

RESOLUTION No. 18-061

A RESOLUTION ADOPTING AND APPROVING FIRST AMENDMENT TO FINANCING PLAN AS PROVIDED FOR IN THE MASTER DEVELOPMENT AGREEMENT BETWEEN CITY OF NORTH KANSAS CITY, MISSOURI AND NORTH KANSAS CITY DESTINATION DEVELOPERS, LLC

WHEREAS, the City of North Kansas City, Missouri (the “**City**”) is a body corporate, a third class city and political subdivision of the State of Missouri, duly created, organized and validly existing under and by virtue of the Constitution and laws of the State of Missouri; and

WHEREAS, the City and North Kansas City Destination Developers, LLC (the “**Developer**”) entered into a certain Master Development Agreement dated May 17, 2016 (the “**MDA**”) regarding the City’s Armour Road Redevelopment Area now known as “One North” (the “**Development**”); and

WHEREAS, by passage of Resolution No. 17-001 on January 3, 2017, the City approved the Financing Plan as required by the MDA; and

WHEREAS, after review by the parties, as well as the City’s Financial Adviser (George K. Baum & Company), it has been determined that the Financing Plan should be amended as set forth in First Amendment to the City of North Kansas City, Missouri Financing Plan dated October 2, 2018 (“**First Amendment**”); and

WHEREAS, the City, acting through its Governing Body, does hereby consider the First Amendment presented and attached to this Resolution.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of North Kansas City, Missouri, as follows:

Section 1. Authorization and Approval of First Amendment to Financing Plan. After review and due consideration of the First Amendment to the Financing Plan, the City Council hereby approves the First Amendment to the Financing Plan, which First Amendment shall be in substantially the form of “**Attachment 1**”, attached hereto and incorporated herein by reference. The provisions of the First Amendment are hereby approved and adopted by the City Council of the City of North Kansas City, Missouri.

Section 2. Further Authority. The City shall, and the mayor, city clerk, city officials and employees of the City are hereby authorized and directed to take such further action, and execute such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Resolution.

Section 3. Severability. The sections, paragraphs, sentences, clauses and phrases of this Resolution shall be severable. In the event that any such section, paragraph, sentence, clause or phrase of this Resolution is found by a court of competent jurisdiction to be invalid, the remaining portions of this Resolution are valid, unless the court finds the valid portions of this

Resolution are so essential to and inseparably connected with and dependent upon the void portion that it cannot be presumed that the City has enacted the valid portions without the void ones, or unless the court finds that the valid portions, standing alone, are incomplete and are incapable of being executed in accordance with the legislative intent.

Section 4. Governing Law. This Resolution shall be governed exclusively by and construed in accordance with the applicable laws of the State of Missouri.

Section 5. Effective Date. This Resolution shall be in full force and effect from and after its passage by the City Council and approval by the Mayor.

DONE this 2nd day of October, 2018.


Donald Stielow, *Mayor*

ATTEST:


Crystal Doss, *City Clerk*

ATTACHMENT “1”

FIRST AMENDMENT TO THE

CITY OF NORTH KANSAS CITY, MISSOURI

FINANCING PLAN

SUBMITTED TO THE GOVERNING BODY
OF THE CITY OF NORTH KANSAS CITY, MISSOURI

October 2, 2018

I. Introduction

This First Amendment to the City of North Kansas City, Missouri Financing Plan (the “**First Amendment**”) amends the City of North Kansas City, Missouri Financing Plan as approved by Resolution No. 17-001 on January 3, 2017 (the “**Financing Plan**”).

The Financing Plan contemplates using certain Incentives (as such term is defined in the Financing Plan) (“**Incentive Revenues**”) to finance a portion of the development costs of a mixed use development comprised of the following uses: retail, restaurant, grocery, recreational, hotel, office, conference center, multi-family residential, or other commercial, recreational, or residential uses, but excluding single family residential (the “**Project**”). The Project is comprised of approximately 58 acres of real property generally located on the southeast corner of U.S. Highway 35 and Armour Road in the City of North Kansas City, Clay County, Missouri.

This First Amendment provides for the use of property assessment clean energy financing (“**PACE**”) and industrial development bonds (“**Chapter 100 Bonds**”) as additional sources of Incentive Revenues for the Project.

The Plan is hereby amended as follows:

II. Plan Amendments

Amendment No. 1 Section III, Incentives

The first sentence of Section III of the Financing Plan is hereby deleted and replaced in its entirety as follows:

This Financing Plan contemplates the use of the following Incentives: tax increment financing (“**TIF**”), a community improvement district (“**CID**”), the hotel/motel transient guest tax (the “**Hotel Tax**”) generated on the Property, Chapter 100 Bonds, and PACE financing for eligible costs.

