
COOPERATIVE AGREEMENT

among the

CITY OF INDEPENDENCE, MISSOURI,

the

INDEPENDENCE SQUARE COMMUNITY IMPROVEMENT DISTRICT,

and

INDEPENDENCE SQUARE MAIN STREET CORPORATION

dated as of

_____, 2022

COOPERATIVE AGREEMENT

Table of Contents

Parties 1

ARTICLE 1: DEFINITIONS, RECITALS AND EXHIBITS

Section 1.1 Recitals and Exhibits 1
Section 1.2 Definitions 1

ARTICLE 2: REPRESENTATIONS

Section 2.1. Representations by the District..... 3
Section 2.2. Representations by the City 4
Section 2.3. Representations by the ISA 5

ARTICLE 3: DISTRICT REVENUE SOURCES AND FUNDING ARRANGEMENTS

Section 3.1. Imposition of the District Sales Tax 5
Section 3.2. Administration of Funding Sources..... 5
Section 3.3. Administrative Costs 6
Section 3.4. Operating Costs 6
Section 3.5. Annual Budget..... 6
Section 3.6. Enforcement 6
Section 3.7. Certification of Costs..... 6
Section 3.8. Distribution of the District Revenues 7

ARTICLE 4: FINANCING DISTRICT PROJECTS

Section 4.1. Design and Construction of CID Improvements 7
Section 4.2. Financing the CID Improvements 7
Section 4.3. Ownership and Maintenance of CID Improvements 7

ARTICLE 5: TERMINATION AND ABOLISHMENT

Section 5.1. Repeal of District Sales Tax 8
Section 5.2. Abolishment of the District 8

ARTICLE 6: SPECIAL COVENANTS

Section 6.1. Records of the District..... 8

ARTICLE 7: DEFAULTS AND REMEDIES

Section 7.1. Events of Default..... 8
Section 7.2. Remedies on Default 9
Section 7.3. Rights and Remedies Cumulative..... 9
Section 7.4. Waiver of Breach 9
Section 7.5. Excusable Delays..... 9

ARTICLE 8: MISCELLANEOUS

Section 8.1.	Effective Date and Term.....	9
Section 8.2.	Modification	9
Section 8.3.	Jointly Drafted	9
Section 8.4.	Applicable Law	9
Section 8.5.	Common Representation	9
Section 8.6.	Validity and Severability	9
Section 8.7.	Execution of Counterparts	10
Section 8.8.	City Approvals.....	10
Section 8.9.	District Approvals.....	10
Section 8.10.	ISA Approvals	10
Section 8.11.	Electronic Storage.....	10
Section 8.12.	Recordation of Memorandum of Agreement.....	10
	Signatures.....	10
	Exhibit A – Form of Cost Certification	
	Exhibit B – Five-Year Plan with Description of Public Improvements	

COOPERATIVE AGREEMENT

THIS COOPERATIVE AGREEMENT (the “**Agreement**”), entered into as of this _____ day of _____, 2022, by and between the **CITY OF INDEPENDENCE, MISSOURI**, a constitutional charter city and municipal corporation organized and existing under the laws of the State of Missouri (the “**City**”), the **INDEPENDENCE SQUARE COMMUNITY IMPROVEMENT DISTRICT**, a Missouri community improvement district (the “**District**” or “**CID**”), and the **INDEPENDENCE SQUARE MAIN STREET CORPORATION**, a non-profit corporation formed under the laws of the State of Missouri (the “**ISMS**”) (the City, the District and the ISMS being sometimes collectively referred to herein as the “**Parties**”, and individually as a “**Party**”, as the context so requires).

