THE TWELFTH AND WYANDOTTE HOTEL REDEVELOPMENT
TAX INCREMENT FINANCING PLAN
KANSAS CITY, MISSOURI

APPROVED BY
THE TAX INCREMENT FINANCING COMMISSION
NOVEMBER 10, 1992
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REQUIRED PLAN ELEMENTS

I. GENERAL DESCRIPTION

A. Redevelopment Area. The Twelfth and Wyandotte Hotel Redevelopment Tax Increment Financing Plan (the "Plan") calls for the redevelopment of an area which includes portions of two downtown blocks generally bound by 11th Street on the north, Baltimore Street on the east, 13th and 12th Streets on the south and Wyandotte Street and Central Street on the west in Kansas City, Jackson County, Missouri, more specifically described in Exhibit 1 attached hereto (the "Redevelopment Area").

B. Redevelopment Projects. This Plan calls for the renovation of the existing Allis Plaza Hotel; the demolition of the Muehlebach Towers and the Link Building; construction of a new 450+ room hotel; renovation of the Muehlebach convention center facilities; construction of above grade pedestrian walkways linking the Allis Plaza Hotel, Twelfth and Wyandotte Building and the Muehlebach Block; together with all necessary appurtenances, utilities, street and streetscape improvements. The development activities within the Redevelopment Area will be undertaken in a series of three Redevelopment Projects (the "Redevelopment Projects"), each of which will be separately approved by ordinance in conformance with Missouri’s Tax Increment Financing Statute. This Plan will be implemented by construction of the depicted development described on the site plan attached as Exhibit 2 and described in the specific objectives of the Plan set forth in Exhibit 3.

C. Redevelopment Plan Objectives. The general objectives of the Redevelopment Plan are:

To eliminate conditions which are detrimental to public health, safety, morals or welfare in the Redevelopment Area and to eliminate blighting, substandard and insanitary conditions and to prevent the recurrence thereof.

To enhance the tax base of the City and the other Taxing Districts by developing the Redevelopment Area to its highest and best use, encouraging private investment in the surrounding area, increasing employment opportunities and to discourage residents, commerce, industry and manufacturing from moving to another state.

To increase employment in the City.

Specific objectives of the Plan are set forth in Exhibit 3.

II. ESTIMATED REDEVELOPMENT PROJECT COSTS

Estimated redevelopment costs are projected to be $35,010,000 over the 23 year life of the Redevelopment Area. The Plan proposes that $17,071,000 in Redevelopment Project Costs be reimbursed or bonded from TIF revenues.

Included as a part of the Redevelopment Project Costs are those costs of phased construction of structures and public improvements necessitated by the Redevelopment Projects and any costs incidental to a redevelopment plan or redevelopment project. These costs, along with the estimated Project Costs, are set
forth in Exhibit 4.

The Commission has determined that those planning and special services expenses of the Commission which cannot be directly attributable to a particular project are nonetheless reasonable and necessary for the operation of the Commission and are incidental costs to the project. These incidental costs will be recovered by the Commission from the Special Allocation Fund in an amount not to exceed five percent (5%) of the PILOTS paid annually into the fund.

III. **ANTICIPATED SOURCES OF FUNDS**

Anticipated sources and amounts of funds to pay Redevelopment Project Costs and amounts to be available from those sources are shown on Exhibit 5. The expected source of funds to be used to reimburse eligible expenses include PILOTS and Economic Activity Tax proceeds.

If bonds are issued, bond proceeds will be deposited in a special construction fund for use in payment of Reimbursable Project Costs. If property is sold or leased to a selected Developer, land disposition or lease proceeds will be utilized by the Commission for payment of Reimbursable Project Costs.

A. **Payment in Lieu of Taxes.** The total Payment in lieu of taxes ("PILOTS") generated by the development over the duration of the Plan is estimated to be approximately $6,446,000. This estimate is based on the assumption that the Redevelopment Area will also receive Section 353 designation. Under the Section 353 designation it is anticipated that the Allis Plaza Hotel property will be granted 100% tax abatement for the first ten (10) years and 50% tax abatement the subsequent five (5) years and that the new hotel and convention center facility property will receive 100% tax abatement for the first ten (10) years and 50% for the following fifteen (15) years. Under this Plan, only those PILOTS generated by development of the Muehlbach Block will be available to reimburse eligible project costs. Those PILOTS available to reimburse project costs are estimated to be $5,724,000. The remaining $722,000 will be declared surplus and returned to the affected taxing districts. The annual Payments in Lieu of Taxes available to pay redevelopment project costs are shown in Exhibit 6.

Calculations of expected proceeds of PILOTS are based on current real property assessment formulas and current property tax rates, both of which are subject to change due to many factors, including statewide reassessment, the effects of real property classification for real property tax purposes, and the roll back in tax levies resulting from reassessment or classification. Furthermore calculations are based on increases in assessments of 4% every other year that can be expected to result from inflation with no levy increases, which would also increase PILOTS.

The amount of PILOTS in excess of the funds deemed necessary by the Commission for implementation of this Plan, may be declared as surplus by the Commission. The declared surplus will be made available for distribution to the various Taxing Districts in the Redevelopment Area in the manner provided by the Act.

B. **Economic Activity Taxes.** Over the life of the Plan, the total Economic Activity Tax revenues are estimated to be approximately $22,694,000. Of the total additional revenue from taxes imposed by the municipality or other taxing districts and which are generated by economic activities within the Redevelopment Project Areas, as defined in Section 99.845.3, fifty percent (50%), or approximately $11,347,000 will be
made available upon annual appropriation, to pay eligible Redevelopment Project Costs. The increase in Economic Activity Taxes are shown in Exhibit 6 by year for each Redevelopment Project, as are the resulting share of revenues available to pay project costs.

Anticipated Economic Activity Taxes are based upon projected net earnings taxes paid by businesses and employees, as well as sales tax. It is assumed that net earnings, and sales tax revenues will increase due to inflation at a rate of 4% a year in addition to the assumed increases due to job creation and business expansion. The estimated PILOTS and Economic Activity Tax revenues are set forth in Exhibit 6 attached hereto.

The amount of Economic Activity Taxes in excess of the funds deemed necessary by the Commission for implementation of this Plan, may be declared as surplus by the Commission. The declared surplus will be made available for distribution to the various Taxing Districts in the Redevelopment Area in the manner provided by the Act.

IV. EVIDENCE OF THE COMMITMENTS TO FINANCE

Any proposal submitted by a developer to implement this Plan shall include evidence of commitments to finance the Redevelopment Project Costs in addition to those allowable project costs to be paid out of the Special Allocation Fund. Such evidence shall be a part of this Plan and be attached hereto as Exhibit 7.

V. ANTICIPATED TYPE AND TERMS OF OBLIGATIONS

Without excluding other methods of financing, Bonds may be issued pursuant to this Plan for a term not to exceed 23 years from the adoption of the ordinance approving a redevelopment project within a redevelopment area, at an interest rate determined by the Issuing Body. In order to market such Bonds, it is estimated that available Project revenues must equal 125% - 175% of the annual debt service payments required for the retirement of the Bonds. Revenues received in excess of 100% of funds necessary for the payment of principal and interest on the Bonds or for reserves, sinking funds, or allowable project costs may be used to call Bonds in advance of their maturities or may become available for distribution annually to the Taxing Districts. Bonds may be sold in one or more series in order to implement this Plan. All obligations shall be retired no later than 23 years after the adoption of the Ordinance approving the redevelopment project, the costs of which are to be paid from the proceeds thereof. No redevelopment project may be approved by Ordinance adopted more than ten years from the adoption of the ordinance approving the redevelopment plan under which the project is authorized. Therefore the latest date of retirement of the Bonds, if the ordinance approving the redevelopment plan is adopted in 1992, will be 2025.

VI. MOST RECENT EQUALIZED ASSESSED VALUATION

The most recent equalized assessed valuation of the Redevelopment Plan Area according to the Kansas City Assessor's records is $997,830. The current combined tax levy is projected to be $9,952 (including 1987 M & M replacement surcharge tax) per $100 assessed valuation on land and $9,202 (including 1987 M & M
replacement surcharge tax) per $100 assessed valuation on improvements. This yields a current annual tax revenue of approximately $97,912. These taxes are figured on the abated assessed value as provided under Section 98.7 of the Missouri Code. Unabated the assessed value would be $9,213,120 which would generate approximately $770,711 in taxes.

The Total Initial Equalized Assessed Valuation of an area selected for a redevelopment project will be determined when the individual Redevelopment Project is approved by ordinance. The municipality or the Commission may then issue tax increment bonds to finance redevelopment within the Redevelopment Project. PILOTS measured by subsequent increases in property tax revenue which would have resulted from increased valuation had Tax Increment Financing not been adopted, will be segregated from taxes resulting from the Total Initial Equalized Assessed Valuation as defined herein, and deposited in a special allocation fund earmarked for bond retirement or payment of Redevelopment Project Costs as defined herein.

VII. ESTIMATED EQUALIZED ASSESSED VALUATION AFTER REDEVELOPMENT

Upon completion of the Redevelopment Projects and at the end of the life of the Redevelopment Area, the assessed valuation of the Redevelopment Plan Area is anticipated to be approximately $17,192,320. The increase in assessed valuation therefore is anticipated to be approximately $16,194,490. The resulting Payments in Lieu of Taxes available to pay Redevelopment Project Costs by year are shown separately for each Redevelopment Project Area in Exhibit 6. When complete the Redevelopment Area will yield an estimated $727,000 in additional real property taxes annually.

VIII. GENERAL LAND USE

The general land use for the area is envisioned to be hotel uses with related structured parking, incidental retail and office. The Site Plan, Exhibit 2, attached hereto and made part of this Redevelopment Plan, designates the intended predominant land use categories for which tracts in the area will be sold, leased, or otherwise conveyed. The individual Redevelopment Projects shall be subject to the applicable provisions of the Municipality's Zoning Ordinance as well as other codes and ordinances as may be amended from time to time.

