


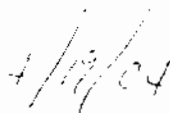
**THE 3-TRAILS COMMUNITY IMPROVEMENT DISTRICT**


**CERTIFICATION OF MINUTES**

**CERTIFICATION OF MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS HELD ON MARCH 15, 2004. THE UNDERSIGNED CHAIRMAN AND SECRETARY OF THE 3-TRAILS COMMUNITY IMPROVEMENT DISTRICT, A POLITICAL SUBDIVISION OF THE STATE OF MISSOURI, CERTIFY THAT THE ATTACHED MINUTES OF THE ABOVE REFERENCED BOARD OF DIRECTORS MEETING ARE TRUE AND ACCURATE TO THE BEST OF OUR KNOWLEDGE.**

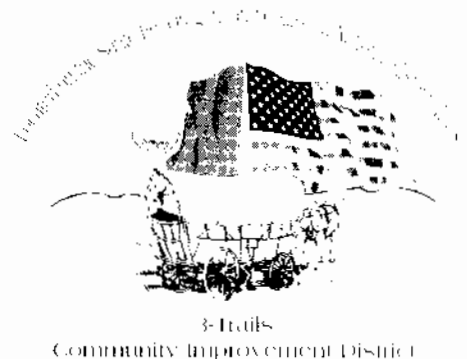
**MINUTES APPROVED AT DIRECTOR'S MEETING HELD ON APRIL 19, 2004.**

  
\_\_\_\_\_  
LOU AUSTIN, CHAIRMAN

  
\_\_\_\_\_  
DATE

  
\_\_\_\_\_  
JANET LARIMER

  
\_\_\_\_\_  
DATE



**THE 3-TRAILS COMMUNITY IMPROVEMENT DISTRICT  
MINUTES OF THE MEETING OF  
THE BOARD OF DIRECTORS OF THE DISTRICT  
March 13, 2004**

**I. CALL TO ORDER**

The meeting was called to order at 1:10 p.m. at 5912 East Bannister Road, Kansas City, Jackson County, Missouri.

1. Roll Call / Determination of Quorum: Board of Directors Members were present as follows:

Board Members:

Lou Austin

Ben Benjamin

Troy Marquis

Mary Norman

Directors Paul Denzer and Tony Privitera were absent

One board position is currently vacant.

Lou Austin acted as Chairman and Janet Larimer acted as Secretary of the meeting.

Others present:

Charles Renner, Esq., Husch & Eppenberger, District Counsel

Ann O'Hare, The Historical Society of New Santa Fe

Bob Kessler, KCT-BRWA

Ruth Wallace, Mo. Dept. of Conservation

Geo Knipp, Helix Architecture

Bob Pamler, MDNR

Ingrid Bunn, City Architects Office

Eric Bosch, City Architects Office

Mark Hoyt, Wal-Mart

Gary Ogzewalla, Copaken, White & Blitt

Chuck Loomis, Linden Hill Homes Association

Carolyn Vellar, FOCUS Center

Dale Blevins, US Geological Survey

Dr. Charles A. Eddy, Councilman 6<sup>th</sup> District

Nancy Herming, Historical Society of New Santa Fe

3. Meeting Notice: The meeting notice was certified and attached to these minutes as Exhibit A.

4. Welcome visitors.

**II. OLD BUSINESS:**

- A. Approval of minutes: A motion was made and seconded to approve the meeting minutes for the January 12, 2004 and February 16, 2004 meeting. After discussion the motion was unanimously approved.

### III. NEW BUSINESS:

A. Presentations:

1. 3-Trails Station Feasibility Report: A motion was made and seconded to accept the 3-Trails Station Feasibility Report and take it under advisement. After discussion the motion was unanimously approved. Copy of the report was provided to Councilman Eddy.

B. Treasurer's Report:

1. Financial Statement: Troy Marquis, District Treasurer, reviewed the District financial statement through February 29, 2004 (attached to these minutes or Exhibit B). Motion was made and seconded to accept the financial statement. After discussion the motion was unanimously approved.
2. Insurance: None.
3. Sales / Real Estate Tax Revenues: None.
4. Web Site: None.
5. 2004/05 Budget update: Motion was made authorizing Treasurer to finalize budget with and submit same to the City subject to any board objections. (Resolution 2004-03). After discussion the motion was unanimously approved.
6. Investment Options: Treasurer Marquis presented the Board with two possible options (Exhibit C) for investing revenue not needed for current expenditures. Repurchase Agreement and Certificate of Deposit. A motion was made to authorize the Treasurer to invest revenue not needed for current expenditures (Resolution 2004-02) in either of the recommended options. After discussion the motion was unanimously approved.

C. Legal Report:

1. Nomination of Mark Hoyt (Wal-Mart) as Director: A motion was made nominating Mr. Mark Hoyt to fill interim period remaining and additionally nominating Mr. Hoyt for the new 4 year term. (Resolution 2004-04) After discussion the motion was unanimously approved.

2. CID Comparison Summary: Submitted CID comparison study (attached as Exhibit E).
3. Fast-Track for 87<sup>th</sup> Street Improvements: Submitted memorandum relating to placement of 87<sup>th</sup> Street into City Manager(s) Fast-Track program (attached as Exhibit F).
4. PIAC Recommendations: Submitted memorandum entitled Reliance on PIAC Recommendations and Availability of Federal Grant Funds (attached as Exhibit G).

**D. District Manager's Report:**

1. Communication: District Update:
  - a. CID Administrative Office: Summary of CID activities during the months of February and March 2004 was distributed to the Board. (attached as Exhibit D).
  - b. Street trees in Hillcrest Road medians: none.
  - c. 3-Tracks Shuttle: none.
2. Communication: Follow-up items:
  - a. Revisions to CID Chart of Accounts / Statement Format: None.
  - b. CID term extension & possible expansion: Legal Counsel provided comparative summaries of other CIDs in the Kansas City area. A motion was made and seconded to accept comparative summary and take under advisement. After discussion the motion was unanimously approved.
  - c. Survey proposal – 3-Tracks Corridor - Shafer, Kline, & Warren proposal: None.
  - d. 87<sup>th</sup> Street - Phase IV: none.
  - e. Bannister Road Feasibility: none.
  - f. 3-Tracks Corridor: 3-Tracks West, Inc. has requested additional \$10,000 National Park Service cost share grant to build the trail and greenway across the Hickman Mills School District property on Old Santa Fe Road.

- g. Penney's Site: Continuing to explore common area numbers. Currently have one prospect interested in 1<sup>st</sup> floor of the Penney's Building.
- h. Fire Station NO. 41: none.
- i. MODOT 435 Trails sculptures enhancements: none.
- j. STP Grant: A motion was made and seconded to submit an application for a Federal 2008 STP Grant to build the trail and greenway in the District. After discussion the motion was unanimously approved.

**E. Other:**

- 1. Communication:
  - a. Next regular Board meeting: April 19, 2004 @ 1PM, 5912 E. Bannister Road.
  - b. Presentation of 6<sup>th</sup> District FOCUS Center: Ann O'hare, George Knipp, Dale Blevens, Alen, and Bob Kesler gave individual presentations of the different segments of the 6<sup>th</sup> District FOCUS Center at 99<sup>th</sup> & Holmes on the Indian Creek Trail.
  - c. LID/LEED: Ruth Wallace and Bob Pamler gave presentation of the benefits of the LID (low impact development) and LEED (Leadership in Energy & Environmental Design) programs on development.

**F. Public comments and communications:**

**IV. ADJOURNMENT**

Upon motion duly made, seconded, and unanimously approved, the meeting was adjourned.

