

EIGHTH AMENDMENT

43RD & MAIN

TAX INCREMENT FINANCING PLAN

KANSAS CITY, MISSOURI

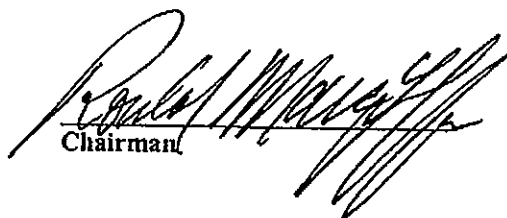
TIF Commission Consideration:

February 11, 2009 2-6-09
Date Resolution No.

City Council Approval:

June 11, 2009 090347
Date Ordinance No.

Attached herewith is a true and correct copy of the 43rd & Main TIF Plan, 8th Amendment that was approved by the Tax Increment Financing Commission of Kansas City, Missouri by Resolution No. 2-6-09 on February 11, 2009.


Chairman

**The Eighth Amendment
To The
43rd & Main
Tax Increment Financing Plan**

I. INTRODUCTION

The Eighth Amendment to the 43rd & Main Tax Increment Financing Plan (the “Amendment”) shall amend the 43rd & Main Tax Increment Financing Plan as approved by the Ordinance No. 940227 on March 24, 1994, the First Amendment to the 43rd & Main Tax Increment Financing Plan was approved by Ordinance No. 941149 on September 8, 1994, the Second Amendment to the 43rd & Main Tax Increment Financing Plan was approved by Ordinance No. 040345 on April 8, 2004, the Third Amendment to the 43rd & Main Tax Increment Financing Plan was approved by Ordinance No. 060613 on June 15, 2006, the Fourth Amendment to the 43rd & Main Tax Increment Financing Plan was approved by Ordinance No. 061094 on October 12, 2006, and the Fifth Amendment to the 43rd & Main Tax Increment Financing Plan was approved by Ordinance No. 080007 on March 6, 2008, (collectively referred to herein as the “Plan” as approved by City Council).

On April 30, 2009, the Eighth Amendment was recommended by the Tax Increment Financing Commission of Kansas City, Missouri and introduced to the City pursuant to Ordinance No. 090347. Ordinance No. 090347 was forwarded to the Planning and Zoning Committee of the City Council (the “PZ Committee”). The PZ Committee considered Ordinance No. 090347 on May 20, 2009 at which time the Committee modified the Eighth Amendment (the “Modified Eighth Amendment”) that was considered by the TIF Commission, pursuant to Committee Substitute for Ordinance No. 090347.

This Modified Eighth Amendment provides for the following: (i) funding for S.M.A.R.T. Housing Program in the amount of \$585,000.00 including administration costs of not more than 10%, with the improvements to be completed within 36 months of the passage of the ordinance approving this Modified Eighth Amendment, (ii) funding for streetscape improvements as described in the Plan in the amount of \$587,402.00, with the improvements to be completed within 36 months of the passage of the ordinance approving this Modified Eighth Amendment, (iii) funding for sidewalk improvements in the benefit district along 43rd Street in the amount of \$255,074.00, with the improvements to be completed within 36 months of the passage of the ordinance approving this Modified Eighth Amendment, (iv) funding for the demolition of the former Naughty But Nice building, the extraction of the 45th Street Tax Increment Financing Plan from the 43rd & Main Tax Increment Financing Plan, and for the survey of Main Street in the amount of \$125,000.00, with both the

demolition and survey to take place within 6 months of the passage of the ordinance approving this Modified Eighth Amendment, (vi) funding for expenses incurred by the Tax Increment Financing Commission associated with the 43rd & Main TIF Plan including administrative staff time, legal fees, “Distinct Properties” fees associated with the Hawthorn Project, and the costs of notices in an amount up to \$89,110.00, if documented to the satisfaction of, and approved by the City and each of the taxing jurisdictions and if submitted for reimbursement within six months of the date of passage of the ordinance related to this Amendment and (vii) existing and future funds in the Special Allocation Fund which are not budgeted within this amendment and which have not be previously approved by the Plan will be declared surplus in accordance with Section 99.850, RSMo. The intent of the Plan remains unchanged other than those changes specifically mentioned herein.

II. SPECIFIC AMENDMENTS

In accordance with this Proposed Amendment, the Plan shall be amended as follows:

Amendment No. 1 Section II Estimated Redevelopment Project Costs

Delete the first paragraph under Section II of the Plan and insert the following under that section entitled “Estimated Redevelopment Project Costs” following:

Estimated Redevelopment Project Costs for the Project are projected to be approximately \$22,096,926 over the life of the Plan. The Plan proposes that approximately \$7,076,444 in Redevelopment Project Costs be reimbursable from the Special Allocation Fund. The reimbursable Project Costs include those set forth in Exhibit 4A.

III. PLAN EXHIBIT AMENDMENTS

Amendment No. 1 Exhibit 4A “Estimated Redevelopment Costs”

Delete Exhibit 4, entitled “Estimated Redevelopment Costs” and replace it with the addendum attached hereto as Exhibit 4A, entitled “Estimated Redevelopment Costs”.