STATUTORY FINDINGS

IX. EXISTING CONDITIONS

The Redevelopment Area, including each of the Redevelopment Projects contained therein, qualifies as a "Conservation Area" under Missouri's Tax Increment Financing Statute. Within the Muehlebach Hotel Redevelopment Area fifty percent (50%) of the structures are more than 35 years old and there exist conditions of obsolescence and deterioration and substandard and insanitary conditions. These conditions preclude any further development and will continue to jeopardize health, safety and welfare without the adoption of this Tax Increment Financing Plan. Further, this Plan is feasible only if all of the specified Redevelopment Projects are designated as
such under Missouri's Tax Increment Financing Statute.

A study of the Redevelopment Area has been conducted documenting existing conditions and is attached as Exhibit 8.

X. "BUT FOR TIF"

The best use for the property in the Redevelopment Area is for hotel and related parking, incidental retail and other related uses. Due to existing conditions of the property and its location, as well as the difficult in obtaining conventional financing for any downtown hotel project, the hotel and hotel related property within the Redevelopment Area has not been subject to growth or development in the past although proposals have been considered. The cost of curing the existing conditions and construction of the improvements contemplated by the Plan would not be economically viable, if fully borne by a developer. The use of Tax Increment Financing to offset part of this cost makes the Plan feasible and thus attractive to private enterprise investment.

XI. CONFORMANCE TO THE COMPREHENSIVE PLAN

The Plan is consistent and conforms with the City's Comprehensive Plan. The Plan conforms with the guidelines set forth in the Downtown 2000 Plan and with the Land Clearance For Redevelopment Authority's Urban Renewal Plan for the Central Business District, as modified by the City Council for the 12th and Wyandotte project on April 15, 1983 by Ordinance Number 54841 and for Block 108 on October 25, 1984 by Ordinance Number 57004.

XII. ESTIMATED DATE OF COMPLETION

The estimated date of completion of the redevelopment projects is December 1996. The completion of any redevelopment project and retirement of obligations incurred to finance redevelopment costs will be completed no later than twenty-three (23) years from the adoption of the ordinance approving the redevelopment project within the Redevelopment Area, provided that no ordinance approving a redevelopment project shall be adopted later than ten (10) years from the adoption of the ordinance approving this Redevelopment Plan.

The Development Schedule is set forth in the attached Exhibit 9.

XIII. RELOCATION ASSISTANCE PLAN

In order to achieve the objectives of this Redevelopment Plan, it may be necessary to demolish structures and to relocate occupants and businesses. The developer will be required to provide relocation assistance to all eligible displaced occupants in conformance with the Relocation Assistance Plan as set forth in Exhibit 10.

OTHER PLAN CONDITIONS AND CONSIDERATIONS
XIV. ACQUISITION AND DISPOSITION

A. Acquisition and Clearance. To achieve the redevelopment objectives of this Plan, property or interests therein, including easements and rights-of-way, identified on Exhibit 11, "Land Acquisition and Disposition Map", attached hereto, and made a part of this Plan, may be acquired by purchase, donation, lease or eminent domain in the manner provided for corporations in Chapter 523, R.S.Mo. by the Municipality or the Commission. The property acquired by the Municipality or the Commission may be cleared, and either (1) sold or leased for private redevelopment or (2) sold, leased, or dedicated for construction of public improvements or facilities. The Municipality or the Commission may determine that to meet the redevelopment objectives of the Redevelopment Plan, other properties listed on said map and not scheduled for acquisition should be acquired or certain property currently listed for acquisition should not be acquired. In any case, no property for a redevelopment project shall be acquired by eminent domain later than five (5) years from adoption of the ordinance approving the redevelopment Plan under which such project is authorized.

Individual structures may be exempted from acquisition if they are located so as not to interfere with the implementation of the objectives of this Redevelopment Plan or the Redevelopment Projects implemented pursuant to the Redevelopment Plan and their owner(s) agree to rehabilitate or redevelop their property, if necessary, in accordance with the objectives of this Redevelopment Plan.

Clearance and demolition activities will, to the greatest extent possible, be timed to coincide with redevelopment activities so that tracts of land do not remain vacant for extended periods of time and so that the adverse affects of clearance activities may be minimized.

The Municipality or the Commission may devote property which it has acquired to temporary uses prior to such time as property is needed for redevelopment. Such uses may include, but are not limited to, project office facilities, parking or other uses the Municipality or the Commission may deem appropriate.

B. Assemblage and Disposition of Land. Land assemblage shall be conducted for (1) sale, lease or conveyance to private developers or (2) sale, lease, conveyance or dedication for the construction of public use, improvements or facilities. The terms of conveyance shall be incorporated in appropriate disposition agreements which may contain more specific planning and design controls than those stated in this Plan.

XV. AFFIRMATIVE ACTION

It is the Commission’s policy to encourage participation in the bidding process by socially and economically disadvantaged business concerns. The Commission has developed an affirmative action process and a minority business enterprise (MBE) participation goal of 15% and a women business enterprise (WBE) participation goal of 5% for both professional services and consultants and a similar goal for all construction activity within all phases of the Redevelopment Projects.

XVI. DESIGN REVIEW PROCESS
The Commission has adopted a design review process which shall be carried out to review all proposed improvements in the Redevelopment Area. This Design Review Process is attached hereto as Exhibit 12.

The following design controls shall apply to the Plan:

A. General: New development shall be designed and constructed so that it is integrated into and complements the surrounding environment. Any buildings that remain shall be made to conform to the development guidelines as approved by the Commission.

B. Pedestrian Walkways, Streets and Open Walk Spaces: Streets, pedestrian paths or open walk spaces shall be designed as an integral part of the overall site design, properly related to existing and proposed buildings and City streetscape elements.

C. Parking: Parking areas shall be designed with careful regard given to orderly arrangement, landscaping, ease of access, and as an integral part of the total site design. Vehicular access to the parking areas shall minimize conflicts with other vehicular and pedestrian movements. Ingress and egress points shall be well distanced from intersections in order to avoid congestion and interference with traffic.

D. Landscape Design: A coordinated landscape program shall be developed in the Redevelopment Areas to incorporate the landscape treatment sought for open spaces, roads, sidewalks, and parking areas into a coherent and integrated arrangement.

E. Historic Preservation of the Original Muehlebach Hotel: The original Muehlebach Hotel shall be retained. All improvements to the original hotel building shall be done to maintain the architectural and historical integrity of the structure and in conformance with all applicable guidelines, rules and regulations and shall be subject to design review procedures as set forth on Exhibit 12.

XVII. ENTERPRISE ZONE

In the event mandatory abatement is sought or received pursuant to Section 135.215, R.S.Mo., as amended, such abatement shall not serve to reduce payments in lieu of taxes that would otherwise have been available pursuant to Section 99.845, R.S.Mo.. Said designation shall not relieve the assessor or other responsible official from ascertaining the amount of equalized assessed valuation of all taxable property annually as required by Section 99.855, R.S.Mo..

XVIII. PROVISION OF PUBLIC FACILITIES

Adequate public facilities and utilities will be assured to service each of the Redevelopment Project Areas.

XIX. REQUEST FOR PROPOSALS

Requests for proposals may be sent to developers. A developer will be selected to implement this Plan (the "Developer"). If a Developer is selected who does not now
own all the property required to implement the Plan, the Developer will be required to identify the funds necessary for the acquisition or lease, and redevelopment of the property by purchase or eminent domain. The proposal of the Developer(s) selected must include evidence of financial commitments sufficient to complete the project. That proposal will then be attached to this Plan as Exhibit 7 and become a part of the Plan.

XX. TAX INCREMENT FINANCING

This Plan is adopted pursuant to the Real Property Tax Increment Allocation Redevelopment Act, Missouri Revised Statutes, Section 99.800 through 99.865, 1990 (the "Act"). The Act enables municipalities to finance redevelopment costs with the revenue generated from PILOTS or Economic Activity Taxes.

XXI. PROVISIONS FOR AMENDING THE TAX INCREMENT PLAN

This Redevelopment Plan and Project may be amended pursuant to the provisions of the Act.
EXHIBIT 1
LOCATION AND LEGAL DESCRIPTION OF THE REDEVELOPMENT AREA

REDEVELOPMENT AREA

The proposed Redevelopment Area is legally described as follows:

Beginning at the point of intersection of the center line of the right-of-way of Central Street with the center line of the right-of-way of Eleventh Street; thence east along the center line of the right-of-way of Eleventh Street to its intersection with the northerly prolongation of the western boundaries of Lots 1 through 10, inclusive, Block 20, ASHBURN'S ADDITION; thence south along the western boundaries of Lots 1 through 10, Block 20, ASHBURN's ADDITION to the southern boundary of Lot 10, Block 20, ASHBURN'S ADDITION; thence east along the southern boundary of Lot 10, Block 20, ASHBURN'S ADDITION to the center line of the alley east of and adjoining Lots 1 to 10, Block 20, ASHBURN'S ADDITION; thence south along the southern prolongation of the center line of said alley to its intersection with the center line of the right-of-way of Twelfth Street; thence east along the center line of the right-of-way of Twelfth Street to its intersection with the center line of the right-of-way of Baltimore Street; thence south along the center line of the right-of-way of Baltimore Street to its intersection with the easterly prolongation of the southern boundary of Lot 10, Block 2, REID'S ADDITION; thence west along the southern boundary of Lot 10, Block 2, REID'S ADDITION and the southern boundary of Lot 25, Block 2, REID'S ADDITION to the center line of the right-of-way of Wyandotte Street; thence north along the center line of the right-of-way of Wyandotte Street to its intersection with the westerly prolongation of the northern boundary of Lot 26, Block 2, REID'S ADDITION; thence east along the northern boundary of Lot 26, Block 2, REID'S ADDITION to its intersection with the center line of the alley west of and adjacent to Lots 7 to 17, Block 2, REID'S ADDITION; thence north along the center line of said alley to its intersection with the center line of the alley south of and adjacent to Lots 6 to 12, Block B, RESURVEY OF REID'S ADDITION; thence west along the center line of said alley to its intersection with the center line of the right-of-way of Wyandotte Street; thence north along the center line of the right-of-way of Wyandotte Street to its intersection with the center line of the right-of-way of Twelfth Street; thence west along the center line of the right-of-way of Twelfth Street to its intersection with the center line of right-of-way of Central Street; thence north along the center line of the right-of-way of Central Street to the point of beginning.