**V. LIST OF EXHIBITS**

Exhibit A – Meeting Notice  
 Exhibit B – February 2004 Financial Statement  
 Exhibit C – Investment Options  
 Exhibit D – CID Administrative Summary of Activities for February and March  
 Exhibit E - CID Comparison Summary  
 Exhibit F - Fast-Track for 87<sup>th</sup> Street Improvements  
 Exhibit G – Reliance on PIAC Recommendations and Availability of Federal Grant Funds

**EXHIBIT A**  
**AGENDA & NOTICE**  
**Meeting of the Board of Directors**  
**3-Trails Community Improvement District**

**Date:** March 15, 2004  
**Time:** 1:00 p.m.  
**Place:** 5912 East Bannister Road  
Kansas City, Jackson County, Missouri

**I. CALL TO ORDER**

- A. Roll Call / Determination of Quorum
- B. Certification of meeting notice
- C. Welcome / Meeting Protocols

**II. OLD BUSINESS**

- A. Approval of minutes: January 12, 2004 and February 16, 2004
- B. 89<sup>th</sup> Street - Phase IV
  - 1. South KC Chamber FOCUS Review Board Rating
  - 2. Southern Communities Coalition Letter of Support

**III. NEW BUSINESS**

- A. Presentations:
  - 1. 3-Trails Station Feasibility Report
  - 2. Historical Society of New Santa Fe update on 6<sup>th</sup> District FOCUS Center @ 99<sup>th</sup> & Holmes. See item E (1)(b) below.
- B. Treasurer's Report:
  - 1. Financial Report
  - 2. Insurance
  - 3. Sales / Real Estate Tax Revenues
  - 4. Web Site
  - 5. 2004/05 Budget update
- C. Legal Report:
  - 1. Nomination of Mark Hoyt (Walmart) as Director.
- D. District Manager's Report:
  - 1. Communication: District Update.
    - a. Summary of February and March CID activities @ 5912 East Bannister.
    - b. Street trees in Hillcrest Road medians.
    - c. 3-Trails Shuttle

- 2. Communication: Follow-up items.
  - a. Revisions to CID Chart of Accounts/Statement Format
  - b. CID term extension & possible expansion.
  - c. Survey proposal - Trails - Shafer, Kline and Warren.
  - d. 89<sup>th</sup> Street - Phase IV Feasibility.
  - e. Bannister Road Feasibility.
  - f. 3-Trails Corridor.
  - g. Penney's Site.
  - h. Fire Station NO. 4:

RECOMMENDATION: None. FYI to Board

FUNDS REQUESTED: None.

E. Other:

1. Communication.

- a. Next regular Board meeting: April 19, 2004 @ 1PM, 5912 E. Bannister Road.
- b. Presentation of 6<sup>th</sup> District FOCUS Center (9<sup>th</sup> & Holmes).

F. Public comments and communications.

**ADJOURNMENT**

I certify that a copy of this agenda and notice of meeting of the Board of Directors of the 3-Trails Improvement District was posted on the door of the District's office at 5912 East Bannister Road, Kansas City, Missouri 64134 at 12 AM/PM on MARCH 14 2004

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

Name Printed:

*LOU AUSTIN*

For: 3-Trails Community Improvement District



3-Trails  
Community Improvement District

### 3 Trails Community Improvement District Financial Summary

To: 3 Trails CID Board of Directors  
 From: Troy M. Marquis, Treasurer  
 Date: March 15, 2004  
 Subject: CID Financial Summary through February 29, 2004

**Overview:** Through the remainder of the CID's 3 year life cycle (ending July 7, 2005), there is approximately **\$440,874** available at the Board's discretion after all committed projects and future administrative expenses are paid.

Cash balance as of February 29, 2004	\$214,933
Less: Outstanding commitments & liabilities	(\$5,665)
Current unrestricted funds	\$209,268
Projected revenue expected through July 7, 2005	\$467,000
Less: Projected expense expected through July 7, 2005	(\$235,394)
<b>Estimate of cash available for future programs</b>	<b>\$440,874</b>

**Commitments:** One new commitment was made during the February Board meeting: \$4,250 was committed for the feasibility report for the Bannister Road Improvements.

**Financial Reports Enclosed:**

Treasurer's Report Memo  
 Balance Sheet  
 Statement of Revenues and Expenses (Current Fiscal Year)  
 Departmental Detail for the Administrative and Program Department



**To:** 3 Trails CID Board of Directors  
**From:** **Troy Marquis, Treasurer**  
**CC:** Charles Renner, Janet Larimer  
**Date:** March 15, 2004  
**Re:** Treasurer's Report

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#### **Financial Report:**

For the ten month's of fiscal year 2004, the Net Revenues and Expenses totaled \$161,965 which is \$69,006 worse than plan. Administrative Income is below plan by \$57,223 and Program Income which is below plan by \$11,783.

#### **Administrative Department:**

For the month of February, we received sales tax deposits from the State of Missouri totaling \$5,506 and we received \$6,550 of real estate tax revenue. Expenses were worse than plan by \$448 for the month mainly due to higher legal fees and office supplies offset by favorable postage expenses.

Year-to-date, revenue is worse than plan by \$91,283 and expenses are better than plan by \$34,060 due to several items like 1) the delay of the lease commencement, 2) not currently planning to spend the \$15,000 related to master planning of the CID, 3) lower legal fees, 4) lower audit costs and 5) not currently producing and mailing a newsletter. A significant amount of sales taxes were budgeted to be received in January. We are worse than plan on this revenue item due to lower sales receipts and due to the State of Missouri paying us monthly versus our budget anticipating collections quarterly. We have only received \$120,455 from real estate taxes when our early estimates anticipated receiving approximately \$175,000. We are checking with the county to better understand why we have not received more real estate tax payments at this point.

#### **Program Department:**

The two Board approved programs that we are tracking costs on are 1) the KCATA transit facility and 2) the 87<sup>th</sup> Street Improvements. Currently we have committed and paid \$3,000 for a Transit Quick Study and \$11,700 for a Quick Study related to the 87<sup>th</sup> Street corridor. In addition, in previous months, we have committed to spend \$1,000 related to the environmental study associated to the transit station that has not been paid yet. Not yet shown in the financial statements is the approved program for the Bannister Road Improvements. Last month, the Board approved spending \$4,250 toward this project. The total cost of the feasibility study is \$10,950, but the CID's share is only \$4,250.

If you have any questions or would like to discuss further, please feel free to call me at 913-383-4527.

**3 TRAILS COMMUNITY IMPROVEMENT DISTRICT**

**BALANCE SHEETS**

AS OF

<u>ASSETS</u>	<u>February 29, 2004</u>	<u>April 30, 2003</u>
<b>CASH AND CASH EQUIVALENTS</b>		
Checking Account	214,933	47,399
Savings Account	-	-
Money Market	-	-
Other	-	-
	<u>214,933</u>	<u>47,399</u>
<b>PROPERTY &amp; EQUIPMENT</b>		
Furniture & Fixtures	-	-
Office Equipment	-	-
Other	-	-
	<u>-</u>	<u>-</u>
<b>REAL ESTATE</b>		
Easements	-	-
Land	-	-
Other	-	-
	<u>-</u>	<u>-</u>
<b>OTHER ASSETS</b>		
A/R Miscellaneous	-	-
Prepaid Expenses	-	-
	<u>-</u>	<u>-</u>
<b>TOTAL ASSETS</b>	<u>214,933</u>	<u>47,399</u>
<b>LIABILITIES &amp; NET ASSETS</b>		
<b>LIABILITIES</b>		
Accounts Payable	-	96
Line of Credit - Hillcrest Bank	-	-
Reserve for Encumbrances		
SKCCC Membership	3,000	
Transit Station Environmental Study	1,000	
	<u>4,000</u>	<u>-</u>
Reserve for Earmarked Funds		
Shafer Kline & Warren	1,665	
	<u>1,665</u>	<u>-</u>
<b>TOTAL LIABILITIES</b>	5,665	96
<b>NET ASSETS</b>		
Retained Earnings	47,303	-
Current Period Revenues and Expenses	161,965	47,303
	<u>209,268</u>	<u>47,303</u>
<b>TOTAL NET ASSETS</b>	209,268	47,303
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>	<u>214,933</u>	<u>47,399</u>

**3 TRAILS COMMUNITY IMPROVEMENT DISTRICT**

**SUMMARY OF REVENUES AND EXPENSES**

FOR THE PERIOD ENDED

	<u>February 29, 2004</u>	<u>April 30, 2003</u>
<b>ADMINISTRATIVE DEPARTMENT</b>		
Revenue	273,638	202,873
Expense	99,890	155,570
	<u>-</u>	<u>-</u>
<b>ADMINISTRATIVE INCOME</b>	<u>173,748</u>	<u>47,303</u>
<b>PROGRAMS</b>		
Program Grant Income	5,000	-
Program Expenditures	16,783	-
	<u>-</u>	<u>-</u>
<b>PROGRAM INCOME</b>	<u>(11,783)</u>	<u>-</u>
<b>TOTAL OF REVENUE &amp; EXPENSES</b>	<u>161,965</u>	<u>47,303</u>

