
**DEVELOPMENT AGREEMENT
(OLATHE SOCCER COMPLEX)**

by and between the

CITY OF OLATHE, KANSAS

and

RIDGEVIEW EQUITIES, LLC

DATED AS OF AUGUST 1, 2017

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DEVELOPMENT AGREEMENT

THIS DEVELOPMENT 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 **RIDGEVIEW EQUITIES, LLC**, a Kansas limited liability company (the “Developer,” and together with the City, the “Parties”), and is dated as of August 1, 2017.

RECITALS

WHEREAS, on December 20, 2016, the City created a Redevelopment District (the “Redevelopment District”) pursuant to K.S.A. 12-1770 *et seq.* (the “Act”) and adopted Ordinance No. 16-67; and

WHEREAS, the Redevelopment District consists of approximately 96 acres generally located at the southwest corner of Ridgeview and K-10 Highway, all in the City of Olathe, Johnson County, Kansas, and is legally described on Exhibit A attached hereto; and

WHEREAS, pursuant to Ordinance 16-67 (the “Ordinance”), the Redevelopment District consists of a single redevelopment project area the boundaries of which are the same as the boundaries of the Redevelopment District (the “Project Area”); and

WHEREAS, the Developer submitted to the City the Redevelopment Project Plan for the Redevelopment District, dated May 18, 2017 (the “Project Plan”), which was approved by the City on August 1, 2017, pursuant to the Ordinance No. 17-_____; and

WHEREAS, on August 1, 2017, the City amended the boundaries of the Redevelopment District to exclude the Soccer Fields (hereinafter defined) therefrom and adopted Ordinance No. 17-_____ to so amend the Redevelopment District; and

WHEREAS, the City and the Developer desire to enter into this Agreement to address issues related to development of the Redevelopment District and implementation of the Project Plan.

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 Project Plan, and such resolutions and ordinances of the City introduced or adopted by the City Council which designate the Redevelopment District and the Project Area and adopt the Project Plan, and the provisions of the 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:

“**Act**” means the Kansas Tax Increment Financing District Act, K.S.A. 12-1770 *et seq.*, as amended and supplemented from time to time.

“**Advanced Funds**” means initially the sum of \$10,000, to be held by the City pursuant to **Section 6.01.**

“**Advanced Funds Account**” means an account to be created, held and administered by the City all pursuant to **Section 6.01.**

“**Agreement**” means this Olathe Soccer Complex Tax Increment Financing District Development Agreement, 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.

“**Bond Counsel**” means Gilmore & Bell, P.C.

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

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

“**CID**” means the Ridgeview Soccer Community Improvement District created by the City on August 1, 2017 pursuant to Ordinance No. 17-_____.

“**CID Administrative Service Fee**” means the fee payable to the City provided by **Section 7.02** hereof.

“**CID Costs**” means those costs eligible to be paid from CID Revenues in accordance with K.S.A. 12-6a26 *et, seq.*

“**CID Costs Cap**” means \$4,500,000 in CID Revenues plus interest as described in this Agreement (but excluding the CID Administrative Fee).

“**CID Revenues**” means the 1.00% community improvement district sales tax within the CID.

“**CID Term**” means 22 years from the date the CID is created, or until the balance of the Redevelopment Project Costs Cap above the TIF Cap is achieved, whichever occurs first.

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

“**City Event of Default**” means any event or occurrence defined in **Section 11.02** of this Agreement.

“**City Expenses**” means the expenses described in **Section 6.01** 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 approved by the City in accordance with this Agreement.

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

“**Developer**” means Ridgeview Equities, LLC, a limited liability company organized and existing under the laws of the State of Kansas, and any successors and assigns approved pursuant to this Agreement.

“Developer Event of Default” means any event or occurrence defined in **Section 11.01** of this Agreement.

“Developer Representative” means Michael Christie and such other person or persons at the time designated to act on behalf of the Developer in matters relating to this Agreement as evidenced by a written certificate furnished to the City containing the specimen signature of such person or persons and signed on behalf of the Developer.

“Event of Default” means any event or occurrence as defined in **Article IX** of 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.

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

“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 consistent with the Project Plan, the Site Plan, and 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.

“Heartland” means Heartland Soccer Association, Inc.

“Incremental Tax Revenues” means the Real Property Tax Revenues, the Sales Tax Revenues and Transient Guest Tax.

“Pay As You Go” has the meaning set forth in **Section 3.03**.

“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.

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

“Project” means the project described in the Project Plan.

“Project Area” means the Project Area within the Redevelopment District, approved by Ordinance No. 10-67, and modified by Ordinance No. 17-_____, the boundaries of which are contiguous with the boundary of the Redevelopment District, all legally described in **Exhibit A** hereto.

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

“Project Plan” means the Redevelopment Project Plan for the Olathe Soccer Project Tax Increment Financing District, dated May 18, 2017, which was approved by the City on August 1, 2017 pursuant to Ordinance No. 17-_____.

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

“Real Property Tax Revenues” means the incremental increase in real property taxes within the Project Area, determined in accordance with the Act and the Project Plan.

“Redevelopment District” means the Olathe Soccer Project Tax Increment Financing Redevelopment District, created by the City on December 20, 2016_ by the adoption of Ordinance No. 16-67, pursuant to the Act, and legally described on **Exhibit A** hereto,

“Redevelopment Project Costs” means “redevelopment project costs” as defined in the Act and as set forth in the Project Plan and this Agreement, including all necessary reserves, capitalized interest and costs of issuance.

“Redevelopment Project Costs Cap” means Twelve Million, Five Hundred Thousand Dollars (\$12,500,000) plus interest, financing costs of Developer, CID Administrative Service Fees, TIF Administrative Service Fees and expenses incurred by the City in connection with the Project.

“Sales Tax Revenues” means 100% of the annual incremental increase in revenue received by the City from the City’s 1.00% local sales and use tax over that received by the City for the 12-month period from December 2015 to November 2016 within the Redevelopment District, all determined in accordance with the Act and the Project Plan.

“Soccer Fields” means the nine (9) soccer fields depicted as Tracts A and B on Exhibit A-1 attached hereto.

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

“TIF Administrative Service Fee” means the fee payable to the City provided by **Section 6.03** hereof.

“**Tax Increment Fund**” means the Olathe Soccer Project Tax Increment Fund, created pursuant to the Act and Section 6.02 hereof.

“**TIF Cap**” means \$8,000,000 in Incremental Tax Revenues plus interest as described in this Agreement (but excluding the 3% Transient Guest Tax dedicated in **Section 5.03(A)(3)** and the TIF Administrative Service Fee).

“**TIF Term**” means that period of time equal to 14 years, beginning January 1, 2018, or until the TIF Cap is achieved, whichever occurs first.

“**Transient Guest Tax**” means the City’s transient guest tax at the rate of 6% (excluding any future increases of such tax) of which 50% will be deposited into the Tax Increment Fund and 50% will be deposited into the Escrow Account in accordance with **Section 5.03(A)(3)**.

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 Plan 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 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 an 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 best of the Developer's 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. 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.

D. **No Material Change.** (1) The Developer has not incurred any material liabilities or entered into any material transactions other than in the ordinary course of business except for the transactions contemplated by this Agreement and (2) there has been no material adverse change in the business, financial position, prospects or results of operations of the Developer, which could 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 prior to the execution of this Agreement.

E. **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, delivery and performance by the Developer of this Agreement, other than Permitted Subsequent Approvals.

F. **No Default.** No default or 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 an event of default in any material respect on the part of the Developer under this Agreement, or any other material agreement or material instrument 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 its properties as now owned or leased by it. 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 as 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.

K. **Project.** The Developer represents and warrants that the Project Area is sufficient to construct the Project as contemplated in the Project Plan and this Agreement.

Section 2.03. Developer's Acquisition of the Redevelopment District. At the time that this Agreement is executed, Developer represents that it has or controls entities that have fee simple title to the real property in the Redevelopment District shown as Tract C in **Exhibit ____**. All of the real property owned by the Developer, subject to the rights of assignment under **Article IX** shall be held in the name of the Developer or its assigns and shall be subject to the terms, conditions and covenants contained in this Agreement and in the Project Plan immediately upon acquisition and prior to any encumbrances placed thereon.

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 the Developer’s Articles of Organization, certified by the Secretary of State of the State of Kansas; and

B. A certified copy of the Operating Agreement 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; and

D. A title insurance commitment, dated no earlier than six months prior to the date of execution of this Agreement, regarding the Developer’s fee simple ownership to the real estate it owns within the Redevelopment District, subject only to title exceptions of record that have no effect on the Developer’s ability to construct the Project.