Amendment No. 2 Exhibit 4B “Costs for Neighborhood Improvements”

Supplement Exhibit 4A, entitled “Estimated Redevelopment Costs” with the addendum attached hereto as Exhibit 4B, entitled “Costs for Neighborhood Improvements and Housing Program”.

IV. REQUIRED STATUTORY FINDINGS

With the approval of this Plan, the Commission and the City Council have, as required by the Act, made the findings set forth below, based upon the record of the public hearing on the Plan.

A. Conservation Area.

This Modified Eighth Amendment does not alter the City's previous finding that the Redevelopment Area, on the whole, is a Conversation Area.

B. Expectations for Development

This Modified Eighth Amendment does not alter the City's previous finding that the Redevelopment Area, on the whole, 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 tax increment financing.

C. Conforms to Comprehensive Plan of City

This Eighth Amendment does not after the City's previous finding that the Plan conforms to the City's comprehensive plan.

D. Date to Adopt Redevelopment Project

This Eighth Amendment does not provide for the adoption of an Ordinance approving any Redevelopment Project later than ten (10) years from the adoption of the Plan.

E. Date to Complete Redevelopment

This Eighth Amendment does not alter estimated dates to complete the Redevelopment Projects, which each is scheduled to be completed not more than twenty-three (23) years from the adoption of any Ordinance approving the Redevelopment Project.

F. Date to Retire Obligations

In the event Obligations are issued to finance Redevelopment Project Costs, it is anticipated that such Obligations will be retired in less than twenty-three (23) years from the adoption of the Ordinance approving the Redevelopment Project.

G Acquisition by Eminent Domain

This Eighth Amendment does not contemplate that any property located within a Redevelopment Project Area will be acquired by eminent domain later than five (5) years from the adoption of the Ordinance approving such Redevelopment Project.

H. Relocation Assistance

This Eighth Amendment does contemplate the relocation of any resident or business pursuant to the City's relocation policy.

I. Cost-Benefit Analysis

This Eighth Amendment does not alter the previous cost-benefit analysis approved by the City, which assesses the economic impact of the Plan on each affected Taxing District and provides sufficient information to evaluate whether the Redevelopment Projects, as proposed by the Plan, are financially feasible.

J. Gambling Establishment

This Eighth Amendment does not include the initial development or redevelopment of any gambling establishment as defined in the Act.

Exhibit 4A

“Estimated Redevelopment Costs”

Exhibit 4B

“Costs for Neighborhood Improvements and Housing Program”

EXHIBIT 4B

**Modified 8th Amendment to 43rd & Main TIF Plan
Neighborhood Improvements and Housing Program Request**

43rd & Main Street TIF Housing Program - SMART	\$	585,000
43rd & Main Street TIF Streetscape Plan	\$	587,402
43rd & Main Street TIF Sidewalk Repair	\$	255,074
Total Request	\$	1,427,476

EXHIBIT 4B

**Modified 8th Amendment to 43rd & Main TIF Plan
Housing Program and Neighborhood Improvements**

43rd & Main Housing Program - SMART

Single Family and Multi-Family Homes in Area

Single Family Homes	195
Multi-Family (66 Buildings with 12 units or less)	66
Total Number of Properties	261

Properties Receiving Assistance to Date

Single Family Homes	50
Multi-Family (2 Buildings or 39 Units)	2
Total Properties Receiving Assistance to Date	52

Properties left in area to potentially receive assistance

Single Family Homes	145
Multi-Family (66 Buildings with 12 units or less)	64
Total Number of Properties	209

Funds for SMART Program

SMART Funds to Assist Eligible Homes and Multi-Family Units	\$	585,000
Total Request for Housing Program -SMART	\$	585,000

43rd & Main Street Streetscape Plan

43rd Street Streetscape - Nichols to Oak

Ave Block Length	330'	
# of Blocks	6	
Total Length	1980	
Linear Feet	3960	
Per Linear Ft	\$265	
Project Costs for Construction	\$	1,049,400
Additional Funds for Streetscape Construction	\$	100,000
Total for Construction	\$	1,149,400

Design and Engineering Costs

Total Costs for Survey, Arch/Engineering Fees/Construction Management/Contractor Overhead/Contingency (33% Fee)	\$	346,302
Total Cost for 43rd Street Streetscape-Nichols to Oak	\$	1,495,702
Funds Currently Available for Costs for 43rd Street Streetscape-Nichols to Oak	\$	908,300
Total Request for 43rd Street Streetscape-Nichols to Oak	\$	587,402

43rd & Main Sidewalk Repair

From 43rd to 39th Main to Locust sidewalk total square feet	151,200
From 43rd to 48th Main to Locust sidewalk total square feet	47,520
Total square feet sidewalk	198,720

Total square feet of sidewalk currently under contract to complete (16% of total sidewalk) 32,000

Total square feet of sidewalk requesting to repair (20% of total sidewalk)	40,013	
Cost to repair sidewalk at \$5.75 a square foot	\$	5,75
Total Costs to Repair Sidewalk	\$	230,074
Estimated Permit Fees	\$	25,000
Total Request for Sidewalk Repair	\$	255,074

Total Request for Housing Program and Neighborhood Improvements	\$	1,427,476
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