**3 TRAILS COMMUNITY IMPROVEMENT DISTRICT**

**REVENUES AND EXPENSES**

	Current Month			Year to Date			Inception to Date		
	February 04			May 03 - February 04			Jul 02 - February 04		
	Actual	Committed	Variance	Actual	Committed	Variance	Actual	Committed	Variance
<b>ADMINISTRATIVE DEPARTMENT</b>									
<b>REVENUE</b>									
Property Tax Revenue	6,550	-	6,550	120,455	175,000	(54,545)	291,993	365,000	(73,007)
Sales Tax Revenue	5,508	-	5,508	153,113	189,921	(36,808)	184,448	189,921	(5,473)
Interest Income	37	-	37	70	-	70	70	-	70
Donations	-	-	-	-	-	-	-	-	-
Borrowings	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>TOTAL REVENUE</b>	<b>12,093</b>	<b>-</b>	<b>12,093</b>	<b>273,638</b>	<b>364,921</b>	<b>(91,283)</b>	<b>476,511</b>	<b>554,921</b>	<b>(78,410)</b>
<b>EXPENSES</b>									
Accounting & Auditing	-	-	-	4,000	10,000	6,000	4,000	20,000	16,000
Administrative Fees	-	-	-	-	-	-	-	-	-
Advertising	-	-	-	703	-	(703)	703	-	(703)
Borrowings Repaid	-	-	-	-	-	-	-	3,000	3,000
Business Development	-	-	-	-	-	-	-	-	-
Conferences & Meetings	-	-	-	-	-	-	-	-	-
Consulting Fees	-	-	-	-	-	-	-	-	-
Contract Services	105	-	(105)	1,490	-	(1,490)	17,490	52,000	34,510
Dues & Subscriptions	-	-	-	12,000	10,000	(2,000)	17,000	20,000	3,000
Electricity	197	80	(117)	2,739	1,140	(1,599)	3,797	2,790	(1,007)
Furniture & Equipment	-	-	-	1,139	-	(1,139)	1,139	1,000	(139)
Gas	189	150	(39)	675	910	235	1,713	1,335	(378)
Insurance - Public Officials	-	-	-	5,880	5,000	(880)	5,880	4,000	(1,880)
Insurance - General Liability, E&O	-	-	-	7,035	6,700	(335)	17,447	11,700	(5,747)
Interest Expense	-	1	1	-	1,525	1,525	467	1,525	1,058
Leased Equipment	-	-	-	-	-	-	-	-	-
Legal Fees	4,527	4,000	(527)	30,443	40,000	9,557	98,061	70,074	(27,987)
Licenses, Fees & Permits	-	100	100	345	145	(200)	500	605	105
Meals & Entertainment	24	-	(24)	53	-	(53)	53	-	(53)
Memberships	-	-	-	-	-	-	-	-	-
Newsletter	-	-	-	-	-	-	90	-	(90)
Office Rent	2,478	2,478	-	18,847	24,780	5,933	23,230	29,280	6,050
Office Supplies	373	50	(323)	569	750	181	658	1,750	1,092
Other	-	50	50	204	500	296	251	750	499
Postage & Delivery	14	525	511	80	5,250	5,170	152	7,250	7,098
Printing	-	-	-	-	-	-	-	-	-
Professional Services	-	-	-	8,615	22,000	13,385	25,244	41,712	16,468
Program / Events	-	-	-	5,073	5,000	(73)	5,073	5,000	(73)
Signs & Directories	-	-	-	-	-	-	1,989	1,750	(239)
Start Up Costs	-	-	-	-	-	-	29,978	35,186	5,208
Telephone	-	25	25	-	250	250	-	250	250
Travel	-	-	-	-	-	-	-	-	-
Wages	-	-	-	-	-	-	-	1,920	1,920
Wages - Payroll Taxes	-	-	-	-	-	-	-	300	300
Wages - Costs / Benefits	-	-	-	-	-	-	-	-	-
Water	-	-	-	-	-	-	-	175	175
<b>TOTAL EXPENSE</b>	<b>7,907</b>	<b>7,459</b>	<b>(448)</b>	<b>99,890</b>	<b>133,950</b>	<b>34,060</b>	<b>254,915</b>	<b>313,352</b>	<b>58,437</b>
<b>ADMINISTRATIVE INCOME</b>	<b>4,186</b>	<b>(7,459)</b>	<b>11,645</b>	<b>173,748</b>	<b>230,971</b>	<b>(57,223)</b>	<b>221,596</b>	<b>241,569</b>	<b>(19,973)</b>

**3 TRAILS COMMUNITY IMPROVEMENT DISTRICT**

**REVENUES AND EXPENSES**

	Current Month			Year to Date			Inception to Date		
	February 04			May 03 - February 04			Jul 02 - February 04		
	Actual	Committed	Variance	Actual	Committed	Variance	Actual	Committed	Variance
<b>GRANT INCOME</b>									
Program I - Transit Station	-	-	-	-	-	-	-	-	-
Program II - 87 Street Quick Study	-	-	-	5,000	-	5,000	5,000	-	5,000
Program III -	-	-	-	-	-	-	-	-	-
Program IV -	-	-	-	-	-	-	-	-	-
<b>TOTAL GRANT REVENUE</b>	-	-	-	5,000	-	5,000	5,000	-	5,000
<b>PROGRAM EXPENDITURES</b>									
Program I - Transit Station	-	-	-	-	-	-	-	-	-
Consulting Fees	-	-	-	-	-	-	-	-	-
Grant Payments	-	-	-	4,000	-	(4,000)	4,000	-	(4,000)
Other	-	-	-	-	-	-	-	-	-
Program II - 87 Street Quick Study	-	-	-	-	-	-	-	-	-
Consulting Fees	1,083	-	(1,083)	1,083	-	(1,083)	1,083	-	(1,083)
Grant Payments	-	-	-	11,700	-	(11,700)	11,700	-	(11,700)
Events	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Program III -	-	-	-	-	-	-	-	-	-
Consulting Fees	(624)	-	624	-	-	-	-	-	-
Grant Payments	-	-	-	-	-	-	-	-	-
Litter / Graffiti	-	-	-	-	-	-	-	-	-
Landscaping	-	-	-	-	-	-	-	-	-
Mowing	-	-	-	-	-	-	-	-	-
Security	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Program IV -	-	-	-	-	-	-	-	-	-
Consulting Fees	-	-	-	-	-	-	-	-	-
Grant Payments	-	-	-	-	-	-	-	-	-
Parking	-	-	-	-	-	-	-	-	-
Shuttle	-	-	-	-	-	-	-	-	-
Trails / Greenway	-	-	-	-	-	-	-	-	-
Transit Facilities	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>TOTAL PROGRAM EXPENDITURES</b>	459	-	(459)	16,783	-	(16,783)	16,783	-	(16,783)
<b>NET PROGRAM INCOME</b>	(459)	-	(459)	(11,783)	-	(11,783)	(11,783)	-	(11,783)
<b>TOTAL OF REVENUE AND EXPENSES</b>	3,727	(7,459)	11,186	161,965	230,971	(69,006)	209,813	241,569	(31,756)

### **3 Trails Community Improvement District**

#### **Schedule of Investments**

##### **Repurchase Agreements:**

The first option is a repurchase account. Any balances over the \$100,000 FDIC insured amount will be swept to a repurchase account which Hillcrest Bank will pledge securities (dollar for dollar) against as collateral. This will insure that all District funds will be secured.

##### **Certificates of Deposit**

The second option would apply if the District qualifies as public funds under Missouri statutes. Hillcrest Bank would offer certificates of deposit with terms of 1 month, 3 months, 6 months or longer. The bank would pledge a bond or security to the CD to insure all of the invested dollars are secured.