ARTICLE III REIMBURSEMENT OF REDEVELOPMENT PROJECT COSTS

Section 3.01. Redevelopment Project Costs, Generally. In consideration for the Developer’s agreement to construct the Project, the City agrees to reimburse the Developer for Redevelopment Project Costs, up to the Redevelopment Project Costs Cap, subject to the terms of this Agreement. The Developer shall be reimbursed on a Pay As You Go basis as further set forth in this Agreement. The City shall only be obligated to reimburse the Developer from the Tax Increment Fund.

Section 3.02 Incentive Package. To induce the Developer to construct the Project, City has agreed to make available to Developer an incentive package with an estimated value of \$14,215,380, plus interest at Developer’s actual borrowing rate (the “Reimbursement Cost Cap”).

A. Incentives are hereby granted by the City to the Developer in the following amounts and will be generated from the following sources:

1. **CID:** A 1% community improvement district (CID) sales tax, which will generate up to \$4,500,000 plus the CID Administrative Service Fee and interest accrued on borrowed money during the period of construction until the Reimbursement Cost Cap is achieved.

2. **TIF:** Tax increment financing (TIF) revenues from incremental real property taxes, Sales Tax Revenues, and Transient Guest Tax, which will generate up to \$8,000,000 plus the TIF Administrative Service Fee and interest until the TIF Cap is achieved.

3. **IRBs**: Through the City's issuance of a series of industrial revenue bonds (IRBs) over the entire Project, the Project will realize approximately \$1,715,380 in savings by obtaining a sales tax exemption on construction materials, furniture, fixtures and equipment for the Soccer Fields, the 2 hotels, and other new construction within the Project.

Section 3.03. Developer to Advance Costs. The Developer agrees to advance all Redevelopment Project Costs as necessary to complete the Project, all subject to the Developer's right to terminate this Agreement as set forth in **Section 10.04**. Upon or prior to execution of this Agreement, the Developer shall deposit with the City the funds set forth in **Section 6.01** for the purpose of reimbursing the City for Redevelopment Project Costs related to City planning, legal, administrative and other costs associated with the Project.

Section 3.04. 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 agrees to reimburse Developer for Redevelopment Project Costs in a total amount not to exceed the Redevelopment Project Costs Cap. Developer may be reimbursed for Redevelopment Project Costs from the Tax Increment Fund by the City as funds are collected in the Tax Increment Fund (the "Pay As You Go" method, as further set forth in **Section 6.05**). The Parties agree that all reimbursement to the Developer shall be made only on a Pay As You Go basis.

B. **Timing of Reimbursement**. The City shall have no obligation to reimburse Developer until funds are available in the Tax Increment Fund.

C. **Source of Reimbursement**. The City shall make payments from the Tax Increment Fund on a Pay As You Go basis in the order of priority set forth in **Section 6.02**.

Section 3.05. Developer Reimbursement Process.

A. All requests for reimbursement of Redevelopment Project Costs shall be made in a Certificate of Redevelopment Project 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 monthly. The Developer shall provide itemized invoices, receipts or other information reasonably requested, if any, to confirm that any such cost has been paid and qualifies as a Redevelopment Project 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 Redevelopment Project Costs.

B. The City reserves the right to have its engineer or other agents or employees inspect all work in respect of which a Certificate of Redevelopment Project 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 Redevelopment Project Costs to review and respond by written notice to the Developer. If the submitted Certificate of Redevelopment Project Costs and supporting documentation demonstrates that (1) the request relates to the Redevelopment Project Costs; (2) the expense has been paid; (3) Developer is not in material default under this Agreement; and (4) there is no fraud on the part of the Developer, then the City shall approve the Certificate of Redevelopment Project Costs and make, or cause to be made, reimbursement from the Tax Increment Fund in accordance with **Section 3.07** and **Article VI** hereof, within thirty (30) days of the City's approval of the Certificate of Redevelopment Project Costs, If the City reasonably disapproves of the Certificate of Redevelopment Project Costs, the City shall notify the Developer in writing of the reason for such disapproval within such 30-day period. Approval of the Certificate of Redevelopment Project Costs will not be unreasonably withheld.

Section 3.06. 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, audit, and copy, from time to time, all the Developer's books and records relating to the Redevelopment Project 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).

Section 3.07. Limitation on City's Payment Obligations. Notwithstanding any other term or provision of this Agreement, the City's obligation to reimburse the Developer for Redevelopment Project Costs shall be limited to monies in the Tax Increment Fund and shall not be payable from any other source.

Section 3.08. The Redevelopment District and the Project Plan. The City shall not, under any circumstances other than by a future written agreement between the parties, terminate the Redevelopment District or take any action to reduce the TIF Term prior to such time as the Developer has been reimbursed for the total Redevelopment Project Costs Cap; except, provided that if all aspects of the Project are completed and the Developer has incurred eligible Redevelopment Project Costs equal to less than the Redevelopment Project Costs Cap, the City may terminate the TIF.

ARTICLE IV THE REDEVELOPMENT PROJECT

Section 4.01. Scope of the Project. Subject to the terms and conditions of the Project Plan and this Agreement, the Developer shall construct, or cause to be constructed, the Project.

Section 4.02. Project Schedule.

A. Within five (5) months after execution of this Agreement and receipt of all applicable Governmental Approvals, the Developer shall 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** (the "Commencement Date").

B. The Developer shall complete each of its obligations under this Agreement with respect to the acquisition, construction and completion of the Project within three (3) years after the Commencement Date, subject to delays caused by force majeure and delays caused by the City. The Soccer Fields shall be substantially completed and begin operations (by obtaining all planning/zoning approvals and obtaining all necessary certificates and/or permits) by December 31, 2018. The completion of the Project shall be evidenced by the Developer's delivery of a Certificate of Full Completion in accordance with **Section 4.07** of this Agreement.

C. The City agrees to act in good faith and use its best efforts 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 Redevelopment District 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, the City shall provide a written description detailing the portions of the Plans or documents that are unacceptable.

Section 4.03. Project Budget. The Project shall be constructed substantially in accordance with the Project Budget attached as **Exhibit D** hereto,

Section 4.04. Design of Project.

A. In order to further the development of the Redevelopment District, the City hereby authorizes the Developer to construct, or cause to be constructed, the Project according to the final Plans approved by the City.

B. Developer shall comply or cause compliance with the design standards and requirements attached hereto as **Exhibit F** in the construction of the Project.

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

A. **Conformance with Project Plan.** The Project Area shall be developed, and the Project constructed, in accordance with this Agreement and the Project Plan submitted by the Developer and approved by the City. No "substantial changes," as defined by K.S.A. 12-1770a, shall be made to the Project, except as may be mutually agreed upon, in writing, between the Developer and the City, it being the intent of the Parties that the layout and size of particular buildings, parking facilities and private drives will likely change through the planning, zoning and marketing process. Any "substantial changes" shall be made only in accordance with the Act.

B. **Site Plan.** The Developer shall prepare and submit a Site Plan for the Project Area to the City for review and approval pursuant to the City's Unified Development Code. The Site Plan shall be in conformance with the Project Plan and this Agreement.

C. **Zoning, Planning and Platting.** The Redevelopment District has received final zoning and development plan approval pursuant to Ordinance No. 17-18. City shall publish said Ordinance upon execution of this Agreement. The City agrees to consider and act on any future zoning, planning and platting applications by the Developer in due course and good faith.

D. **Construction Plans.** The Developer shall submit Construction Plans for the Project for review and approval pursuant to the City's Unified Development Code. Construction Plans may be submitted in phases or stages. The Construction Plans shall be in sufficient completeness and detail to show that construction will be in conformance with the Project Plan and this Agreement. 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 Code.

E. **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 and any other governmental agency having jurisdiction as to such construction, development or work. 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 provided that the City shall not be required to issue any such permits or approval for any portion of the Project not in conformance with the Project Plan or this Agreement.

F. **Development Schedule.** The Developer shall commence construction of the Project in good and workmanlike manner in accordance with the terms of this Agreement. The Developer shall cause the Project to be completed with due diligence. 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 perforated and completed in accordance with this Agreement.

G. **Continuation and Completion.** Subject to Excusable Delays, once the Developer has commenced construction of the Project, or a particular phase of the Project as approved by the City, the Developer shall not permit cessation of work on the Project or such phase of the Project for a period in excess of 45 consecutive days or 90 days in the aggregate without prior written consent of the City.

H. **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.

I. **Hotels.** The hotels constructed within the Project will initially be a Hilton or Marriott flag hotel, approved by the City, and will continuously operate as such flag until all incentives are earned. Any change in hotel flag for either hotel before all incentives are earned must be approved by the City, whose consent will not be unreasonably withheld, conditioned or delayed.

J. **Soccer Complex Name.** The Soccer Complex shall be required to have the name "Olathe" in the title and such name shall be used in all marketing materials for the Soccer

Complex, including all tournaments. All monument signs constructed for the project will include such name.