The above described Redevelopment Area contains the following: Lots 1 to 20, inclusive, Block 21, ASHBURN'S ADDITION, and all of the vacated alley in said Block, which includes (i) all of Block 21, ASHBURN'S ADDITION, a subdivision in Kansas City, Jackson County, Missouri, according to the recorded plat thereof and all of the vacated alley in said Block, lying above elevation 200.67 of the Kansas City Datum Plane and (ii) all of Block 21, ASHBURN'S ADDITION, a subdivision in Kansas City, Jackson County, Missouri, according to the recorded plat thereof, and all of the vacated alley in said Block, lying below elevation 200.67 of the Kansas City Datum Plane; Lots 1 to 12, inclusive, Block B, RESURVEY OF REID'S ADDITION, and the north half of the east and west alley lying south of and adjacent to Lots 6 to 12, Block B, RESURVEY OF REID'S ADDITION, Lot 7 through 10, inclusive, Block 2, REID'S ADDITION and the vacated alley lying north of and adjacent to Lot 7, Block 2, REID'S ADDITION; Lots 25 and 26, Block 2, REID'S ADDITION, and the western half of the north and south alley lying east of and adjacent to said Lots; all in Kansas City, Jackson County, Missouri.
REDEVELOPMENT PROJECT

PROJECT I

Lots 1 to 20, inclusive, Block 21, ASHURN’S ADDITION, which includes (i) all of Block 21, ASHURN’S ADDITION, subdivision in Kansas City, Jackson County, Missouri, according to the recorded plat thereof and all of the vacated alley in said Block, lying above elevation 200.67 of the Kansas City Datum Plane and (ii) all of Block 21, ASHURN’S ADDITION, a subdivision in Kansas City, Jackson County, Missouri, according to the recorded plat thereof, and all of the vacated alley in said Block, lying below elevation 200.67 of the Kansas City Datum Plane, and all of the vacated alley in Block 21, ASHURN’S ADDITION, all in Kansas City, Jackson County, Missouri.

PROJECT II

The west 17 feet of Lot 7 and all of Lots 8 to 12, inclusive, Block B, RESURVEY OF REID’S ADDITION, and the north half of the east and west alley lying south of and adjacent to Lots 6 to 12, Block B, RESURVEY OF REID’S ADDITION; Lot 7 through 10, inclusive, Block 2, REID’S ADDITION, and the vacated alley lying north of and adjacent to Lot 7, Block 2, REID’S ADDITION; Lots 25 and 26, inclusive, Block 2, REID’S ADDITION, and the western half of the north and south alley lying east of and adjacent to said Lots, all in Kansas City, Jackson County, Missouri.

PROJECT III

Lots 1 through 6, inclusive, and the east 8 feet of Lot 7, Block B, RESURVEY OF REID’S ADDITION, a subdivision in Kansas City, Jackson County, Missouri according to the recorded plat thereof.
EXHIBIT 2
SITE PLAN

NOVEMBER 1992
EXHIBIT 3

SPECIFIC OBJECTIVES OF REDEVELOPMENT PLAN

1. Renovation of the existing Allis Plaza Hotel.
2. Demolition of the existing Muehlebach Towers and the Link Building.
3. New construction of a 450+ room hotel.
4. Renovation of the existing Muehlebach Hotel convention center facility.
5. Construction of above grade pedestrian walkways linking the Allis Plaza, Twelve Wyandotte Plaza and the new hotel complex.
6. Enhancement of the tax base by inducing development of the Redevelopment Area to its highest and best use, benefit taxing districts and encourage private investment in surrounding areas.
7. Promotion of health, safety, order, convenience, prosperity and the general welfare, as well as an increase in efficiency and economy in the process of development.
9. Stimulation of construction employment opportunities and increased demand for secondary and support services for the surrounding commercial area.
EXHIBIT 4
ESTIMATED REDEVELOPMENT PROJECT COSTS

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<th>AMOUNT</th>
<th>REIMBURSABLE PROJECT EXPENSE</th>
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EXPENSES

*1. Estimated Reimbursable Costs for Plan Preparation, Approval and Implementation, including but not limited to legal, staff time and expenses necessary and incidental to the TIF Commission $200,000  $200,000

2. Renovation of Allis Plaza Hotel 6,060,000

4. Demolition and Reconstruction and/or Renovation of Muehlebach Hotel Block 28,750,000  16,871,000

TOTAL $35,010,000  $17,071,000

* The selected developer shall pay all fees and expenses of the TIF Commission for Plan preparation and implementation including, but not limited to, staff time, agenda costs, legal fees, printing and publication of notices. The selected developer shall be billed for these expenses by the Commission. These expenses shall be considered reimbursable project costs to the developer from the Special Allocation Fund.

In addition, up to five percent (5%) of the annual PILOTS may be retained by the TIF Commission to cover incidental expenses incurred by the TIF Commission. This amount will be figured and allocated prior to allocation to any other reimbursable costs.
EXHIBIT 5

A. SOURCE OF FUNDS FOR ALL ESTIMATED REDEVELOPMENT PROJECT COSTS

1. Amount of Reimbursable Costs from PILOTS and Operation and Activity Taxes $16,871,000

2. Private Investment $18,139,000

Total $35,010,000

B. BONDS

The total estimated amount of PILOTS and Economic Activity Taxes over twenty-three years available to reimburse project costs is $13,179,000. The Commission may dedicate part or all of this amount to help defray the cost of the projects. This amount of PILOTS will support approximately _________ bonds in the amount of $________ over 23 year assuming an interest rate of_____% and coverage of______%.
EXHIBIT 6

ESTIMATED ANNUAL PAYMENTS IN LIEU OF TAXES AND ECONOMIC ACTIVITY TAXES OVER THE LIFE OF THE REDEVELOPMENT PLAN

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<td>1,143,000</td>
<td>17,793,000</td>
</tr>
</tbody>
</table>

6,446,000  11,347,000  17,793,000  17,793,000

It is the Commission's intent that the payment of PILOTs for the Redevelopment Area be subject to any abatement granted pursuant to Chapter 353 RSMo. During the first ten years of the Chapter 353 abatement on a property, no PILOTs would be due because Chapter 353 provides that no taxes are due on any improvements and the taxes on the land are based only on the assessed value of the land in the year prior to the acquisition of the land by the redevelopment corporation. During the second period of Chapter 353 abatement where taxes are based on 50% of the assessed value of the land and improvements, the Jackson County Assessor should compute the PILOTs as it normally would and then reduce any PILOT by the amount of the 353 abatement. The remainder would be the PILOT paid to the Assessor. Any PILOT paid on the Allis Plaza Hotel would be considered surplus funds and distributed to the taxing districts pursuant to Section 99.635 of the Act.
### ALLIS PLAZA - PROJECT 1

**ESTIMATED ANNUAL PAYMENTS IN LIEU OF TAXES AND ECONOMIC ACTIVITY TAXES OVER THE LIFE OF THE REDEVELOPMENT PLAN**

<table>
<thead>
<tr>
<th>YEAR</th>
<th>100% PILOT</th>
<th>50% OF ECONOMIC ACTIVITY TAXES</th>
<th>ANNUAL TOTAL</th>
<th>CUMULATIVE TOTAL</th>
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<td>1993</td>
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**Total:** 722,000 3,988,000 4,710,000 4,710,000
# MUEHLEBACH BLOCK – PROJECT 2

**ESTIMATED ANNUAL PAYMENTS IN LIEU OF TAXES AND ECONOMIC ACTIVITY TAXES OVER THE LIFE OF THE REDEVELOPMENT PLAN**

<table>
<thead>
<tr>
<th>YEAR</th>
<th>100% PILOT</th>
<th>50% OF ECONOMIC ACTIVITY TAXES</th>
<th>ANNUAL TOTAL</th>
<th>CUMULATIVE TOTAL</th>
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<td>1,113,000</td>
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</table>

$5,724,000$  $7,359,000$  $13,083,000$  $13,083,000$
EXHIBIT 7
DEVELOPER'S PROPOSAL
November 5, 1992

HAND DELIVERED

Mr. Mark Bunnell
Executive Director/Secretary of
the Tax Increment Financing Commission
Land Clearance for Redevelopment Authority
10 Petticoat Lane, Suite 250
Kansas City, Missouri 64106

Re: Twelfth and Wyandotte Hotel Redevelopment Area

Dear Mr. Bunnell:

We are counsel for Hotel Redevelopment Corporation. Attached are three copies of a Redevelopment Proposal in response to your Request For Proposal for the Twelfth and Wyandotte Hotel Redevelopment Area. In submitting the proposal, Hotel Redevelopment Corporation is requesting that the Tax Increment Financing Commission select it as the "redeveloper" of the entire redevelopment area.

Also enclosed is a check in the amount of $2,000 for the submission fee. If you have any questions or need additional information, please call.