# SUMMARY OF ACTIVITY

## 3-TRAILS COMMUNITY IMPROVEMENT DISTRICT

DATE	TIME	PLACE	ORGANIZATION/PURPOSE
3-04-04	1:00 pm	3-Trails Room	Northland Community Alliance Purpose: CID update and Clean, Secure and Green strategies Jan Kouk (Northland); Carolyn Vellar (6 <sup>th</sup> District FOCUS Coordinator); Barb Engel (South Kansas City Chamber of Commerce); Gary Ogsawalla (Benjamin Plaza); Mary Norman (CID); Lou Austin (CID)
3-04-04	3:00 pm	3-Trails Room	Prospect Purpose: Business Recruitment Prospect; Mary Norman (CID); Tony Privitera (CID); Lou Austin (CID)
3-10-04	9:00 am	3-Trails Room	City Planning & Development Purpose: Plat and zoning requirement generally Virginia Walsh (KCMO) and Lou Austin (CID)
3-11-04	1:00 pm	3-Trails Room	Hickman Mills School District Purpose: 3-Trails Corridor Teresa Edens (HMSD) and Lou Austin (CID)
3-11-04	2:00 pm	3-Trails Room	CID/Clean – Secure – Green Committee Purpose: CID initiatives and programs Gary Ogsawall (Benjamin Plaza); Mary Norman (CID); Officer Jason White (KCMO Police Dept.); Lou Austin (CID)
3-12-04	9:30 am	Off-site	KCATA Purpose: Tour 39 <sup>th</sup> & Troost Transit Center and Northland United Service Building Jerri Doyle (KCATA); Mark Swope (KCATA); Barb Engel (South Kansas City Chamber); Mary Norman (CID); Lou Austin (CID)

<b>DATE</b>	<b>TIME</b>	<b>PLACE</b>	<b>ORGANIZATION/PURPOSE</b>
2-18-2004	7:00 pm	Off premises	Southern Coalition Purpose: Neighborhood Presentation 87 <sup>th</sup> Street Feasibility and proposed 3-Trails Station Mary Norman (CID) and Lou Austin (CID)
2-26-2004	1:00 pm	3-Trails Room	CID Purpose: Review CID application for Federal STP grant for trails/transit with District Mike Graf (6 <sup>th</sup> District PIAC) and Lou Austin (CID and 6 <sup>th</sup> District PIAC)
2-27-2004	11:00 am	3-Trails Room	Baymont Inn & Suites Purpose: CID update Maxwell Mudari (Baymont) and Lou Austin (CID)

Distribution: Board of Directors, CID corres.

<b>DATE</b>	<b>TIME</b>	<b>PLACE</b>	<b>ORGANIZATION/PURPOSE</b>
2-12-2004	11:30am	3-Trails Room	CID Weekly Briefing Purpose: Update John Sharp (Candidate – Hickman Mills School Board); Lou Austin (CID)
2-12-2004	1:00 pm	3-Trails Room	Avila University & Metro Green Purpose: 3-Trails Corridor - Avila Campus Phil Watson, Paul Boolsmeyer, Mary Saulque (Avila); Freddie Duvall Wells (Global Concepts, Inc & Avila); Ann O'Hare (Historical Society of New Santa Fe); Richard Allen (KCMO Parks & Recreation); Steve Rhoades (Metro Green/MARC); Teresa Edens (Hickman Mills High School District); Mike Graf (PIAC 6 <sup>th</sup> District); Lou Austin (CID & PIAC 6 <sup>th</sup> District)
2-12-2004	7:30 pm	Board Room	6 <sup>th</sup> District Town Hall Meeting Purpose: Update Councilman Dr. Charles A. Eddy and approximately 50 attendees; Channel 2 (KCMO)
2-13-2004	1:00 pm	3-Trails Room	KCATA Purpose: Reestablishment of front door service to mall. Mark Swope & Jerri Doyle (KCATA); Mary Norman & Lou Austin (CID)
2-16-2004	1:00 pm	Board Room	CID Board Meeting – February 2004
2-17-2004	1:00 pm	3-Trails Room	Bannister Road Stakeholders Purpose: Refine Wallwork Feasibility proposal Paul Denzer (CID); Tony Privitera (CID); Lou Austin (CID & 6 <sup>th</sup> District PIAC); Michael Wallwork, P.E. (Alternative Street Design); Morton Mann (Block & Co); Steve Hamadi (MO Dot); Lisa Stupps (MO Dot); Bill Billings (MODOT); Jodie Pohr (MODOT); Dale McCregor (HNTB); Kevin Wallace (HNTB); Jim Kinder (HNTB); Mike Graf (PIAC- 6 <sup>th</sup> District); Sherri McIntrye (KCMO Public Works); Mr. Privitera, Sr. (Owner); Steve Rhoades (Metro Green); Aaron Bartlett (MARC)
2-18-2004	4:00 pm	Off premises	Prospect Purpose: Business recruitment Prospect; Lou Austin & Tony Privitera (CID); Carl LaSalla (LaSalla Sonnenberg)

Distribution: Board of Directors, CID corres.



# SUMMARY OF ACTIVITY

## 3-TRAILS COMMUNITY IMPROVEMENT DISTRICT

DATE	TIME	PLACE	ORGANIZATION/PURPOSE
2-3-2004	10:30 am	Off premises	Prospect Purpose: Business recruitment Prospect; Lou Austin (CID); Tony Privitera (CID);
2-3-2004	1:30 pm	3-Trails Room	Carter Energy Corporation Purpose: Area update and review of 87 <sup>th</sup> Street – Phase IV. Gary Wyancko (BP Director) & Lou Austin (CID)
2-4-2004	1:00 pm	3-Trails Room	EDC of Kansas City, MO Purpose: Update EDC on CID activities and objectives. Gary Sage (EDC); Councilman Dr. Charles A. Eddy (KCMO); Paul Denzer (CID); Tony Privitera (CID); Lou Austin (CID)
2-10-2004	11:00 am	3-Trails Room	Scott Hospitality Services Purpose: CID and area update Gregg Scott and Mike Givaldi (Scott Hospitality) and Lou Austin (CID)
2-10-2004	1:00 pm	3-Trails Room	Avila University and National Park Service Purpose: 3-Trails Corridor Avila Campus Charles Loomis (Linden Hills Homes Assoc.); George Knipp (Helix Architecture); Ann O'Hare (Historical Society of New Santa Fe); John Conoboy and Aaron Mahr (National Park Service); Mary Saugue and Phil Watson (Avila University); Teresa Edens (Hickman Mills School District); Mike Graf (6 <sup>th</sup> District PIAC); Steve Rhoades (Metro Green); Lou Austin (CID & 6 <sup>th</sup> District PIAC)
2-11-2004	11:00 am	Off premises	Prospect Purpose: Business requirement Prospect, Carl LaSalla (LaSalla – Sonnenberg); Paul Denzer (CID); Tony Privitera (CID); Lou Austin (CID)

Distribution: Board of Directors, CID corres.

### 3 Trails Community Improvement District Financial Summary

To: 3 Trails CID Board of Directors  
 From: Troy M. Marquis, Treasurer  
 Date: March 15, 2004  
 Subject: CID Financial Summary through February 29, 2004

**Overview:** Through the remainder of the CID's 3 year life cycle (ending July 7, 2005), there is approximately **\$440,874** available at the Board's discretion after all committed projects and future administrative expenses are paid.

Cash balance as of February 29, 2004	\$214,933
Less: Outstanding commitments & liabilities	(\$5,665)
Current unrestricted funds	\$209,268
Projected revenue expected through July 7, 2005	\$467,000
Less: Projected expense expected through July 7, 2005	(\$235,394)
<b>Estimate of cash available for future programs</b>	<b>\$440,874</b>

**Commitments:** One new commitment was made during the February Board meeting: \$4,250 was committed for the feasibility report for the Bannister Road Improvements.

**Financial Reports Enclosed:**

Treasurer's Report Memo  
 Balance Sheet  
 Statement of Revenues and Expenses (Current Fiscal Year)  
 Departmental Detail for the Administrative and Program Department

**To:** 3 Trails CID Board of Directors  
**From:** **Troy Marquis, Treasurer**  
**CC:** Charles Renner, Janet Larimer  
**Date:** March 15, 2004  
**Re:** Treasurer's Report

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#### **Financial Report:**

For the ten month's of fiscal year 2004, the Net Revenues and Expenses totaled \$161,965 which is \$69,006 worse than plan. Administrative Income is below plan by \$57,223 and Program Income which is below plan by \$11,783.

#### **Administrative Department:**

For the month of February, we received sales tax deposits from the State of Missouri totaling \$5,506 and we received \$6,550 of real estate tax revenue. Expenses were worse than plan by \$448 for the month mainly due to higher legal fees and office supplies offset by favorable postage expenses.

