	12,624.00	0.00	0.00	12,624.00	0.00	12,624.00
Tile	LS	0.00	4,309.00	0.00	0.00	0.00	0.00	0.00
Flooring	LS	0.00	13,074.00	0.00	0.00	0.00	0.00	0.00
Painting	LS	0.00	24,500.00	0.00	0.00	0.00	0.00	0.00
<b>Finishes - Subtotal</b>				<b>0.00</b>	<b>0.00</b>	<b>12,624.00</b>	<b>0.00</b>	<b>12,624.00</b>
<b>10 Specialties</b>								
Toilet Accessories	LS	1.00	780.00	780.00	0.00	0.00	0.00	780.00
Toilet Accessories	LS	1.00	1,050.00	0.00	0.00	1,050.00	0.00	1,050.00
<b>Specialties - Subtotal</b>				<b>780.00</b>	<b>0.00</b>	<b>1,050.00</b>	<b>0.00</b>	<b>1,830.00</b>
<b>12 Furnishings</b>								
Furnishings	EA	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Window Blinds	LS	1.00	0.00	0.00	0.00	0.00	0.00	0.00
Casework and Countertops	LF	1.00	1,875.00	1,875.00	0.00	0.00	0.00	1,875.00
Casework and Countertops	LS	1.00	12,300.00	0.00	0.00	12,300.00	0.00	12,300.00
<b>Furnishings - Subtotal</b>				<b>1,875.00</b>	<b>0.00</b>	<b>12,300.00</b>	<b>0.00</b>	<b>14,175.00</b>
<b>13 Special Construction</b>								
Fabricated Structures	LS	0.00	7,840.00	0.00	0.00	0.00	0.00	0.00
<b>Special Construction - Subtotal</b>				<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>21 Fire Suppression</b>								
Fire Suppression	LS	1.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Fire Suppression - Subtotal</b>				<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>22 Plumbing</b>								
Plumbing	LS	1.00	35,500.00	0.00	0.00	35,500.00	0.00	35,500.00
<b>Plumbing - Subtotal</b>				<b>0.00</b>	<b>0.00</b>	<b>35,500.00</b>	<b>0.00</b>	<b>35,500.00</b>
<b>23 Heating, Ventilating, and Air Conditioning</b>								
HVAC	LS	1.00	50,000.00	0.00	0.00	50,000.00	0.00	50,000.00
<b>Heating, Ventilating, and Air Conditioning - Subtotal</b>				<b>0.00</b>	<b>0.00</b>	<b>50,000.00</b>	<b>0.00</b>	<b>50,000.00</b>
<b>26 Electrical</b>								
Electrical	LS	1.00	20,820.00	0.00	0.00	20,820.00	0.00	20,820.00
<b>Electrical - Subtotal</b>				<b>0.00</b>	<b>0.00</b>	<b>20,820.00</b>	<b>0.00</b>	<b>20,820.00</b>
<b>28 Electronic Safety and Security</b>								
Security Access Detection	LS	1.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Electronic Safety and Security - Subtotal</b>				<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>32 Exterior Improvements</b>								
Asphalt Paving	LS	1.00	33,671.00	0.00	0.00	33,671.00	0.00	33,671.00
Fences and Gates	LS	1.00	4,774.00	0.00	0.00	4,774.00	0.00	4,774.00
Landscaping	LS	1.00	5,000.00	0.00	0.00	5,000.00	0.00	5,000.00
<b>Exterior Improvements - Subtotal</b>				<b>0.00</b>	<b>0.00</b>	<b>43,445.00</b>	<b>0.00</b>	<b>43,445.00</b>
<b>TOTAL by Cost Category</b>				<b>53,695.00</b>	<b>3,350.00</b>	<b>339,145.00</b>	<b>39,400.00</b>	

**Total Detail**

**\$435,590.00**

Labor Burden	\$0.00
Sales Tax	\$0.00
General Liability	\$4,355.90
Building Permit	\$0.00

**EXHIBIT J**

**BIDS/ESTIMATES RELATED TO CITY CONTRIBUTION**

(See attached)



# ROOF REPLACEMENT ESTIMATE

DEC 19, 2023 | Project #23407

We can help you with  
Roofing & Exteriors  
Residential & Commercial

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[admin@farharoofing.com](mailto:admin@farharoofing.com)