Very truly yours,

LEWIS, RICE & FINGERSH

Charles F. Miller

CFM: REB: jmv

Enclosures
REDEVELOPMENT PROPOSAL

TWELFTH AND WYANDOTTE HOTEL REDEVELOPMENT AREA

SUBMITTED TO:
TAX INCREMENT FINANCING COMMISSION

November 5, 1992
I. INTRODUCTION

A. Hotel Redevelopment Corporation submits this Redevelopment Proposal in response to your Request For Proposals for the Twelfth and Wyandotte Hotel Redevelopment Area dated October 16, 1992. This proposal proposes the redevelopment of property within an area located on (i) the block bounded by 12th Street, 11th Street, Central Street and Wyandotte Street (the "Allis Plaza Block"), and (ii) a portion of the block bounded by Baltimore Street, Wyandotte Street, 12th Street and 13th Street (the "Muehlebach Block").

II. REDEVELOPMENT PROPOSAL

A. Developer. The developer for this project will be Hotel Redevelopment Corporation ("Developer"), a Missouri urban redevelopment corporation, with an address of c/o Executive Hills, Inc., 7101 College Boulevard, Suite 1100, Overland Park, Kansas 66210; Telephone number (913) 451-9000.

B. Authorized Representatives. For purposes of this redevelopment proposal, the authorized representatives of Developer are (i) Larry J. Bridges, Executive Hills, Inc. 7101 College Boulevard, Suite 1100, Overland Park, Kansas 66210; Telephone (913) 451-9000, and (ii) Charles F. Miller at the law firm of Lewis, Rice & Fingersh, One Kansas City Place, 1200 Main Street, Suite 3800, Kansas City, Missouri 64105; Telephone (816) 421-2500.

C. Developer's Experience. Developer is a recently formed corporation and has no development experience. However, Larry Bridges, Sherman Dreiseszun, Frank Morgan and I.I. Ozar are partners in the shareholder of applicant and have extensive experience in commercial real estate development. They have developed millions of square feet of office buildings and shopping centers in Kansas City and nationally, including, without limitation, One Kansas City Place, Twelve Wyandotte Plaza, Executive Hills East, Executive Hills South, Oak Park Mall and Metro North Mall. They also own the Allis Plaza Hotel.

D. Redevelopment Proposal.

1. Price being Offered for the Land. Because the land is currently owned and leased by companies affiliated with the partners in the Developer's shareholder, there is no proposal at this time to lease or buy any land.

2. General Description of Activities. Developer proposes to undertake the redevelopment of the Redevelopment Area in a series of four redevelopment projects.
(collectively, the "Redevelopment Projects"), each of which will be separately approved by ordinance in conformance with Sections 99.800 to 99.865 of the Revised Statutes of Missouri ("RSMo."). The first redevelopment project ("First Redevelopment Project") will be the renovation of the existing Allis Plaza Hotel. The proposed renovation will include, among other things, renovation of guest rooms, hotel corridors, meeting rooms, offices, rest rooms, kitchen, bar, tennis courts, key system and utility systems and installation of a steam plant.

The second redevelopment project ("Second Redevelopment Project") will consist of (i) the demolition of the "Muehlebach Tower" located on the corner of 12th Street and Wyandotte Street and the "Link Building" (located between the Muehlebach Tower and Original Muehlebach Hotel), (ii) the construction of a new hotel ("New Hotel") containing approximately 450 rooms and a two-level underground parking garage containing approximately 100 parking spaces on the site where the Muehlebach Tower and the Link Building are now located, (iii) the renovation of the existing Muehlebach Hotel Convention Center (the "Muehlebach Convention Center") located just south of the Original Muehlebach Hotel on Baltimore Street, and (iv) the construction of above-grade pedestrian walkways linking the New Hotel, Allis Plaza Hotel and Twelve Wyandotte Plaza office building and parking garage (the "Twelve Wyandotte Plaza Building").

The third redevelopment project ("Third Redevelopment Project") is the Original Muehlebach Hotel. Developer is not proposing a specific plan at this time to renovate or otherwise develop the Original Muehlebach Hotel. Developer proposes to sell the Original Muehlebach Hotel to the City of Kansas City, Missouri. If that sale is not consummated, Developer will maintain the Original Muehlebach Hotel in accordance with applicable City Codes until Developer can economically redevelop that site.

The fourth redevelopment project ("Fourth Redevelopment Project") is the parking garage located at 1219 Wyandotte Street (the "Downtown Garage"). Developer is not proposing a specific plan at this time to renovate or otherwise redevelop the Downtown Garage. Developer proposes to sell the Downtown Garage to the City of Kansas City, Missouri. If that sale is not consummated, the Downtown Garage will be operated as a parking garage servicing the New Hotel and other nearby businesses until Developer can economically redevelop
that site. If at any time the Downtown Garage can no longer be economically operated as a parking garage, it will be maintained in accordance with applicable City Codes until Developer can economically redevelop that site.

3. **Construction Budget.** The projected construction cost of the First Redevelopment Project is $6,060,000. The projected construction cost of the Second Redevelopment Project is $28,750,000.

4. **Schedule for Redevelopment.** The approximate dates for the commencement and completion of the work to be performed in the First Redevelopment Project are as follows:

<table>
<thead>
<tr>
<th></th>
<th>Commencement</th>
<th>Completion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Renovation</td>
<td>February 1, 1993</td>
<td>December 31, 1996</td>
</tr>
</tbody>
</table>

The approximate dates for the commencement and completion of the relevant stages of the Second Redevelopment Project are as follows:

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<tr>
<th></th>
<th>Commencement</th>
<th>Completion</th>
</tr>
</thead>
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<tr>
<td>Acquisition</td>
<td>Between November 1, 1993 and November 1, 1996</td>
<td>Between November 30, 1993 and November 30, 1996</td>
</tr>
<tr>
<td>Demolition</td>
<td>Between December 1, 1993 and December 1, 1996</td>
<td>Between July 31, 1994 and July 31, 1997</td>
</tr>
<tr>
<td>Construction/Renovation</td>
<td>Between August 1, 1994 and August 1, 1997</td>
<td>Between December 31, 1995 and December 31, 1998</td>
</tr>
</tbody>
</table>

Notwithstanding the broad range of dates for the commencement and completion of the Second Redevelopment Project, Developer intends to commence and complete each stage by the earliest date set forth in each range so that construction of the New Hotel begins on August 1, 1994 and is completed by December 31, 1998.

§

For the Third Redevelopment Project and Fourth Redevelopment Project, Developer proposes to sell the properties to the City of Kansas City, Missouri by
December 31, 1993. No other dates are proposed for these Projects.

5. Redevelopment Area. Developer proposes that the Redevelopment Area (as that term is described in the TIF Plan) be changed to exclude (i) the Twelve Wyandotte Plaza office building and parking garage (the "Twelve Wyandotte Plaza Building") and (ii) the parking garage located at 1226 Baltimore (commonly known as the "Club Garage").

6. Types of Building Materials. Building materials have not yet been determined.

E. Site Plan. A site plan of the Redevelopment Projects is attached hereto as Exhibit A.

F. Financial Commitment. The cost for the First and Second Redevelopment Projects is proposed to be financed in part by a loan from Wells Fargo Realty Advisors Funding Incorporated ("Wells Fargo") in the amount of (i) $6,060,000 plus (ii) $14,000,000 or one-half of the certified costs of the Second Redevelopment Project, whichever is less, which will be secured by a deed of trust on Developer's interest in the property in the Redevelopment Area. Attached as Exhibit B is a copy of a letter from Wells Fargo regarding the loan for the development of the First and Second Redevelopment Projects. For any Redevelopment Project being developed by Developer, Developer proposes to provide funds for normal equity financing to pay for any costs not paid for by the private financing and the Municipal Assistance outlined in this proposal.

G. Anticipated Sales Value for Properties; Marketing Plan. The Allis Plaza Hotel and the New Hotel to be constructed on the Muehlebach block will be operated under common management and marketed together by the Raphael Hotel Group, the current operators of the Allis Plaza Hotel. Both hotels will be operated at rates which are competitive with other comparable hotels competing for convention visitor business in or near downtown Kansas City, Missouri. The projected room rates for the hotels are set forth in the Feasibility Study prepared by Marvel & Associates which was previously delivered to the staff of the Tax Increment Financing Commission. Developer does not anticipate selling either hotel, but reserves the right to do so. As was previously mentioned, Developer is currently negotiating to sell the Original Muehlebach Hotel and the Downtown Garage to the City at a price that has not yet been determined. If the sale of those properties cannot be consummated, Developer proposes to continue to own or control those properties as well as the remaining properties in the redevelopment area.
and, when it is economical, operate them in connection with the New Hotel. Developer reserves the right to sell all or part of its interest in all or any part of any Redevelopment Project.

H. Types of Municipal Assistance Requested. In order to complete the Redevelopment Projects, Developer is requesting the following types of municipal assistance.

1. Tax Increment Financing. Developer is requesting the use of tax increment financing to finance, in part, the Redevelopment Projects. Specifically, in the First Redevelopment Project, Developer is requesting that it receive 50% of the tax increment on all taxes described in § 99.845(3) (RSMo.) ("economic activity taxes") generated by the First Redevelopment Project. Developer is not requesting any real estate tax increment (PILOTS) generated by the First Redevelopment Project.

In the Second, Third and Fourth Redevelopment Projects, Developer is requesting that it receive (i) 50% of the tax increment of all "economic activity taxes" generated and (ii) any real estate tax increment (PILOTS) generated.

Further details regarding the Tax Increment Financing is set forth in the proposed Tax Increment Financing Plan for these Redevelopment Projects.

2. Chapter 353 Tax Abatement. Developer also proposes to receive the tax abatement benefits available under Chapter 353. For the First and Fourth Redevelopment Projects, Developer proposes to receive a 15-year Chapter 353 tax abatement (ten years at the full abatement allowed and five years at 50% of the assessed value of the property). In the Second and Third Redevelopment Projects, Developer proposes to receive the entire 25-year tax abatement available under Chapter 353.

3. Convention and Tourism Tax. Developer is proposing in the Chapter 353 Redevelopment Plan being considered by the City that it receive 50% of the "convention and tourism tax" (as defined in Section 92.327 RSMo.) generated by the Redevelopment Projects in excess of the convention and tourism tax generated by the Redevelopment Projects in 1992.