Year-to-date, revenue is worse than plan by \$91,283 and expenses are better than plan by \$34,060 due to several items like 1) the delay of the lease commencement, 2) not currently planning to spend the \$15,000 related to master planning of the CID, 3) lower legal fees, 4) lower audit costs and 5) not currently producing and mailing a newsletter. A significant amount of sales taxes were budgeted to be received in January. We are worse than plan on this revenue item due to lower sales receipts and due to the State of Missouri paying us monthly versus our budget anticipating collections quarterly. We have only received \$120,455 from real estate taxes when our early estimates anticipated receiving approximately \$175,000. We are checking with the county to better understand why we have not received more real estate tax payments at this point.

#### **Program Department:**

The two Board approved programs that we are tracking costs on are 1) the KCATA transit facility and 2) the 87<sup>th</sup> Street Improvements. Currently we have committed and paid \$3,000 for a Transit Quick Study and \$11,700 for a Quick Study related to the 87<sup>th</sup> Street corridor. In addition, in previous months, we have committed to spend \$1,000 related to the environmental study associated to the transit station that has not been paid yet. Not yet shown in the financial statements is the approved program for the Bannister Road Improvements. Last month, the Board approved spending \$4,250 toward this project. The total cost of the feasibility study is \$10,950, but the CID's share is only \$4,250.

If you have any questions or would like to discuss further, please feel free to call me at 913-383-4527.

**3 TRAILS COMMUNITY IMPROVEMENT DISTRICT**

**BALANCE SHEETS**

**AS OF**

<u>ASSETS</u>	<u>February 29, 2004</u>	<u>April 30, 2003</u>
<b>CASH AND CASH EQUIVALENTS</b>		
Checking Account	214,933	47,399
Savings Account	-	-
Money Market	-	-
Other	-	-
	<u>214,933</u>	<u>47,399</u>
<b>PROPERTY &amp; EQUIPMENT</b>		
Furniture & Fixtures	-	-
Office Equipment	-	-
Other	-	-
	<u>-</u>	<u>-</u>
<b>REAL ESTATE</b>		
Easements	-	-
Land	-	-
Other	-	-
	<u>-</u>	<u>-</u>
<b>OTHER ASSETS</b>		
A/R Miscellaneous	-	-
Prepaid Expenses	-	-
	<u>-</u>	<u>-</u>
<b>TOTAL ASSETS</b>	<u>214,933</u>	<u>47,399</u>
<b>LIABILITIES &amp; NET ASSETS</b>		
<b>LIABILITIES</b>		
Accounts Payable	-	96
Line of Credit - Hillcrest Bank	-	-
Reserve for Encumbrances		
SKCCC Membership	3,000	
Transit Station Environmental Study	1,000	
	<u>4,000</u>	<u>-</u>
Reserve for Earmarked Funds		
Shafer Kline & Warren	1,665	
	<u>1,665</u>	<u>-</u>
<b>TOTAL LIABILITIES</b>	5,665	96
<b>NET ASSETS</b>		
Retained Earnings	47,303	-
Current Period Revenues and Expenses	161,965	47,303
	<u>209,268</u>	<u>47,303</u>
<b>TOTAL NET ASSETS</b>	209,268	47,303
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>	<u>214,933</u>	<u>47,399</u>

**3 TRAILS COMMUNITY IMPROVEMENT DISTRICT**

**SUMMARY OF REVENUES AND EXPENSES**

**FOR THE PERIOD ENDED**

	<u>February 29, 2004</u>	<u>April 30, 2003</u>
<b>ADMINISTRATIVE DEPARTMENT</b>		
Revenue	273,638	202,873
Expense	99,890	155,570
	<u>-</u>	<u>-</u>
<b>ADMINISTRATIVE INCOME</b>	<u>173,748</u>	<u>47,303</u>
<b>PROGRAMS</b>		
Program Grant Income	5,000	-
Program Expenditures	16,783	-
	<u>-</u>	<u>-</u>
<b>PROGRAM INCOME</b>	<u>(11,783)</u>	<u>-</u>
<b>TOTAL OF REVENUE &amp; EXPENSES</b>	<u>161,965</u>	<u>47,303</u>

**3 TRAILS COMMUNITY IMPROVEMENT DISTRICT**

**REVENUES AND EXPENSES**

	Current Month			Year to Date			Inception to Date		
	February 04			May 03 - February 04			Jul 02 - February 04		
	Actual	Committed	Variance	Actual	Committed	Variance	Actual	Committed	Variance
<b>ADMINISTRATIVE DEPARTMENT</b>									
<b>REVENUE</b>									
Property Tax Revenue	6,550	-	6,550	120,455	175,000	(54,545)	291,993	365,000	(73,007)
Sales Tax Revenue	5,508	-	5,508	153,113	189,921	(36,808)	184,448	189,921	(5,473)
Interest Income	37	-	37	70	-	70	70	-	70
Donations	-	-	-	-	-	-	-	-	-
Borrowings	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>TOTAL REVENUE</b>	<b>12,093</b>	<b>-</b>	<b>12,093</b>	<b>273,638</b>	<b>364,921</b>	<b>(91,283)</b>	<b>476,511</b>	<b>554,921</b>	<b>(78,410)</b>
<b>EXPENSES</b>									
Accounting & Auditing	-	-	-	4,000	10,000	6,000	4,000	20,000	16,000
Administrative Fees	-	-	-	-	-	-	-	-	-
Advertising	-	-	-	703	-	(703)	703	-	(703)
Borrowings Repaid	-	-	-	-	-	-	-	3,000	3,000
Business Development	-	-	-	-	-	-	-	-	-
Conferences & Meetings	-	-	-	-	-	-	-	-	-
Consulting Fees	-	-	-	-	-	-	-	-	-
Contract Services	105	-	(105)	1,490	-	(1,490)	17,490	52,000	34,510
Dues & Subscriptions	-	-	-	12,000	10,000	(2,000)	17,000	20,000	3,000
Electricity	197	80	(117)	2,739	1,140	(1,599)	3,797	2,790	(1,007)
Furniture & Equipment	-	-	-	1,139	-	(1,139)	1,139	1,000	(139)
Gas	189	150	(39)	675	910	235	1,713	1,335	(378)
Insurance - Public Officials	-	-	-	5,880	5,000	(880)	5,880	4,000	(1,880)
Insurance - General Liability, E&O	-	-	-	7,035	6,700	(335)	17,447	11,700	(5,747)
Interest Expense	-	1	1	-	1,525	1,525	467	1,525	1,058
Leased Equipment	-	-	-	-	-	-	-	-	-
Legal Fees	4,527	4,000	(527)	30,443	40,000	9,557	98,061	70,074	(27,987)
Licenses, Fees & Permits	-	100	100	345	145	(200)	500	605	105
Meals & Entertainment	24	-	(24)	53	-	(53)	53	-	(53)
Memberships	-	-	-	-	-	-	-	-	-
Newsletter	-	-	-	-	-	-	90	-	(90)
Office Rent	2,478	2,478	-	18,847	24,780	5,933	23,230	29,280	6,050
Office Supplies	373	50	(323)	569	750	181	658	1,750	1,092
Other	-	50	50	204	500	296	251	750	499
Postage & Delivery	14	525	511	80	5,250	5,170	152	7,250	7,098
Printing	-	-	-	-	-	-	-	-	-
Professional Services	-	-	-	8,615	22,000	13,385	25,244	41,712	16,468
Program / Events	-	-	-	5,073	5,000	(73)	5,073	5,000	(73)
Signs & Directories	-	-	-	-	-	-	1,989	1,750	(239)
Start Up Costs	-	-	-	-	-	-	29,978	35,186	5,208
Telephone	-	25	25	-	250	250	-	250	250
Travel	-	-	-	-	-	-	-	-	-
Wages	-	-	-	-	-	-	-	1,920	1,920
Wages - Payroll Taxes	-	-	-	-	-	-	-	300	300
Wages - Costs / Benefits	-	-	-	-	-	-	-	-	-
Water	-	-	-	-	-	-	-	175	175
<b>TOTAL EXPENSE</b>	<b>7,907</b>	<b>7,459</b>	<b>(448)</b>	<b>99,890</b>	<b>133,950</b>	<b>34,060</b>	<b>254,915</b>	<b>313,352</b>	<b>58,437</b>
<b>ADMINISTRATIVE INCOME</b>	<b>4,186</b>	<b>(7,459)</b>	<b>11,645</b>	<b>173,748</b>	<b>230,971</b>	<b>(57,223)</b>	<b>221,596</b>	<b>241,569</b>	<b>(19,973)</b>