Amendment No. 2 Section III.E, Chapter 100 Bonds

The Financing Plan is hereby amended to provide for a new Section III.E immediately after Section III.D as follows:

E. Chapter 100 Bonds

Chapter 100 financing under the Industrial Development Project Act, Sections 100.010 to 100.200, RSMo. (the “**Chapter 100 Act**”) authorize cities and other municipalities to issue Chapter 100 Bonds to fund industrial, commercial and other development projects. Chapter 100 Bonds do not require voter approval and are payable solely from revenues received from the project. Chapter 100 Bonds are not general obligations of the city and are not supported by the full faith and credit of the city.

The Chapter 100 Act allows for Chapter 100 Bonds to be issued for the project as limited obligation revenue bonds backed only by the revenues actually received by the city from the rent paid for the facility by the benefited company. Chapter 100 Bonds issued for the project would not affect a city’s bond credit rating. Any applicant for Chapter 100 Bonds will agree to indemnify the City for any liability or costs of taxes or special assessments the City may incur as a result of such Chapter 100 transaction.

In a typical Chapter 100 Bonds transaction, the city acquires the land simultaneously with the issuance of the bonds and uses the proceeds of the bonds for construction of the project. The real estate, the improvements and the fixtures and equipment are then leased by the city to the benefited company. The benefited company makes rent payments that are sufficient to pay the principal of and interest on the bonds as they become due. When the Chapter 100 Bonds are retired, the project is conveyed to the benefited company for nominal consideration. Thus, the city issuing the Chapter 100 Bonds merely acts as a conduit for financing the project.

Under the Missouri Constitution, as long as the city owns the project property being financed, the land, improvements, and fixtures purchased or constructed with the proceeds of Chapter 100 Bonds are exempt from property taxes. In addition, the purchase of materials used in the construction of the project, and the purchase of the fixtures, can be exempt from sales tax.

Chapter 100 Bonds may be used to finance the costs of the purchase, construction, and improvement of the following:

1. Warehouses;
2. Distribution facilities;
3. Research and development facilities;
4. Office industries (i.e., a regional, national or international headquarters, a telecommunications or computer operation, an insurance company or a credit card billing and processing center);
5. Agricultural processing industries;
6. Service facilities that provide interstate commerce;
7. Industrial plants; and
8. Other general commercial purposes, including funding for land, buildings, fixtures and machinery.

In order to issue Chapter 100 Bonds, the following activities of the City must occur:

1. Prepare a redevelopment plan and cost-benefit analysis describing the economic impact on the various taxing districts if the project is built and is not built and also identify any payments in lieu of taxes expected to be made;
2. The City provides notice of the proposed redevelopment plan and project at least 20 days before approving the plan; and
3. The City Council makes the required findings, approves the redevelopment plan and project, and approves issuance of the bonds.

Chapter 100 Bonds may be used in the following ways pursuant to one or more Component Development Agreements:

1. For purposes of granting sales and use tax exemption on construction materials, the term of the Chapter 100 Bonds shall be limited to the agreed upon period of construction of the Project Component.
2. For purposes of granting sales and use tax exemption on construction materials and for the purpose of granting 20 years of 100% property tax abatement; the term of the Chapter 100 Bonds shall be limited to the agreed upon period of construction of the Project Component plus the 20 years following such construction period.

3. It is contemplated that there may be several Chapter 100 Bond issues over a period of several years.
4. All costs and expenses of such Chapter 100 Bond transactions incurred by the City shall be reimbursed by the Developer or Component Developer, as applicable, at the time such costs are incurred by the City.

Amendment No. 3 Section III.F, PACE Financing

The Financing Plan is hereby amended to provide for a new Section III.F immediately after Section III.E as follows:

F. PACE Financing

The Property Assessment Clean Energy Act, Sections 67.2800 to 67.2835, RSMo. (the “**PACE Act**”), allows municipalities to create Clean Energy Development Boards (“**CEDB**”) to implement PACE programs. The purpose of PACE is to provide low-cost, long-term funding for energy efficiency, renewable energy and water conservation projects and other qualified improvements. PACE can be used for commercial, nonprofit and residential properties.