I. Affirmative Action Plan. At the present time the contractors and some of the professionals who will be a part of the redevelopment team have not yet been selected.
Developer intends to work with the Tax Increment Financing Commission to accomplish the Commission's affirmative action goals.

III. CONCLUSION

The Developer respectfully submits that this Proposal is substantially consistent with the Plan and where it is inconsistent, the Plan should be modified to conform to the Proposal. Because the Developer or affiliates of its owner own or control the entire area subject to the Plan (and some adjacent areas) and because of the extensive real estate development experience of the partners in Developer's shareholder, the Developer is the most logical and desirable choice to redevelop the Redevelopment Projects.
July 15, 1992

Hotel Redevelopment Corporation
C/o Larry J. Bridges, President
Executive Hills, Inc.
7101 College Boulevard
Suite 1100
Overland Park, Kansas 66210

Gentlemen:

Wells Fargo Realty Advisors Funding, Incorporated ("Wells Fargo") has received a proposed redevelopment plan regarding the development of the Twelfth and Wyandotte Hotel Redevelopment Project. Wells Fargo would be interested in considering a potential loan to Hotel Redevelopment Corporation for said project. Some of the terms under discussion are for an interest only loan in the amount of (i) $6,060,000 plus (ii) $14,000,000 or one-half of the certified costs of Phase II of the redevelopment project, whichever is less, which would remain available during the construction of the project.

Any extension of credit for this redevelopment project would require review as to the specific terms involved and would be subject to our normal lending and underwriting practices. This letter does not constitute a binding commitment to provide Hotel Redevelopment Corporation a loan at this time. We look forward to further discussions with you.

Sincerely,

WELLS FARGO REALTY ADVISORS FUNDING, INCORPORATED

By:  

Stephen D. Priitz
Senior-Vice President
A. REDEVELOPER AND LAND

1. a. Name of Redeveloper: Hotel Redevelopment Corporation

b. Address and ZIP Code of Redeveloper: 200 West 12th Street,
Kansas City, MO 64105

c. IRS Number of Redeveloper: 48-1116912

2. The land on which the Redeveloper proposes to enter into a contract for, or understanding with respect to, the purchase or lease of land from

| Tax Increment Financing Commission |
| (Name of Local Public Agency) |

in the Twelfth and Wyandotte Hotel Redevelopment Area

| (Name of Urban Renewal or Redevelopment Project Area) |

in the City of Kansas City, State of Missouri.
is described as follows:

SEE INSERT ATTACHED

3. If the Redeveloper is not an individual doing business under his own name, the Redeveloper has the status indicated below and is organized or operating under the laws of the State of Missouri:

☑ A corporation.

☐ A nonprofit or charitable institution or corporation.

☐ A partnership known as

☐ A business association or a joint venture known as

☐ A Federal, State, or local government or instrumentality thereof.

☐ Other (explain)

4. If the Redeveloper is not an individual or a government agency or instrumentality, give date of organization:

May 1, 1992

5. Names, addresses, title of position (if any), and nature and extent of the interest of the officers and principal members, shareholders, and investors of the Redeveloper, other than a government agency or instrumentality, are set forth as follows:

1If space on this form is inadequate for any requested information, it should be furnished on an attached page which is referred to under the appropriate numbered item on the form.

2 Any convenient means of identifying the land (such as block and lot numbers or street boundaries) is sufficient. A description by metes and bounds or other technical description is acceptable, but not required.
LEGAL DESCRIPTION

Lots 1 to 20, inclusive, Block 21, ASHBURN'S ADDITION, and all of the vacated alley in Block 21, ASHBURN'S ADDITION, all in Kansas City, Jackson County, Missouri.

Lots 1 to 12, inclusive, Block B, RESURVEY OF REID'S ADDITION, and the north half of the east and west alley lying south of and adjacent to Lots 6 to 12, Block B, RESURVEY OF REID'S ADDITION; Lot 7 through 10, inclusive, Block 2, REID'S ADDITION, and the vacated alley lying north of an adjacent to Lot 7, Block 2, REID'S ADDITION; Lots 21 to 26, inclusive, Block 2, REID'S ADDITION, and the western half of the north and south alley lying east of and adjacent to said Lots, all in Kansas City, Jackson County, Missouri.
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

PART I - REDEVELOPER'S STATEMENT FOR PUBLIC DISCLOSURE (Continued)

a. If the Redeveloper is a corporation, the officers, directors or trustees, and each stockholder owning more than 10% of any class of stock. SEE INSERT ATTACHED.

b. If the Redeveloper is a nonprofit or charitable institution or corporation, the members who constitute the board of trustees or board of directors or similar governing body.

c. If the Redeveloper is a partnership, each partner, whether a general or limited partner, and either the percent of interest or a description of the character and extent of interest.

d. If the Redeveloper is a business association or a joint venture, each participant and either the percent of interest or a description of the character and extent of interest.

e. If the Redeveloper is some other entity, the officers, the members of the governing body, and each person having an interest of more than 10%.

NAME, ADDRESS, AND ZIP CODE

NAME, ADDRESS, AND ZIP CODE

c/o Lewis, Rice & Fergusson
One Kansas City Place
1200 Main Street, Suite 3800
Kansas City, Missouri 64105

11200 Rockville Pike
Rockville, Maryland 27852
Attn: H. William Willoughby

6. Name, address, and nature and extent of interest of each person or entity (not named in response to Item 5) who has a beneficial interest in any of the shareholders or investors named in response to Item 5 which gives such person or entity more than a computed 10% interest in the Redeveloper (for example, more than 20% of the stock in a corporation which holds 50% of the stock of the Redeveloper; or more than 50% of the stock in a corporation which holds 20% of the stock of the Redeveloper):

NAME, ADDRESS, AND ZIP CODE

M-D Hotel Associates, L.P.,
a Delaware limited partnership

Kansas City Hotel Venture, L.P.,
a Missouri limited partnership

7. Names (if not given above) of officers and directors or trustees of any corporation or firm listed under Item 5 or Item 6 above:

N/A

B. RESIDENTIAL REDEVELOPMENT OR REHABILITATION

(The Redeveloper is to furnish the following information, but only if land is to be redeveloped or rehabilitated in whole or in part for residential purposes.)

If a corporation is required to file periodic reports with the Federal Securities and Exchange Commission under Section 13 of the Securities Exchange Act of 1934, so state under this Item 5. In such case, the information referred to in this Item 5 and in Items 6 and 7 is not required to be furnished.
5. President: Larry J. Bridges
   7101 College Boulevard
   Overland Park, Kansas 66210

Vice President and Asst. Secretary: J. O. Biggs, Esq.
   7101 College Boulevard
   Overland Park, Kansas 66210

Treasurer and Secretary: Sandra Funderburke
   7101 College Boulevard
   Overland Park, Kansas 66210

Sole Shareholder: Heartland Hotel Associates, L.P.
   200 W. 12th Street
   Kansas City, Missouri 64106

Directors: Larry J. Bridges
   7101 College Boulevard
   Overland Park, Kansas 66210

   J. O. Biggs, Esq.
   7101 College Boulevard
   Overland Park, Kansas 66210

   Sandra Funderburke
   7101 College Boulevard
   Overland Park, Kansas 66210
1. State the Redeveloper's estimates, exclusive of payment for the land, for:
   a. Total cost of any residential redevelopment. .................. $
   b. Cost per dwelling unit of any residential redevelopment .................. $
   c. Total cost of any residential rehabilitation .................. $  
   d. Cost per dwelling unit of any residential rehabilitation .................. $

2. a. State the Redeveloper's estimate of the average monthly rental (if to be rented) or average sale price (if to be sold) for each type and size of dwelling unit involved in such redevelopment or rehabilitation:

<table>
<thead>
<tr>
<th>TYPE AND SIZE OF DWELLING UNIT</th>
<th>ESTIMATED AVERAGE MONTHLY RENTAL</th>
<th>ESTIMATED AVERAGE SALE PRICE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

b. State the utilities and parking facilities, if any, included in the foregoing estimates of rentals:

c. State equipment, such as refrigerators, washing machines, air conditioners, if any, included in the foregoing estimates of sale prices:

CERTIFICATION

I (We), Larry J. Bridges, as President of [Hotel Redevelopment Corporation] ________


1 certify that this Redeveloper's Statement for Public Disclosure is true and correct to the best of my (our) knowledge and belief.¹

Dated: November 1992


1 If the Redeveloper is an individual, this statement should be signed by such individual; if a partnership, by one of the partners; if a corporation or other entity, by one of its chief officers having knowledge of the facts required by this statement.

2 Penalty for False Certification: Section 1001, Title 18, of the U.S. Code, provides a fine of not more than $10,000 or imprisonment of not more than five years, or both, for knowingly and willfully making or using any false writing or document, knowing the same to contain any false, fictitious or fraudulent statement or entry in a matter within the jurisdiction of any Department of the United States.

Address and ZIP Code


Page 3 of 7 pages
PART II - REDEVELOPER'S STATEMENT OF QUALIFICATIONS AND FINANCIAL RESPONSIBILITY

(For Confidential Official Use of the Local Public Agency and the Department of Housing and Urban Development. Do Not Transmit to HUD Unless Requested or Item 5b is Answered "Yes.")

1. a. Name of Redeveloper: Hotel Redevelopment Corporation

   b. Address and ZIP Code of Redeveloper: 200 West 12th Street
                                              Kansas City, MO 64105

2. The land on which the Redeveloper proposes to enter into a contract for, or understanding with respect to, the purchase or lease of land from

   Tax Increment Financing Commission

   (Name of Local Public Agency)

   in the Twelfth and Wyandotte Hotel Redevelopment Area

   (Name of Urban Renewal or Redevelopment Project Area)

   in the City of Kansas City, State of Missouri.

   is described as follows:

   SEE INSERT ATTACHED

3. Is the Redeveloper a subsidiary of or affiliated with any other corporation or corporations or any other firm or firms? [X] YES [ ] NO

   If YES, list each such corporation or firm by name and address, specify its relationship to the Redeveloper, and identify the officers and directors or trustees common to the Redeveloper and such other corporation or firm. See answer to Questions 5 and 6 in Part I.