**3 TRAILS COMMUNITY IMPROVEMENT DISTRICT**

**REVENUES AND EXPENSES**

	Current Month			Year to Date			Inception to Date		
	February 04			May 03 - February 04			Jul 02 - February 04		
	Actual	Committed	Variance	Actual	Committed	Variance	Actual	Committed	Variance
<b>GRANT INCOME</b>									
Program I - Transit Station	-	-	-	-	-	-	-	-	-
Program II - 87 Street Quick Study	-	-	-	5,000	-	5,000	5,000	-	5,000
Program III -	-	-	-	-	-	-	-	-	-
Program IV -	-	-	-	-	-	-	-	-	-
<b>TOTAL GRANT REVENUE</b>	-	-	-	5,000	-	5,000	5,000	-	5,000
<b>PROGRAM EXPENDITURES</b>									
Program I - Transit Station	-	-	-	-	-	-	-	-	-
Consulting Fees	-	-	-	-	-	-	-	-	-
Grant Payments	-	-	-	4,000	-	(4,000)	4,000	-	(4,000)
Other	-	-	-	-	-	-	-	-	-
Program II - 87 Street Quick Study	-	-	-	-	-	-	-	-	-
Consulting Fees	1,083	-	(1,083)	1,083	-	(1,083)	1,083	-	(1,083)
Grant Payments	-	-	-	11,700	-	(11,700)	11,700	-	(11,700)
Events	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Program III -	-	-	-	-	-	-	-	-	-
Consulting Fees	(624)	-	624	-	-	-	-	-	-
Grant Payments	-	-	-	-	-	-	-	-	-
Litter / Graffiti	-	-	-	-	-	-	-	-	-
Landscaping	-	-	-	-	-	-	-	-	-
Mowing	-	-	-	-	-	-	-	-	-
Security	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Program IV -	-	-	-	-	-	-	-	-	-
Consulting Fees	-	-	-	-	-	-	-	-	-
Grant Payments	-	-	-	-	-	-	-	-	-
Parking	-	-	-	-	-	-	-	-	-
Shuttle	-	-	-	-	-	-	-	-	-
Trails / Greenway	-	-	-	-	-	-	-	-	-
Transit Facilities	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>TOTAL PROGRAM EXPENDITURES</b>	459	-	(459)	16,783	-	(16,783)	16,783	-	(16,783)
<b>NET PROGRAM INCOME</b>	(459)	-	(459)	(11,783)	-	(11,783)	(11,783)	-	(11,783)
<b>TOTAL OF REVENUE AND EXPENSES</b>	3,727	(7,459)	11,186	161,965	230,971	(69,006)	209,813	241,569	(31,756)

### **3 Trails Community Improvement District**

#### **Schedule of Investments**

##### **Repurchase Agreements:**

The first option is a repurchase account. Any balances over the \$100,000 FDIC insured amount will be swept to a repurchase account which Hillcrest Bank will pledge securities (dollar for dollar) against as collateral. This will insure that all District funds will be secured.

##### **Certificates of Deposit**

The second option would apply if the District qualifies as public funds under Missouri statutes. Hillcrest Bank would offer certificates of deposit with terms of 1 month, 3 months, 6 months or longer. The bank would pledge a bond or security to the CD to insure all of the invested dollars are secured.

# SUMMARY OF ACTIVITY

## 3-TRAILS COMMUNITY IMPROVEMENT DISTRICT

DATE	TIME	PLACE	ORGANIZATION/PURPOSE
3-04-04	1:00 pm	3-Trails Room	Northland Community Alliance Purpose: CID update and Clean, Secure and Green strategies Jan Kouk (Northland); Carolyn Vellar (6 <sup>th</sup> District FOCUS Coordinator); Barb Engel (South Kansas City Chamber of Commerce); Gary Ogsawalla (Benjamin Plaza); Mary Norman (CID); Lou Austin (CID)
3-04-04	3:00 pm	3-Trails Room	Prospect Purpose: Business Recruitment Prospect; Mary Norman (CID); Tony Privitera (CID); Lou Austin (CID)
3-10-04	9:00 am	3-Trails Room	City Planning & Development Purpose: Plat and zoning requirement generally Virginia Walsh (KCMO) and Lou Austin (CID)
3-11-04	1:00 pm	3-Trails Room	Hickman Mills School District Purpose: 3-Trails Corridor Teresa Edens (HMSD) and Lou Austin (CID)
3-11-04	2:00 pm	3-Trails Room	CID/Clean – Secure – Green Committee Purpose: CID initiatives and programs Gary Ogsawalla (Benjamin Plaza); Mary Norman (CID); Officer Jason White (KCMO Police Dept.); Lou Austin (CID)
3-12-04	9:30 am	Off-site	KCATA Purpose: Tour 39 <sup>th</sup> & Troost Transit Center and Northland United Service Building Jerri Doyle (KCATA); Mark Swope (KCATA); Barb Engel (South Kansas City Chamber); Mary Norman (CID); Lou Austin (CID)



<b>DATE</b>	<b>TIME</b>	<b>PLACE</b>	<b>ORGANIZATION/PURPOSE</b>
2-18-2004	7:00 pm	Off premises	Southern Coalition Purpose: Neighborhood Presentation 87 <sup>th</sup> Street Feasibility and proposed 3-Trails Station Mary Norman (CID) and Lou Austin (CID)
2-26-2004	1:00 pm	3-Trails Room	CID Purpose: Review CID application for Federal STP grant for trails/transit with District Mike Graf (6 <sup>th</sup> District PIAC) and Lou Austin (CID and 6 <sup>th</sup> District PIAC)
2-27-2004	11:00 am	3-Trails Room	Baymont Inn & Suites Purpose: CID update Maxwell Mudari (Baymont) and Lou Austin (CID)

Distribution: Board of Directors, CID corres.

<b>DATE</b>	<b>TIME</b>	<b>PLACE</b>	<b>ORGANIZATION/PURPOSE</b>
2-12-2004	11:30am	3-Trails Room	CID Weekly Briefing Purpose: Update John Sharp (Candidate – Hickman Mills School Board); Lou Austin (CID)
2-12-2004	1:00 pm	3-Trails Room	Avila University & Metro Green Purpose: 3-Trails Corridor - Avila Campus Phil Watson, Paul Boolsmeyer, Mary Saulque (Avila); Freddie Duvall Wells (Global Concepts, Inc & Avila); Ann O'Hare (Historical Society of New Santa Fe); Richard Allen (KCMO Parks & Recreation); Steve Rhoades (Metro Green/MARC); Teresa Edens (Hickman Mills High School District); Mike Graf (PIAC 6 <sup>th</sup> District); Lou Austin (CID & PIAC 6 <sup>th</sup> District)
2-12-2004	7:30 pm	Board Room	6 <sup>th</sup> District Town Hall Meeting Purpose: Update Councilman Dr. Charles A. Eddy and approximately 50 attendees; Channel 2 (KCMO)
2-13-2004	1:00 pm	3-Trails Room	KCATA Purpose: Reestablishment of front door service to mall. Mark Swope & Jerri Doyle (KCATA); Mary Norman & Lou Austin (CID)
2-16-2004	1:00 pm	Board Room	CID Board Meeting – February 2004
2-17-2004	1:00 pm	3-Trails Room	Bannister Road Stakeholders Purpose: Refine Wallwork Feasibility proposal Paul Denzer (CID); Tony Privitera (CID); Lou Austin (CID & 6 <sup>th</sup> District PIAC); Michael Wallwork, P.E. (Alternative Street Design); Morton Mann (Block & Co); Steve Hamadi (MO Dot); Lisa Stupps (MO Dot); Bill Billings (MODOT); Jodie Pohr (MODOT); Dale McCregor (HNTB); Kevin Wallace (HNTB); Jim Kinder (HNTB); Mike Graf (PIAC- 6 <sup>th</sup> District); Sherri McIntrye (KCMO Public Works); Mr. Privitera, Sr. (Owner); Steve Rhoades (Metro Green); Aaron Bartlett (MARC)
2-18-2004	4:00 pm	Off premises	Prospect Purpose: Business recruitment Prospect; Lou Austin & Tony Privitera (CID); Carl LaSalla (LaSalla Sonnenberg)

Distribution: Board of Directors, CID corres.

