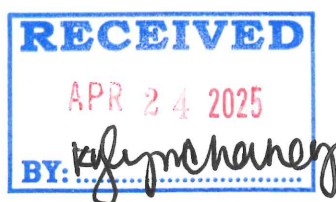

PETITION FOR ESTABLISHMENT OF THE
BUTTERFLY PALACE COMMUNITY IMPROVEMENT DISTRICT
CITY OF BRANSON, MISSOURI



**PETITION FOR THE CREATION OF THE
BUTTERFLY PALACE COMMUNITY IMPROVEMENT DISTRICT**

To the Mayor and Board of Aldermen of the City of Branson, Missouri:

The undersigned real property owner (the "Petitioner"), pursuant to RSMo Section 67.1421, being the owner of:

- (1) more than fifty percent (50%) by assessed value of the real property; and
- (2) more than fifty percent (50%) per capita of all owners of real property

within the boundaries of the hereinafter described proposed community improvement district, does hereby petition and request that the Board of Aldermen of the City of Branson, Missouri create a community improvement district as described herein under the authority of Sections 67.1401 to 67.1571, RSMo (the "CID Act"). In support of this petition, the Petitioner sets forth the following information in compliance with the CID Act:

1. District Name. The name for the proposed community improvement district ("CID" or "District") is:

BUTTERFLY PALACE COMMUNITY IMPROVEMENT DISTRICT.
2. Legal Description and Map. A legal description and map generally depicting the boundaries of the proposed District are attached hereto as Exhibit A and Exhibit B, respectively. The proposed district consists of 6.18 +/- acres and is located entirely within the City of Branson, Missouri.
3. Five-Year Plan. A five-year plan as required by the CID Act is attached hereto as Exhibit C (the "Five Year Plan").
4. Form of District. The proposed district will be established as a political subdivision of the State of Missouri under the CID Act.
5. Board of Directors.
 - a. Number. The District shall be governed by a Board of Directors (the "Board") consisting of five (5) members, whom shall be appointed in accordance with this petition.
 - b. Qualifications. Each Member of the Board ("Director") shall meet the following requirements:
 - (1) be at least 18 years of age;
 - (2) be and must declare to be either an owner of real property within the District ("Owner") or an authorized representative of an Owner, an owner of a business operating within the District ("Operator"), or a registered voter ("Resident") residing within the District, as provided in the CID Act;
 - (3) be and have been a resident of the State of Missouri for at least one year immediately preceding the date upon which he or she takes office in accordance with Article VII, Section 8 of the Missouri Constitution; and
 - (4) except for the initial directors named in this Petition, be appointed as described in this Petition.

c. Initial Directors. The initial directors (“Initial Directors”) and their respective terms shall be:

- i. Bruce Herschend - Owner’s Representative, four (4) year term
- ii. Billy Ong- Owner’s Representative, four (4) year term
- iii. Brittney Smith - Owner’s Representative, two (2) year term
- iv. [] - City’s Representative, two (2) year term
- v. [] – City’s Representative, two (2) year term

If there are no registered voters residing in the District on the date this Petition is filed with the City Clerk, at least one Director must be a resident of Branson, Missouri that is registered to vote, has no financial interest in any real property or business within the District, and is not related (second degree blood or marriage) to any owner of real estate or any business in the CID (a “Disinterested Director”).

d. Terms. Initial Directors shall serve for the term set forth above. Each Successor Director shall serve a four (4) year term or until his/her successor is appointed in accordance with this Petition. If, for any reason, a Director is not able to serve his/her term, the Mayor, with the consent of the Board of Aldermen shall elect an Interim Director to fill the vacancy of the unexpired term.

Notwithstanding anything to the contrary, any Director’s failure to meet the qualification requirements set forth above, either in a Director’s individual capacity or in a Director’s representative capacity, shall constitute cause for the Board to take appropriate action to remove said Director.

e. Successor Directors. Successor Directors shall be appointed by the Mayor with the consent of the Board of Aldermen by resolution. The Executive Director of the District may submit a proposed slate of successor directors to the City of Branson, Missouri’s City Clerk (the “City Clerk”), which slate may be comprised of any individuals that meet the above-listed criteria in the discretion of the Executive Director. Upon receipt of a slate of Successor Directors, the City Clerk shall promptly deliver the slate to the Mayor for consideration by the Board of Aldermen. The slate shall serve as a non-binding recommendation of persons to be appointed by the Mayor.