4. a. The financial condition of the Redeveloper, as of November 5, 1992, is: [ ] Satisfactory Financial Condition [ ] Developer has no liabilities and less than $1,000 in assets.

   (NOTE: Attach to this statement a certified financial statement showing the assets and the liabilities, including contingent liabilities, fully itemized in accordance with accepted accounting standards and based on a proper audit. If the date of the certified financial statement precedes the date of this submission by more than six months, also attach an interim balance sheet not more than 60 days old)

   b. Name and address of auditor or public accountant who performed the audit on which said financial statement is based:

      N/A

5. If funds for the development of the land are to be obtained from sources other than the Redeveloper's own funds, a statement of the Redeveloper's plan for financing the acquisition and development of the land:

   1. Conventional Mortgage Loan
   2. Tax Increment Financing
   3. "Conventional and Tourism Tax" revenue may be requested from the City
LEGAL DESCRIPTION

Lots 1 to 20, inclusive, Block 21, ASHBURN'S ADDITION, and all of the vacated alley in Block 21, ASHBURN'S ADDITION, all in Kansas City, Jackson County, Missouri.

Lots 1 to 12, inclusive, Block B, RESURVEY OF REID'S ADDITION, and the north half of the east and west alley lying south of and adjacent to Lots 6 to 12, Block B, RESURVEY OF REID'S ADDITION; Lot 7 through 10, inclusive, Block 2, REID'S ADDITION, and the vacated alley lying north of an adjacent to Lot 7, Block 2, REID'S ADDITION; Lots 21 to 26, inclusive, Block 2, REID'S ADDITION, and the western half of the north and south alley lying east of and adjacent to said Lots, all in Kansas City, Jackson County, Missouri.
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

PART II - REDEVELOPER'S STATEMENT OF QUALIFICATIONS AND FINANCIAL RESPONSIBILITY (Continued)

6. Sources and amount of cash available to Redeploker to meet equity requirements of the proposed undertaking:

   a. In banks:

      | NAME, ADDRESS, AND ZIP CODE OF BANK | AMOUNT |
      |-------------------------------------|--------|
      | The Merchants Bank                  | $ Less than 1,000 |

   b. By loans from affiliated or associated corporations or firms:

      | NAME, ADDRESS, AND ZIP CODE OF SOURCE | AMOUNT |
      |---------------------------------------|--------|
      | N/A                                   | $      |

   c. By sale of readily salable assets:

      | DESCRIPTION | MARKET VALUE | MORTGAGES OR LIENS |
      |-------------|--------------|--------------------|
      | N/A         | $            | $                  |

7. Names and addresses of bank references:

   The Merchants Bank       Valley View State Bank
   850 Main Street          7500 W. 95th
   Kansas City, MO 64105    Overland Park, KS 66212

8. a. Has the Redeploker or (if any) the parent corporation, or any subsidiary or affiliated corporation of the Redeploker or said parent corporation, or any of the Redeploker's officers or principal members, shareholders or investors, or other interested parties (as listed in the responses to Items 5, 6, and 7 of the Redeploker's Statement for Public Disclosure and referred to herein as "principals of the Redeploker") been adjudged bankrupt, either voluntary or involuntary, within the past 10 years? [ ] YES [X] NO

   If Yes, give date, place, and under what name.

   b. Has the Redeploker or anyone referred to above as "principals of the Redeploker" been indicted for or convicted of any felony within the past 10 years? [X] YES [ ] NO

   If Yes, give for each case (1) date, (2) charge, (3) place, (4) Court, and (5) action taken. Attach any explanation deemed necessary.

   SEE INSERT ATTACHED

9. a. Undertakings, comparable to the proposed redevelopment work, which have been completed by the Redeploker or any of the principals of the Redeploker, including identification and brief description of each project and date of completion: None. However, principals in the ownership chain have completed numerous redevelopment projects in downtown Kansas City, Missouri including One Kansas City Place, Twelve Wyandotte Plaza and Petticoat Lane. They have also done other significant developments.
Insert to question 8b.

Larry J. Bridges

1. October 8, 1992

2. Indictment - Case No. 92-00183-01104-CR-W
   a) Conspiracy to defraud the federal government (1 count).
   b) Major federal contract fraud (3 counts).
   c) Making false statements to the government (3 counts).


4. The United States District Court for the Western District of Missouri - Western Division.

5. Defendant has entered a not guilty plea; case pending.

   Other owners in the chain of ownership are also co-defendants under this indictment and have plead not guilty.

   Mr. Bridges and the co-defendants emphatically deny that they are guilty of the charges and are vigorously defending their innocence.

J.O. Biggs

1. June 11, 1992

2. United States of America v. J.O. Biggs
   Case No. 92-00113-01-CR-W-3
   Giving a false statement to a savings and loan.


4. The United States District Court for the Western District of Missouri - Western Division, Judge Hunter.

5. Guilty plea entered June 23, 1992, sentencing has not yet taken place.
PART II - REDEVELOPER'S STATEMENT OF QUALIFICATIONS AND FINANCIAL RESPONSIBILITY (Continued)

b. If the Redeveloper or any of the principals of the Redeveloper has ever been an employee, in a supervisory capacity, for construction contractor or builder on undertakings comparable to the proposed redevelopment work, name of such employee, name and address of employer, title of position, and brief description of work

N/A

10. Other federally aided urban renewal projects under Title I of the Housing Act of 1949, as amended, in which the Redeveloper or any of the principals of the Redeveloper is or has been the redeveloper, or a stockholder, officer, director or trustee, or partner of such a redeveloper:

N/A

11. If the Redeveloper or a parent corporation, a subsidiary, an affiliate, or a principal of the Redeveloper is to participate in the development of the land as a construction contractor or builder:

a. Name and address of such contractor or builder: N/A

b. Has such contractor or builder within the last 10 years ever failed to qualify as a responsible bidder, refused to enter into a contract after an award has been made, or failed to complete a construction or development contract? □ YES □ NO

If Yes, explain: N/A

c. Total amount of construction or development work performed by such contractor or builder during the last three years: $ N/A

General description of such work:

d. Construction contracts or developments now being performed by such contractor or builder:

<table>
<thead>
<tr>
<th>IDENTIFICATION OF CONTRACT OR DEVELOPMENT</th>
<th>LOCATION</th>
<th>AMOUNT $</th>
<th>DATE TO BE COMPLETED</th>
</tr>
</thead>
<tbody>
<tr>
<td>N/A</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
12. Brief statement respecting equipment, experience, financial capacity, and other resources available to such contractor or builder for the performance of the work involved in the redevelopment of the land, specifying particularly the qualifications of the personnel, the nature of the equipment, and the general experience of the contractor:

NO CONTRACTOR HAS BEEN NAMED FOR THIS PROJECT

13. a. Does any member of the governing body of the Local Public Agency to which the accompanying bid or proposal is being made or any officer or employee of the Local Public Agency who exercises any functions or responsibilities in connection with the carrying out of the project under which the land covered by the Redeveloper's proposal is being made available, have any direct or indirect personal interest in the Redeveloper or in the redevelopment or rehabilitation of the property upon the basis of such proposal?

☐ YES ❋ NO

If Yes, explain.

b. Does any member of the governing body of the locality in which the Urban Renewal Area is situated or any other public official of the locality, who exercises any functions or responsibilities in the review or approval of the carrying out of the project under which the land covered by the Redeveloper's proposal is being made available, have any direct or indirect personal interest in the Redeveloper or in the redevelopment or rehabilitation of the property upon the basis of such proposal?

☐ YES ❋ NO

If Yes, explain.

14. Statements and other evidence of the Redeveloper's qualifications and financial responsibility (other than the financial statement referred to in Item 40a) are attached hereto and hereby made a part hereof as follows:

NONE

CERTIFICATION

I (We) Larry J. Bridges, President of Hotel Redevelopment Corporation certify that this Redeveloper's Statement of Qualifications and Financial Responsibility and the attached evidence of the Redeveloper's qualifications and financial responsibility, including financial statements, are true and correct to the best of my (our) knowledge and belief.²

Dated: November 1, 1992

______________________________
President

______________________________
Signature

______________________________
Title

______________________________
Address and ZIP Code

______________________________
Signature

______________________________
Title

______________________________
Address and ZIP Code

1 If the Redeveloper is a corporation, this statement should be signed by the President and Secretary of the corporation; if an individual, by such individual; if a partnership, by one of the partners; if an entity not having a president and secretary, by one of its chief officers having knowledge of the financial status and qualifications of the Redeveloper.

2 Penalty for False Certification: Section 1001, Title 18, of the U.S. Code, provides a fine of not more than $10,000 or imprisonment of not more than five years, or both, for knowingly and willfully making or using any false writing or document, knowing the same to contain any false, fictitious or fraudulent statement or entry in a matter within the jurisdiction of any Department.
I. INTRODUCTION  

A. Purpose of This Report

The purpose of this report is to present evidence supporting designation of the Twelfth and Wyandotte Hotel Redevelopment Area (the "Redevelopment Area") as a Real Property Tax Increment Allocation Redevelopment Area.

B. Eligibility Criteria

The Real Property Tax Increment Allocation Redevelopment Act, Missouri Revised Statutes, Section 99.800 et seq., 1986, as amended (the "Act"), provides that a Real Property Tax Increment Allocation Redevelopment Plan can be implemented by the Tax Increment Financing Commission if the governing body of a community determines by ordinance, that an area qualifies under the Act as:

1. a blighted area;
2. a conservation area; or
3. an economic development area; and

that the area has not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to be developed without the adoption of the Redevelopment Plan.

