



FOR IMMEDIATE RELEASE

**CITY FILES PETITION FOR JUDICIAL FORECLOSURE OF
PROPERTIES WITH DELINQUENT NID ASSESSMENTS**

PARKVILLE, MO, DECEMBER 3, 2015 – Today the City filed petitions in Platte County Circuit Court to initiate foreclosure proceedings against two property owners in the Brush Creek and Brink Meyer Neighborhood Improvement Districts (NIDs). 45 Park Place, LLC (≈70 acres) and Grounded Properties, LLC (≈50 acres) are delinquent on the first installment of NID special assessments that were due December 31, 2014 (see attached map) for sanitary sewer and road improvements that directly benefit the properties. 45 Park Place, LLC is affiliated with Peoples Bank and Grounded Properties, LLC is affiliated with Bank of Blue Valley. The banks previously foreclosed on the properties following default on the underlying loans. All other owners of properties within the two NIDs paid all assessments due to date.

Both NIDs were created under the Neighborhood Improvement District Act by a petition of at least two-thirds of the owners of record of all the real property located within district boundaries. The property owners petitioned to assess themselves for the costs of the public improvements benefitting their properties. Special assessments authorized under the NID Act constitute liens against the real property and may be foreclosed by a judicial foreclosure proceeding.

The Board of Aldermen previously approved filing judicial foreclosure against properties with delinquent assessments by a vote of 6-0 on August 18, 2015, in a closed executive session for legal matters of attorney-client privilege pursuant to RSMo 610.021(1). In compliance with the Missouri Sunshine Law, the action is being disclosed today concurrent with filing of the petitions.

Mayor Johnston stated, “The Board of Aldermen is committed to doing everything within its power to facilitate development of the properties and payment of assessments. Unfortunately, despite the City’s best efforts to negotiate a development solution, some of the property owners have yet to meet their minimum financial obligations. The City is taking this step to protect the interests of Parkville taxpayers and to minimize the debt burden to the community at-large.”

