

ANNUAL REPORT of the TAX INCREMENT FINANCING COMMISSION

DECEMBER 1993

**TAX INCREMENT
FINANCING
COMMISSION OF
KANSAS CITY,
MISSOURI**

**Suite 250
10 Petticoat Lane
Kansas City, MO 64106
(816) 221-0636**

**Emanuel Cleaver, II
Mayer**

**Robert D. Mayer
Chairman**

**Mark M. Bunnell
Executive Director**

TAX INCREMENT FINANCING COMMISSION
OF KANSAS CITY, MISSOURI

ADMINISTRATION

The Tax Increment Financing Commission is provided administrative and professional staff support by the Economic Development Corporation of Kansas City, Missouri (EDC). The EDC administers and implements Kansas City's development and redevelopment projects under a contract approved annually by the City Council of Kansas City, Missouri. The address of the TIF Commission and the Economic Development Corporation is:

10 Petticoat Lane, Suite 250
Kansas City, Missouri 64106
(816) 221-0636
(816) 221-0189 - FAX

EDC staff with responsibilities for TIF activities are listed below:

Mr. Mark M. Bunnell
Executive Director/Secretary

Mr. Brian H. Collins
Assistant Secretary

Ms. Laura A. Whitener
Senior Planner

Mr. Donald L. Moore
Senior Planner

Ms. Susan Gottlieb
Planner

Ms. Jill S. Quinn
Executive Assistant

Ms. Barbara B. Baum
Accountant

Ms. Shellie L. Pash
Assistant Accountant

Ms. Kim Byers
Secretary

Mr. Peter Schlesinger
Midtown TIF Project Coordinator

TAX INCREMENT FINANCING COMMISSION OF KANSAS CITY, MISSOURI

ACTIVITY REPORT

Background

Tax increment financing is a redevelopment tool through which necessary redevelopment project expenses are financed through the collection and allocation of increased taxes generated by the redevelopment activity. These increased taxes are payments in lieu of taxes (PILOTS) and 50% of the increase in economic activity taxes (e.g., sales tax, earnings tax, food and beverage tax) resulting from the redevelopment projects. TIF can be utilized in blighted areas, conservation areas and economic development areas, as they are defined by State Statute. TIF is a tool for redevelopment, is an alternative to tax abatement, and can be used with other forms of public financing.

The importance of TIF is that it is a vehicle for financing redevelopment costs at a time when federal and state funding is being reduced and conventional financing is more difficult to obtain. The Commission and the municipality can issue bonds and reimburse eligible project costs from revenues resulting from increases in property values and expanded economic activity in redevelopment areas. This financial assistance can make feasible the redevelopment of properties which otherwise would continue to decline or remain underutilized.

Administration

The TIF Commission has established bylaws, procedures and policies which serve to guide the Commission in its implementation of tax increment financing. Among its annual administrative duties, the Commission approves an Annual Report, an Audit, and an Administrative Agreement with the Economic Development Corporation of Kansas City.

In 1993, the Commission adopted additional policies and procedures to further clarify the roles and responsibilities of the TIF Commission and parties participating in the TIF process. The Commission approved resolutions in May 1993, clarifying disbursement procedures from the Special Allocation Fund. In July 1993, the Commission authorized the Chairman to appoint a committee regarding the City's "1% for Art" Program and its potential application with TIF projects. In December, the Commission approved procedures for the documentation and collection of Economic Activity Taxes (EATS), as well as amending its Affirmative Action Policy.

Annual Report

This Annual Report has been prepared in accordance with the statutory requirement to report on the progress of ongoing projects. This report is provided to the Mayor and the City Council of Kansas City and the Missouri Department of Economic Development, and is available to the public at large.

SUMMARY OF TIF PROJECTS

Since 1982, Kansas City's TIF Commission has approved 14 TIF Plans, two of these plans being approved in 1993. These 14 plans are for:

- * West 46th Street Terrace
- * 10th & Troost
- * Linwood Gillham
- * First Revised Walnut Creek Apartments
- * Briarcliff West
- * Universal Floodwater Detention
- * Winchester Center
- * Americana Hotel
- * Twelfth and Wyandotte Hotel
- * Hickman Mills
- * Midtown Redevelopment
- * Eleventh Street Corridor
- * Searcy Creek
- * Santa Fe

These 14 plans are in various stages of development. Two of these plans, West 46th Street Terrace and the First Revised Walnut Creek Apartments, are substantially completed, and the developers are being reimbursed from PILOTS for approved redevelopment costs. Development is underway and TIF revenues are being generated under the Briarcliff West, Universal Floodwater Detention, Winchester Center and Eleventh Street Corridor TIF Plans. In the cases of the Twelfth and Wyandotte Hotel, Hickman Mills, Midtown Redevelopment, Searcy Creek and Santa Fe Plans, pre-development activities are underway and development of the Project Areas is anticipated shortly. Only the 10th and Troost, Linwood-Gillham and Americana Hotel Plans have not proceeded to date. In the case of the Linwood-Gillham Plan, this Plan will soon be terminated as it has been superseded by the Midtown Plan.

None of these projects would be feasible without the use of tax increment financing. The potential benefit to the community of these TIF Plans is significant. Upon completion of the Plans, the City is expected to realize an addition of approximately 1,957 new dwelling units; rehabilitation of 100 existing dwelling units; construction of 8,943,000 square feet of new commercial space; more than 131,000 square feet of rehabilitated commercial space; 1,150 new hotel rooms; and 1,092 rehabilitated hotel rooms. In addition, necessary streets, utilities and infrastructure will be constructed to support the redevelopment projects, as well as the potential for the construction of a pump station along the Missouri River. Upon completion of these projects, the projected increase in assessed property values is estimated to be more than \$515,092,000.