K. **Public Art.** Ridgeview will include public art within the Project in accordance with Section 2.82.130 of the Olathe Municipal Code and will coordinate with City staff on all public art installations within the Project.

L. **Sponsorships.** Any additional sponsorship name to be used with “Olathe” for the Soccer Complex shall be subject to approval by the City, whose consent will not be unreasonably withheld, conditioned or delayed.

M. **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 City’s Unified Development Code and applicable state law. The Developer acknowledges that satisfaction of certain conditions contained in this Agreement require the reasonable exercise of the City’s discretionary zoning authority by the City’s Planning Commission and Governing Body in accordance with City’s Unified Development Code and applicable state law.

Section 4.06. Rights of Access. Representatives of the City shall have the right of access to the Redevelopment District, 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 Full Completion. Promptly after completion of the Project in accordance with the provisions of this Agreement, the Developer may submit a Certificate of Full Completion to the City. Full Completion shall mean that the Developer shall have been granted a Certificate of Occupancy by the City Building Official and shall have completed all work as required by the Project Plan with respect to the applicable phase of the Project. The Certificate of Full Completion shall be in substantially the form attached as **Exhibit C.** The City shall, within ten (10) days following delivery of the Certificate of Full 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 Full Completion. The City’s execution of the Certificate of Full Completion shall constitute evidence of the satisfaction of the Developer’s agreements and covenants to construct the applicable phase of the Project to which the Certificate of Full Completion relates.

**ARTICLE V
USE OF THE REDEVELOPMENT DISTRICT**

Section 5.01. Tenants and Land Use Restrictions. At all times while this Agreement is in effect:

A. **No Tax-Exempt Organizations.** The Developer may not sell or lease property within the Redevelopment District to a tax-exempt organization, except that this prohibition shall not preclude leasing the Soccer Fields to tax-exempt organizations or prevent the granting of any temporary or permanent easements necessary to facilitate the construction of the Project.

B. **Tenant Qualifications and Prohibited Uses.**

1. No prohibited uses will be allowed within the Project (including, but not limited to, storage, adult-oriented businesses, distance-restricted businesses (e.g., payday/title loans, pawnbrokers, thrift shops, discount retailers), nor may any businesses within the Project be relocated from within 2 miles of an existing location within Olathe unless such relocation is approved by the City. The City shall respond to the Developer within **ten (10) business** days of the receipt of any such communication. The Developer shall promptly notify the City Manager and the Finance Director upon the execution of any such legal obligation for the sale and/or lease of property within the Redevelopment District.

2. The City Manager or his designee shall have authority to act on behalf of the City for purposes of making all determinations required of the City in this **Section 5.01(B).**

Section 5.02. Operation of Project.

A. The Project shall comply with all applicable building and zoning, health, 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 City and any other governmental agency having jurisdiction 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. 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 required by the City. All such maintenance and repair will be made to ensure that the Project continuously maintains a world class brand and presentation to users of the Project due to its location as a gateway to the City and importance to the overall profile of the City to visitors and residents alike.

B. Developer agrees to endeavor to enter into long-term (minimum 15 year) leases with one or more soccer complex operators upon terms acceptable to Developer. Developer states that it is currently negotiating with Heartland for a twenty-five year, ten month per year lease of the Soccer Fields, and it is assumed for the purposes of this Agreement that Heartland will be the operator of the Soccer Fields; provided, however, that Developer shall have the right

to lease the Soccer Fields to other operators in lieu of Heartland. For purposes of this Agreement, the lessee under the terms of a long-term lease shall be referred to as the “Operator”.

Section 5.03. Ongoing Performance Standards. The Project must achieve the following ongoing performance standards:

A. **Stay-and-Play Tournaments & Hotel Room Nights.** Developer shall ensure that the Soccer Fields, commencing January 1, 2019, annually host no less than 10 stay-and-play tournaments per year and/or generate no less than 18,000 room nights in Olathe hotels (to the extent such room nights are available), and must certify such information annually to the City.

1. Developer will require the Operator, in its lease (and with any other lessee conducting tournaments at the Soccer Fields), to give first priority for booking hotels to Olathe hotels and will make group booking arrangements with Olathe hotels and not with hotels in any other city. In the event that Olathe hotels cannot accommodate all of the rooms for a tournament, then Operator may cause the rooms that could not be accommodated to go to surrounding cities.

2. All tournament bookings at the Soccer Complex will be subject to a 2% Facility Fee per team which will be put into an escrow account held by the City for capital maintenance of the Soccer Fields (the “Escrow Account”).

3. 3% of the Transient Guest Tax will be deposited into the Escrow Account during the TIF Term. Said 3% to be deposited will not count against the TIF Cap. Once the first replacement of the turf on the fields in the Soccer Complex is completed, or at such time that the TIF Cap is achieved and the City dissolves the TIF, whichever occurs first, such Transient Guest Tax will no longer be deposited into the Escrow Account.

4. All Soccer Fields lessees will annually account for all room nights generated by tournaments at the Soccer Fields so as to identify the number of annual room nights generated at Olathe hotels and total room nights generated by the Soccer Fields at all hotels to the extent the lessee books the rooms and/or partners with the Olathe Chamber of Commerce Convention & Visitors Bureau (“CVB”) to coordinate such booking arrangements. The CVB will review and verify all such information on behalf of the City and Developer, The Operator and any other lessee of the Soccer Fields shall promptly provide to the CVB such records and information as may be reasonably required to verify such information.

5. If the Project generates less than 10 stay-and-play tournaments per year and/or 18,000 room nights in Olathe hotels for 2 consecutive years, the City and Developer will use their best efforts to meet within 60 days of such information being provided to the City by Developer for the purpose of re-visiting the terms of this Agreement.

B. **Economic Impact Study.** A consultant will be engaged jointly by the City and Developer every 5 years until all incentives are earned to study the economic impact of the Project.

1. The costs of such consultant will be split 50/50 between the City and Developer, however, Developer's cost share will be limited to \$25,000 per study.

2. The first consultant engagement will be made no later than March 1, 2023.

3. The study will review whether the economic impact from the Project met the expectations in the 2016 sports tourism study conducted by Sports Facilities Advisory (SFA) on behalf of the City and the Olathe Chamber of Commerce. If the Project is failing to achieve its expected economic impact, the City and Developer will meet within 60 days of receipt of the report from the consultant by the City and Developer and will use their best efforts to take actions required to improve the economic impact from the Project.

C. **City Programmable Hours.** The City will be granted no less than 250 annual programmable hours of non-prime time use of the Soccer Fields during the months of June and July at no cost (for purposes such as summer camps, clinics, and/or week night adult soccer leagues) at times and on fields mutually agreed-upon between the City and Developer.

1. This volume of non-programmable hours will be re-evaluated every two (2) years between Developer, Operator, and the City, to assure that this 'non-prime' set aside is not impacting the ability of Developer to generate the number of hotel room nights or schedule tournaments as required in this Agreement.

D. **Priority Access.** Developer shall require its Soccer Fields tenants to offer Olathe teams priority access at market rents during non-stay-and-play tournament weekends and during the week. After Olathe teams are granted such priority access, then other Johnson County teams will be granted similar priority access. Heartland will be allowed to give its teams equal priority in all events so long as it is the Operator.

E. **Continuous Operation.** Developer must continuously operate the Soccer Complex as a soccer and/or youth sports athletic complex with no interruption in its operations longer than 180 days, and no consecutive interruptions in its operations longer than 90 days between operations (e.g., tournaments, practices, etc.), but subject to force majeure. Developer agrees to cause to be prepared and submitted annually to the City by each March 1 for review and approval an operating plan for the Soccer Fields.

1. If Developer's operations are interrupted longer than 180 days, or are consecutive interruptions longer than 90 days between operations, the City can stop payment of all remaining incentives and will no longer have an obligation to release its 2nd mortgage on the Soccer Fields. Should any such interruptions occur while the City has a 2nd mortgage on the Soccer Fields (described in **Section 11.05**), the City may exercise its rights under the Development Agreement.

F. **Maintenance.** Developer has prepared an annual maintenance and replacement plan for the Soccer Fields, the parking areas, the private road network, landscape areas, and open space areas within the CID, which plan is attached hereto as **Exhibit F**. Developer agrees to update the maintenance and replacement plan annually and submit to the City by each March 1 for the City's review and approval.

1. Should Developer fail to adequately fund its capital replacement reserve and operating reserve plan for 2 consecutive years, the City and Developer will meet within 60 days of the end of such second year and use their best efforts to improve Project operations such that reserves can be funded or reduce the incentives available to the Project to account for the loss of public benefit.

2. At a future date, so long as the Reimbursement Cost Cap has not been achieved, Developer may request that the City amend this Agreement to allow for reimbursement of additional capital improvement costs from CID revenues related to the Soccer Fields.