# SUMMARY OF ACTIVITY

## 3-TRAILS COMMUNITY IMPROVEMENT DISTRICT

DATE	TIME	PLACE	ORGANIZATION/PURPOSE
2-3-2004	10:30 am	Off premises	Prospect Purpose: Business recruitment Prospect; Lou Austin (CID); Tony Privitera (CID);
2-3-2004	1:30 pm	3-Trails Room	Carter Energy Corporation Purpose: Area update and review of 87 <sup>th</sup> Street – Phase IV. Gary Wyancko (BP Director) & Lou Austin (CID)
2-4-2004	1:00 pm	3-Trails Room	EDC of Kansas City, MO Purpose: Update EDC on CID activities and objectives. Gary Sage (EDC); Councilman Dr. Charles A. Eddy (KCMO); Paul Denzer (CID); Tony Privitera (CID); Lou Austin (CID)
2-10-2004	11:00 am	3-Trails Room	Scott Hospitality Services Purpose: CID and area update Gregg Scott and Mike Givaldi (Scott Hospitality) and Lou Austin (CID)
2-10-2004	1:00 pm	3-Trails Room	Avila University and National Park Service Purpose: 3-Trails Corridor Avila Campus Charles Loomis (Linden Hills Homes Assoc.); George Knipp (Helix Architecture); Ann O'Hare (Historical Society of New Santa Fe); John Conoboy and Aaron Mahr (National Park Service); Mary Saugue and Phil Watson (Avila University); Teresa Edens (Hickman Mills School District); Mike Graf (6 <sup>th</sup> District PIAC); Steve Rhoades (Metro Green); Lou Austin (CID & 6 <sup>th</sup> District PIAC)
2-11-2004	11:00 am	Off premises	Prospect Purpose: Business requirement Prospect, Carl LaSalla (LaSalla – Sonnenberg); Paul Denzer (CID); Tony Privitera (CID); Lou Austin (CID)

Distribution: Board of Directors, CID corres.

**THE 3-TRAILS COMMUNITY IMPROVEMENT DISTRICT  
CID COMPARISON SUMMARY<sup>1</sup>**

<b>CID</b>	<b>TYPE</b>	<b>TERM</b>	<b>REVENUE SOURCE &amp; AMOUNT</b>
3-Trails	Political	3 Years	Special Assessments - .65 per \$100 Av Sales Tax - .125%
39 <sup>th</sup> Street	Political Subdivision	10 Years	Sales Tax only - .50%
Westport	Both	5 Years	Special Assessments – Varied Formula Sales Tax - .50%
Performing Arts	Political Subdivision	Perpetual	Sales Tax Only – 1.0%
Downtown	Not-for-Profit	6 Years	Special Assessments – Two formulas based on AV and square feet.
Martin City*	Political Subdivision	Perpetual	Special Assessments – Equal to association dues. Sales Tax - .50%
Brookside*	Political Subdivision	10 Years	Special Assessments – Equal to association dues. Sales Tax - .50%
Ramsgate	Not-for-Profit	Perpetual	Special Assessments – Equal to association dues.

\*-Not yet formed.

<sup>1</sup> The Board, in deciding how long to extend the life of the CID, should contemplate the variety of projects and undertakings planned, as well as funding needs for such goals. Additionally, since the basis for the initial three-year term was to conduct an experiment, it is likely that an extension may be met with greater support. Therefore, it may be appropriate to seek an extension of no less than seven years and to consider a Perpetual (Opt-Out) Term.

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## Memorandum

TO: The Board of Directors of  
the 3-Trails Community Improvement District

FROM: Charles G. Renner, Esq.

DATE: March 15, 2004

SUBJECT: Fast-Track for 87th Street Improvements

Dear Board Members:

The purpose of this memorandum is to briefly summarize your request that I explore the availability of having the proposed improvements to 87<sup>th</sup> Street (the "Project") funded and constructed under the Fast-Track Program ("Fast-Track") to be implemented by the City Manager of the City of Kansas City, Missouri. In short, the project is not a qualified candidate for Fast-Track.

I have spoken with various representatives from the City Manager's office, Members of the City Council, private organizations employed by the City Manager to undertake Fast-Track, and various private contractors in the area who manage numerous construction projects for the City. Below is a summary of the results of those discussions.

Fast-Track is a program being implemented by the City Manager whereby certain public improvement projects planned by the City will not be subject to the standard "RFP" process under the City's existing "Bid-Build" procedures. The standard process has been deemed by the City Manger to be unnecessarily costly and the cause of otherwise avoidable delay with respect to approved public improvement projects.

However, due to restrictions in the City's charter, city ordinance limitations, and the unavoidable issues that arise with such a significant change in process, Fast-Track will be first implemented for public improvements meeting the following criteria:

1. Public projects that are already authorized and deemed funded by the City;
2. Public projects, in order to qualify for Fast-Track, must have a total project cost of less than one million dollars (\$1,000,000); and
3. Such public project must already be listed on the Fast-Track Priority List of projects compiled by the City Manager.

Since, the Project does not meet the above-mentioned criteria, it is not likely that the Project will be included as part of Fast-Track in the near future. While Fast-Track, if successful in its implementation, may be expanded to include undertakings like the Project, the Project may not be a current candidate under this program.

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## Memorandum

TO: The 3-Trails Community Improvement District

FROM: Husch & Eppenberger, LLC

DATE: March 15, 2004

SUBJECT: Reliance on PIAC Recommendations and Availability of Federal Grant Funds

CLIENT/MATTER: The 3-Trails Community Improvement District/General (71722/001)

### Facts

The 3-Trails Community Improvement District (the "CID") is a public body created under the authority of the Missouri Community Improvement District Act.<sup>1</sup> The CID is interested in constructing certain improvements within its boundaries, including a new walking trail and various improvements to the 87<sup>th</sup> Street area of the district (the "Improvements"). The CID is exploring options with respect to financing these Improvements, and would like to obtain grant funds from the City of Kansas City, Missouri (the "City") and/or the federal government in order to complete construction.

In an effort to obtain a City grant funds, the CID is considering the submission of a grant request (the "Request") to the City's Public Improvements Advisory Committee ("PIAC"). PIAC would then review the Request and may recommend to the Council of Kansas City, Missouri (the "City Council") that the CID receive City grant funds in order to construct the Improvements. The CID would like to start construction following PIAC's recommendation, but wants to confirm that PIAC's recommendation entitles the CID to City grant funds before constructing the Improvements.

The CID is also interested in obtaining a federal grant for construction of the Improvements. The CID believes federal grant funds are available for a design/bid/build construction project, but wants to know how to apply for this grant and if there are any restrictions on the use of such federal grant funds.

### Questions Presented

- I. Under what circumstances can PIAC's recommendation entitle the CID to City grant funds?

<sup>1</sup> RSMo. § 67.140, *et seq.* (2000) (hereinafter referred to as the "CID Act").

**II. Under what circumstances can the CID apply for and receive federal grant funds in order to undertake a design/bid/build project to construct the Improvements?**

**Summary**

- I.** Standing alone, PIAC's recommendation does not entitle the CID to City grant funds. However PIAC's recommendation, when coupled with a cooperative agreement and an ordinance in confirmation of the cooperative agreement, entitles the CID to City funds.
- II.** Federal funds are available under the Federal Highway Act of 1956. However, such funds are not "grant" funds, and the CID must pay for all expenses as they come due. In order to take advantage of federal funds with respect to construction of the Improvements, the CID must (a) apply for (through the City) and receive approval from the Federal Highway Administration, (b) win the competitive bidding process and (c) pay for all expenses incurred in construction in anticipation of certain reimbursements.