The total project investment of these approved TIF developments is estimated at more than \$1,579,000,000, of which approximately 73% will be in the form of private investment. The balance of the costs will be financed out of the more than \$865 million

THE AMERICANA HOTEL TAX INCREMENT FINANCING PLAN

On January 28, 1993, the City Council approved the TIF Plan for the Americana Hotel Redevelopment Area generally located on the block bound by Wyandotte, 13th, Baltimore and 14th Streets. The Plan calls for the renovation of the existing 496-room Americana Hotel, potential construction of a 300-room hotel expansion and the provision of a parking garage, and possible rehabilitation of the former KCP&L Building.

Despite the necessary approvals, the Plan lacks a developer to implement the activities called for in the Plan. In 1992, the TIF Commission conditionally designated Mariner Hotel Corporation as developer of the Americana Hotel Project. Because of the lack of an executed funding agreement, the Commission terminated Mariner's development rights in April of 1993. Since that time, no other developer has stepped forward to take over the project.

BRIARCLIFF WEST TAX INCREMENT FINANCING PLAN

In 1991, the Commission issued \$7.5 million in tax increment bonds for this project. The bonds were guaranteed by the Developer. The City Council has also activated development Projects I, II, III, IV, XII and XIII. The Developer has completed a significant portion of the public improvements, and has built and/or sold 95 single-family residential lots and 10 villas. As of December 1993, approximately \$27.3 million in new investment in single-family and townhouse residential development has occurred, of which approximately \$11.6 million occurred in 1993 alone.

The Developer has been actively marketing portions of the redevelopment area for commercial development, but to date no commercial development has occurred. EDC staff and the TIF Commission continue to work with the Developer in its development efforts. The Developer has appeared before the TIF Commission on at least one occasion in 1993 to discuss potential office development on a portion of Project Area VII.

PROPOSED CENTRAL SQUARE HOTEL (DOWNTOWN CONVENTION CENTER HOTEL) PROJECT

The City Council requested that the TIF Commission work with Central Square Hotel, L.P. to develop a TIF Plan for the construction of the downtown convention center hotel on the block bound by I-35, Wyandotte Street, 16th Street and Central. A plan was prepared and the TIF Commission opened a public hearing on the Plan in 1992. Central Square Hotel, L.P. has since revised its proposal for the Convention Center Hotel and the TIF Commission has decided to continue the public hearing pending further City Council direction.

ELEVENTH STREET CORRIDOR TAX INCREMENT FINANCING PLAN

In 1992, the TIF Commission and City Council approved the Eleventh Street Corridor TIF Plan for an area along 11th Street between Wyandotte and the western edge of the downtown loop. The Plan calls for the renovation of the Centennial Building, upgrading of utilities and parking on the Hereford Building block and the Deramus building block, continuation of the streetscape and street lighting improvements in the area, and facade improvements to historically significant buildings.

In 1993, the Eleventh Street Corridor Development Corporation (the Developer) undertook work on the Centennial Building and the 11th & Wyandotte Parking Lot, as well as the American Hereford Building renovation. The Developer received Commission approval for facade improvements to the Centennial Building and for construction of a parking structure adjacent to the Centennial Building

the urban renewal efforts for the Linwood-Prospect area. A presentation was made to the TIF Commission on May 9, 1990, at which time the Commission authorized staff to prepare a TIF plan for the Linwood-Prospect Area. The TIF Plan is intended to capture TIF revenues to be generated by the Linwood Shopping Center located on the northeast corner of Linwood and Prospect, as well as PILOTS and economic activity taxes generated by future projects.

The Commission has continued the public hearing on the proposed plan until February 1994. In the mean time the staff was directed, and has held, meetings with the affected property owners and other interested parties.

MIDTOWN REDEVELOPMENT TAX INCREMENT FINANCING PLAN

On April 1, 1993, the City Council approved the Midtown Redevelopment TIF Plan subject to execution of a redevelopment contract. Since the time of Plan approval, the TIF Commission has hired the necessary parties to undertake appraisals, title work, environmental surveys, and construction management activities necessary to acquire the necessary properties. Peter Schlesinger was hired to serve as project coordinator. Attorneys were also hired to assist the Commission on issues related to the issuance of bonds and legal questions related to land acquisition. Sources of interim financing were identified while the Commission and staff work to finalize arrangements for the UDAG and Section 108 funds.

PROPOSED PANHANDLE BUILDING PROJECT

In December 1992, Lioness Realty requested a TIF plan be prepared and entered into a funding agreement with the TIF Commission. The proposed project was to rehabilitate two of the existing Panhandle Buildings for office use, demolishing a third structure to provide a central park area and additional parking. In January 1993, the applicant decided not to proceed with a TIF Plan. No further action has been taken.

SANTA FE TAX INCREMENT FINANCING PLAN

On March 10, 1993, the TIF Commission received a request from Mason Land Reclamation to prepare a TIF Plan for the property generally bound by 87th Street, Interstate 435, Bannister Road and U.S. Highway 71. Mason Land Reclamation previously received City Council approval of the site as a 353 Redevelopment Project, but the proponent now has determined that TIF would better serve the financing needs of the project.

The TIF Commission opened the public hearing on the proposed plan on April 14, 1993. As a part of the plan approval process, a Request for Proposals (RFP) was prepared by staff. The sole response was from Mason Land Reclamation, which proposes to eliminate blighted conditions, allow for the stabilization and reclamation of the former rock quarry site, as well as construct approximately 4,996,000 square feet of office, 530,000 square feet of light industrial, 780,300 square feet of retail, 436,000 square feet of warehouse, a 220-room hotel, 1,280 residential units, together with all necessary utilities, street improvements and appurtenances.