Section 5.04. Copies of All Leases and Agreements. The City and its duly authorized agents shall have the right at reasonable times (during business hours), and upon reasonable notice to inspect copies of all leases, sale contracts and other material agreements between the Developer and any third party relating to the Project at the principal business office of the Developer, in a manner that maintains the confidentiality of such leases and agreements.

Section 5.05. Sales Tax Information.

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

B. The Developer agrees to cause all future assignees, purchasers, tenants, subtenants or any other entity acquiring property or occupancy rights in the Redevelopment District to be obligated by written contract (lease agreement or other enforceable document) to provide to the City Manager and the Finance Director simultaneously with submission to the Kansas Department of Revenue the monthly sales tax returns for their facilities in the Redevelopment District. This obligation shall be a covenant running with the land and shall be enforceable against all businesses operating in the Redevelopment District and shall only terminate upon the passage by the City of an ordinance terminating the Project Plan. The Developer hereby agrees that each such lease agreement shall provide 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.

C. 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.

D. Developer agrees to obtain waivers consenting to the release by the City of aggregate Sales Tax Revenues generated within the Redevelopment District from all assignees, purchasers, tenants, subtenants or any other entity acquiring property or occupancy rights in the Redevelopment District throughout the term of this Agreement contemporaneously with the acquisition of such property or occupancy rights.

Section 5.06. Taxes, Assessments, Encumbrances and Liens.

A. So long as the Developer owns the real property within the Redevelopment District, the Developer shall pay when due all real estate taxes and assessments on the Redevelopment District. 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. The Developer and any other owners of real property in the Redevelopment District shall promptly notify the City in writing of a protest of real estate taxes or valuation of the Developer's or such other owners' property within the Redevelopment District.

B. Subject to **Section 5.06**, 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 acts of the Developer, its agents or independent contractors.

Section 5.07. 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; nor shall any covenant or any other provision in the deed for the Redevelopment District be construed so to obligate such holder, Nothing in this Agreement shall be deemed to construe, permit or authorize any such holder to devote the Redevelopment District 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 5.08. 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 Redevelopment District, nor shall the Developer itself or any person claiming under or through it establish or 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 Redevelopment District.

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 Redevelopment District or any part thereof. The covenants contained in this Section shall remain for so long as this Agreement is in effect.

ARTICLE VI REIMBURSEMENT OF REDEVELOPMENT PROJECT COSTS; TAX INCREMENT FINANCING

Section 6.01. Advanced Funds Account.

A. **Creation of Account; Initial Deposit.** The City acknowledges receipt from the Developer of a prior deposit with the City equal to the sum of Ten Thousand Dollars (\$10,000.00) (the "Advanced Funds"), to be held by the City in a separate, segregated account of the City to be known as the "Advanced Funds Account." The City may invest the Advanced Funds in the same manner as other funds of the City are invested, and interest earnings shall remain in the Advanced Funds Account.

B. **Use and Replenishment of Advanced Funds.** The City may use the Advanced Funds for payment or reimbursement of City costs and expenses and legal and other third-party professional fees and expenses incurred by the City in connection with providing the necessary

third party legal, financial and planning assistance, including consultants engaged by the City, to implement, administer and enforce this Agreement, create the Redevelopment District, and adopt the Project Plan (the “City Expenses”). The City shall submit to the Developer an itemized statement of actual payments made from the Advanced Funds Account for such City Expenses on a regular periodic basis, but no more often than monthly and no less often than quarterly. The Developer shall advance to the City the amounts set forth on such statements within thirty (30) days of receipt thereof, which shall be deposited in the Advanced Funds Account so that the balance of the Advanced Funds Account remains at \$10,000.00. If such funds are not received, 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 the City shall be relieved of any and all obligations hereunder until paid or may terminate this Agreement pursuant to **Article X** hereof. Developer shall supply the Advanced Funds in a timely manner so that City activities may continue without interruption. As soon as Bond Proceeds sufficient to fully reimburse the Developer for the Redevelopment Project Costs Cap have been made available to the Developer, the Developer shall have no further obligation to pay City Expenses; except, provided that the Developer shall remain responsible for any accrued but unpaid City Expenses incurred up to the date such Bond Proceeds were first received by the City and further provided that the Developer shall remain responsible to maintain the balance of the Advanced Funds Account at \$10,000.00 until thirty (30) days following the City’s acceptance of the Certificate of Full Completion for the Project.

C. **Reimbursement of Advanced Funds.** The initial deposit by the Developer to establish the Advanced Funds Account, the money paid by the City from the Advanced Funds Account, and any additional funds paid by the Developer to the City to replenish the Advanced Funds Account shall be Redevelopment Project Costs which may be reimbursed from the proceeds of TIF Obligations that have been issued, or if no TIF Obligations are issued, in the order of priority set forth in **Section 6.02**. The deposit of funds by the Developer pursuant to this Section does not in any way mitigate or lessen the Developer’s obligation to pay or reimburse the City for certain fees and expenses to the extent otherwise required by this Agreement.

D. **Return of Advanced Funds.** Thirty days following the City’s acceptance of the Certificate(s) of Full Completion, the City shall remit to the Developer any amounts that have been advanced under this Section (including interest earnings on such amounts) and which have not been spent for costs incurred by the City pursuant to this Section.

Section 6.02. Tax Increment Fund.

A. **Creation of Fund: Deposit of Incremental Tax Revenues.** The City shall establish and maintain a separate fund and account known as the Olathe Soccer Project Tax Increment Fund (the “Tax Increment Fund”). All Incremental Tax Revenues shall be deposited into the Tax Increment Fund.

B. **Disbursements from Fund.** All disbursements from the Tax Increment Fund shall be made only to pay Redevelopment Project Costs. The City shall have sole control of the disbursements from the Tax Increment Fund. Such disbursements shall be made in the following manner and order of preference:

1. Pay-as-you-go:
 - a. Payment of the TIF Administrative Service Fee to the City pursuant to **Section 6.03**;
 - b. Reimbursement of Redevelopment Project Costs incurred by the City, if any;
 - c. Reimbursement of Redevelopment Project Costs incurred by the Developer.

The City may continue to use any surplus amounts of Incremental Tax Revenues that result after all of the above payments have been made, for any purpose authorized by the Act until such time as the Project is completed, but for not to exceed 20 years from the date of the approval of the Project Plan.

The Property Tax Revenues in the Tax Increment Fund shall be distributed twice a year. The Sales Tax Revenues in the Tax Increment Fund shall be distributed quarterly after the base sales tax revenues are met. Transient Guest Tax in the Tax Increment Fund shall be distributed quarterly.

Section 6.03. City TIF Administrative Service Fee. The Developer shall pay to the City a TIF Administrative Service Fee equal to 2.5% of the annual Incremental Tax Revenues. The TIF Administrative Service Fee shall be used to cover the administration and other City costs during the duration of the Redevelopment District, and shall be in addition to the costs identified in the Project Budget. The TIF Administrative Service Fee may be paid annually from the Incremental Tax Revenues deposited in the Tax Increment Fund. The TIF Administrative Service Fee shall be deemed a Redevelopment Project Cost. If TIF Obligations have been issued and there are insufficient funds available in the Tax Increment Fund to pay the TIF Administrative Service Fee after payment of the costs specified in **Section 6.02(B)(2) subparagraphs (a) through (c)**, then such TIF Administrative Service Fee shall accrue and be paid to the City in full at such time as sufficient funds are available in the Tax Increment Fund.

Section 6.04. Initial Payment to Developer's Lender. All reimbursements for certified TIF - eligible expenditures will be provided directly to Developer's lender for payment of the development loan on the Soccer Fields until such lender is paid in full.

ARTICLE VII COMMUNITY IMPROVEMENT DISTRICT; REIMBURSEMENT FOR COMMUNITY IMPROVEMENT DISTRICT COSTS

Section 7.01. 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 Olathe Project CD 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 CID Costs. Such disbursements shall be made in the following order of preference:

1. Payment of CID Administrative Service Fee pursuant to Section 7.02;
2. Reimbursement of CID Costs incurred by the Developer, subject to the CID Costs Cap.

Section 7.02. City CID Administrative Service Fee. The Developer shall pay to the City a CID Administrative Service Fee equal to 5.0% of the annual CID Revenues. The CID Administrative Service Fee shall be used to cover the administration and other City costs during the duration of the CID and shall be in addition to the costs identified in the Project Budget. The CID Administrative Service Fee may be paid monthly from the CID Revenues deposited in the CID Fund. The CID Administrative Service Fee shall be deemed a CID Cost.

Section 7.03 Initial Payment to Developer's Lender. All reimbursements for certified CID - eligible expenditures will be provided directly to Developer's lender for payment of the development loan on the Soccer Fields until such lender is paid in full.