WITNESSETH:

WHEREAS, the owners of real property located within the District filed the Petition (as defined herein) which proposed formation of the District to assist in the funding of certain public improvements that serve the District; and

WHEREAS, on July 20, 2020, the City Council held a public hearing concerning the establishment of the proposed District and thereafter on August 3, 2020 adopted Ordinance No. 19146, which approved the Petition and established the District; and

WHEREAS, the Parties desire to enter into an agreement regarding the operation of the District, the imposition, administration, and disbursement of the District Sales Tax, the completion of the Public Improvements (as defined herein), and the application of the proceeds of the District Sales Tax.

NOW, THEREFORE, for and in consideration of the premises, and the mutual covenants herein contained, the Parties agree as follows:

ARTICLE 1: DEFINITIONS, RECITALS AND EXHIBITS

Section 1.1 Recitals and Exhibits. The representations, covenants, and recitations set forth in the foregoing recitals and the exhibits attached to this Agreement 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, and the appropriate exhibits are incorporated into each Section of this Agreement that makes reference to an exhibit.

Section 1.2. Definitions. Words and terms defined elsewhere in this Agreement shall have the meanings assigned therein. Whenever used in this Agreement, the following words and phrases, unless the context otherwise requires, shall have the following meanings:

“**Administrative Fee**” means District Revenues that the ISMS shall receive as compensation for performing the administrative duties of the District in an amount not to exceed \$12,000 in each Fiscal Year of the District.

“**Applicable Laws 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 any unit of government.

“Board of Directors” means the governing body of the District.

“Budget” shall have the meaning set forth in Section 3.5.

“CID Act” means the Missouri Community Improvement District Act, Sections 67.1401 to 67.1571, RSMo, as amended.

“CID Improvements” means those improvements described in Exhibit C to the Petition (attached as Exhibit B hereto) and consist of Public Improvements and Private Improvements.

“City” means the City of Independence, Missouri.

“City Council” means the governing body of the City.

“City Manager” means the City Manager of the City.

“Costs of Formation” means actual, reasonable costs and expenses of the ISMS related to the formation of the CID, and includes all legal fees and other costs incurred in the formation proceedings as well as all legal fees incurred in litigation relating to the formation proceedings.

“County” means Jackson County, Missouri.

“District Revenues” means the monies actually collected, pursuant to this Agreement and the CID Act, from the imposition of the District Sales Tax.

“District Sales Tax” means the sales and use tax imposed by the District within its boundaries pursuant to the CID Act in the amount of 1.0%, as established by resolution of the District and approved by the qualified voters of the District.

“Effective Date” means the date that this Agreement is fully executed by the parties.

“Event of Default” means any event specified in Section 7.1 of this Agreement.

“Excusable Delays” means delays due to acts of terrorism, acts of war or civil insurrection, strikes, riots, floods, earthquakes, fires, tornadoes, casualties, acts of God, labor disputes, governmental restrictions or priorities, embargoes, national or regional material shortages, failure to obtain regulatory approval from any Federal or State regulatory body, unforeseen site conditions, material litigation by parties other than the Parties not caused by the Parties’ failure to perform, or any other condition or circumstances beyond the reasonable or foreseeable control of the applicable party using reasonable diligence to overcome which prevents such party from performing its specific duties or obligation hereunder in a timely manner.

“Fiscal Year” means July 1 through June 30 of each year, which Fiscal Year coincides with the City’s fiscal year.

“ISMS Board of Directors” means the governing body of the ISMS.

“Operating Costs” means the actual, reasonable expenses which are necessary for the operation of the District which shall include, but are not limited to, costs associated with notices, publications, meetings, supplies, equipment, photocopying, insurance, the engagement of special legal counsel, financial auditing services, other consultants or services, including companies engaged by the District to review applications to review applications for reimbursement .

“Ordinance” means an ordinance enacted by the City Council.

“Petition” means the Petition to the City for the establishment of the Independence Square Community Improvement District, approved by the City Council pursuant to Ordinance No. 19146.

“Private Improvements” means the portion of the CID Improvements designated as “Private Improvements” on Exhibit B hereto.