PACE allows property owners to apply to a CEDB to finance the costs of installing energy efficient or renewable energy improvements on a project through annual special assessments levied under an assessment contract and recorded in the real estate records of the county recorder of deeds. PACE special assessments are filed as a lien on the property and are processed the same way as other local public benefit assessments. Initial funding for these improvements may be raised through the issuance of bonds by the CEDB, which are then repaid from the special assessments paid by participating property owners for up to 20 years (“**PACE Revenues**”). These bonds or other obligations can be publicly sold or placed with a private investor. Any bonds issued pursuant to the PACE Act are not obligations of the participating city or municipality and will not affect a city’s bond credit rating.

PACE financing can be used to fund the following types of energy efficiency or renewable energy improvements:

1. Acquisition, installation or modification on or of publicly- or privately-owned property which is designed to reduce the energy consumption of such property, including but not limited to, insulation, windows and doors, automatic energy control systems, HVAC systems, light fixtures, energy recovery systems, and daylighting systems; and
2. Acquisition and installation of a fixture, product, system, device, or combination thereof on publicly- or privately-owned property which produces energy from renewable resources, including but not limited to, solar thermal systems, wind systems or geothermal systems.

In August 2013, the City joined the Missouri Clean Energy District (“**MCED**”) therefore authorizing the use of PACE financing for City businesses. In November 2017, the City joined the Show Me PACE Clean Energy Development Board (“**Show Me PACE**”). City businesses apply directly to the MCED or Show Me PACE without the City needing to be involved in the process. The MCED or Show Me PACE may use a third-party PACE administrator to collect the annual PACE special assessments from the property owner.

PACE financing may be used to finance the costs of eligible energy improvements on the Property. If PACE financing is used to fund eligible energy improvements on the Property, Chapter 100

Bonds may only be used for exemption from sales taxes on building materials and not for property tax abatement.

Amendment No. 4 Section V, Bond Financing

The first and second paragraphs of Section V of the Financing Plan are hereby deleted and replaced in their entirety as follows:

In October 2017, the City created the Industrial Development Authority of the City of North Kansas City, Missouri (the “**IDA**”) pursuant to Ordinance No. 9032 in accordance with Ch. 349, RSMo. (the “**IDA Act**”). It is anticipated that the IDA will issue one or more series of Revenue Bonds (“**Bonds**”) payable solely from one or more of (i) a pledge of the TIF Revenues, (ii) a pledge of the CID Revenues, (iii) a pledge of the Hotel Tax Revenue, (iv) a pledge of the PACE Revenues, and (v) if a TDD is created, a pledge of the TDD Revenues. If required, the Bonds will be further secured by a Debt Service Reserve Fund (“**Reserve Fund**”) and will be marketed by an investment banking firm selected by the IDA or the City, which may be George K. Baum & Company (“**Investment Banking Firm**”). The Bonds are estimated by Developer to provide proceeds of approximately \$27,836,000 for expenditure on Project Costs.

Unless the Bonds are rated equal to or higher than “A” by Standard and Poor’s Corporation or “A2” by Moody’s Investors, the Bonds will be sold only in minimum denominations of \$100,000 sold to one or more of the following (with the precise number to be determined in the Developer’s sole discretion): (i) Qualified Institutional Buyers, (ii) Accredited Investors and/or (iii) the Developer and/or entities related to or affiliated with the Developer. The restrictions on transfer of such privately placed Bonds shall be reasonably acceptable to the City and the Developer. Any purchaser of privately placed Bonds shall sign a standard investor letter acknowledging the risks associated with the Bonds, and the Bonds and such letters shall state that any future transfer of the Bonds shall be made only to other Qualified Institutional Buyers or Accredited Investors who also sign such a letter.

III. Plan Exhibit Amendments

Amendment No. 5 Exhibit A

Exhibit A of the Financing Plan, the Budget, is hereby modified to amend and restate the Budget to reflect the budget as adopted in August 2018 and which includes a cost summary of the total costs eligible for Chapter 100 incentives in the form attached hereto as Tab 1.

Amendment No. 6 Exhibit C

A new Exhibit C, the Chapter 100 Assumptions as of October 2, 2018, is hereby added to the Financing Plan in the form attached hereto as Tab 2.

Amendment No. 7 Exhibit D

A new Exhibit D, the Chapter 100 Proforma as of October 2, 2018, is hereby added to the Financing Plan in the form attached hereto as Tab 3.