On July 21, 1993, the TIF Commission approved the Plan and designated Mason Land Reclamation as the Developer. The City Council approved this Plan and the first of approximately 35 project areas on September 30, 1993. Staff is currently working on preparation of the redevelopment contracts.

SEARCY CREEK TAX INCREMENT FINANCING PLAN

On March 11, 1993, the City Council approved the Searcy Creek TIF Plan and designated the first project area. The first project consists of the construction by Proland Development of approximately 80 new single-family homes at N.E. 48th Street and Freemont. The PILOTS resulting from the new commercial

and appurtenances to serve both the existing residential neighborhood and future commercial development within the Redevelopment Area. In 1993, the Plan was amended to expand the boundaries of the Redevelopment Area to include a new project to be located at the southwest corner of 63rd Street Trafficway and Manchester Trafficway. This new project consists of the construction of approximately 33,000 square feet for use as office space and public meeting space by Visions Building Inc. A redevelopment contract for this specific project is currently being completed.

TAX INCREMENT FINANCING COMMISSION

**EDC/TIFC CONTRACT
(EXHIBIT C)**

WITH

CITY OF KANSAS CITY, MISSOURI

EXHIBIT "C"

TAX INCREMENT FINANCING COMMISSION

SCOPE OF WORK:

1. STAFFING. The Economic Development Corporation (EDC) agrees to maintain a fully qualified staff for the Tax Increment Financing Commission (TIFC) of a size necessary to enable TIFC to carry out its statutory responsibilities as well as those delegated to it by the City of Kansas City. Such staff shall be employed in accordance with the EDC's Affirmative Action Program and Personnel Policies and Procedures as adopted and by the EDC Board from time to time.

2. SERVICES TO BE PERFORMED. EDC shall provide the following services:

- a. undertake and conduct such studies, analysis and review of proposed redevelopment plans and projects as may be required from time to time to determine the appropriateness and feasibility of such plans or projects;
- b. undertake and conduct such necessary studies, plans, surveys and analysis to identify areas which meet the statutory definition of blight, conservation or redevelopment areas and to prepare plans to correct such conditions;
- c. assist prospective developers in formulating plans for presentation to TIFC;
- d. prepare practices, procedures and contracts for TIFC

KANSAS CITY. TIFC, having been formed pursuant to Ordinance of the City Council in order to carry out its and the City's statutory duties, is responsible to the City Council and acts independently of the departments of the City of Kansas City. The relationship between TIFC, its employees, consultants and agents, and the departments of the City of Kansas City, is advisory only and the City department's duties relating to the exercise of the authority of TIFC under the ordinance are ministerial only. Specifically, the City Finance Director shall deposit all payments in lieu of taxes into a separate Special Allocation Fund Account separate from other city accounts, and the City Finance Director shall make disbursement from the fund at the direction of TIFC. The parties recognize, however, that the City departments have their own obligations to discharge which, in many cases, may affect a plan or project being considered or administered by TIFC and that in order to avoid duplication of effort by TIFC, staff, the City departments and developers, a close working advisory relationship needs to be maintained.

TAX INCREMENT FINANCING COMMISSION
ANNUAL PROJECT REPORTS

ANNUAL REPORT OF THE
TAX INCREMENT FINANCING COMMISSION

RE:

AMERICANA HOTEL
TAX INCREMENT FINANCING PLAN
(For Annual Report Year 1-1-93 through 12-31-93)

December 1993

14. The payments in lieu of taxes expended as of the date of this report are 0.
15. The contracts made incident to the implementation and furtherance of the redevelopment plan and project(s) are:
16. The cost for and amount of any property acquired is 0.
17. The cost for and amount of any property disposed of is 0.
18. The cost for and amount of any property rehabilitated is 0.
19. The cost for and amount of any property constructed is 0.
20. the cost for and amount of any property repaired is 0.
21. The cost for and amount of any property remodeled is 0.
22. The number of parcels acquired by or through initiation of eminent domain proceedings is 0.
23. Additional Information:

Mariner Hotel Management Corporation was named as Developer on December 15, 1992. This designation was terminated by the TIF Commission effective April 14, 1993, because of lack of executed Funding Agreement. Since the departure of Mariner Hotel Management, no other developer has been designated for the purposes of implementing the Americana Hotel redevelopment.

ANNUAL REPORT OF THE
TAX INCREMENT FINANCING COMMISSION

RE:

BRIARCLIFF WEST
TAX INCREMENT FINANCING PLAN
(For Annual Report Year 1-1-93 through 12-31-93)

December 1993

The second issuance has a variable rate of interest and the borrower has the option to redeem portions of the bond prior to maturity, but for purposes of this response, interest is assumed constant and the term of the entire bond issuance is 23 years.

Other obligations of TIF revenues that are outstanding as of December 31, 1993 (exclusive of staff time), consist of agenda expenses totalling \$750.00.

11. The original assessed valuation of the redevelopment area is \$636,200.
12. The assessed valuation added to the redevelopment area is \$2,286,727.
13. The payments in lieu of taxes received from the effective date of this plan through the date of this report are \$34,378.50.

Clay County and the City have mailed 1993 PILOT bills totalling \$138,848.41. In accordance with the Plan, \$8,193.81 in PILOTS attributable to construction of town homes will be placed in the Special Allocation Fund and the remaining PILOTS will be distributed to the taxing districts.