“Project Costs” means all actual and reasonable costs and expenses which are incurred by the ISMS or at the direction of the District with respect to the CID Improvements, including the actual and reasonable cost of labor and materials payable to contractors, builders, suppliers, vendors, and materialmen in connection with the construction contracts awarded in connection with the CID Improvements that are constructed or undertaken, plus all actual and reasonable costs to plan, finance, develop, design, and acquire the CID Improvements, including but not limited to the following:

A. actual and reasonable fees and expenses of architects, appraisers, attorneys, surveyors and engineers for estimates, surveys, soil borings, and soil tests and other preliminary investigations and items necessary to the commencement of construction, preparation of plans, drawings and specifications, and supervision of construction, as well as for the performance of all other duties of architects, appraisers, attorneys, surveyors, and engineers in relation to the construction of the CID Improvements and all actual and reasonable costs for the oversight of the completion of the CID Improvements including overhead expenses for administration, supervision, and inspection incurred in connection with the CID Improvements; and

B. all other items of expense not elsewhere specified in this definition which may be necessary or incidental to the review, approval, acquisition, construction, improvement, and equipping of the Public Improvements and which may lawfully be paid for or incurred by the District under the CID Act.

“Public Improvements” means that portion of the CID Improvements designated as “Public Improvements” on Exhibit B hereto.

“Reimbursable Project Costs” means Project Costs approved by the District pursuant to the cost certification process set out in Section 3.7.

“Report” shall have the meaning set forth in Section 3.5.

“State” means the State of Missouri.

“Treasurer” means the official elected then currently serving as the treasurer of the District.

ARTICLE 2: REPRESENTATIONS

Section 2.1. Representations by the District. The District represents that:

A. The District is a community improvement district and political subdivision, duly organized and existing under the laws of the State, including particularly the CID Act.

B. The District has authority to enter into this Agreement and to carry out its obligations under this Agreement. By proper action of its Board of Directors, the District has been duly authorized to execute and deliver this Agreement, acting by and through its duly authorized officers.

C. The CID Improvements are authorized in the Petition.

D. The execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement, and the performance of or compliance with the terms and conditions of this Agreement by the District will not conflict with or result in a breach of any of the terms, conditions, or provisions of, or constitute a default under, any mortgage, deed of trust, lease, or any other restriction or any agreement or instrument to which the District is a party or by which it or any of its property is bound, or any order, rule, or regulation of any court or governmental body applicable to the District or any of its property, or result in the creation or imposition of any prohibited lien, charge, or encumbrance of any nature whatsoever upon any of the property or assets of the District under the terms of any instrument or agreements to which the District is a party.

E. The District acknowledges that construction of the CID Improvements is of significant value to the District, the property within the District, and the general public. The District finds and determines that the CID Improvements will promote the economic welfare and the development of the District, the City, and the State through: (i) the creation of temporary and permanent jobs; (ii) increasing local and state tax revenues and (iii) providing for the remediation of blight within the District. Further, the District finds that the CID Improvements conform to the purposes of the CID Act.

F. There is no litigation or proceeding pending or threatened against the District affecting the right of the District to execute or deliver this Agreement or the ability of the District to comply with its obligations under this Agreement or which would materially adversely affect its financial condition.

G. The District acknowledges that Section 285.530, RSMo, prohibits any business entity or employer from knowingly employing, hiring for employment, or continuing to employ an unauthorized alien to perform work within the state of Missouri. District therefore covenants that it will not knowingly violate subsection 1 of Section 285.530, RSMo, and that it will not knowingly employ, hire for employment, or continue to employ any unauthorized aliens to perform work related to this Agreement, and that its employees are lawfully eligible to work in the United States.

Section 2.2. Representations by the City. The City represents that:

A. The City a constitutional charter city and municipal corporation organized and existing under the Constitution and laws of the State of Missouri.