This report is intended to show evidence that the Redevelopment Area qualifies as a Conservation Area. The Act defines a "Conservation Area" as follows:

"[A]ny improved area within the boundaries of a redevelopment area located within the territorial limits of a municipality in which fifty percent or more of the structures in the area have an age of thirty-five years or more. Such an area is not yet a blighted area but is detrimental to the public health, safety, morals, or welfare and may become a blighted area because of any one or more of the following factors: dilapidation; obsolescence; deterioration; illegal use of individual structures; presence of structures below minimum code standards; abandonment; excessive vacancies; overcrowding of structures and community facilities; lack of ventilation, light or sanitary facilities; inadequate utilities; excessive land coverage; deleterious land use or layout; depreciation of physical
II. REDEVELOPMENT AREA

A. General Location

The Twelfth and Wyandotte Hotel Redevelopment Area includes portions of three
downtown blocks generally bound by 11th Street on the north, Baltimore Street on the
east, 13th and 12th Streets on the south and Wyandotte Street and Central Street on
the west in Kansas City, Jackson County, Missouri.

Exhibit A shows the location of the Twelfth and Wyandotte Hotel Redevelopment
Area.

B. Current Land Uses

The Redevelopment Area is currently used for hotel, office, parking and some
retail uses. Within the area boundaries are the following:

* The Atlas Plaza Hotel;
* Wyandotte Plaza Office Building and parking garage;
* The Muehlebach Hotel -- This includes the historic Muehlebach Hotel
  building, the Muehlebach Towers, Link Building and Muehlebach
  Convention Center. The Muehlebach Hotel has been completely gutted
  and stands vacant.
* The Hertz Rental Car Garage; and
* Downtown/Club Garage

III. Conservation Area Qualification

A. Age of Structures

Fifty percent of the structures in the area are older than 35 years. The original
Muehlebach Hotel was constructed in 1914 and the Link Building, Muehlebach Towers
and the Downtown/Club Parking Garage were built between 1950 and 1954.

B. Historic Significance

The Muehlebach Hotel is a historically significant building. The Hotel was listed
on the National Register of Historic Properties in 1983 as part of a historic district
comprised of downtown hotels. The Original Muehlebach Hotel was opened in 1915
and typified the elegance of downtown hotels of the era. The building is especially
significant in relation to President Harry Truman and the other celebrities that stayed
there. Now the building stands gutted, ready for demolition or renovation

C. Building Conditions

Generally, even though the buildings are structurally sound, the buildings over 35
years (i.e., the Muehlebach Hotel and associated buildings) exhibit conditions of
physical deterioration brought about by age and exposure, such as erosion of the
building facade and discoloration. In addition, the parking garages have been exposed
to even more stressors and deterioration in the form of salt and oil from vehicles. The
interior of the Muehlebach Hotel and related buildings has been gutted and is unusable in its current state.

D. Excessive Vacancy

The Muehlebach Hotel building and related buildings on that block are vacant and have been gutted. The total amount of vacant space amounts to a total of 557,120 square space. This is equivalent to a 33% vacancy rate within the Redevelopment Area. This large amount of vacant space is located in the heart of the Central Business district and is incompatible with the high level of density normally found in a downtown business core.

E. Obsolescence

The buildings related and adjacent to the Muehlebach Hotel are physically obsolete. The design of the Muehlebach Hotel is not conducive to current hotel standards, and may explain in part the failure of the hotel operation. The Downtown/Club parking garage structure is undersized, contains undersized stalls, and if built to day would fail to meet code or current design standards.

F. Other Blight Designations

The Redevelopment Area lies within the boundaries of the Central Business District Urban Renewal Area which was found to be a blighted area at the time of its designation. Improvements have occurred in portions of the Redevelopment Area, but the condition of the Muehlebach Hotel and adjacent buildings has deteriorated since the time of the Central Business District Urban Renewal Area designation.

Attached as Exhibit B is a copy of a blight study for Block 90 and Portions of Blocks 91 and 108 in the Central Business District. This report was prepared by Kevin Nunnink & Associates, Inc., dated March 13, 1992, for use as part of a 353 application for the Redevelopment Area.

IV. REPORT OF FINDINGS

A. FINDING NUMBER 1: The Twelfth and Wyandotte Hotel Redevelopment Area is a Conservation Area.

The Redevelopment Area meets the criteria for designation as a Conservation Area under the Act. Fifty percent of the building stock is 35 years or more and the Redevelopment Area contains conditions of blight, vacancy, deterioration and obsolescence.

B. FINDING NUMBER 2: The Redevelopment Area has not been subject to growth and redevelopment by private enterprise.

The Redevelopment Area has not been subject to significant growth or redevelopment. The Muehlebach Hotel and related buildings are vacant and have been gutted. Despite the availability of tax abatement under the urban renewal designation, the Muehlebach Hotel block has not been rehabilitated and stands vacant.

C. FINDING NUMBER 3: The Redevelopment Area would not reasonably be anticipated to be developed without the adoption of the Tax Increment Financing Plan.

The Redevelopment Area would not reasonably be anticipated to be developed
without the proposed Tax Increment Financing Plan. The Commission has learned that hotel related financing is extremely difficult to obtain. Without the benefits that Tax Increment Financing can provide, the developer of the Allis Plaza Hotel and Muehlebach Hotel will probably be unable to find financing to renovate the Allis Plaza Hotel, to build a new hotel facility or to address the historic Muehlebach Hotel. Possible closure of the existing hotel and the continued deterioration of the Redevelopment Area would be severely detrimental to the economy and appearance of the Central Business District.
EXHIBIT 9

DEVELOPMENT SCHEDULE

Commission Public Hearing
City Council Approves Plan
Project I Renovation Commences
Project II Acquisition Commences
Project II Acquisition Completed
Project II Demolition Commences
Project II Demolition Completed
Project II Construction/Renovation Commences
Project II Construction/Renovation Completed
Project I Renovation Completed

November 10, 1992
December 1992
February 1, 1993
November 1, 1993*
November 30, 1993*
December 1, 1993*
July 31, 1994*
August 1, 1994*
December 31, 1995*
December 31, 1996

* Because of the difficult financial climate and real estate market, Project II may be delayed up to three years.
EXHIBIT 10. RELOCATION ASSISTANCE PLAN

It is not anticipated that any businesses or occupants will be relocated because of this Plan. If this situation changes between the time of approval of this Plan and its implementation, the developer will be required to provide relocation assistance to all eligible displaced occupants in conformance with the following Relocation Plan:

a. **Displaced Business:** "Displaced business" shall mean any business that moves from real property within the Redevelopment Area permanently and voluntarily as a direct result of the acquisition, rehabilitation or demolition of, or the written notice of intent to acquire such real property, in whole or in part, for a public purpose.

b. **Displaced Person:** "Displaced person" shall mean any person who moves from real property or moves his/her personal property from the real property within the Redevelopment Area permanently and voluntarily as a direct result of the acquisition, rehabilitation or demolition of, or the written notice of intent to acquire such real property, in whole or in part, for a public purpose.

c. **Eligibility:** The Developer will make payments to all displaced persons and displaced businesses which occupied the property to be acquired for not less than ninety (90) days prior to the initiation of negotiations.

d. **Special Needs of Displaced:** The Developer will identify special needs of displaced persons and displaced businesses with specific consideration given to income, age, size of family, nature of business, availability of suitable replacement facilities, and vacancy rates of affordable facilities.

e. **Referrals to New Quarters:** The developer will provide displaced persons with a minimum of three (3) decent, safe and sanitary housing referrals for residential persons or suitable referral sites for displaced businesses, a minimum of ninety (90) days notice of referral sites for handicapped displaced persons and sixty (60) days notice of referral sites for all other displaced persons and displaced businesses prior to the date such displaced persons or displaced businesses are required to vacate the premises and arrangements for transportation to inspect referral sites to be provided to displaced occupants hereinafter identified as "Designated occupants".

f. **Notice to Vacate:** Every displaced person and every displaced business shall be given a ninety (90) day notice to vacate prior to the date such displaced person or displaced business is required to vacate; provided, however, that the developer may elect to reduce the notice time if the developer extends the relocation payments to any affected displaced person or displaced business by said reduction.

g. "**Designated Occupants**" shall mean handicapped displaced persons and those displaced persons who are 65 years of age or older at the time of the notice to vacate or who have an income less than the
average median income for the metropolitan area as certified annually by
the Director of City Development based upon the standards established
by the Department of Housing and Community Development.

h. Payments to Displaced Persons: All displaced persons eligible for
payments shall be provided with relocation payments based upon one of
the following, at the option of the person:

(1) A $500 fixed payment to be paid at least thirty (30) days prior
to the date the occupant is required to vacate the premises; or

(2) Actual reasonable costs of relocation including actual moving
costs, utility deposits, key deposits, storage of personal property
up to one month, utility transfer and connection fees, and other
initial rehousing deposits including first and last month's rent and
security deposit.

i. Payments to Handicapped Persons: In addition to the payments
provided herein an additional relocation payment shall be provided to
handicapped displaced persons which shall equal the amount, if any,
necessary to adapt a replacement dwelling to substantially conform with
the accessibility and usability of such occupant's prior residence, such
amount not to exceed four hundred dollars ($400.00).

j. Payments to Business: All displaced businesses eligible for payment
shall be provided with relocation payments based upon the following, at
the option of the business:

(1) A one thousand five hundred dollar ($1,500.00) fixed
payment to be paid at least thirty (30) days prior to the date the
business is required to vacate the premises; or

(2) Actual costs of moving including costs for packing, crating,
disconnection, dismantling, reassembling and installing of all
personal equipment and costs for relettering similar signs and
similar replacement stationery.

k. Waiver of Payments: Any displaced person, who is also the owner
of premises, and any business may waive relocation payments for
acquisition of the interest held by said person or business. Said waiver
shall be on a form supplied by the Secretary of the Commission and filed
in this office. The developer shall not be required to pay relocation
benefits respecting any interests acquired through negotiations.

l. Notice of Benefits: All occupants and businesses eligible for
relocation benefits under this Plan shall be notified in writing of the
availability of such relocation payments and assistance, with such notice
to be given concurrent with the notice of referral sites set forth in this Plan.
All redevelopment proposals for the Tax Increment Finance Commission of Kansas City, Missouri will be subject to design review and approval by the Commission. In addition, all development proposals for new construction, or the rehabilitation of existing structures within designated Tax Increment areas will be subject to the Commission's design review and approval. This review will evaluate the quality and appropriateness of the proposal on the basis of the design objectives stated in the Plan and in the special land use and building requirements stated in more detailed and refined Development Objectives and Controls which may be prepared for the site.