14. The payments in lieu of taxes expended as of the date of this report are \$34,378.50.
15. The contracts made incident to the implementation and furtherance of the redevelopment plan and project(s) are:

Legal Services Contract between TIFC and Gilmore & Bell 2/14/90;
Contract between TIFC and Briarcliff West Development Co. 10/8/90;
Agreement between the City and TIFC to set up Special Allocation Fund 10/10/90; First Amended Agreement between City and TIFC to set up Special Allocation Fund 12/16/91.

16. The cost for and amount of any property acquired is \$2,815,386.
17. The cost for and amount of any property disposed of is \$2,311,832.
18. The cost for and amount of any property rehabilitated is 0.
19. The cost for and amount of any property constructed is \$35,956,020.

The costs for street improvements, activities and other improvements eligible for reimbursement under the TIF Plan are approximately \$8,603,354. Construction of new residential property is figured at \$27,352,666.

20. the cost for and amount of any property repaired is 0.

ANNUAL REPORT OF THE
TAX INCREMENT FINANCING COMMISSION

RE:

ELEVENTH STREET CORRIDOR
TAX INCREMENT FINANCING PLAN
(For Annual Report Year 1-1-93 through 12-31-93)

December 1993

15. The contracts made incident to the implementation and furtherance of the redevelopment plan and project(s) are:

Funding Agreement with Eleventh Street Corridor Development Corporation on November 16, 1992; Redevelopment Contract between Eleventh Street Corridor Development Corporation and the TIF Commission on August 9, 1993.

16. The cost for and amount of any property acquired is 0.
17. The cost for and amount of any property disposed of is 0.
18. The cost for and amount of any property rehabilitated is \$1,650,648.68.
19. The cost for and amount of any property constructed is \$973,109.58.
20. the cost for and amount of any property repaired is 0.
21. The cost for and amount of any property remodeled is 0.
22. The number of parcels acquired by or through initiation of eminent domain proceedings is 0.
23. Additional Information:

The City Council approved Ordinance No. 921360 designating Project Area E on December 10, 1992. Approval of this ordinance provides for collection of 50% of the incremental economic activity taxes generated on economic activity at 1015 Central, the Centennial Building, the Hereford Building, the Deramus Building, the American Cancer Society offices and the United Way offices in 1992. No PILOTS will be collected upon any of these properties as the property taxes are already receiving tax abatement under Chapter 99, R.S.Mo., or are tax exempt properties. Should PILOTS ever be generated in the Project Area, the PILOTS will be declared surplus and returned to the affected taxing districts.

On July 21, 1993, the TIF Commission approved the design plans for the Centennial Building facade and parking garage.

ANNUAL REPORT OF THE
TAX INCREMENT FINANCING COMMISSION

RE:

HICKMAN MILLS
TAX INCREMENT FINANCING PLAN
(For Annual Report Year 1-1-93 through 12-31-93)

December 1993

14. The payments in lieu of taxes expended as of the date of this report are 0.
15. The contracts made incident to the implementation and furtherance of the redevelopment plan and project(s) are:

Funding Agreement with Marion Merrell Dow, Inc., on July 23, 1992.

16. The cost for and amount of any property acquired is 0.
17. The cost for and amount of any property disposed of is 0.
18. The cost for and amount of any property rehabilitated is 0.
19. The cost for and amount of any property constructed is 0.
20. the cost for and amount of any property repaired is 0.
21. The cost for and amount of any property remodeled is 0.
22. The number of parcels acquired by or through initiation of eminent domain proceedings is 0.
23. Additional Information:

ANNUAL REPORT OF THE
TAX INCREMENT FINANCING COMMISSION

RE:

LINWOOD-GILLHAM
TAX INCREMENT FINANCING PLAN
(For Annual Report Year 1-1-93 through 12-31-93)

December 1993

13. The payments in lieu of taxes received from the effective date of this project through the date of this report are \$12,594.69.

An additional \$3,278.97 in 1993 PILOTS has been billed by the City and County, due as of 12/31/93.

14. The payments in lieu of taxes expended as of the date of this report are \$12,594.69.
15. The contracts made incident to the implementation and furtherance of the redevelopment plan and project(s) are:

Funding Agreement with Luzier Plaza Associates 7/13/88; Contract with Luzier Plaza Associates 12/14/88.

16. The cost for and amount of any property acquired is \$1,159,000 of which \$328,669 is reimbursable from PILOT proceeds.
17. The cost for and amount of any property disposed of is N/A.
18. The cost for and amount of any property rehabilitated is 0.
19. The cost for and amount of any property constructed is 0.
20. the cost for and amount of any property repaired is 0.
21. The cost for and amount of any property remodeled is 0.
22. The number of parcels acquired by or through initiation of eminent domain proceedings is 0.
23. Additional Information:

All land acquisition was completed by the Redeveloper and LCRA.

Most of the demolition work is complete.

The TIFC approved the Midtown Redevelopment TIF Plan in December 1992, and the City approved the Plan in April 1993, Plan to be effective upon execution of Developer's Agreement. This new TIF Plan includes that area currently designated as the Linwood-Gillham TIF project area and will supersede the existing Linwood-Gillham TIF Plan.

The five-year report was presented to the TIF Commission and is pending before the City Council.