B. The City has authority to enter into this Agreement and to carry out its obligations under this Agreement, and the City Manager of the City is duly authorized to execute and deliver this Agreement.

C. The execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement, and the performance of or compliance with the terms and conditions of this Agreement by the City will not conflict with or result in a breach of any of the terms, conditions, or provisions of, or constitute a default under, any mortgage, deed of trust, lease, or any other restriction or any agreement or instrument to which the City is a party or by which it or any of its property is bound, or any order, rule or regulation of any court or governmental body applicable to the City or any of its property, or result in the creation or imposition of any prohibited lien, charge, or encumbrance of any

nature whatsoever upon any of the property or assets of the City under the terms of any instrument or agreement to which the City is a party.

D. There is no litigation or proceeding pending or threatened against the City affecting the right of the City to execute or deliver this Agreement or the ability of the City to comply with its obligations under this Agreement.

Section 2.3. Representations by the ISMS. The ISMS represents that:

A. The ISMS is duly organized and existing as a non-profit corporation under Chapter 355 of the Revised Statutes of Missouri, as amended, and the Board of Directors is the governing body of the ISMS under such law.

B. The ISMS has authority to enter into this Agreement and to carry out its obligations under this Agreement, and the officers of the ISMS are duly authorized to execute and deliver this Agreement.

C. The execution and delivery of this Agreement, the consummation of the transactions contemplated thereby, 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.

D. There is no litigation or proceeding pending or threatened against the ISMS affecting the right of the ISMS to execute or deliver this Agreement or the ability of the ISMS to comply with its obligations under this Agreement.

F. The ISMS acknowledges that Section 285.530, RSMo, prohibits any business entity or employer from knowingly employing, hiring for employment, or continuing to employ an unauthorized alien to perform work within the state of Missouri. ISMS therefore covenants that it will not knowingly violate subsection 1 of Section 285.530, RSMo, and that it will not knowingly employ, hire for employment, or continue to employ any unauthorized aliens to perform work related to this Agreement, and that its employees are lawfully eligible to work in the United States.

ARTICLE 3: DISTRICT REVENUE SOURCES AND FUNDING ARRANGEMENTS

Section 3.1. Imposition of the District Sales Tax. The District has approved the District Sales Tax by resolution and the voters of the District have approved the District Sales Tax in an election called for such purpose. The Treasurer shall request each year that the District annually appropriate all District Revenues by resolution in accordance with this Agreement. The District Sales Tax shall be collected by the Missouri Department of Revenue as provided in the CID Act. The District shall receive the District Revenue from the Missouri Department of Revenue, which shall be used in accordance with this Agreement.

Section 3.2. Administration of Funding Sources. The District agrees to perform for the District all functions incident to the administration and enforcement of the District Sales Tax, pursuant to the CID Act and this Agreement. The District Revenues shall be deposited in a special trust account for the purpose of accounting for and expending the District Revenues according to the appropriation and budgeting decisions rendered by the District. The District may amend the forms, administrative rules, and regulations applicable to the administration, collection, enforcement, and operation of the District Sales

Tax, as needed. The District shall cooperate to provide for the budgeting and appropriation of the District revenues.

Section 3.3. Administrative Costs. ISMS agrees to perform all administrative functions related to the District, and ISMS shall receive an Administrative Fee. The District shall pay the Administrative Fee from District Revenues upon invoice from ISMS at the times and in the priority set out in Section 3.8. The Administrative Fee shall be included in the District's annual budget, as provided in Section 3.5.

Section 3.4. Operating Costs. The District shall pay for the Operating Costs of the District from District Revenues. The Operating Costs shall be included in the District's annual budget, as provided in Section 3.5.

Section 3.5. Annual Budget.

A. The District shall annually prepare a budget (the "Budget") and an annual report (the "Report") describing the major activities of the District during the upcoming year and the preceding year. The fiscal year of the District shall coincide with the City's fiscal year, which is July 1 through June 30 each year. The Budget for each Fiscal Year shall be submitted to the City for review and comment not less than thirty (30) days prior to the intended date of approval of the Budget. The Budget shall be prepared in accordance with all applicable state statutes including Section 67.010, RSMo, as amended.