TAB 1

EXHIBIT A

Amended and Restated Budget as of October 2, 2018

EXHIBIT A to the FINANCING PLAN - Page 1

Amended and Restated Budget of October 2, 2018

Estimated Project Costs

<u>Cost Category</u>	<u>Units/Sq. Ft.</u>	<u>Cost Per</u>		<u>Total</u>	<u>Chapt. 100</u>	<u>TIF Eligible</u>	<u>CID Eligible</u>	<u>TGT Eligible*</u>
			<u>Unit/SF</u>					
Land Acquisition and Closing								
Apartments - market rate	400,752	\$	7.00	\$ 2,805,264	\$ -	\$ -	\$ -	\$ -
DRIV - golf entertainment	525,769	\$	7.00	\$ 3,680,384	\$ -	\$ -	\$ -	\$ -
Grocery	65,340	\$	7.00	\$ 457,380	\$ -	\$ -	\$ -	\$ -
Hotel	271,189	\$	7.00	\$ 1,898,324	\$ -	\$ -	\$ -	\$ -
Conference Center	15,000	\$	7.00	\$ 105,000	\$ -	\$ -	\$ -	\$ -
Hotel Restaurant	0	\$	7.00	\$ -	\$ -	\$ -	\$ -	\$ -
Theater	77,101	\$	7.00	\$ 539,708	\$ -	\$ -	\$ -	\$ -
Retail Building	104,980	\$	7.00	\$ 734,857	\$ -	\$ -	\$ -	\$ -
Office Building - 75,000 sq. ft	160,736	\$	7.00	\$ 1,125,155	\$ -	\$ -	\$ -	\$ -
Flowhouse	47,480	\$	7.00	\$ 332,363	\$ -	\$ -	\$ -	\$ -
Restaurant No. 2	43,560	\$	7.00	\$ 304,920	\$ -	\$ -	\$ -	\$ -
Restaurant No. 3	53,579	\$	7.00	\$ 375,052	\$ -	\$ -	\$ -	\$ -
Restaurant No. 1	65,776	\$	7.00	\$ 460,429	\$ -	\$ -	\$ -	\$ -
Virtual Realty Experiences	43,560	\$	7.00	\$ 304,920	\$ -	\$ -	\$ -	\$ -
Daycare	52,272	\$	7.00	\$ 365,904	\$ -	\$ -	\$ -	\$ -
Subtotal:	1,927,094			\$ 13,489,661	\$ -	\$ -	\$ -	\$ -
Infrastructure								
Apartments - market rate	400,752	\$	6.25	\$ 2,504,700	\$ 1,001,880	\$ 2,504,700	\$ 2,504,700	\$ 2,504,700
DRIV - golf entertainment	525,769	\$	6.25	\$ 3,286,058	\$ 1,314,423	\$ 3,286,058	\$ 3,286,058	\$ 3,286,058
Grocery	65,340	\$	6.25	\$ 408,375	\$ 163,350	\$ 408,375	\$ 408,375	\$ 408,375
Hotel	271,189	\$	6.25	\$ 1,694,933	\$ 677,973	\$ 1,694,933	\$ 1,694,933	\$ 1,694,933
Conference Center	15,000	\$	6.25	\$ 93,750	\$ 37,500	\$ 93,750	\$ 93,750	\$ 93,750
Hotel Restaurant	0	\$	6.25	\$ -	\$ -	\$ -	\$ -	\$ -
Theater	77,101	\$	6.25	\$ 481,883	\$ 192,753	\$ 481,883	\$ 481,883	\$ 481,883
Retail Building	104,980	\$	6.25	\$ 656,123	\$ 262,449	\$ 656,123	\$ 656,123	\$ 656,123