6. Assessed Value. The total assessed value of all real property in the District is approximately \$761,010.

7. Duration of District. The proposed length of time for the existence of the District is twenty-seven (27) years from the date the Petition is approved and an ordinance is passed establishing the District. The District may be terminated prior to the end of such term in accordance with the provisions of the CID Act and this Petition, and said term shall not be extended unless a new petition is submitted and approved pursuant to the terms of the CID Act.

8. Real Property and Business License Taxes. The District will not have the power to impose a real property tax levy or business license taxes.

9. Special Assessments. The District will not have the power to impose special assessments.

10. Sales Tax. Qualified voters of the District may be asked to approve a sales tax of up to one percent (1%) (“District Sales Tax”), in accordance with the CID Act, to fund certain improvements within the District

and/or to pay the costs of services provided by the District. Additional details about the District Sales Tax are set forth in the Five Year Plan attached hereto as **Exhibit C**.

11. **Borrowing Limits.** Petitioner does not seek limitations on the borrowing capacity of the District.
12. **Revenue Limits.** Petitioner does not seek limitations on the revenue generation of the District.
13. **Future Five Year Plans.** The District shall submit future Five (5) Year Plans meeting the requirements of Section 67.1421.2(3)(d), RSMo (as amended or replaced from time to time) to the City for comment and review no earlier than 180 days and no later than 90 days prior to the expiration of each then-current Five (5) Year Plan.
14. **Authority Limits.** Petitioner does not seek limitations on the authority of the District, except as set forth in this Petition.
15. **Blight.** Petitioner is not seeking a blight determination for the District.
16. **Right to Terminate.** The property owners within the District shall have the right to petition the Board of Aldermen to terminate the District at any time in accordance with the CID Act.
17. **Board of Aldermen Right to Audit.** The Board of Aldermen shall have the right to audit the books and records of the District at any time upon reasonable request.
18. **Revocation of Signatures.** **THE PETITIONER ACKNOWLEDGES THAT THE SIGNATURE OF THE SIGNER OF THIS PETITION MAY NOT BE WITHDRAWN FROM THIS PETITION LATER THAN SEVEN (7) DAYS AFTER THE FILING HEREOF WITH THE CITY CLERK.**

WHEREFORE, Petitioner respectfully requests that the Board of Aldermen establish the requested Butterfly Palace Community Improvement District in accordance with the information set forth in this Petition and that the Mayor appoint and the Board of Aldermen consent to the proposed members for the Board of Directors as set forth in this Petition and take all other appropriate and necessary action that is consistent with the CID Act to establish the requested district.

**EXECUTION PAGES FOR PETITION FOR THE CREATION OF THE
BUTTERFLY PALACE COMMUNITY IMPROVEMENT DISTRICT**

Name of owner: R B D Marketing, LLC

Owner's address: 4106 W. 76 Boulevard Branson, MO 65616

Owner's telephone number: (417) 332-2231

IF SIGNER IS DIFFERENT FROM OWNER:

Name of signer: Bruce Herschend

Title: Authorized Representative

Signer's telephone number: (417) 332-2231

Signer's mailing address: 4106 W. 76 Boulevard Branson, MO 65616

If owner is an individual: _____ Single ☒ Married

If owner is not an individual, state what type of entity (Mark Applicable Box):

<input type="checkbox"/>	Corporation	<input type="checkbox"/>	General Partnership
<input type="checkbox"/>	Limited Partnership	<input checked="" type="checkbox"/>	Limited Liability Company
<input type="checkbox"/>	Partnership	<input type="checkbox"/>	Urban Redevelopment Corporation
<input type="checkbox"/>	Not-for-Profit Corporation	<input type="checkbox"/>	Other

Map and parcel number:

Parcel Number
07-7.0-35-000-000-003.000 (Assessed Value = \$761,010)

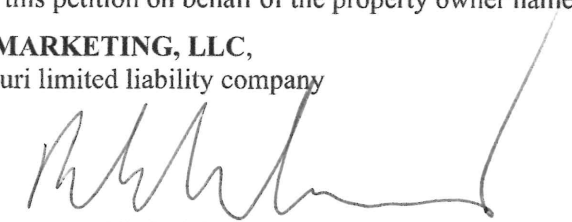
Total approximate Assessed value of District: \$761,010

[Signature follows on separate page.]