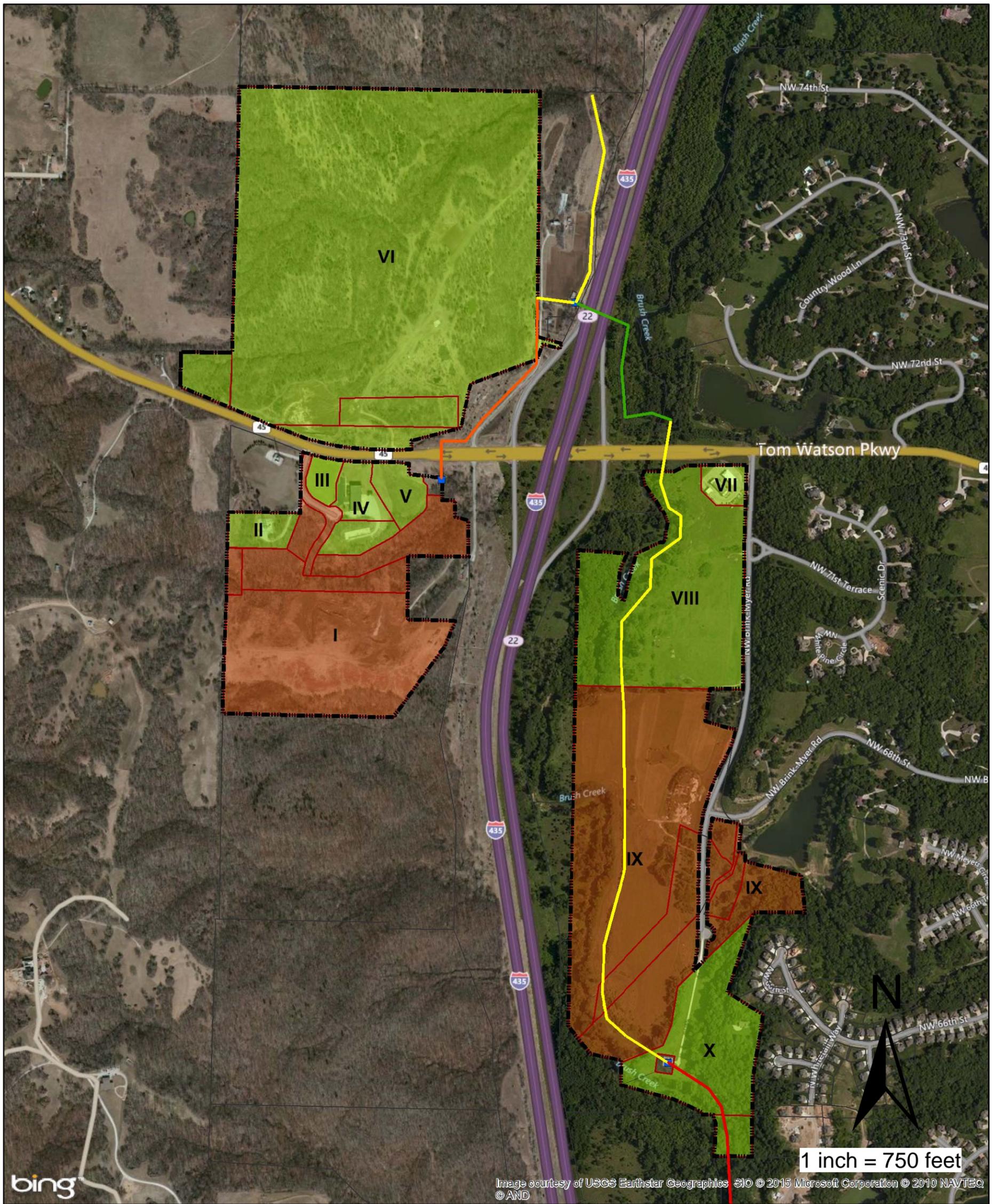
State law gives the City the option to accelerate all future NID assessments as part of the foreclosure process. The City elected to exercise this option for the property owned by 45 Park Place, LLC by asking the court to declare the unpaid and the entire remaining assessments due and payable and to order the property sold to satisfy the judgment. City Administrator Lauren Palmer explained, “because the property is within the boundaries of both the Brink Meyer and Brush Creek NIDs, the per-acre assessment for 45 Park Place is significant and presents challenges to the development of the property.” If the court orders the property sold as requested in the City’s petition, it is likely the City will acquire ownership given the amount of the unpaid and future assessments. Palmer stated, “While the City’s desire is for the property to be privately owned and developed as soon as possible, under the circumstances this is the best approach at this time because it will enable the City to facilitate the future sale and appropriate development of the property. The property owner’s failure

to pay the assessments has essentially left the City with no other reasonable option given that the County tax sale process may take two or more years and the City has a continuing obligation to make debt service payments associated with the financing of the improvements.”

The City’s petition does not ask the court to accelerate the NID assessments for the property owned by Grounded Properties, LLC. Palmer explained, “There are still private development options in play for this property. I am optimistic that the Board’s action to pursue foreclosure will prompt the owner to pay the delinquent assessments rather than forfeit the property. If not, there will likely be buyers interested in this property for the value of the delinquent assessments.”

The City is marketing this area through its partnership with the Parkville Economic Development Council. Executive Director Mike Kellam stated, “This action by the City should signal to the development community that Parkville is open for business and working hard to make this desirable property viable for future development. The Board of Aldermen is on record supporting a range of economic incentives for this area in order to spur development that is compatible with the City’s master plan. Interested businesses and developers should contact the Parkville EDC directly for more information.”

Additional information about development within the NIDs is available on the City’s website at <http://parkvillemo.gov/faqs-development-intersection-interstate-435-missouri-route-45/>. For more information, please contact Lauren Palmer at lpalmer@parkvillemo.gov or (816) 741-7676.



Note: Parcel data per Platte Co. Assessor, dated 2011.

Legend

- ▬▬▬▬▬▬ NID Boundary
- ▭ Boundary of Assessed Parcel
- ▭ Tract-1 -Grounded Properties, LLC
- ▭ Tract-IX - 45 Park Place, LLC
- ▭ Tract with Assessments Paid

**BRUSH CREEK DRAINAGE AREA NID
MAP OF PAYMENT STATUS OF TRACTS
DECEMBER 2015**