ARTICLE VIII

INDUSTRIAL REVENUE BONDS

Section 8.01. Industrial Revenue Bonds. The City agrees to issue industrial revenue bonds to finance a portion of the Project and to use its best efforts to obtain a sales tax exemption certificate for that part of the Project financed with the industrial revenue bonds. Further, the City will issue a series of IRBs that will be purchased by Ridgeview to fund construction of the Soccer Fields and will provide a 10-year, 100% real property tax abatement for the Soccer Fields by issuance of such IRBs

ARTICLE IX

ASSIGNMENT; TRANSFER

Section 9.01. 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 by resolution following verification by the City Attorney that the assignment complies with the terms of this Agreement. 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 the Redevelopment District being transferred. 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 transfer is of or relates to a portion of the Redevelopment District, such obligations, conditions and restrictions to the extent that they relate

to such portion). The Developer shall not be relieved from any obligations set forth herein unless and until the City specifically agrees to release the Developer. 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,

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. Notwithstanding the foregoing, no tenant of any part of the Redevelopment District shall be bound by any obligation of the Developer solely by virtue of being a tenant; provided, however, that no transferee or owner of property within the Redevelopment District except the Developer shall be entitled to any rights whatsoever or claim upon the Tax Increment Revenues as set forth herein, except as specifically authorized in writing by the Developer.

C. The foregoing restrictions on assignment, transfer and conveyance shall not apply to (a) any security interest granted to secure indebtedness to any construction or permanent lender, or (b) the sale, rental and leasing of portions of the Redevelopment District for the uses permitted under the terms of this Agreement.

D. Anything to the contrary above notwithstanding, Developer shall have the right to transfer its rights and duties under this agreement as they relate to the Soccer Fields to OSC, LLC, a limited liability company without the prior consent of the City. Further, Developer or the then-owner of the Soccer Fields shall have the right to lease the Soccer Fields to Heartland, its successors and assigns, and others without the prior consent of the City.

Section 9.02. 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 Ridgeview Equities, LLC for the purpose of business and/or income tax planning; provided that Michael Christie or an entity controlled by Michael Christie owns not less than 51% of any new or restructured company.

Section 9.03. Prohibition Against Transfer of the Redevelopment District, the Buildings or Structures Therein.

A. Except as otherwise provided in this Agreement, during the term of this Agreement, the Developer shall not, except as permitted by this Agreement and in accordance with the Act, without prior written approval of the City which shall not be unreasonably withheld, conditioned or delayed, make any total or partial sale, transfer, conveyance, assignment or lease of the whole Redevelopment District or any of the individual buildings or improvements on the Redevelopment District except as permitted by this Agreement. This prohibition shall not be deemed to prevent the granting of temporary or permanent easements or permits to facilitate the development of the Redevelopment District or to prohibit or restrict the leasing of any part or parts of a building, structure or land for a term commencing on completion.

B. As a condition to such transfer, the City may require such transferee to agree to be bound, in whole or in part, by the provisions of this Agreement.

C. Nothing contained in this Agreement shall limit the right of Developer to lease portions if the Redevelopment District in the ordinary course of business without the approval of the City.

ARTICLE X GENERAL COVENANTS

Section 10.01. 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 undertaking in implementation of the Project Plan or this Agreement; and

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.

3. Any delay or expense 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 10.02. 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 improvements in 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. Replacement Value shall be determined at least every year after the completion date of the Project by an appraisal or a report from an insurance consultant that is engaged by Developer for the Project (“Insurance Consultant”), or if the policy is on a blanket form, 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, or cause its tenants to 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. The Developer shall 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, or applicable portions of the Project under the control of the Developer (unless the requirement therefore shall be waived by the Trustee, if any, and 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 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 Project's 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 \$4,000,000 in the aggregate and \$2,000,000 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 tenant, purchaser, transferee, developer, manager, contractor or subcontractor to comply with the provisions of this Section for all portions of the Project. Developer shall enforce the provisions of this Section to the maximum extent permitted by law. Developer hereby agrees that every lease, sales contract or other contract regarding the Redevelopment District shall incorporate the provisions of this Section and further provide that City is an intended third party beneficiary of such provisions and as such, City has a separate and independent right to enforce such provisions directly against any such tenant or purchaser. Developer shall use its best efforts to enforce such contract rights. Upon written request by the City, the Developer shall execute such documents as are necessary to assign to the City all of the Developer's rights under any lease, sales contract or other contract regarding the Redevelopment District with respect only to those sections of such lease, sales contract or other contract as are necessary to evidence compliance with and otherwise enforce the provisions of **Sections 10.02 and 10.03** of this Agreement.

D. The Developer shall, upon written request of the City, execute such documents as are necessary to assign to the City the Developer's contractual rights to obligate any tenant, purchaser, transferee, developer, manager, contractor or subcontractor regarding the provisions of this Section for all portions of the Project.

E. 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.

- F. 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 the Trustee, 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 first incurs TIF Obligations and at the time of delivery of any replacement policies.

G. All such policies, or a certificate or certificates of the insurers that such insurance is in full force and effect, shall be provided to the City and, prior to expiration of any such policy, the Developer shall furnish the City with satisfactory evidence that such policy has been renewed or replaced or is no longer required by this Agreement; provided, however, 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 coverage is substantially the same as that provided by individual policies. All policies evidencing such insurance required to be obtained under the terms of this Agreement 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.

H. It is anticipated that the insurance coverage required by this **Section 10.02**, for the Project will be provided by Developer, Notwithstanding the foregoing, the Developer shall require that any owner, lessee or sublessee in the Redevelopment District who proposes to provide the insurance coverage required by this **Section 10.02** pursuant to a plan of self-insurance provides the Developer, at the time such sales contract, lease, sublease or other agreement is executed, sufficient assurances that sufficient funds of the owner, lessee or sublessee are and throughout the lease term are expected to be available to comply with the provisions of **Section 10.03(B1)**.

I. 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 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.

J. All policies of insurance required by this Section shall become utilized as required by this Agreement.

K. The City may request, from time to time, such reasonable evidence as may be necessary to ensure compliance with this Section, including, but not limited to, reports and appraisals of an Insurance Consultant.

L. Developer shall, prior to commencement of construction, obtain a bond to guarantee completion of construction of the Soccer Fields and all associated, required site improvements, and a bond to guarantee payment of all contractors performing work on the Soccer Fields, both from a surety licensed in Kansas.

Section 10.03. 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. 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 damage or destruction to any of the Project owned by it by fire or other casualty, irrespective of the amount of such damage or destruction, but in such circumstances the Developer shall make the property safe and in compliance with all applicable laws as provided herein.

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. To the extent that the Developer allows any owner, lessee or sublessee to provide the insurance coverages required by **Section 10.02** pursuant to a plan of self-insurance, and such owner, lessee or sublessee opts not to restore, replace or rebuild that portion of the Project that was damaged or destroyed, such owner, lessee or sublessee shall provide the Developer with funds necessary to allow the Developer to restore, replace or rebuild the same in accordance with this paragraph, from self-insurance reserves or from any other available funds of the owner, lessee or sublessee. 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.

Section 10.04. Non-liability of Officials, Employees and Agents of the City. No recourse shall be had for the reimbursement of the Redevelopment Project 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.

ARTICLE XI DEFAULTS AND REMEDIES

Section 11.01. Developer Event of Default. Except as further provided herein, and subject to **Section 11.05**, 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 Section), and continuance of such default or breach for a period of 30 days after 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 11.02. City Event of Default. Subject to **Section 11.05**, 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 (other than a covenant or agreement, a default in the performance or breach of which is specifically dealt with elsewhere in this Section), and continuance of such default or breach for a period of 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 11.03. 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 or terminate the Developer's rights under this Agreement.

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 (i) 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.

Section 11.04. 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:

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

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 from 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. 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.

Section 11.05. Mortgage Interest. Upon completion of the Soccer Fields, Developer will convey a 2nd mortgage on the Soccer Fields to the City to secure the amount of TIF and CID reimbursements actually received by Developer and its performance under this Agreement. The costs of the 2nd mortgage, including recording fees, mortgage registration tax and lender's policy of title insurance will be paid by Developer.

A. Once all incentives are obtained by Developer, and all mortgage liens are released, and no events of default under this Agreement have occurred, the City will release its 2nd mortgage.

B. Developer will provide the City all necessary easements to afford public access from the public roadways throughout the Project to parking areas serving the Soccer Fields.

C. The principal amount of Developer's lender's mortgage secured by the Soccer Fields may not exceed the loan amount for the Soccer Fields and may not be increased without the prior written consent of the City ("Soccer Fields Loan").

D. So long as the Soccer Fields Loan is unpaid, all CID Revenues, Real Property Tax Revenues, Sales Tax Revenues and Transient Guest Tax will be paid by the City directly to Developer's lender to pay a portion of the Soccer Fields Loan.

E. The Developer, the City and lender shall enter into a separate agreement to memorialize the provisions of this section and that lender has no interest in the Escrow Account.