**Analysis**

**I. Under what circumstances can PIAC's recommendation entitle the CID to City grant funds?**

*A. The Recommendation.*

In *Allright Missouri, Inc. v. Civic Plaza Redevelopment Corporation*,<sup>2</sup> the Missouri Supreme Court held that recommendations of committees such as PIAC are not conclusive or binding on the City Council. In *Allright*, the City Council approved a redevelopment plan for certain property in Kansas City. According to its approval, the City Council stated that the property was blighted and redevelopment was necessary.<sup>3</sup> The City Council approved the plan despite a recommendation of the City Plan Commission that the redevelopment district was not blighted and redevelopment was unnecessary.<sup>4</sup> Plaintiff, a property owner in the proposed redevelopment district, filed a lawsuit against the City.<sup>5</sup> According to Plaintiff's lawsuit, the City Plan Commission's recommendation was conclusive evidence that the area was not blighted.<sup>6</sup> The court disagreed, and held that "the Commission's recommendation, whatever it may be, clearly is not conclusive or binding on the City Council on the questions of whether an area is blighted and its redevelopment necessary and in the public interest."<sup>7</sup>

The holding of *Allright* is particularly relevant to the CID's current situation. PIAC was created "to advise the Council on specific public improvement projects to be funded, to provide assistance in the selection of public improvement projects, and to prepare reports to the Council

<sup>2</sup> 538 S.W.2d 320, 324 (Mo. 1976).

<sup>3</sup> *Id.* at 323.

<sup>4</sup> *Id.* at 322.

<sup>5</sup> *Id.* at 321.

<sup>6</sup> *Id.* at 324.

<sup>7</sup> *Id.*



and public on the progress of the projects.”<sup>8</sup> In assisting the City Council with the selection of these public improvement projects, PIAC submits a list of such projects to the City Finance Committee.<sup>9</sup> The City Finance Committee holds public hearings with respect to the proposed projects, and then “submits to the Council for its approval, specific public improvement projects to be funded during the subsequent program year.”<sup>10</sup> Although PIAC’s recommendations are considered in selecting public improvement projects, the City Finance Committee and the City Council make the ultimate decision to approve or reject funding of a specific project. PIAC’s recommendation is not binding on the City Council, and therefore does not entitle the CID to City grant funds.

*B. Resolution Subsequently Passed by City Council.*

In *Green v. St. Louis Housing Authority*,<sup>11</sup> the U.S. Court of Appeals for the Eighth Circuit held that a resolution is not a law, and therefore does not create a property interest in the subject matter of the resolution.<sup>12</sup> Based on the holding in *Green*, the CID cannot rely on any resolution as a means of financing construction of the Improvements. A resolution does not create a property interest (i.e., an entitlement to the grant funds promised), and therefore the City grant funds are not property of the CID until they are actually disbursed.

*C. Ordinance Subsequently Passed by City Council.*

Unlike a resolution, an ordinance generally has the force and effect of law, subject to certain statutory limitations. However, “[i]n the absence of a valid provision to the contrary the council of a municipal corporation having the authority to legislate on any given subject may exercise that authority at will by enacting *or repealing* an ordinance in relation to such subject matter.”<sup>13</sup> Any City Council ordinance providing City grant funds to the CID has the force and effect of law, but in the absence of a valid and binding contract between the City and the CID, the ordinance can be repealed and the CID would not be entitled to any undisbursed City grant funds.

*D. Cooperative Agreement with City.*

In 1947 the Missouri legislature enacted RSMo. Section 70.220, a statute addressing the ability of municipalities and political subdivisions to enter into contracts. The relevant provisions of this statute are as follows:

Any municipality or political subdivision of this state...may contract and cooperate with any other municipality or political subdivision...of this state...for the planning, development, construction, acquisition or operation of any public improvement...*provided, that the subject and purposes of any such*

<sup>8</sup> Section 1 of Council of Kansas City Resolution 55417.

<sup>9</sup> Section 2 of Council of Kansas City Resolution 55417.

<sup>10</sup> Section 4 of Council of Kansas City Resolution 55417.

<sup>11</sup> 911 F.2d 65 (8th Cir. 1990).

<sup>12</sup> *Id.* at 71-72.

<sup>13</sup> *Stine v. Kansas City*, 458 S.W.2d 601, 611 (Mo Ct. App. 1970) (*emphasis added*).

*contract or cooperative action...shall be within the scope of the powers of such municipality or political subdivision.*<sup>14</sup>

Based on the above-quoted statute, the City and the CID can enter into a cooperative agreement if each entity is empowered to enter into such an agreement by its respective governing documents.

Pursuant to the CID Act, the CID has the power “to make and enter into contracts and other instruments, with public and private entities, necessary or convenient to exercise its powers and carry out its duties...”<sup>15</sup> Similarly, the City Charter grants the City power to enter into contracts with respect to public improvements.<sup>16</sup> However, a City contract for public improvements is not binding and effective against the City until such contract is confirmed by the City Council via ordinance.<sup>17</sup> Prior to the City Council’s confirmation of the contract, the City can rescind the contract without penalty.<sup>18</sup> After the City Council’s confirmation of the contract, the City cannot modify (or rescind) the contract without consent of the other party to the contract.<sup>19</sup>

As applied to our current situation, a cooperative agreement between the City and the CID is the best alternative for ensuring receipt of City funds with respect to construction of the Improvements. However, the CID should not commence construction relying on these City funds until the cooperative agreement is confirmed by the City Council.

#### *E. Summary*

The PIAC recommendation does not entitle the CID to City grant funds standing alone, but coupled with a cooperative agreement and a confirmation ordinance, the CID can rely on City funds in constructing the Improvements.

### **II. Under what circumstances can the CID apply for and receive federal grant funds in order to undertake a design/bid/build project to construct the Improvements?**

The Federal Highway Act of 1956 (the “Federal Act”)<sup>20</sup> requires the Missouri Department of Transportation (“MoDOT”) to administer all federal funds apportioned and allocated to the state Missouri by Congress.<sup>21</sup> Pursuant to MoDOT’s Public Agency Manual, federal funds held by MoDOT are disbursed to a sponsoring “local agency” for use in constructing the project.<sup>22</sup> Although there is no definition of “local agency” in the relevant statutes or manuals, MoDOT’s Public Agency Manual indicates a “local agency” is a county or a city.<sup>23</sup> Therefore, the CID

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<sup>14</sup> RSMo. § 70.220.1 (2000) (*emphasis added*).

<sup>15</sup> RSMo. § 67.1461.1(3) (2000).

<sup>16</sup> City of Kansas City, Missouri Charter Section 240.

<sup>17</sup> City of Kansas City, Missouri Charter Section 251.

<sup>18</sup> City of Kansas City, Missouri Charter Section 254.

<sup>19</sup> City of Kansas City, Missouri Charter Section 260.

<sup>20</sup> 23 U.S.C. § 101 *et seq.*, as amended.

<sup>21</sup> The Missouri Department of Transportation’s Local Public Agency Manual, page 1-2.

<sup>22</sup> *Id.*

<sup>23</sup>

may need to obtain federal funds through the City in order to fund construction of the Improvements.

At the outset, it is important to note that these federal funds are not “grant funds” *per se*. Rather, the funds available under the Federal Act are part of a reimbursement program where a local agency is reimbursed by MoDOT for certain eligible expenses incurred in the construction of certain projects.<sup>24</sup> Therefore, the CID will need to have funds available “up front” for construction of the Improvements, and cannot rely on federal funds to pay for construction expenses as such expenses come due.

Even if construction of the project is ultimately eligible for reimbursement, the CID should not begin construction of the Improvements without federal approval if the CID wants to qualify for reimbursement. “No work is to be initiated until federal funding has been approved (obligated) by [the Federal Highway Administration] and MoDOT has notified the local agency to proceed.”<sup>25</sup> If the CID deems it necessary to begin construction of the Improvements in the near future, federal funds will not be available for reimbursement of construction expenses. If, however, the CID is willing to (through the City) apply for and receive approval of the project prior to construction, the Improvements may qualify for federal funds.

For all projects funded pursuant to the Federal Act, the local agency must advertise for the submission of bids for a minimum of 21 days prior to letting the contract to any potential contractor.<sup>26</sup> As stated above, the “local agency” with respect to the Improvements is the City. As a result of this rule, the City must advertise bids for construction in order to obtain federal funds for the project. Therefore, in order to take advantage of federal funds with respect to construction of the Improvements, the CID must (a) apply for (through the City) and receive approval from the Federal Highway Administration, (b) win the competitive bidding process and (c) pay for all expenses incurred in construction in anticipation of certain reimbursements.

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<sup>24</sup> The Missouri Department of Transportation’s Local Public Agency Manual, page I-2-3.

<sup>25</sup> The Missouri Department of Transportation’s Local Public Agency Manual, page I-3.

<sup>26</sup> 23 U.S.C. § 112.