Office Building - 75,000 sq. ft	160,736	\$	6.25	\$ 1,004,603	\$ 401,841	\$ 1,004,603	\$ 1,004,603	\$ 1,004,603
Flowhouse	47,480	\$	6.25	\$ 296,753	\$ 118,701	\$ 296,753	\$ 296,753	\$ 296,753
Restaurant No. 2	43,560	\$	6.25	\$ 272,250	\$ 108,900	\$ 272,250	\$ 272,250	\$ 272,250
Restaurant No. 3	53,579	\$	6.25	\$ 334,868	\$ 133,947	\$ 334,868	\$ 334,868	\$ 334,868
Restaurant No. 1	65,776	\$	6.25	\$ 411,098	\$ 164,439	\$ 411,098	\$ 411,098	\$ 411,098
Virtual Realty Experiences	43,560	\$	6.25	\$ 272,250	\$ 108,900	\$ 272,250	\$ 272,250	\$ 272,250
Daycare	52,272	\$	7.25	\$ 378,972	\$ 151,589	\$ 378,972	\$ 378,972	\$ 378,972
Subtotal:	1,927,094			\$ 12,096,612	\$ 4,838,645	\$ 12,096,612	\$ 12,096,612	\$ 12,096,612
Hard Construction Costs								
Apartments - market rate	225	\$	82,650	\$ 18,596,286	\$ 7,438,514	\$ 18,596,286	\$ -	\$ -
DRIV - golf entertainment	60,000	\$	309	\$ 18,533,558	\$ 7,413,423	\$ 18,533,558	\$ -	\$ -
Grocery	50,000	\$	170	\$ 8,484,245	\$ 3,393,698	\$ 8,484,245	\$ -	\$ -
Hotel	200	\$	109,534	\$ 21,906,743	\$ 8,762,697	\$ 21,906,743	\$ -	\$ -
Conference Center	15,000	\$	199	\$ 2,988,750	\$ 1,195,500	\$ 2,988,750	\$ 2,988,750	\$ 2,988,750
Hotel Restaurant	5,000	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -
Theater	8,000	\$	271	\$ 2,165,909	\$ 866,364	\$ 2,165,909	\$ -	\$ -
Retail Building	10,000	\$	201	\$ 2,009,020	\$ 803,608	\$ 2,009,020	\$ -	\$ -
Office Building - 75,000 sq. ft	75,000	\$	232	\$ 17,420,243	\$ 6,968,097	\$ 17,420,243	\$ -	\$ -
Flowhouse	5,000	\$	639	\$ 3,195,885	\$ 1,278,354	\$ 3,195,885	\$ -	\$ -
Restaurant No. 2	5,000	\$	123	\$ 612,830	\$ 245,132	\$ 612,830	\$ -	\$ -
Restaurant No. 3	7,500	\$	313	\$ 2,350,081	\$ 940,032	\$ 2,350,081	\$ -	\$ -
Restaurant No. 1	8,000	\$	114	\$ 913,473	\$ 365,389	\$ 913,473	\$ -	\$ -
Virtual Realty Experiences	5,000	\$	310	\$ 1,547,830	\$ 619,132	\$ 1,547,830	\$ -	\$ -
Daycare	10,700	\$	248	\$ 2,655,124	\$ 1,062,050	\$ 2,655,124	\$ -	\$ -
Subtotal:				\$ 100,724,853	\$ 41,351,991	\$ 100,724,853	\$ 2,988,750	\$ 2,988,750