Section 11.06. Excusable Delays. Neither the City nor the Developer shall be deemed to be in default of this Agreement because of an Excusable Delay.

Section 11.07. 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 XII GENERAL AND SPECIAL PROVISIONS

Section 12.01. 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 12.02. 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 Redevelopment District. The City shall have the right, if the Agreement or covenants 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 12.03. 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 12.04. 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 12.05. Agreement Controls, The Parties agree that the Project Plan will be implemented as agreed in this Agreement. This Agreement specifies the rights, duties and obligations of the City and Developer with respect to constructing the Project, the payment of Redevelopment Project Costs and all other methods of implementing the Project Plan. The Parties further agree that this Agreement contains provisions that are in greater detail than as set forth in the Project Plan and that expand upon the estimated and anticipated sources and uses of funds to implement the Project Plan. Nothing in this Agreement shall be deemed an amendment of the Project Plan. Except as otherwise expressly provided herein, this Agreement supersedes all prior agreements, negotiations and discussions relative to the subject matter hereof and is a full integration of the agreement of the Parties.

Section 12.06. 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.

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 best knowledge and belief, 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 12.07. Term. Unless earlier terminated as provided herein, this Agreement shall remain in full force and effect for twenty two (22) years from the date of approval of the Project Plan.

Section 12.08. 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 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 12.09. 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 12.10. 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 12.11. 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 12.12. Notice. All notices and requests required pursuant to this Agreement shall be sent as follows:

To the City:

City Clerk
City Hall
100 East Santa Fe
Olathe, Kansas 66061

With a copy to:

Ron Shaver, City Attorney
City Hall
100 East Santa Fe
Olathe, KS 66061

To the Developer:

Ridgeview Equities, LLC
Attn: Michael Christie
13617 W. 109th Street
Lenexa, Kansas 66215

With a copy to:

Lewis A. Heaven, Jr.
Lathrop & Gage LLP
10851 Mastin Blvd., Suite 1000
Overland Park, Kansas 66210

and

Gary Anderson
Gilmore & Bell, P.C.
2405 Grand Blvd., Suite 1100
Kansas City, Missouri 64108

or at such other addresses as the Parties may indicate in writing to the other either by personal delivery, courier, or by registered mail, return receipt requested, with proof of delivery thereof. Mailed notices shall be deemed effective on the third day after mailing; all other notices shall be effective when delivered.

Section 12.13. Kansas Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Kansas.

Section 12.14. 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.

Section 12.15. Recordation of Agreement. The Parties agree to execute and deliver an original of this Agreement and any amendments or supplements hereto, 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 12.16. 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 12.17. Deed Restriction. So long as the lease with Heartland is in effect, a deed restriction in a form approved by the City shall encumber the Soccer Fields that restricts the use of the Soccer Fields to athletic fields and related parking and such deed restriction shall be junior to any first mortgage on the Project or Soccer Fields.

Section 12.18. Right of First Refusal.

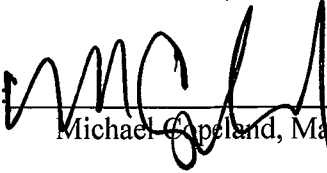
- A. If Developer or its successor decides to sell its interest in the Soccer Fields, the City shall have a right of first refusal to purchase the Soccer Fields from Developer at the lesser of (i) Developer's cost to acquire and construct the Soccer Fields plus a return of 7% to the date of purchase, minus depreciation; (ii) a price offered by a third-party, upon terms acceptable to Developer (if any); or (iii) a value established by averaging the then-current value of the Soccer Fields as a soccer complex as established by three (3) independent, licensed commercial real estate appraisers acceptable to the City and Developer.
- B. If Developer or its successor defaults under this Agreement or its loan on the Soccer Fields, the City shall have a right of first refusal to purchase the Soccer Fields at the price sufficient to pay off the loan for the Soccer Fields as limited by **Section 11.05** hereof.
- C. The City's right of first refusal shall be recorded against the Soccer Fields.

Section 12.19. 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.

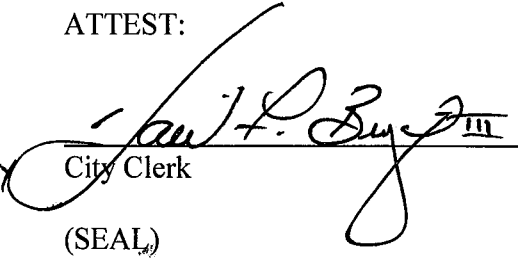
*[Remainder of page left blank intentionally
Signature pages to follow]*

THIS AGREEMENT has been executed as of the date first hereinabove written.

CITY OF OLATHE, KANSAS

By: 
Michael E. Copeland, Mayor

ATTEST:


Deputy City Clerk
(SEAL)



STATE OF KANSAS)
) SS.:
COUNTY OF JOHNSON)

On this 17th day of August, 2017, before me, the undersigned, a Notary Public in and for said state, personally appeared Michael E. Copeland and David F. Bryant III, proved to me on the basis of satisfactory evidence to be the persons whose names are subscribed to the within instrument as Mayor and ^{Deputy} 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:

09-20-2020

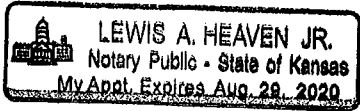
RIDGEVIEW EQUITIES, LLC

By: [Signature]
Printed Name: Michael A Christie
Title: Manager

STATE OF KANSAS)
) SS.:
COUNTY OF JOHNSON)

On this 1st day of August, 2017 before me, a Notary Public in and for said state, personally appeared Michael A. Christie, Manager of **RIDGEVIEW EQUITIES, LLC**, a Kansas limited liability company, and that the within instrument was signed and sealed on behalf of said limited liability company by authority of its members, and acknowledged said instrument to be the free act and deed of said limited liability company for the purposes therein stated.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year last above written.



[Signature]
Notary Public

My commission expires:
8/29/20

EXHIBIT A
LEGAL DESCRIPTION OF REDEVELOPMENT DISTRICT

Part of the NE $\frac{1}{4}$ of Section 12, T13S, R23E of the Sixth Principal Meridian, in the City of Olathe, Johnson County, Kansas, and LAKE RIDGE SOUTH, a subdivision in the City of Olathe, Johnson County, Kansas and Lots 1, 8 and Tract A, RIDGEVIEW MARKETPLACE, a subdivision in the City of Olathe, Johnson County, Kansas and part of Lot 2, RIDGEVIEW MARKETPLACE, more particularly described as follows:

Beginning at the Southeast corner of the NE $\frac{1}{4}$ of Section 12, T13S, R23E of the Sixth Principal Meridian, in the City of Olathe, Johnson County, Kansas; thence N 02°06'59" W, along the East line of said NE $\frac{1}{4}$, a distance of 662.81 feet to the Southeast corner of the N $\frac{1}{2}$ of the S $\frac{1}{2}$ of said NE $\frac{1}{4}$; thence S 87°37'56" W, along the South line of the N $\frac{1}{2}$ of the S $\frac{1}{2}$ of said NE $\frac{1}{4}$, a distance of 1,952.54 feet to a point on the West right-of-way line of Warwick Street, as platted, said point also being the TRUE POINT OF BEGINNING; thence continuing S 87°37'56" W, along the South line of the N $\frac{1}{2}$ of the S $\frac{1}{2}$ of said NE $\frac{1}{4}$, a distance of 698.32 feet to the Southwest corner of the N $\frac{1}{2}$ of the S $\frac{1}{2}$ of said NE $\frac{1}{4}$; thence N 02°10'52" W, along the West line of said NE $\frac{1}{4}$, a distance of 171.03 feet; thence N 43°46'02" E a distance of 131.13 feet; thence N 26°31'53" E a distance of 102.92 feet; thence N 35°36'47" E a distance of 97.23 feet; thence Northerly, on a curve to the left having a radius of 179.04 feet, for a distance of 164.58 feet; thence N 17°03'14" W a distance of 270.06 feet; thence N 11°50'04" W a distance of 219.96 feet; thence N 21°42'02" W a distance of 240.74 feet; thence N 31°08'33" W a distance of 99.54 feet to a point on the West line of said NE $\frac{1}{4}$; thence N 02°10'52" W, along the West line of said NE $\frac{1}{4}$, a distance of 334.30 feet to a point on the South right-of-way line of K-10 Hwy, as now established; thence N 85°55'01" E, along the South right-of-way line of said K-10 Hwy, a distance of 416.99 feet; thence S 84°59'59" E, continuing along said South right-of-way line and also along the Northerly line of Tract A, RIDGEVIEW MARKETPLACE, a subdivision in the City of Olathe, Johnson County, Kansas and its extension thereof, a distance of 491.60 feet; thence N 56°39'01" E, continuing along said South right-of-way line and also along the Northerly line of said Tract A, a distance of 138.12 feet; thence N 82°04'18" E, continuing along said South right-of-way line, a distance of 323.38 feet; thence S 85°21'59" E, continuing along said South right-of-way line and also along the Northerly line of said Tract A, a distance of 175.54 feet; thence S 73°25'59" E, continuing along said South right-of-way line and also along the Northerly line of Tract A and Lot 1, RIDGEVIEW MARKETPLACE, a distance of 286.40 feet; thence S 82°00'59" E, continuing along said South right-of-way line and also along the Northerly line of Lots 1 and 2, RIDGEVIEW MARKETPLACE, a distance of 274.57 feet; thence S 07°59'01" W, parallel with and 46.60 feet Westerly of the Easterly line of said Lot 2, a distance of 282.91 feet to a point on the Northerly line of Lot 9, RIDGEVIEW MARKETPLACE; thence N 81°37'14" W, along the Northerly line of said Lot 9, a distance of 92.22 feet; thence N 82°44'16" W, continuing along the Northerly line of said Lot 9, a distance of 75.09 feet; thence N 84°05'18" W, continuing along the Northerly line of said Lot 9, a distance of 147.99 feet; thence N 63°19'03" W, continuing along the Northerly line of said Lot 9, a distance of 42.05 feet; thence Southwesterly, along the Northwesterly line of said Lot 9, on a curve to the left having an initial tangent bearing of S 88°30'42" W and a radius of 155.00 feet,