ANNUAL REPORT OF THE
TAX INCREMENT FINANCING COMMISSION

RE:

MIDTOWN REDEVELOPMENT
TAX INCREMENT FINANCING PLAN
(For Annual Report Year 1-1-93 through 12-31-93)

December 1993

13. The payments in lieu of taxes received from the effective date of this plan through the date of this report are 0.
14. The payments in lieu of taxes expended as of the date of this report are 0.
15. The contracts made incident to the implementation and furtherance of the redevelopment plan and project(s) are:

Midtown Contract List

Professional Services Industries, Inc., on 7/28/93 for environmental services.
O'Flaherty & Vanice on 7/28/93 for commercial appraisal services.
Severeid and Associates on 7/28/93 for commercial appraisal services.
Metropolitan Appraisal Co. on 7/28/93 for residential appraisal services.
Team 4 on 7/28/93 for residential appraisal services.
Nunnink & Associates on 8/5/93 for review appraisal services.
Rule and Co. on 8/6/93 for review appraisal services.
Tuttle Ayers Woodward on 7/28/93 for 40th & Mill survey.
LTD2 Engineering, Inc., on 7/28/93 for Linwood survey.
Stewart Title, Inc., on 7/30/93 for title work.
Continental Consulting Engineers, Inc., on 10/14/93 for construction management services.
Peter Schlesinger on 8/18/93 for Project Coordinator services.
Shook, Hardy & Bacon on 6/25/93 for legal services (CX-zoned properties).
Hardwick Law Firm on 7/23/93 for bond counsel services.
Gilmore & Bell on 7/23/93 for bond counsel services.
Architectural and Art Historical Research on 11/29/93 for Section 106 review.

16. The cost for and amount of any property acquired is 0.
17. The cost for and amount of any property disposed of is 0.
18. The cost for and amount of any property rehabilitated is 0.
19. The cost for and amount of any property constructed is 0.
20. the cost for and amount of any property repaired is 0.
21. The cost for and amount of any property remodeled is 0.
22. The number of parcels acquired by or through initiation of eminent domain proceedings is 0.

ANNUAL REPORT OF THE
TAX INCREMENT FINANCING COMMISSION

RE:

SANTA FE

TAX INCREMENT FINANCING PLAN

(For Annual Report Year 1-1-93 through 12-31-93)

December 1993

15. The contracts made incident to the implementation and furtherance of the redevelopment plan and project(s) are:

Funding Agreement between the TIF Commission and Mason Land Reclamation Co., Inc., 2/26/93.

16. The cost for and amount of any property acquired is 0.
17. The cost for and amount of any property disposed of is 0.
18. The cost for and amount of any property rehabilitated is 0.
19. The cost for and amount of any property constructed is 0.
20. the cost for and amount of any property repaired is 0.
21. The cost for and amount of any property remodeled is 0.
22. The number of parcels acquired by or through initiation of eminent domain proceedings is 0.
23. Additional Information:

Redeveloper's Contract is being negotiated.

A Pace Warehouse was built in 1993, prior to approval of this Plan. After approval, the Pace Warehouse became a Sam's Discount Retailer. In the last week of December 1993, Sam's closed its doors.

ANNUAL REPORT OF THE
TAX INCREMENT FINANCING COMMISSION

RE:

SEARCY CREEK

TAX INCREMENT FINANCING PLAN

(For Annual Report Year 1-1-93 through 12-31-93)

December 1993

13. The payments in lieu of taxes received from the effective date of this plan through the date of this report are 0.
14. The payments in lieu of taxes expended as of the date of this report are 0.
15. The contracts made incident to the implementation and furtherance of the redevelopment plan and project(s) are:
16. The cost for and amount of any property acquired is 0.
17. The cost for and amount of any property disposed of is 0.
18. The cost for and amount of any property rehabilitated is 0.
19. The cost for and amount of any property constructed is 0.
20. the cost for and amount of any property repaired is 0.
21. The cost for and amount of any property remodeled is 0.
22. The number of parcels acquired by or through initiation of eminent domain proceedings is 0.
23. Additional Information:

The City has bid the sewer project. Construction of the sanitary sewer and residential development at N.E. 48th and Fremont are anticipated in 1994. Project 1, which includes the N.E. 48th and Fremont development, was approved by the City Council on March 11, 1993, by Ordinance No. 930208.

ANNUAL REPORT OF THE
TAX INCREMENT FINANCING COMMISSION

RE:

10TH AND TROOST
TAX INCREMENT FINANCING PLAN
(For Annual Report Year 1-1-93 through 12-31-93)

December 1993

13. The payments in lieu of taxes received from the effective date of this plan through the date of this report are \$651.00
14. The payments in lieu of taxes expended as of the date of this report are \$651.00.
15. The contracts made incident to the implementation and furtherance of the redevelopment plan and project(s) are:

Contract between Block & Co. and TIFC with Block & Co. as developer 2/17/87; assignment of redevelopment rights from Block to Hoffman-Cortes by TIFC Resolution No. 87-01, 2/12/87; agreement between City and TIFC to set up Special Allocation Account by Ord. No. 63088 (Comm. Substitute).

16. The cost for and amount of any property acquired is \$69,375.

KCCID Charitable Fund acquired the property for \$69,375. KCCID spent an additional \$24,030 in demolition and seeding costs.

17. The cost for and amount of any property disposed of is \$125,195 (estimate provided by KCCID Charitable Fund).

Loan repayment from TIF to Charitable Fund would reduce total to \$93,405.

18. The cost for and amount of any property rehabilitated is 0.
19. The cost for and amount of any property constructed is 0.
20. the cost for and amount of any property repaired is 0.
21. The cost for and amount of any property remodeled is 0.
22. The number of parcels acquired by or through initiation of eminent domain proceedings is 0.
23. Additional Information:

The bonds were called in 1990. A separate Bond Account is still shown. This has not shown any further activity since the bonds were called.

The Supreme Court of the State of Missouri upheld the constitutionality of the TIF legislation on December 12, 1989. Since the Court's decision, the KCCID Charitable Fund has been working to acquire the property and has worked with the TIFC to implement this TIF Plan.