EXHIBIT A to the FINANCING PLAN - Page 2

Amended and Restated Budget of October 2, 2018

		Estimated Project Costs				
Architecture & Engineering						
Apartment - market rate	% of component costs:	8%	\$ 2,250,000	\$ -	\$ 2,250,000	\$ -
DRIV - golf entertainment			\$ 2,400,000	\$ -	\$ 2,400,000	\$ -
Grocery			\$ 880,000	\$ -	\$ 880,000	\$ -
Hotel			\$ 2,400,000	\$ -	\$ 2,400,000	\$ -
Conference Center			\$ 300,000	\$ -	\$ 300,000	\$ 300,000
Hotel Restaurant			\$ -	\$ -	\$ -	\$ 300,000
Theater			\$ 300,000	\$ -	\$ 300,000	\$ -
Retail Building			\$ 320,000	\$ -	\$ 320,000	\$ -
Office Building - 75,000 sq. ft			\$ 1,840,000	\$ -	\$ 1,840,000	\$ -
Flowhouse			\$ 360,000	\$ -	\$ 360,000	\$ -
Restaurant No. 2			\$ 112,000	\$ -	\$ 112,000	\$ -
Restaurant No. 3			\$ 288,000	\$ -	\$ 288,000	\$ -
Restaurant No. 1			\$ 168,000	\$ -	\$ 168,000	\$ -
Virtual Realty Experiences			\$ 200,000	\$ -	\$ 200,000	\$ -
Daycare			\$ 320,000	\$ -	\$ 320,000	\$ -
Subtotal:			\$ 12,138,000	\$ -	\$ 12,138,000	\$ 300,000
Third Party Professional Costs						
Apartment - market rate	% of component costs:	7%	\$ 1,968,750	\$ -	\$ 1,968,750	\$ -
DRIV - golf entertainment			\$ 2,100,000	\$ -	\$ 2,100,000	\$ -
Grocery			\$ 770,000	\$ -	\$ 770,000	\$ -
Hotel			\$ 2,100,000	\$ -	\$ 2,100,000	\$ -
Conference Center			\$ 262,500	\$ -	\$ 262,500	\$ 262,500
Hotel Restaurant			\$ -	\$ -	\$ -	\$ 262,500
Theater			\$ 262,500	\$ -	\$ 262,500	\$ -
Retail Building			\$ 280,000	\$ -	\$ 280,000	\$ -
Office Building - 75,000 sq. ft			\$ 1,610,000	\$ -	\$ 1,610,000	\$ -
Flowhouse			\$ 315,000	\$ -	\$ 315,000	\$ -
Restaurant No. 2			\$ 98,000	\$ -	\$ 98,000	\$ -
Restaurant No. 3			\$ 252,000	\$ -	\$ 252,000	\$ -
Restaurant No. 1			\$ 147,000	\$ -	\$ 147,000	\$ -
Virtual Realty Experiences			\$ 175,000	\$ -	\$ 175,000	\$ -
Daycare			\$ 280,000	\$ -	\$ 280,000	\$ -
Subtotal:			\$ 10,620,750	\$ -	\$ 10,620,750	\$ 262,500
Miscellaneous Soft Costs						
Admin Overhead	% of component costs:	2%	\$ 3,034,500	\$ -	\$ 3,034,500	\$ 59,775
Marketing		1%	\$ 1,517,250	\$ -	\$ 1,517,250	\$ -
Development Fees		5%	\$ 7,586,250	\$ -	\$ 7,586,250	\$ 149,438
Developer Fee			\$ 6,500,000	\$ -	\$ 6,500,000	\$ -
Subtotal:			\$ 18,638,000	\$ -	\$ 18,638,000	\$ 1,726,463
Hard Costs						
Land Acquisition			\$ 13,489,661	\$ -	\$ -	\$ -
Infrastructure			\$ 12,096,612	\$ 4,838,645	\$ 12,096,612	\$ 12,096,612
Hard Construction			\$ 100,724,853	\$ 41,351,991	\$ 100,724,853	\$ 2,988,750
Architecture & Engineering			\$ 12,138,000	\$ -	\$ 12,138,000	\$ 300,000
Subtotal			\$ 138,449,126	\$ 46,190,636	\$ 124,959,465	\$ 15,385,362
Contingency	% of Subtotal:	10%	\$ 13,844,913	\$ 4,619,064	\$ 12,495,947	\$ 1,538,536
Hard Costs Total			\$ 152,294,039	\$ 50,809,699	\$ 137,455,412	\$ 16,923,898
Soft Costs						
Third Party Professional Costs			\$ 10,620,750	\$ -	\$ 10,620,750	\$ 262,500
Miscellaneous Soft Costs			\$ 18,638,000	\$ -	\$ 18,638,000	\$ 1,726,463
Subtotal			\$ 29,258,750	\$ -	\$ 29,258,750	\$ 1,988,963
Soft Cost Contingency	% of Subtotal:	5%	\$ 1,462,938	\$ -	\$ 1,462,938	\$ 99,448
Soft Costs Total			\$ 30,721,688	\$ -	\$ 30,721,688	\$ 2,088,411
TOTAL HARD COSTS			\$ 152,294,039	\$ 50,809,699	\$ 137,455,412	\$ 16,923,898
TOTAL SOFT COSTS			\$ 30,721,688	\$ -	\$ 30,721,688	\$ 2,088,411
TOTAL PROJECT COSTS			\$ 183,015,726	\$ 50,809,699	\$ 168,177,099	\$ 17,419,196

Notes:

*- "TGT" is the City's transient guest tax

TAB 2

EXHIBIT C

Chapter 100 Assumptions as of October 2, 2018

EXHIBIT C to the FINANCING PLAN - Page 1

Chapter 100 Assumptions of October 2, 2018

Project Component	Total Investment Cost	Land, Infrastructure, & Hard Costs	Soft Costs	Projected Annual Sales	Acres	Sq. Ft. (Building)
Apartments - market rate	\$ 28,125,000	\$ 23,906,250	\$ 4,218,750	\$ -	9.20	210,000
DRIV - golf entertainment	\$ 30,000,000	\$ 25,500,000	\$ 4,500,000	\$ 18,000,000	12.07	50,000
Grocery	\$ 11,000,000	\$ 9,350,000	\$ 1,650,000	\$ -	3.15	35,000
Hotel	\$ 30,000,000	\$ 25,500,000	\$ 4,500,000	\$ 6,132,000	7.50	200,000
Conference Center	\$ 3,750,000	\$ 3,187,500	\$ 562,500	\$ 500,000	-	5,000
Hotel Restaurant	\$ -	\$ -	\$ -	\$ 2,500,000	-	-
Theater	\$ 3,750,000	\$ 3,187,500	\$ 562,500	\$ 5,000,000	3.54	8,000
Retail Building	\$ 4,000,000	\$ 3,400,000	\$ 600,000	\$ 4,000,000	1.76	12,000
Office Building	\$ 23,000,000	\$ 19,550,000	\$ 3,450,000	\$ -	2.77	30,000
Flowhouse	\$ 4,500,000	\$ 3,825,000	\$ 675,000	\$ 2,500,000	0.63	3,000
Restaurant No. 2	\$ 1,400,000	\$ 1,190,000	\$ 210,000	\$ 2,500,000	0.79	3,000
Restaurant No. 3	\$ 3,600,000	\$ 3,060,000	\$ 540,000	\$ 2,500,000	1.16	3,000
Restaurant No. 1	\$ 2,100,000	\$ 1,785,000	\$ 315,000	\$ 4,000,000	1.75	3,000
Virtual Realty Experiences	\$ 2,500,000	\$ 2,125,000	\$ 375,000	\$ 2,000,000	1.00	3,000
Daycare	\$ 4,000,000	\$ 3,400,000	\$ 600,000	\$ -	1.00	2,000
Burger King	\$ -	\$ -	\$ -	\$ -	-	-
TOTAL	\$ 151,725,000	\$ 128,966,250	\$ 22,758,750	\$ 49,632,000	46.32	567,000

Assumptions	Projected Occupancy	Ave. Daily Rate	Projected Annual Sales	Sq. Ft. per Key
Element by Westin - 100 Rooms	70%	\$ 100	\$ 2,555,000	1,000
Aloft by Westin - 100 Rooms	70%	\$ 140	\$ 3,577,000	500

Component	Sq. Ft. per Key
Apartments:	1,000
Hotels:	500

Properties	Key, Sq. Ft. (Building)	Appraised per Key	Appraised per Sq. Ft. (Building)	Appraised Value (Building)	Assessed Value (Building)	Annual Ad Valorem Taxes
Apartments - market rate	210,000	\$ -	\$ 107	\$ 22,500,000	\$ 7,200,000	\$ 604,267
DRIV - golf entertainment	50,000	\$ -	\$ 480	\$ 24,000,000	\$ 7,680,000	\$ 644,552
Grocery	35,000	\$ -	\$ 176	\$ 8,800,000	\$ 2,816,000	\$ 236,336
Hotel	200,000	\$ -	\$ 120	\$ 24,000,000	\$ 7,680,000	\$ 644,552
Conference Center	5,000	\$ -	\$ 600	\$ 3,000,000	\$ 960,000	\$ 80,569
Hotel Restaurant	-	\$ -	\$ -	\$ -	\$ -	\$ -
Theater	8,000	\$ -	\$ 375	\$ 3,000,000	\$ 960,000	\$ 80,569
Retail Building	12,000	\$ -	\$ 267	\$ 3,200,000	\$ 1,024,000	\$ 85,940
Office Building	30,000	\$ -	\$ 613	\$ 18,400,000	\$ 5,888,000	\$ 484,156
Flowhouse	3,000	\$ -	\$ 1,200	\$ 3,600,000	\$ 1,152,000	\$ 96,683
Restaurant No. 2	3,000	\$ -	\$ 373	\$ 1,200,000	\$ 358,400	\$ 30,079
Restaurant No. 3	3,000	\$ -	\$ 960	\$ 2,880,000	\$ 921,600	\$ 77,346
Restaurant No. 1	3,000	\$ -	\$ 560	\$ 1,680,000	\$ 537,600	\$ 45,119
Virtual Realty Experiences	3,000	\$ -	\$ 667	\$ 2,000,000	\$ 640,000	\$ 53,713
Daycare	2,000	\$ -	\$ 1,600	\$ 3,200,000	\$ 1,024,000	\$ 85,940
Burger King	-	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL			\$ 121,380,000	\$ 38,841,600	\$ 3,259,820	

Base Values: Parcel ID Number	Current Commercial Appraised	Current Commercial Assessed
17-611-00-06-008.00	\$ 223,800	\$ 71,616
17-611-00-06-009.00	\$ 15,100	\$ 4,832
17-611-00-06-008.01	\$ 120,900	\$ 38,688
17-611-00-06-007.00	\$ 371,100	\$ 118,752
17-611-00-06-006.00	\$ 28,700	\$ 9,184
17-611-00-06-005.00	\$ 55,000	\$ 17,600
17-611-00-06-004.00	\$ 253,500	\$ 81,120
17-611-00-06-002.00	\$ 111,100	\$ 35,552
17-611-00-06-001.00	\$ 162,000	\$ 51,840
17-612-00-01-002.00	\$ 520,100	\$ 166,432
17-612-00-01-001.00	\$ 418,700	\$ 133,984
17-608-00-06-013.00	\$ 1,529,000	\$ 489,280
17-612-00-01-001.00	\$ 270,000	\$ 86,400
17-612-00-01-002.01	\$ 599,500	\$ 191,840
TOTAL	\$ 4,678,500	\$ 1,497,120