for a distance of 245.36 feet; thence S 02°02'53" E, along the West line of said Lot 9, a distance of 438.16 feet; thence Southerly, continuing along the West line of said Lot 9, on a curve to the left having an initial tangent bearing of S 02°21'56" E and a radius of 101.50 feet, for a distance of 11.13 feet to the Southwest corner of said Lot 9; thence N 87°37'15" E, along the Southerly line of said Lot 9, a distance of 445.43 feet; thence S 02°22'42" E a distance of 36.54 feet to a corner of the Southerly line of said Lot 9; thence N 87°37'15" E, along the Southerly line of said Lot 9, a distance of 354.36 feet to the Northwest corner of Lot 6, RIDGEVIEW MARKETPLACE; thence S 02°22'04" E, along the West line of said Lot 6, a distance of 304.58 feet; thence S 21°13'19" W, along the Westerly line of said Lots 6 and 7, a distance of 139.48 feet to a corner on the Westerly line of said Lot 7; thence S 02°10'03" E, along the West line of said Lot 7, a distance of 269.99 feet to the Southwest corner of said Lot 7, said point also being on the North right-of-way line of 106th Street, as platted; thence S 87°37'56" W, along the North right-of-way line of said 106th Street, a distance of 17.04 feet; thence S 02°22'04" E, along the Northerly right-of-way line of said 106th Street, a distance of 10.00 feet; thence S 87°37'56" W, along the North right-of-way line of said 106th Street, a distance of 1,455.19 feet to a point on the East right-of-way line of said Warwick Street; thence N 02°22'45" W, along the East right-of-way line of said Warwick Street, a distance of 32.00 feet; thence S 87°37'56" W a distance of 80.00 feet to a point on the West right-of-way line of said Warwick Street; thence S 02°22'45" E, along the West right-of-way line of said Warwick Street, a distance of 72.00 feet to the TRUE POINT OF BEGINNING, containing 71.44769 acres, more or less.

...and also...

Lots 5, 6, 7, 9 and the Easterly 46.60 feet of Lot 2, RIDGEVIEW MARKETPLACE, a subdivision in the City of Olathe, Johnson County, Kansas, containing 17.34384 acres, more or less.

...and also...

Lots 10, 11 and 12, RIDGEVIEW MARKETPLACE REPLAT, a subdivision in the City of Olathe, Johnson County, Kansas, containing 4.19043 acres, more or less.

...except...

Beginning at the Southeast corner of the NE¼ of Section 12, T13S, R23E of the Sixth Principal Meridian, in the City of Olathe, Johnson County, Kansas; thence N 02°06'59" W, along the East line of said NE¼, a distance of 662.81 feet to the Southeast corner of the N½ of the S½ of said NE¼; thence S 87°37'56" W, along the South line of the N½ of the S½ of said NE¼, a distance of 1,845.86 feet; thence N 02°22'04" W a distance of 884.93 feet to the TRUE POINT OF BEGINNING; thence N 59°11'38" W a distance of 795.00 feet; thence N 30°48'22" E a distance of 345.00 feet; thence S 59°11'38" E a distance of 795.00 feet; thence S 30°48'22" W a distance of 345.00 feet to the TRUE POINT OF BEGINNING, containing 6.29649 acres, more or less.

...and also except...

Beginning at the Southeast corner of the NE¹/₄ of Section 12, T13S, R23E of the Sixth Principal Meridian, in the City of Olathe, Johnson County, Kansas; thence N 02°06'59" W, along the East line of said NE¹/₄, a distance of 662.81 feet to the Southeast corner of the N¹/₂ of the S¹/₂ of said NE¹/₄; thence S 87°37'56" W, along the South line of the N¹/₂ of the S¹/₂ of said NE¹/₄, a distance of 892.02 feet; thence N 02°22'04" W a distance of 59.77 feet to the TRUE POINT OF BEGINNING; thence S 87°38'40" W a distance of 795.01 feet; thence N 02°18'45" W a distance of 342.76 feet; thence N 87°41'15" E a distance of 795.01 feet; thence N 02°18'45" W a distance of 61.76 feet; thence S 87°39'15" W a distance of 510.00 feet; thence N 02°18'45" W a distance of 202.36 feet; thence S 87°07'09" W a distance of 27.20 feet; thence S 49°06'20" W a distance of 360.00 feet; thence N 40°53'40" W a distance of 225.00 feet; thence N 49°06'20" E a distance of 360.00 feet; thence S 40°53'40" E a distance of 225.00 feet; thence N 87°07'09" E a distance of 27.20 feet; thence N 02°18'45" W a distance of 142.64 feet; thence N 87°41'15" E a distance of 225.00 feet; thence S 02°18'45" E a distance of 44.70 feet; thence N 87°41'15" E a distance of 285.00 feet; thence S 02°18'45" E a distance of 703.92 feet to the TRUE POINT OF BEGINNING, containing 11.85471 acres, more or less.

EXHIBIT A-1
DEPICTION OF SOCCER FIELDS

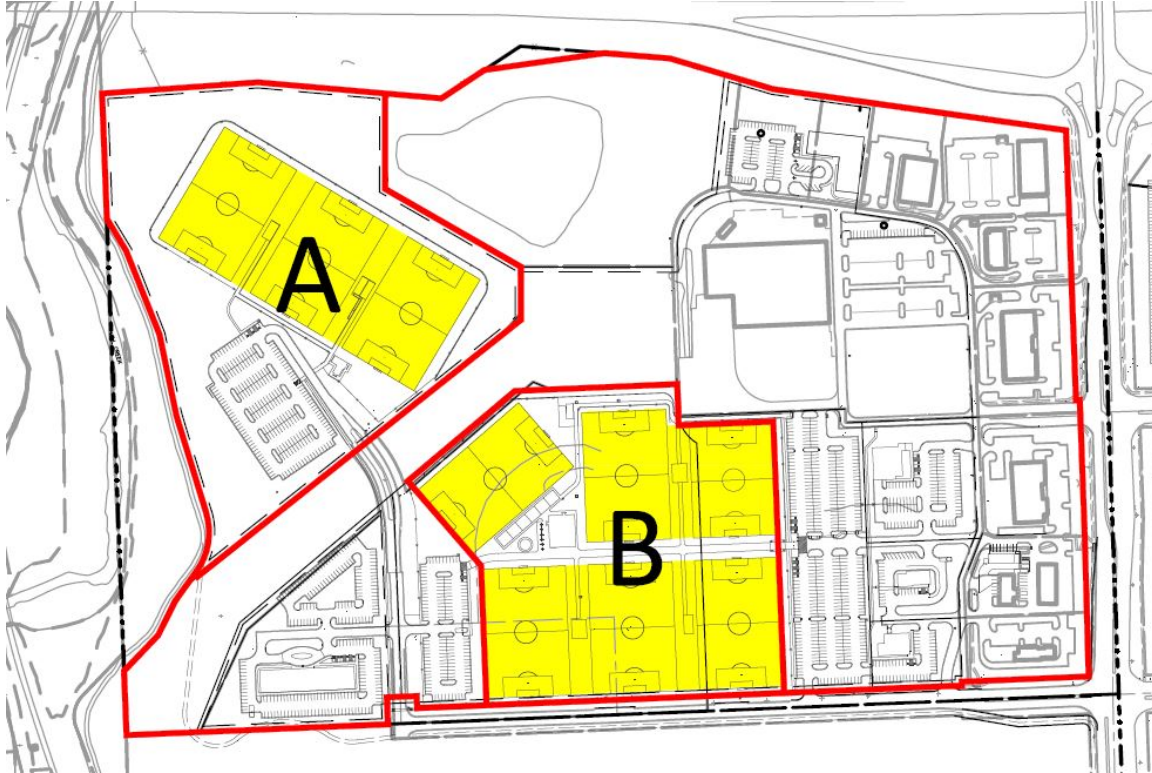


EXHIBIT B
FORM OF CERTIFICATE OF REDEVELOPMENT PROJECT COSTS
CERTIFICATE OF REDEVELOPMENT PROJECT COSTS

TO: City of Olathe, Kansas
Attention: City Manager

Re: Olathe Soccer Complex Redevelopment District

Terms not otherwise defined herein shall have the meaning ascribed to such terms in the Development Agreement (Ridgeview Equities, LLC) dated as of _____, 201__ (the "Agreement") between the City and the Developer.