This review will be conducted by the Commission. The Commission may engage professional consulting services from time to time to provide technical advice. Required submissions shall be made to the Commission through the Executive Director.

Required submission will occur at three stages in the preparation of redevelopment proposals. Additional informal reviews at the request of either the Redeveloper or the Commission Staff are encouraged. It is the intention of the Commission Staff that once approval has been given of a submission stage, further review will be limited to consideration of a development or refinement of previous approved submission, or to new elements which were not present in previous submissions.

The formal stages of submission follow:

1. SCHEMATIC DESIGN

This review is intended to secure agreement on and approval of the basic design concept prior to extensive work by the Redeveloper's Architect. The Commission does not encourage submission of more than the following, which it feels is sufficient to describe the proposal:

(a) Site plan at any appropriate scale (1" = 100' and 1" = 40' are preferred scales); emphasizing general relationships of proposed and existing buildings, walls and open space, including that mutually defined by buildings on adjacent parcels and across streets. The general location of walks, driveways, parking, service areas, roads and major landscape features, in addition to the buildings, should be shown. Pedestrian and vehicular flow through the parcel and to adjacent areas shall be shown. Where relevant, site sections showing height relationships with proposed and adjacent buildings shall be provided.
(b) Building plans, elevations, and sections at any appropriate scale, showing organization of functions and spaces. These drawings need not be more detailed than sufficient to indicate general architectural character and proposed finish materials.

(c) All sketches, diagrams, and other materials relevant to the proposal which were used by the architect during his initial study and which will help to clarify the architect's problem and his solution to it.

(d) Written statement of proposal, including total square footage, F.A.R., number of parking spaces, structural system and principal building materials, and estimated costs.

(e) Proposed time schedule for the following submissions and estimated construction time.

Upon approval by the Commission of the SCHEMATIC DESIGN, the following submission is required:

2. DESIGN DEVELOPMENT

This review is intended to secure agreement on and approval of the final design prior to extensive and detailed work on the preliminary working drawings.

(a) Site Plan development of 1(a) at 1" = 40' minimum (or as determined after approval of SCHEMATIC DESIGN). Phasing possibilities, if any, shall be shown. Proposed site grading, including typical existing and proposed grades at parcel lines shall be shown. Those areas of the site proposed to be developed \"by others\" or easements to be provided for others shall be clearly indicated. All dimensions which may become critical from the point of view of zoning shall be indicated. Adjacent buildings, streets and buildings across streets must be indicated.

(b) Site sections at 1" = 40' (minimum) showing vertical relationships in addition to those shown above.

(c) Building plans, elevations, and sections developed from those of 1(b).

(d) Time schedule for the following submission.

Upon approval by the Commission of the DESIGN DEVELOPMENT, the following submission is required:
3. FINAL WORKING DRAWINGS AND SPECIFICATIONS

This review is intended to secure final agreement on and approval of the contract documents and the complete proposal.

(a) Complete site plans for the final parcel development to working drawing level of detail. These drawings, upon approval, will serve as a basic coordination drawing indicating scope of work and responsibilities to be performed by others.

(b) Complete working drawings and specifications ready for bidding.

(c) Statement of proposal, indicating differences, if any, from 1(d).

(d) Time schedule for construction of this project.

(e) Detailed financial plan, including costs, rents and operation.

Once FINAL WORKING DRAWINGS AND SPECIFICATIONS have been approved and construction started, the only items subject to an additional review will be requests for change orders in the construction. The Redeveloper is strictly required to construct the project in accordance with all details of the approved drawings. Permission to make changes from such approved drawings must be requested by the Redeveloper in writing to the Director of Planning, who, in turn, will reply in writing, giving his approval or disapproval of the changes. No changes in the work are to be undertaken until such approval has been obtained.
EXHIBIT 13. DEFINITIONS

As used in this Plan, the following terms shall mean:

A. "Blighted area," an area which, by reason of the predominance of defective or inadequate street layout, insanitary or unsafe conditions, deterioration of site improvements, improper subdivision or obsolete platting, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, retards the provision of housing accommodations or constitutes an economic or social liability or a menace to the public health, safety, morals, or welfare in its present condition and use;

B. "Conservation area," any improved area within the boundaries of a redevelopment area located within the territorial limits of a municipality in which fifty percent or more of the structures in the area have an age of thirty-five years or more. Such an area is not yet a blighted area but is detrimental to the public health, safety, morals, or welfare and may become a blighted area because of any one or more of the following factors: Dilapidation; obsolescence; deterioration; illegal use of individual structures; presence of structures below minimum code standards; abandonment; excessive vacancies; overcrowding of structures and community facilities; lack of ventilation, light or sanitary facilities; inadequate utilities; excessive land coverage; deleterious land use or layout; depreciation of physical maintenance; and lack of community planning;

C. "Economic Activity Taxes," fifty percent (50%) of the total additional revenue from taxes which are imposed by the municipality or other taxing districts, which are generated by economic activities within the Redevelopment Project Area, while tax increment financing remains in effect, excluding licenses, fees or special assessments, other than payments in lieu of taxes, until the designation is terminated pursuant to subsection 2 of Section 99.850 of the Act;

D. "Economic Development area," any area or portion of an area located within the territorial limits of a municipality, which does not meet the requirements of subdivisions A and B of this section, and in which the governing body of the municipality finds that redevelopment is in the public interest because it will:

1. Discourage commerce, industry or manufacturing from moving their operations to another state; or

2. Result in increased employment in the municipality; or

3. Result in preservation or enhancement of the tax base of the municipality.

E. "Municipality," a city, village, or incorporated town or any county of this state;

F. "Obligations," bonds, loans, debentures, notes, special certificates, or other evidences of indebtedness issued by a municipality or the Commission to carry out a redevelopment project or issued by a municipality to refund outstanding obligations;

G. "Ordinance," an ordinance enacted by the governing body of a city, town, or village or a county or an order of the governing body of a county whose governing body is not authorized to enact ordinances;

H. "Payment in lieu of taxes," those estimated revenues from real property in the
area selected for a redevelopment project, which revenues, according to the redevelopment project or plan, are to be used for a public purpose, which taxing districts would have received had a municipality not adopted tax increment allocation financing, and which would result from levies made after the time of the adoption of tax increment allocation financing during the time the current equalized value of real property in the area selected for the redevelopment project exceeds the total initial equalized value of real property in such area until the designation is terminated pursuant to the Act. Payments in lieu of taxes which are due and owing shall constitute a lien against the real estate of the redevelopment project from which they are derived, the lien of which may be foreclosed in the same manner as a special assessment lien as provided in Section 88.861;

I. "Redevelopment Area," an area designated by a municipality, in respect to which the municipality has made a finding that there exist conditions which cause the area to be classified as a blighted area, a conservation area, economic development area, or a combination thereof.

J. "Redevelopment plan," the comprehensive program of a municipality for redevelopment intended by the payment of redevelopment costs to reduce or eliminate those conditions, the existence of which qualified the Redevelopment Area as a blighted area, conservation area, economic development area, or combination thereof, and to thereby enhance the tax bases of the taxing districts which extend into the Redevelopment Area;

K. "Redevelopment Project," any development project within a redevelopment area in furtherance of the objectives of the redevelopment plan, any such redevelopment project shall include a legal description of the area selected for the redevelopment project.

L. "Redevelopment Project Area," the area selected for a specific redevelopment project;

M. "Redevelopment Project Costs" include the sum total of all reasonable or necessary costs incurred or estimated to be incurred, and any such costs incidental to a redevelopment plan or redevelopment project, as applicable. Such costs include, but are not limited to, the following:

1. Costs of studies, surveys, plans and specifications;

2. Professional service costs, including, but not limited to, architectural, engineering, legal, marketing, financial, planning or special services;

3. Property assembly costs, including, but not limited to, acquisition of land and other property, real or personal, or rights or interests therein, demolition of buildings, and the clearing and grading of land;

4. Costs of rehabilitation, reconstruction, or repair or remodeling of existing buildings and fixtures;

5. Initial costs for an economic development area;

6. Cost of construction of public works or improvements;

7. Financing costs, including, but not limited to all necessary and incidental
expenses related to the issuance of obligations, and which may include payment of interest on any obligations issued hereunder accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and for not more than eighteen months thereafter, and including reasonable reserves related thereto;

8. All or a portion of a taxing district's capital costs resulting from the redevelopment project necessarily incurred or to be incurred in furtherance of the objectives of the redevelopment plan and project to the extent the municipality by written agreement accepts and approves such costs;

9. Relocation costs to the extent that a municipality determines that relocation costs shall be paid or are required to be paid by federal or state law;

10. Payments in lieu of taxes;

N. "Taxing districts," any political subdivision of this state having the power to levy taxes;

O. "Taxing districts' capital costs," those costs of taxing districts for capital improvements that are found by the municipal governing bodies to be necessary and to directly result from the redevelopment project; and

P. "Vacant land," any parcel or combination of parcels of real property not used for industrial, commercial, or residential buildings.