ANNUAL REPORT OF THE
TAX INCREMENT FINANCING COMMISSION

RE:

TWELFTH & WYANDOTTE HOTEL
TAX INCREMENT FINANCING PLAN
(For Annual Report Year 1-1-93 through 12-31-93)

December 1993

14. The payments in lieu of taxes expended as of the date of this report are 0.
15. The contracts made incident to the implementation and furtherance of the redevelopment plan and project(s) are:

Funding Agreement with Hotel Redevelopment Corporation on November 17, 1992.

16. The cost for and amount of any property acquired is 0.
17. The cost for and amount of any property disposed of is 0.
18. The cost for and amount of any property rehabilitated is approximately \$300,000.
19. The cost for and amount of any property constructed is 0.
20. the cost for and amount of any property repaired is 0.
21. The cost for and amount of any property remodeled is 0.
22. The number of parcels acquired by or through initiation of eminent domain proceedings is 0.
23. Additional Information:

The first project was designated by Committee Substitute for Ordinance No. 921352 on December 17, 1992. The first project consists of the Allis Plaza Hotel renovation.

ANNUAL REPORT OF THE
TAX INCREMENT FINANCING COMMISSION

RE:

UNIVERSAL FLOODWATER DETENTION
TAX INCREMENT FINANCING PLAN
(For Annual Report Year 1-1-93 through 12-31-93)

December 1993

11. The original assessed valuation of the redevelopment area is \$21,660.
12. The assessed valuation added to the redevelopment area is \$1,534,940.
13. The payments in lieu of taxes received from the effective date of this plan through the date of this report are 0.

The City and Jackson County have sent 1993 PILOT bills totalling \$142,247.60 due 12/31/93.

14. The payments in lieu of taxes expended as of the date of this report are 0.
15. The contracts made incident to the implementation and furtherance of the redevelopment plan and project area:

Agreement between TIFC, City and Developer for Universal Flood Protection TIF Plan 10/11/89; Redevelopment Contract between TIFC and Universal Land Development, Ltd. 7/8/92.

16. The cost for and amount of any property acquired is 0.
17. The cost for and amount of any property disposed of is 0.
18. The cost for and amount of any property rehabilitated is 0.
19. The cost for and amount of any property constructed is approximately \$6 million for warehouse facility.
20. the cost for and amount of any property repaired is 0.
21. The cost for and amount of any property remodeled is 0.
22. The number of parcels acquired by or through initiation of eminent domain proceedings is 0.
23. Additional Information:

The Universal Floodwater Detention TIF Project supercedes the Universal Flood Protection TIF Project. On November 14, 1990, the Commission determined that the redevelopment projects described in the Universal Flood Protection Redevelopment Plan were not feasible at that time and adopted a resolution rescinding the 1989 Redevelopment Plan. The Commission endorsed the Universal Floodwater Detention Redevelopment Plan which addresses a larger area which also includes the former Project Area.

Phase I under the revised TIF Plan was approved by the TIF Commission on November 14, 1990, and subsequently approved and designated by City Council on April 18, 1991, by Ordinance No. 910047. Construction was completed and

ANNUAL REPORT OF THE
TAX INCREMENT FINANCING COMMISSION

RE:

FIRST REVISED WALNUT CREEK APARTMENTS
TAX INCREMENT FINANCING PLAN

(For Annual Report Year 1-1-93 through 12-31-93)

December 1993

12. The assessed valuation added to the redevelopment area is \$2,856,000.
13. The payments in lieu of taxes received from the effective date of this plan through the date of this report are \$617,386.80.

Clay County and the City have billed \$214,905.60 in 1993 PILOTS due 12/31/93.

14. The payments in lieu of taxes expended as of the date of this report are \$617,386.80.
15. The contracts made incident to the implementation and furtherance of the redevelopment plan and project(s) are:

Funding Agreement with Matrix Realty 4/13/88; Revised TIF Plan and Funding & Acquisition Agreement with Matrix Realty 9/21/88; Contract with Walnut Creek Associates, L.P. 12/14/88; Funding Agreement with Ben Rose 6/14/88; Contract with City for funding 10/11/89; Rescinding agreement with City for funding 11/8/89; Amended Contract with Walnut Creek Associates, L.P. 12/13/89; Assignment Agreement between Walnut Creek Associates, L.P. and North Haven East, Inc. 12/13/89; Contract between TIFC and North Haven East, Inc. 12/13/89; Amended Agreement with City for funds to pay cost for preparation of Amended TIF Plan 12/13/89; Cooperative Agreements for Public Improvements between TIFC and the Kansas City Area Transportation Authority 5/2/91; Assignment of Construction Contract between North Haven East, Inc. and Valley View State Bank 6/28/91; Assignment of rights from Matrix Realty, Inc., to DEC Ventures II 8/12/92.

16. The cost for and amount of any property acquired is N/A.
17. The cost for and amount of any property disposed of is N/A.
18. The cost for and amount of any property rehabilitated is N/A.
19. The cost for and amount of any property constructed is \$14,319,787 expended by Matrix Realty. TIFC approved reimbursement of \$1,369,651.

North Haven East has expended approximately \$300,000 for the construction of the N.E. 42nd and N. Holmes intersection improvements.

20. the cost for and amount of any property repaired is N/A.
21. The cost for and amount of any property remodeled is N/A.
22. The number of parcels acquired by or through initiation of eminent domain proceedings is 0.

ANNUAL REPORT OF THE
TAX INCREMENT FINANCING COMMISSION

RE:

WEST 46TH STREET TERRACE
TAX INCREMENT FINANCING PLAN
(For Annual Report Year 1-1-93 through 12-31-93)

December 1993

13. The payments in lieu of taxes received from the effective date of this plan through the date of this report are \$797,022.97.