In connection with the Agreement, the undersigned hereby states and certifies that:

1. Each item listed on *Schedule 1* hereto is a Redevelopment Project Cost and was incurred in connection with the construction of the Project after _____, 201__.
2. These Redevelopment Project Costs have been paid by the Developer and are reimbursable under the Project Plan and the Agreement.
3. Each item listed on *Schedule 1* has not previously been paid or reimbursed from money derived from the Tax Increment 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____.

RIDGEVIEW EQUITIES, LLC

By: _____

Printed Name: _____

Title: _____

Approved for Payment this day of _____, 20____.

CITY OF OLATHE, KANSAS

By: _____

Title: _____

EXHIBIT C
FORM OF CERTIFICATE OF FULL COMPLETION

*Pursuant to **Section 4.07** of the Agreement, the City shall, within ten (10) days following delivery of this Certificate, carry out such inspections as it deems necessary to verify to its reasonable satisfaction the accuracy of the certifications contained in this Certificate.*

CERTIFICATE OF FULL COMPLETION

The undersigned, Ridgeview Equities, LLC (the “Developer”), pursuant to that certain Development Agreement (_____ Soccer Complex) dated as of _____, 201__, 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 applicable portions of the Project 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 Full 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, ratifying 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 each building to be constructed within the Project.
5. This Certificate of Full 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 the recordation of this Certificate with the Johnson County Recorder of Deeds, shall evidence the satisfaction of the Developer’s agreements and covenants to construct the Project.

This Certificate shall be recorded in the office of the Johnson County Recorder of Deeds. 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.

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

RIDGEVIEW EQUITIES, LLC,
a Kansas limited liability Company

By: _____

Name: _____

Title: _____

ACCEPTED:

CITY OF OLATHE, KANSAS

By: _____

Name: _____

Title: _____

(Insert Notary Form(s) and Legal Description)

**EXHIBIT D
PROJECT BUDGET**

Olathe Soccer Complex Project Budget

<u>Cost Category</u>	<u>Estimated Cost Total</u>	<u>TIF Eligible Private</u>	<u>CID Eligible Private</u>
Land Acquisition	7,900,000	Private	Private
All Infrastructure			
Demolition	in sitework	Qualified	Qualified
Site work	2,250,000	Qualified	Qualified
Parking - On Grade \$1,500/space Streets and Drives (\$400,000) Traffic	1,300,000	Qualified	Qualified
Common Area Improvements/Site Amenities(LED lights)	150,000	Qualified	Qualified
Offsite Street Improvements (Lights and widening lanes at 106th)	790,000	Qualified	Qualified
Storm Drainage Onsite	600,000	Qualified	Qualified
Storm Drainage Offsite		Qualified	Qualified
Water main	100,000	Qualified	Qualified
Sewer	220,000	Qualified	Qualified
Retaining walls	1,000,000	Qualified	Qualified
Landscaping	295,000	Qualified	Qualified
Total	6,705,000	Qualified	Qualified
Design - Permits & Fees	\$565,000		
al	95,000	Qualified	Qualified
Traffic	335,000	Qualified	Qualified
Inspections	30,000	Qualified	Qualified
GeoTech	50,000	Qualified	Qualified
Survey	30,000	Qualified	Qualified
Code Review - legal	25,000	Qualified	Qualified
Permits/Sanitary Impact & Water Fees	0	Qualified	Qualified
(\$10,000/acre)	Paid	Qualified	Qualified
Hard Construction Costs			
Outdoor Soccer Fields	6,000,000		
Field Lighting	1,200,000		
4 Building in OSC	2,000,000		
Legal			
Attorney	150,000	Qualified	Qualified
Finance			
Appraisal	5,000	Qualified	Qualified
Property Insurance	25,000	Qualified	Qualified

Olathe Soccer Complex Project Budget

Closing Costs	200,000	Qualified	Qualified
Financing - Interest Carry	1,000,000	Qualified	Qualified
Development Fee	1,500,000	Qualified	Qualified
Contingency	1,000,000	Qualified	Qualified
TOTAL	\$28,250,000	Complex	
OSC Lot 1 - Hotel			
Land Cost	\$2,500,000	Qualified	Qualified
Sitework	\$250,000	Qualified	Qualified
Building Cost	\$9,000,000		
Soft Cost	\$200,000		
	\$11,950,000	Total for Lot 1	
OSC Lot 2 - Steakhouse 6,800sf			
Land Cost	\$1,000,000	Qualified	Qualified
Sitework	\$250,000	Qualified	Qualified
Building Cost	\$2,000,000		
Soft Cost	\$100,000		
	\$3,350,000	Total for Lot 2	
OSC Lot 3 - Drive thru 3,300sf			
Land Cost	\$750,000	Qualified	Qualified
Sitework	\$300,000		
Building Cost	\$950,000		
Soft Cost	\$100,000		
	\$2,100,000	Total for Lot 3	
OSC Lot 4 - Urgent Care 5,600sf			
Land Cost	\$1,000,000	Qualified	Qualified
Sitework	\$450,000	Qualified	Qualified
Building Cost	\$3,000,000		
Soft Cost	\$100,000		
	\$4,550,000	Total for Lot 4	
OSC Back Hotel			
Land Cost	\$1,000,000	Qualified	Qualified
Sitework	\$300,000	Qualified	Qualified
Building Cost	\$8,250,000		
Soft Cost	\$200,000		
	\$9,750,000	Total for OSC Back Hotel	
Total Project Cost	\$59,950,000		

EXHIBIT E
PROJECT SCHEDULE

Site work/ Grading (Clarkson)	September 15, 2017 - March 1, 2018
Soccer Fields installation	March 1, 2018 – December 30, 2018
Complex buildings	March 1, 2018 – May 1, 2019
Retail Pads (OSC 2,3,4)	March 1, 2018 – June 1, 2019
Construction on Hotels	March 1, 2018 – June 1, 2019
Family Leisure Lot 9 Pads	November 1, 2018 – August 1, 2019

EXHIBIT F
**MAINTENANCE AND CAPITAL REPLACEMENT PLAN FOR SOCCER FIELDS,
PARKING AREAS AND PRIVATE ROAD NETWORK WITHIN THE CID**

During the term of the CID, Developer will carefully maintain (or cause to be maintained) within the CID and Soccer Fields 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 retail centers in the City, and all at times in accordance with the City's Unified Development Ordinance, and other applicable laws and regulations, including, but not limited to, the implementation of the maintenance procedures set forth below. Developer's maintenance of the CID and Soccer Fields will include, without limitation, that:

1. For the Soccer Fields, Developer will require the lessee/soccer operator ("Operator") to oversee, manage and maintain that area consistent with this Maintenance Plan. The field turf and equipment used in connection with the Soccer Fields will be replaced in accordance with industry and manufacturer standards. The escrowed funds described in Section 5.03(A)(2) of the Agreement will be used for such replacement to the extent necessary, and any shortfall in funds will be supplied by Developer.
2. Principals of Developer currently manage and maintain commercial properties and are competent to manage and maintain the CID;
3. Once installed, all landscaping in the CID 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;
4. All parking areas, curbs, and drives and access in the CID 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 such striping will be reasonably up-kept and repainted as needed;
5. All façade improvements owned or controlled by Developer in the CID 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;
6. All lighting and pylon- and entry-signage in the CID and Soccer Fields 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 CID and Soccer Fields well-lit in accordance with the Unified Development Ordinance and the repair and replacement provisions set forth below;

7. During the CID Term, Developer will cause the CID to be maintained, preserved and kept in good repair and working order in a safe condition, consistent at all times with other similarly situated retail centers in the City and the maintenance procedures set forth herein; and
8. Developer will make or cause to be made all repairs renewals, replacements and improvements necessary for the safe, efficient, and advantageous conduct of its business and operations upon the CID and Soccer Fields; 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.