## CITY OF OLATHE

200 S Kansas Ave  
Olathe, KS  
66061



# INTRODUCTION

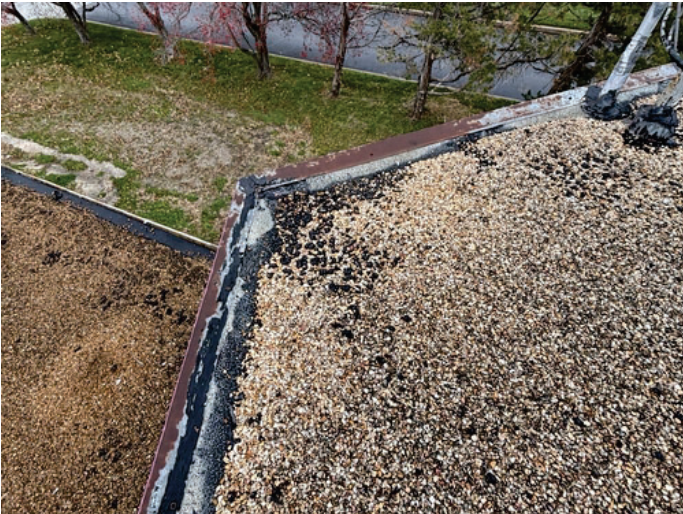
Farha Roofing KC, LLC is pleased to present City of Olathe (hereafter "the Purchaser) with this agreement for the repairs to the property located at 200 S Kansas Ave Olathe, KS 66061. Upon execution, this agreement constitutes an authorization by the Purchaser for repairs stipulated henceforth to be made by Farha Roofing KC, LLC to said property and is furthermore a guarantee of payment for said repairs by the Purchaser. The Purchaser hereby assumes responsibility for the repair costs as stated in this agreement.

If you have any questions or concerns, please feel free to contact me. We always want to provide the best value to our clients. If we are outside your budget, please let me know and we will do our best to work within that budget.

Kind regards,

Jacob Yates  
jacob@farharoofing.com  
9132326865  
KS Roofing Registration #13-116097

# INSPECTION





Cracks in membrane



Cracks in membrane



This crack is all the way through to the decking



Cracks in membrane



Cracks in membrane



Cracks in membrane



Cracks in membrane

# TPO ROOFING SYSTEMS

Description	Qty	Unit price	Line total
<b>TPO Roofing Systems</b>			
60Mil Versico Mechanically Fastened TPO Proposal:			
<ul style="list-style-type: none"> <li>- Job site safety and setup.</li> <li>- Remove all loose gravel from the roof surface and dispose of off site.</li> <li>- Install ½" Fanfold Roof Recovery Board over entire roof surface, Mechanically fastened to deck.</li> <li>- Install Versico 60mil TPO membrane over entire field, mechanically fastened; Color: White</li> <li>- Install Versico 60mil TPO membrane on parapet walls, adhered up and over walls with bonding adhesive; color to match field membrane.</li> <li>- All TPO seams and penetration accessories to be heat welded with hot air and tested.</li> <li>- Properly flash all walls, curbs, pipe stacks and other protrusions in strict accordance with manufacture's specifications.</li> <li>-Install new sheet metal drip edge over existing metal.</li> <li>-Terminate TPO into the existing gutter.</li>   <li>- Upon full completion of installation, TPO membrane install to be inspected by an approved manufacturer technician before warranty to be issued.</li> <li>- All dumpsters and lift provided by Farha Roofing KC, LLC</li> <li>- Clean and haul off all roofing related debris on a daily basis.</li> <li>- Versico Roofing System will be covered by a 20 year NDL (No Dollar Limit) full system warranty and a 2 year Farha Roofing, LLC workmanship warranty.</li> </ul>			
<b>Quote subtotal</b>			\$0.00
<b>Total</b>			\$0.00

**\*Note: Replacement of deteriorated decking or any and all other materials, unless otherwise stated in the contract agreement, are not included in the total cost and will be charged extra on a "time and material" basis.**

# AUTHORIZATION PAGE

TPO Roofing Systems

\$0.00

**Project:** 23407

**Name:** City of Olathe

**Address:** 200 S Kansas Ave, Olathe, KS

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Description	Qty	Unit price	Line total
<input type="checkbox"/> 60Mil Versico Mechanically Fastened TPO Proposal:	1	\$31,500.00	\$31,500.00

### Customer Comments / Notes

### My Product Selections

**Metal Color - Choose from Chart - Standard Only**

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City of Olathe:

Date:

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