B. The Budget shall include a request for an appropriation of the District Revenues to provide for reimbursement of Costs of Formation until such costs are fully reimbursed to the ISMS. The City may review and comment on the Budget and may provide written recommendations to the District on the Budget no later than 30 days prior to new Fiscal Year.

C. The Board of Directors shall adopt a Budget for the District when required by law for the ensuing budget year, for every fund of the District of any kind, in such a manner as may be provided by law. If the Board of Directors fails to adopt a Budget by the first day of a fiscal year, the District shall be deemed to have adopted for such fiscal year a Budget which provides for application of the District's Revenues collected in such fiscal year in accordance with the Budget for the prior fiscal year.

Section 3.6. Enforcement of Revenue Sources. The District will take all actions necessary for enforcement of the District Sales Tax to the extent required or authorized by the Missouri Department of Revenue. The District may prosecute or defend an action, lawsuit, or proceeding or take any other action involving third persons which the District deems reasonably necessary in order to secure the payment of the District Sales Tax. All actions taken by the District for enforcement and any legal proceeding filed by the District for enforcement and collection of the District Sales Tax shall be treated as Operating Costs of the District.

Section 3.7. Certification of Costs. No District Revenues shall be paid by the District to the ISMS for any costs prior to certification of such costs in accordance with this Section. All Costs of Formation and Project Costs shall be eligible for reimbursement to the ISMS under Section 3.7, below, upon acceptance by the District of a certification of such costs by the ISMS in substantially the form attached to this Agreement as Exhibit A (a "Cost Certification"). Upon receipt by the District of an executed and completed Cost Certification (together with supporting invoices), the District shall have ten calendar days to inform the ISMS of any inadequacy of the Cost Certification, based on the District's determination that the Cost Certification requests payment for costs that either are not reimbursable under this Agreement or have already been the subject of a Cost Certification. If the District has no such reason to contest the Cost Certification, or if the ten-day time period passes without such notification, the District

shall accept the Cost Certification by signature as shown on Exhibit A. The District shall keep records of all Cost Certifications submitted, the total amount of costs so certified, and the amounts that, at any time, have been certified but have not yet been reimbursed in accordance with Section 3.7.

Section 3.8. Distribution of the District Revenues. The District shall distribute the District Revenues then on deposit in its special trust account at least once each calendar quarter, in the following order of priority:

- A. The District shall pay Operating Costs of the District.
- B. The District shall pay ISMS the Administrative Fee.
- C. The District shall reimburse the ISMS for Costs of Formation certified in accordance with Section 3.7.
- D. The District shall reimburse the ISMS for Project Costs certified in accordance with Section 3.7.

The order of priorities set forth in this Section may be modified by subsequent written instrument among the City, the District and the ISMS.

ARTICLE 4: FINANCING DISTRICT PROJECTS

Section 4.1. Design and Construction of CID Improvements. The CID Improvements shall be designed and constructed by or at the direction of the ISMS. The CID Improvements shall be designed and constructed in accordance with applicable City-approved zoning and subdivision ordinances and associated plans and specifications. The ISMS shall comply with all Applicable Laws and Requirements, including (with respect to the Public Improvements) laws related to the construction of public improvements, such as the payment of prevailing wages to contractors or subcontractors of ISMS for construction of the Public Improvements and obtaining a payment bond in compliance with Section 107.170, RSMo; provided that this Agreement shall not be deemed to impose such requirements if not otherwise required by Applicable Laws and Requirements. ISMS shall indemnify and hold harmless the City and the District for any damage resulting to it from failure of either ISMS or its contractor or subcontractors to comply with any such requirements. ISMS shall use commercially reasonable efforts to clear blight or rehabilitate to eliminate the physical blight existing within the blighted area, or make adequate provisions satisfactory to the City for the clearance of such blight, which obligation may be satisfied by performing the CID Improvements. Notwithstanding the foregoing, to the extent the ISMS fails to perform the CID Improvements, whether fully or partially, the sole remedy hereunder shall be that the ISMS shall not be entitled to reimbursement of Reimbursable Project Costs, and in no event shall ISMS be required to perform such obligations or expend money in furtherance thereof in excess of what may be reimbursed to ISMS hereunder.