By executing this petition, the undersigned represents and warrants that he is authorized to execute this petition on behalf of the property owner named immediately below.

R B D MARKETING, LLC,
a Missouri limited liability company

By:

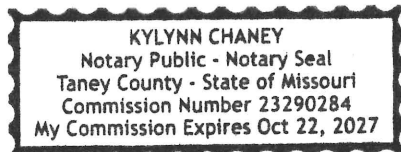



Bruce Herschend, Authorized Representative

STATE OF MISSOURI)
COUNTY OF TANEY) ss:

On this 24th day of April, 2025, before me appeared Bruce Herschend, to me personally known, who, being by me duly sworn did say that he is the Authorized Representative of R B D Marketing, LLC, a Missouri limited liability company, and that said instrument was signed on behalf of said limited liability company, and said limited liability company acknowledged said instrument to be the free act and deed of said entity.

WITNESS my hand and official seal this 24th day of April, 2025.




Notary Public Klynn Chaney

My Commission Expires: OCTOBER 22, 2027

EXHIBIT A

Legal Description of the Butterfly Palace Community Improvement District

A tract of land being a part of COMMERCE PARK WEST, a commercial subdivision as per the recorded plat thereof, Plat Book 22, Page 43, of the record's of Taney County, Missouri, said tract being situated in the SW1/4 of the NW1/4 of Section 35, Township 23 North, Range 22 West, being more particularly described as follows

Beginning at the Northwest corner of the SW1/4 of the NW1/4; thence South 89° 57' 01" East, along the North line 412.70 feet to the Northwest corner of the parcel described in Book 317, at pages 9076-9077; thence South 00° 16' 19" East, 109.93 feet; thence South 89° 57' 01" East 182.80 feet; thence North 17° 07' 59" East, 115.00 feet, said point being on the North line of the SW1/4 of the NW1/4; thence North 89° 06' 29" East, along the North line of the SW1/4 of the NW1/4, 42.14 feet; thence South 17° 10' 24" West, 130.93 feet; thence South 36° 31' 35" West, 604.58 feet to a point on the Northerly R/W line of M.S.H.D. West 76; thence North 57° 28' 16" West, 7.36 feet to the M.S.H.D. West 76 PT Station 95+64.71 and 35.00 feet left of center line, said point being a non-tangent curve; thence continuing Northwesterly along the Northerly R/W line of M.S.H.D. West 76 along a non-tangent 9.4130 segment of a curve to the left, 273.71 feet (said segment having a chord bearing and distance of North 79° 47' 54" West, 271.41 feet and having a radius of 608.69 feet) to a point on the West line of the SW1/4 of the NW1/4; thence North 00° 01' 16" West, along the West line of the SW1/4 of the NW1/4, 558.79 feet to the Point of Beginning; containing 6.18 acres of land, more or less.

SUBJECT TO a road easement in Favor of the City of Branson as filed in Book 317, pages 9072-9073, being the uniform width of 40.00 feet, the Easterly line of which is described as follows: Commencing at the Northwest corner of the SW1/4 of the NW1/4 of said Section 35; thence South 89° 06' East, 671.75 feet to the True Point of Beginning of said road easement; thence South 17° 59' West, 130.90 feet; thence South 37° 21' West, 606.73 feet to a point in the Northerly R/W of M.S.H. #76.

LESS AND EXCEPT:

Taney County, Missouri Parcel ID Number 07-7.0-35-000-000-003.010B.

Parcel Numbers included in Butterfly Palace Community Improvement District
07-7.0-35-000-000-003.000

EXHIBIT B

General Boundary Map of the Butterfly Palace Community Improvement District

The District boundary is outlined in teal below.



EXHIBIT C
FIVE YEAR PLAN

(Attached)

**FIVE YEAR DISTRICT MANAGEMENT PLAN
OF THE
BUTTERFLY PALACE COMMUNITY IMPROVEMENT DISTRICT
CITY OF BRANSON, MISSOURI**

The information and details outlined in the following pages represent the strategies, and activities that it is anticipated will be undertaken during the initial five-year duration of the Butterfly Palace Community Improvement District in Branson, Missouri. It is an integral and composite part of the petition to establish the Butterfly Palace Community Improvement District.