In addition, the City and County have billed for 1993 PILOTS totalling \$97,017.09 due 12/31/93.

14. The payments in lieu of taxes expended as of the date of this report are \$769,787.86.
15. The contracts made incident to the implementation and furtherance of the redevelopment plan and project(s) are:

Administrative agreement with the City 10/23/88; Contract with J. C. Nichols Co. 5/10/89; Assignment by Nichols Co. of a portion of the W. 46th Street Terrace project to Metro Housing Associates for rehab of Monterrey Apts. 5/10/89; Certificate of Completion to J. C. Nichols Co. for Phase I 6/12/91.

16. The cost for and amount of any property acquired is 0.
17. The cost for and amount of any property disposed of is \$142,790.78.
18. The cost for and amount of any property rehabilitated is \$81,730.50 has been approved by TIFC for the Monterrey Apts. The developer reports their total cost as \$600,000.
19. The cost for and amount of any property constructed is \$377,000 has been approved by TIFC as reimbursable costs. The developer reported costs of \$5,040,000 for the Neptune Apts. and \$2,100,000 for the parking structure.
20. the cost for and amount of any property repaired is 0.
21. The cost for and amount of any property remodeled is 0.
22. The number of parcels acquired by or through initiation of eminent domain proceedings is 0.
23. Additional Information:

The 76-unit building and associated covered parking structure and public improvements have been completed.

The property has been reclassified from commercial to residential property. As a result, the base for figuring PILOTS has been reduced from last year. In addition, the Developer has protested the assessed value of the property in 1992 and 1993.

ANNUAL REPORT OF THE
TAX INCREMENT FINANCING COMMISSION

RE:

WINCHESTER CENTER
TAX INCREMENT FINANCING PLAN
(For Annual Report Year 1-1-93 through 12-31-93)

December 1993

No revenues are pledged for principal and interest on any outstanding bonds. Obligations of TIF revenues pledged for implementation of this Plan as of 12/31/93 are:

Legal	\$843.75
Agenda Items	\$1,500.00
Certified Developer Costs	\$122,636.50

11. The original assessed valuation of the redevelopment area is \$1,082,990.
12. The assessed valuation added to the redevelopment area is \$1,062,290.
13. The payments in lieu of taxes received from the effective date of this plan through the date of this report are \$85,489.25.

The City and Jackson County have mailed 1993 PILOT bills totalling \$85,133 due 12/31/93.

14. The payments in lieu of taxes expended as of the date of this report are \$85,489.25.
15. The contracts made incident to the implementation and furtherance of the redevelopment plan and project(s) are:

Funding Agreement between TIFC and Winchester Ventures II 6/18/91; Agreement between City and TIFC to establish Special Allocation Fund 1/31/92; Redevelopment Contract between Winchester Ventures II and TIFC 9/8/92 (Memorandum of Contract filed with County Recorder 3/17/93); Funding Agreement between TIFC and International Association of Fire Fighters, Local No. 42 on April 23, 1993.

16. The cost for and amount of any property acquired is 0.
17. The cost for and amount of any property disposed of is 0.
18. The cost for and amount of any property rehabilitated is 0.
19. The cost for and amount of any property constructed is 0.
20. the cost for and amount of any property repaired is 0.
21. The cost for and amount of any property remodeled is 0.
22. The number of parcels acquired by or through initiation of eminent domain proceedings is 0.

**RESOLUTIONS
OF THE
TAX INCREMENT FINANCING COMMISSION
JANUARY - DECEMBER 1993**

- 93-18 - 4/14/93 Resolution continuing public hearing on Central Square Hotel to June 9, 1993.
- 93-19 - 4/14/93 Resolution continuing public hearing on Santa Fe to April 27, 1993 (tour) and to May 12, 1993.
- 93-20 - 4/14/93 Resolution approving policy that Section 108 loan funds are essential to the Midtown TIF Project and discourages the City from redirecting those funds to finance any other project.
- 93-21 - 4/14/93 Resolution approving Acquisition Agreement with Winchester Center to take actions necessary to eliminate easements on effected properties.
- 93-22 - 4/14/93 Resolution approving development of State Farm project in the Winchester Center TIF Area.
- 93-23 - 4/14/93 Resolution approving issuance of Enterprise Zone tax abatement for Phase III (Fairbanks) of Universal Floodwater Detention TIF Plan.
- 93-24 - 4/14/93 Resolution revoking penalties related to Funding Agreement on Briarcliff West Project.
- 93-25 - 4/14/93 Resolution approving writing off of accrued finance charge (\$2.80) on Universal Project.
- 93-26 - 5/19/93 Resolution to approve reserving \$1,000 from each TIF Project Account of expenses incurred after SAF funds have been dispersed.
- 93-27 - 5/19/93 Resolution approving minor changes in the disbursement of 1992 PILOTS.
- 93-28 - 5/19/93 Resolution approving policy that only if adjustments to estimates of SAF disbursements are \$1,000, or more, will they be brought to Commission for approval.
- 93-29 - 5/19/93 Resolution continuing public hearing on Santa Fe Plan to June 9, 1993.
- 93-30 - 5/24/93 Resolution approving corporate resolution designating Ron Yaffe a signatory for Boatmen's Bank TIF Accounts.
- 93-31 - 6/9/93 Resolution approving various bids for pre-development work in the Midtown TIF Project.