Section 4.2. Financing the CID Improvements. The District shall impose the District Sales Tax within the boundaries of the District to fund the CID Improvements and other costs authorized by this Agreement. The District shall not use or impose any taxes other than a District Sales Tax or impose any other funding mechanisms unless the City Council, by Ordinance, modifies the limitations on the District's authority as set forth in the Petition.

Section 4.3. Ownership and Maintenance of CID Improvements. The City shall have no ownership of the CID Improvements, and the District or the ISMS shall at all times be responsible for

maintenance of the CID Improvements, except as certain improvements are dedicated to and accepted by the City in accordance with Applicable Laws and Requirements. The District or the ISMS shall be responsible for obtaining and maintaining insurance for the design, construction, operation and maintenance of the CID Improvements, except as certain improvements are dedicated to and accepted by the City in accordance with Applicable Laws and Requirements.

ARTICLE 5: TERMINATION AND ABOLISHMENT

Section 5.1. Repeal of District Sales Tax. The District shall continue to impose the District Sales Tax until the District repeals the sales tax, so long as it will not impair the District's ability to repay any liabilities incurred, moneys borrowed or the prepayment of any Obligations issued by the District, or the earlier of (1) the date that is thirty (30) years from the date of the ordinance approving the CID or (2) repayment of any Obligations issued by the District, for the purpose of funding for the construction of public improvements and the provision of services within the District's boundaries and for all other lawful purposes as allowed by the CID Act.

Section 5.2. Abolishment of the District. The District shall implement the procedures in the CID Act for abolishment of the District within one year of the repeal of the District Sales Tax. Upon termination of the District, the District shall distribute the District Revenues in accordance with Section 3.8 and then transfer any remaining District Revenues in a manner permitted by the CID Act and as directed by the District's resolution of abolishment.

ARTICLE 6: SPECIAL COVENANTS

Section 6.1. Records of the District. The District shall be the official record keeper of the District Revenues, and shall keep proper books of record and account in which full, true, and correct entries will be made of all dealings or transactions of or in relation to its financial affairs, and will furnish to the District such information as it may reasonably request concerning the District, including such statistical and other operating information requested on a periodic basis, in order to enable such parties to determine whether the covenants, terms, and provisions of this Agreement have been met. All pertinent books, documents, and vouchers relating to District business, affairs, and properties shall at all times during regular business hours be open to the inspection of such accountant or other agent (who may make copies of all or any part thereof provided that the confidentiality of all records shall be maintained pursuant to such confidentiality agreements as reasonably required) as shall from time to time be designated and compensated by the inspecting party.

ARTICLE 7: DEFAULTS AND REMEDIES

Section 7.1. Events of Default. If any one or more of the following events shall occur and be continuing, such event or events shall constitute an Event of Default under this Agreement:

A. Failure by the District to make a payment, in a timely manner as required by this Agreement; or

B. Failure by any Party in the performance of any other covenant, agreement, or obligation imposed or created by this Agreement, and the continuance of such default for sixty (60) days after the non-defaulting party has given written notice to the defaulting party specifying such default.

Section 7.2. Remedies on Default. If any Event of Default has occurred and is continuing, then any non-defaulting party may, upon its election or at any time after its election while such default continues, by mandamus or other suit, action, or proceedings at law or in equity, enforce its rights against the defaulting party and its officers, agents, and employees, and to require and compel duties and obligations required by the provisions of this Agreement.