Introduction

The Butterfly Palace Community Improvement District (the “District”) is created pursuant to Section 67.1401 through 67.1571 of the Revised Statutes of Missouri (the “CID Act”). Section 67.1421, RSMo, requires that the petition for the creation of the District be accompanied by a five-year plan which includes a description of the purposes of the proposed district, the services it will provide, each improvement it will make from the list of allowable improvements under Section 67.1461, an estimate of the costs of these services and improvements to be incurred, the anticipated sources of funds to pay the costs, and the anticipated term of the sources of funds to pay the costs. This Five-Year District Management Plan (the “Plan”) is intended to satisfy this statutory requirement, and is appended to the Petition for Formation of the District as an integral part thereof.

Section 1 - Why Create a Community Improvement District?

The District will encompass a 6.18 +/- acre plot of land located northwest of the intersection of HWY 376 and Shepard of the Hills Expressway in Branson, Missouri (the “Development”). The purpose of the District is to undertake certain improvements and services within the District, as discussed below, and to use or make available its revenue to pay the costs thereof.

Section 2 - What is a Community Improvement District?

A community improvement district is an entity that is separate from the City of Branson, Missouri and is formed by the adoption of an ordinance by the Board of Aldermen following a public hearing before the Board of Aldermen regarding formation of the District. A CID may take the form of a political subdivision of the State of Missouri, or a nonprofit corporation that is formed and operated under Missouri corporation laws. CIDs are empowered to provide a variety of services and to construct and/or finance a number of different public improvements, and in a blighted area, to contract with a private property owner to demolish and remove, renovate, reconstruct, or rehabilitate any building or structure owned by such private property owner, all as set forth more particularly in the CID Act. CIDs derive their revenue from taxes and assessments levied within the boundaries of the CID. Such revenues are then used to pay the costs of the services and/or improvements. A CID is operated and managed by a board of directors, whose members may be appointed or elected. Board members serve for a designated period of time, and the Board positions are again elected or appointed at the expiration of each term as provided in the petition creating such CID.

Section 3 - Management Plan Summary

The District in this case will take the form of a separate political subdivision of the State of Missouri, which will be governed by a Board of Directors that will consist of five (5) members appointed by the Mayor with the consent of the Board of Aldermen pursuant to a slate submitted in accordance with the Petition.

District Formation:

CID formation requires submission of signed petitions from a group of property owners:

- collectively owning more than fifty percent (50%) by assessed value of the real property within the District, and
- representing more than fifty percent (50%) per capita of all owners of real property within the District.

In this case, the Petition to which this Plan is attached has been signed by the owners of 100% of the assessed value and 100% of the per capita property owners within the District.

Location:

The Development is located northwest of the intersection of HWY 376 and Shepard of the Hills Expressway in Branson, Missouri and consists of approximately 6.57 +/- acres, as more particularly described in the Petition.

Assessed Value of District:

The total assessed value of the property contained within the District on the date of the Petition is \$761,010.

Improvements and Services:

The purpose of the District is to provide funding for the expansion of the Butterfly Palace, which, among other things, will include parking facilities, public improvements, and expansion of the square footage of existing structures located within the District (the "Improvements"), and the provision of certain services within the District's boundaries, which is anticipated to include maintenance of public improvements (the "Services"). The costs of the Improvements to be financed by the District shall include all costs associated with design, architecture, engineering, financing costs incurred to finance such Improvements, and legal and administrative costs of the same. The District may also provide funding for the District's formation and its ongoing operation and administration costs on an annual basis.

It is also anticipated that all costs, including attorneys' fees, associated with formation of the District, including, but not limited to, the preparation of the CID Petition, the negotiation and drafting of any agreements entered into upon formation of the District in furtherance of the District's purposes, and the initial implementation of the District ("Formation Costs") will be reimbursed to the advancing party, or paid directly, from funds generated by the District.

Method of Financing:

It is proposed that the District will impose a sales and use tax of up to one percent (1%) (the "District Sales Tax"), which is in addition to any other state, county or city sales and use tax. The District Sales Tax is payable on the same retail sales that are subject to taxation pursuant to Sections 144.010 to 144.525, RSMo, except sales of motor vehicles, trailers, boats or outboard motors, and sales to or by public utilities and providers of communications, cable, or video services. All costs of the District shall be financed in the manner and amount determined by the Board of Directors from the amounts on deposit with the CID. Amounts advanced to the District by the Petitioner, or its successors or assigns, to cover the costs contemplated hereunder will be reimbursed by the District upon the availability of funds. All financing costs, including interest costs, associated with any loan obtained by the District, or notes, bonds, or other obligations issued by the District to finance Improvements and/or Services may be paid from CID Sales Tax revenues.