- 93-46 - 8/11/93 Resolution continuing public hearing on First Amended Winchester Center TIF Plan to September 8, 1993.
- 93-47 - 8/11/93 Resolution continuing public hearing on Central Square Hotel TIF Plan to September 8, 1993.
- 93-48 - 8/11/93 Resolution authorizing issuance of RFP for relocation services in the Midtown TIF Project Area.
- 93-49 - 8/11/93 Resolution approving Funding Agreement with K-A Company for Central Square TIF Plan subject to insertion of language on expenditure of funds.
- 93-50 - 8/11/93 Resolution approving Certificate of Completion for Phase I (American Cablevision) of the Winchester Center TIF Project.
- 93-51 - 9/8/93 Resolution approving First Amended Winchester Center TIF Plan.
- 93-52 - 9/8/93 Resolution approving Visions Building Corp. as developer of Project 13 (Firefighters) of the First Amended Winchester Center TIF Plan.
- 93-53 - 9/8/93 Resolution continuing public hearing on Central Square Hotel TIF Plan to October 13, 1993.
- 93-54 - 9/8/93 Resolution approving execution of Funding Agreement as revised with K-A Company for Central Square Hotel TIF Plan.
- 93-55 - 9/8/93 Resolution approving Section 106 Memorandum of Agreement (historic preservation review) related to the Midtown TIF Project.
- 93-56 - 9/8/93 Resolution accepting updated report by the Developer on the Midtown TIF Project.
- 93-57 - 10/13/93 Resolution accepting final TIFC Audit for 1992-93.
- 93-58 - 10/13/93 Resolution continuing public hearing on Central Square TIF Plan to November 10, 1993.
- 93-59 - 10/13/93 Resolution certifying reimbursable costs submitted for the Winchester Center TIF Plan.
- 93-60 - 11/10/93 Resolution continuing public hearing on Central Square TIF Plan to December 8, 1993.
- 93-61 - 11/10/93 Resolution continuing public hearing on Linwood-Prospect TIF Plan to November 15, 1993.

TAX INCREMENT FINANCING COMMISSION

1992-1993 AUDIT

Financial Statements and
Other Financial Information

Tax Increment Financing Commission
of Kansas City, Missouri

*Years ended May 31, 1993 and 1992
with Report of Independent Auditors*

Report of Independent Auditors

The Board of Commissioners
Tax Increment Financing Commission of
Kansas City, Missouri

We have audited the accompanying balance sheets of the Tax Increment Financing Commission of Kansas City, Missouri (the Commission) as of May 31, 1993 and 1992, and the related statements of revenues, expenses and fund balance and cash flows for the years then ended. These financial statements are the responsibility of the Commission's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Tax Increment Financing Commission of Kansas City, Missouri at May 31, 1993 and 1992, and the results of its operations and its cash flows for the years then ended in conformity with generally accepted accounting principles.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying other financial information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in our audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Ernst & Young

July 9, 1993

Tax Increment Financing Commission
of Kansas City, Missouri

Statements of Revenues, Expenses and Fund Balance

	Year ended May 31	
	1993	1992
Revenues		
Projects:		
Payment in lieu of tax (PILOT) revenues	\$350,542	\$462,014
Developer revenues	85,069	171,197
Administrative fees:		
Payment in lieu of tax (PILOT) revenues	35,664	54,038
Developer revenues	36,937	65,013
MOTIFA receipts (Note 4)	-	837
Interest and miscellaneous revenue	1,914	3,714
Total revenues	510,126	756,813
Expenses		
Reimbursable project costs	302,124	521,815
Administration (Note 3)	96,600	25,000
Professional services	201,366	150,975
Printing	12,268	11,108
Membership dues	7,250	6,650
MOTIFA expenses (Note 4)	-	837
Miscellaneous	15,648	5,016
Total expenses	635,256	721,401
Excess (deficiency) of revenues over expenses	(125,130)	35,412
Fund balance at beginning of year	89,156	53,744
Fund balance (deficit) at end of year	\$ (35,974)	\$ 89,156

See accompanying notes.

**Tax Increment Financing Commission
of Kansas City, Missouri**

Notes to Financial Statements

May 31, 1993

1. Summary of Significant Accounting Policies

The Tax Increment Financing Commission of Kansas City, Missouri (the Commission) was authorized under a state of Missouri law ("Real Property Tax Increment Allocation Redevelopment Act") as a public body, corporate and politic, and was approved by ordinance of the City Council of Kansas City, Missouri in November 1982, to exercise the powers delegated by a municipality under this act. The Commission is governed by a six-member Board of Commissioners appointed by the mayor of the City of Kansas City, Missouri (the City).

Tax increment financing is a mechanism whereby redevelopment project expenses are financed through payments in lieu of taxes. The above-mentioned legislation allows the City (through the Commission) to direct all new taxes (the "increment") generated by a new development toward the retirement of bonds (obligations) issued to fund portions of that development.

The Commission is responsible for preparing and implementing tax increment financing plans and is reimbursed by project developers for services rendered. Any bonds issued in conjunction with the tax increment financing plan or subsequent bond repayments financed by payments in lieu of taxes are accounted for by the City.

Basis of Presentation

These financial statements have been prepared on the accrual basis of accounting wherein expenses are recognized when incurred and revenues are recognized when earned.

Reclassification

Certain items in the 1992 financial statements have been reclassified to conform to the 1993 presentation.

Tax Increment Financing Commission
of Kansas City, Missouri

Notes to Financial Statements (continued)

4. MOTIFA Activity

During fiscal year 1992, the Commission incurred expenses of \$837 related to the incorporation of the Missouri Tax Increment Financing Association (MOTIFA), a corporation separate from the Commission. Such expenses were properly reimbursed by MOTIFA.

Other Financial Information