Section 7.3. Rights and Remedies Cumulative. The rights and remedies reserved by the Parties under this Agreement and those provided by law shall be construed as cumulative and continuing rights. No one of them shall be exhausted by the exercise thereof on one or more occasions. The Parties shall be entitled to specific performance and injunctive or other equitable relief for any breach or threatened breach of any of the provisions of this Agreement, notwithstanding availability of an adequate remedy at law, and the Parties hereby waive the right to raise such defense in any proceeding in equity.

Section 7.4. Waiver of Breach. No waiver of any breach of any covenant or agreement contained in this Agreement shall operate as a waiver of any subsequent breach of the same covenant or agreement or as a waiver of any breach of any other covenant or agreement, and in case of an Event of Default, a non-defaulting Party may nevertheless accept from the defaulting party, any payment or payments without in any way waiving the non-defaulting party's right to exercise any of its rights and remedies as provided herein with respect to any such default or defaults in existence at the time when such payment or payments were accepted by the non-defaulting party.

Section 7.5. Excusable Delays. No Party shall be deemed to be in default of this Agreement because of Excusable Delays. Excusable Delays shall extend the time of performance for the period of such Excusable Delay.

ARTICLE 8: MISCELLANEOUS

Section 8.1. Effective Date and Term. This Agreement shall become effective on the date this Agreement has been fully executed by the Parties. This Agreement shall remain in effect for as long as the District is legally in existence.

Section 8.2. Modification. The terms, conditions, and provisions of this Agreement can be neither modified nor eliminated except in writing and by mutual agreement among the Parties. Any modification to this Agreement as approved shall be attached hereto and incorporated herein by reference.

Section 8.3. Jointly Drafted. The Parties agree that this Agreement has been jointly drafted and shall not be construed more strongly against any Party.

Section 8.4. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State.

Section 8.5. Common Representation. The City and the District agree that the engagement of common special legal counsel for the City and the District does not materially limit the representation of the City or the District and will not adversely affect the relationship between the City and the District. To the extent that such common legal representation presents a conflict of interest due to the nature of the matter that may arise between the City and the District, the legal counsel shall proceed in accordance with the Missouri Rules of Professional Conduct.

Section 8.6. Validity and Severability. It is the intention of the parties hereto that the provisions of this Agreement shall be enforced to the fullest extent permissible under the laws and public

policies of the State, 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 8.7. Execution of Counterparts. This Agreement may be executed simultaneously in two counterparts, each of which shall be deemed to be an original, but both of which together shall constitute one and the same instrument.

Section 8.8. City Approvals. Unless specifically provided to the contrary herein, all approvals of the City hereunder may be given by the City Manager's Office or his or her designee without the necessity of any action by the City Council. The City Manager's Office may consult with the City Council, as deemed necessary, to make decisions on such approvals.

Section 8.9. District Approvals. Unless specifically provided to the contrary herein, all approvals of the District hereunder may be given by the Executive Director or his or her designee without the necessity of any action by the Board of Directors. The Executive Director may consult with the Board of Directors, as deemed necessary, to make decisions on such approvals.

Section 8.10. ISMS Approvals. Unless specifically provided to the contrary herein, all approvals of the ISMS hereunder may be given by the President or his or her designee without the necessity of any action by the ISMS Board of Directors. The President may consult with the ISMS Board of Directors, as deemed necessary, to make decisions on such approvals.

Section 8.11. Electronic Storage. The parties agree that the transactions described herein may be conducted and related documents may be received, sent or 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.

Section 8.12. Recordation of Memorandum of Agreement. The Parties agree to execute and deliver a Memorandum of this Agreement in proper form for recording and/or indexing in the appropriate land or governmental records within 30 days of execution. Such Memorandum shall be recorded by the District.

[remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have set their hands and seals the day and year first above written.