Estimated Costs:

Attached as **Exhibit A** to this Plan is a table setting forth the estimated cost of the Improvements and the Services, and a table setting forth the projected cash flow for the first five years of the District's existence. The anticipated sources of funds to pay for the Improvements are the proceeds of private loans and equity to be invested by the Petitioner. The District Sales Tax will be applied to reimburse the Petitioner for a portion of such costs. The anticipated term of such private

sources of funds is 10-30 years, while the period of reimbursement from the District Sales Tax shall occur as described below in the Section titled "Duration."

City Services:

The CID Act mandates that existing City services will continue to be provided within a CID at the same level as before the District was created (unless services are decreased throughout the City) and that District services shall be in addition to existing City services. The District anticipates that City services will continue to be provided within the District at the same level as before the District was created, and the District will not cause the level of City services within the District to diminish.

Duration:

The District will operate for a maximum term of twenty-seven (27) years from the date the Petition is approved and an ordinance is adopted establishing the District. Notwithstanding that the District is at the time providing Services, but subject to the contractual rights of any third parties, the District may be terminated prior to the end of such maximum term if the Improvements have been completed and the costs thereof paid for or reimbursed in full with CID Sales Tax revenue. The petition process must be repeated for the District to continue beyond such maximum term.

**Section 4
District Boundaries**

The legal description of the District is attached as Exhibit A to the Petition.

**Section 5
Facilities and Services to Be Provided**

As explained above, during the first five years, the purpose of the District is to provide revenue sources in support of contracting with any private property owner to effectuate the Improvements, and providing or contracting for the Services.

**Section 6
Governing the Community Improvement District**

Board of Aldermen:

Following the submission of the Petition, the Board of Aldermen will conduct a public hearing and then consider an ordinance to create the District.

Board of Directors for District:

The District will be governed by a Board of Directors that will consist of five members appointed by the Mayor of Branson with the consent of the Board of Aldermen pursuant to the terms of the Petition. It is anticipated that if the District submits names of suggested successor directors to the City in accordance with the requirements of the Petition in writing at least thirty (30) days prior to the expiration date of the terms of the applicable directors, the Mayor shall appoint such directors as successor directors, with the consent of the Board of Aldermen, unless the Mayor provides the District with a reasonable written explanation that such suggested successor directors do not meet applicable legal requirements or lack the competency to serve as directors.

Annual Budget:

The District's budgets will be proposed and approved annually, within the limitations set forth in this Plan, by the District's Board of Directors. Budgets will be submitted annually to the Board of Aldermen of the City of Branson for review and comment in accordance with the CID Act. The District will operate at all times in accordance with the District Rules and Regulations (Section 7) and the Bylaws of the District. The fiscal year of the District shall coincide with the City's fiscal year which is July 1 through June 30.

Section 7
District Rules and Regulations

1. The District shall operate at all times in accordance with Bylaws that may be adopted by the Board of Directors. The District shall at all times conduct its proceedings in accordance with Robert's Rules of Order, except as otherwise provided in any Bylaws.
2. The Board of Directors of the District will meet at least on an annual basis.

**EXHIBIT A TO FIVE YEAR PLAN OF THE
BUTTERFLY PALACE COMMUNITY IMPROVEMENT DISTRICT**

ESTIMATED COSTS OF IMPROVEMENTS AND SERVICES¹

Project Cost*	Total Cost	CID Reimbursement
Public Facilities, Parking, and expansion of the square footage of existing structures	\$1,006,557	\$1,006,557
Annual Operating Costs (over five (5) years)	\$12,500	\$12,500
SERVICES (over five (5) years)	\$0	\$0
TOTAL PROJECT COSTS	\$1,019,057	\$1,019,057

*Assumes interest on such amounts will also be reimbursable.

CASH FLOW PROJECTION²

CID Year	CID Sales Tax Revenue
1	\$ 42,146
2	\$ 48,468
3	\$ 55,738
4	\$ 64,099
5	\$ 68,871

¹These costs are estimates and may fluctuate based on actual costs incurred for purposes permitted under the CID Act.

²Any annual revenue generated will be utilized to pay any costs of the District as approved in the District annual budget.