Assessed (% of appraised)	
Commercial	32%
Residential	19%
Agricultural	12%

Taxing Jurisdiction	Ad Valorem Tax Rate	AV Rate Captured
County Services	0.2143	0.2143
Handicap	0.1181	0.1181
Health	0.0984	0.0984
KCJC	0.2297	0.2297
Mental Health	0.0984	0.0984
NKC	1.1757	1.1757
NKC Schools	6.4280	6.4280
State	0.0300	0.0000
TOTAL	8.3926	8.3626

Taxing Jurisdiction	Sales Tax Rate	Captured as TIF EATs
State	4.225%	0.000%
NKC - general revenue	1.000%	0.500%
NKC - transportation	0.500%	0.250%
NKC - public safety	0.500%	0.250%
Clay County	1.125%	0.563%
Kansas City Zoo	0.125%	0.063%
CID	1.000%	0.500%
TOTAL	8.475%	2.125%

TAB 3

EXHIBIT D

Chapter 100 Proforma as of October 2, 2018

EXHIBIT D to the FINANCING PLAN

Chapter 100 Proforma of October 2, 2018

CHAP. 100 INCENTIVE ESTIMATES

Year	Completed Appraised Value	Completed Assessed Value	Property Tax Abatement	Sales Tax Exemption	Total Incentive
2020	\$ 4,678,500	\$ 1,497,120	\$ 125,647	\$ 2,571,739	\$ 2,697,386
2021	\$ 44,733,900	\$ 14,314,848	\$ 1,201,388	\$ 2,571,739	\$ 3,773,127
2022	\$ 84,789,300	\$ 27,132,576	\$ 2,277,129	-	\$ 2,277,129
2023	\$ 126,058,500	\$ 40,338,720	\$ 3,385,467	-	\$ 3,385,467
2024	\$ 126,058,500	\$ 40,338,720	\$ 3,385,467	-	\$ 3,385,467
2025	\$ 128,579,670	\$ 41,145,494	\$ 3,453,177	-	\$ 3,453,177
2026	\$ 128,579,670	\$ 41,145,494	\$ 3,453,177	-	\$ 3,453,177
2027	\$ 131,151,263	\$ 41,968,404	\$ 3,522,240	-	\$ 3,522,240
2028	\$ 131,151,263	\$ 41,968,404	\$ 3,522,240	-	\$ 3,522,240
2029	\$ 133,774,289	\$ 42,807,772	\$ 3,592,685	-	\$ 3,592,685
2030	\$ 133,774,289	\$ 42,807,772	\$ 3,592,685	-	\$ 3,592,685
2031	\$ 136,449,774	\$ 43,663,928	\$ 3,664,539	-	\$ 3,664,539
2032	\$ 136,449,774	\$ 43,663,928	\$ 3,664,539	-	\$ 3,664,539
2033	\$ 139,178,770	\$ 44,537,206	\$ 3,737,830	-	\$ 3,737,830
2034	\$ 139,178,770	\$ 44,537,206	\$ 3,737,830	-	\$ 3,737,830
2035	\$ 141,962,345	\$ 45,427,951	\$ 3,812,586	-	\$ 3,812,586
2036	\$ 141,962,345	\$ 45,427,951	\$ 3,812,586	-	\$ 3,812,586
2037	\$ 144,801,592	\$ 46,336,510	\$ 3,888,838	-	\$ 3,888,838
2038	\$ 144,801,592	\$ 46,336,510	\$ 3,888,838	-	\$ 3,888,838
2039	\$ 147,697,624	\$ 47,263,240	\$ 3,966,615	-	\$ 3,966,615
TOTALS			\$ 65,685,503	\$ 5,143,478	\$ 70,828,980
NET PRESENT VALUE		5.50%	\$ 36,503,845	\$ 4,748,252	\$ 41,252,097

Notes:

Sales Tax rate:	8.4750%
Ad valorem property tax mill rate for Chapt. 100:	8.3926%
Bi-annual growth rate of Appraised Value:	2.0%
Percentage Online Year 1:	0%
Percentage Online Year 2:	33%
Percentage Online Year 3:	66%
Percentage Online Year 4:	100%
Abatement Percentage:	100%