CITY OF INDEPENDENCE, MISSOURI

By: _____
City Manager

ATTEST:

City Clerk

**INDEPENDENCE SQUARE
COMMUNITY IMPROVEMENT DISTRICT**

By: _____
Executive Director

**BOARD OF DIRECTORS OF
INDEPENDENCE SQUARE MAIN STREET
CORPORATION**

By: _____
President

ATTEST:

Secretary

EXHIBIT A

FORM OF COST CERTIFICATION

Date: _____

**CERTIFICATION OF COSTS PURSUANT TO THE COOPERATIVE AGREEMENT
RELATING TO THE INDEPENDENCE SQUARE COMMUNITY IMPROVEMENT DISTRICT**

Type of cost (choose one): Costs of Formation, or
 Public Improvement Costs

To: Independence Square Community Improvement District (the "District")

The Board of Directors of the Independence Square Main Street Corporation (the "ISMS") hereby requests reimbursement from District Revenues in accordance with this request and the Cooperative Agreement (the "Cooperative Agreement") among the City of Independence, Missouri (the "City"), the ISMS and the District, and hereby states and certifies as follows:

1. Capitalized terms used but not defined in this Cost Certification have the meanings given in the Cooperative Agreement.
2. The following costs (the "Certified Costs") have been paid by the ISMS and are hereby submitted for reimbursement from District Revenues held by the ISMS under the Cooperative Agreement:

<i>Cost Description</i>	<i>Contractor or Service Provider</i>	<i>Amount</i>

3. Each item included as a Certified Cost in this Cost Certification is a valid cost of implementing the Public Improvements authorized under CID Act and described in the Petition and the Cooperative Agreement or is a valid cost of formation of the District.
4. The Certified Costs included in this Cost Certification have been paid by the ISMS and are reasonable costs that are payable under the Petition and reimbursable to the ISMS under the Cooperative Agreement.
5. No item included in the above request has previously been paid or reimbursed from District Revenues and no part thereof has been included in any other Cost Certification previously filed by the ISMS.
6. The ISMS is not in material default of any provision of the Cooperative Agreement.

SIGNATURE PAGE TO COST CERTIFICATION

Certified by:

**BOARD OF DIRECTORS OF
INDEPENDENCE SQUARE MAIN STREET
CORPORATION**

By: _____
Name:
Title:

EXHIBIT B

FIVE-YEAR PLAN WITH DESCRIPTION OF PUBLIC IMPROVEMENTS

The Independence Square Community Improvement District (CID) is being formed to provide economic development assistance and public improvements to the District. Specific projects for the improvement of the District will be authorized by the District Board with the adoption of the annual Budget. Five-year projections of revenues and general expenditures, subject to the annual Budget, are as follows:

		Year 1	Year 2	Year 3	Year 4	Year 5
Revenue						
	Sales Tax	\$76,500	\$76,500	\$76,500	\$76,500	\$76,500
	Other (including Voluntary Contributions & Donations)	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500
	Total	\$77,000	\$77,000	\$77,000	\$77,000	\$77,000
Expenditures						
	Public Improvements within the District (which may include streetscape amenities, signage, banners, landscaping, public artworks, maintenance, and other improvements)	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
	Private Improvements within the District subject to a determination of Blight by the City Council. (By law, the District may contract with private property owners to demolish, renovate or rehabilitate privately-owned buildings or structures. Such improvements may be subject to District matching grant requirements).	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000
	Economic Development Activities (which may include events, advertising, promotion and other activities).	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000
	Administration (including legal, accounting, insurance, and election cost reimbursement).	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
	Total	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000
Revenues over (under) Expenditures		\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000
Beginning Fund Balance		\$ 0	\$ 2,000	\$ 4,000	\$ 6,000	\$ 8,000
Ending Fund Balance		\$ 2,000	\$ 4,000	\$ 6,000	\$ 8,000	\$10,000