

**SECOND AMENDMENT
to
ARLINGTON ROAD
TAX INCREMENT FINANCING PLAN**

KANSAS CITY, MISSOURI

TIF COMMISSION APPROVAL:

3/9/2016 3-10-16
DATE: **RESOLUTION No.**

CITY COUNCIL APPROVAL:

4/7/2016 160241
DATE: **ORDINANCE No.**

Attached herewith is a true and correct copy of the TIF Plan that was approved by the
Tax Increment Financing Commission of Kansas City, Missouri.


Chair

**SECOND AMENDMENT
TO THE
ARLINGTON ROAD
TAX INCREMENT FINANCING PLAN**

I. Introduction

The Second Amendment to the Arlington Road Tax Increment Financing Plan (the “Second Amendment”) shall amend the Arlington Road Tax Increment Financing Plan as approved by Ordinance No. 140916 and amended by Committee Substitute for Ordinance No. 150758 (collectively referred to herein as the “Plan”).

The Second Amendment modifies the Budget of Redevelopment Project Costs to more accurately reflect the costs related to each public infrastructure improvement contemplated by the Plan and clarifies the schedule of development for each such public infrastructure improvement.

II. Specific Amendments

The Plan shall be amended as follows:

Amendment No. 1: Section I. of the Plan, entitled “Summary,” shall be deleted in its entirety and replaced with the following:

I. SUMMARY

The Arlington Road Tax Increment Financing Plan (the “Plan” or “Redevelopment Plan”) contemplates the construction of certain road and infrastructure improvements in an area generally bounded by Claycomo city limits on the North and on the East, Parvin Road on the South, and Worlds of Fun Avenue on the West in Kansas City, Clay County, Missouri.

It is anticipated that the road and infrastructure improvements will encourage construction of above- and below-ground development. The above-ground development area is approximately 570 acres, which currently includes three (3) Redevelopment Project Areas and, by virtue of subsequent amendments to the Plan and separate Ordinances passed by the City Council, may include an additional 24 separate Redevelopment Project Areas for anticipated development that will include construction of industrial uses, data centers and related improvements. The below-ground development area is approximately 375 acres, which includes four (4) Redevelopment Project Areas and, by virtue of subsequent amendments to the Plan and separate Ordinances passed by the City Council, may include an additional 25 separate Redevelopment Project Areas for anticipated

development that will include construction of industrial uses and data centers.

The estimated Redevelopment Project Costs to implement the road and public infrastructure improvements contemplated by the Plan are approximately \$59,091,098, together with financing costs related thereto in the approximate amount of \$34,856,766 for an aggregate approximate amount of \$93,947,864, all of which is to be reimbursed from TIF Revenue (as hereafter defined). The Reimbursable Project Costs are identified on Exhibit 4A, attached to this Plan.

The total initial equalized assessed valuation of the Redevelopment Area according to 2014 records at the Clay County Assessor's Office is approximately \$21,680 for the above-ground portion of the Redevelopment Area and \$315,140 for the below-ground portion of the Redevelopment Area. The 2013 combined ad valorem property tax levy is \$8.6323 per \$100 assessed valuation. The 2013 annual ad valorem tax revenue from the Redevelopment Area was approximately \$1,884 for the above-ground portion of the Redevelopment Area and \$32,214 for the below-ground portion of the Redevelopment Area. Following the completion of all Public Infrastructure Improvements (as hereafter defined), it is estimated that the assessed value of the property located within the above-ground portion of the Redevelopment Area will increase to approximately \$71,268,270 and the assessed value of the property located within the below-ground portion of the Redevelopment Area will increase to approximately \$9,544,757.

Pursuant to the Act, tax increment financing allows for the use of Economic Activity Taxes and Payment in Lieu of Taxes generated and collected within the Redevelopment Project Areas for a twenty-three (23) year period to pay Reimbursable Project Costs. The estimated total Payments In Lieu of Taxes generated within the seven (7) current Redevelopment Project Areas and the forty-nine (49) potential Redevelopment Project Areas, which will be available to pay Reimbursable Project Costs is approximately \$96,224,065. The estimated total Economic Activity Taxes generated within the seven (7) current Redevelopment Project Areas and the forty-nine (49) potential Redevelopment Project Areas, which will be available to pay Reimbursable Project Costs is approximately \$17,320,332.

Upon the reimbursement of all Reimbursable Project Costs, Tax Increment Financing will be terminated and the Taxing Districts (as hereafter defined), subject to Section 99.850 RSMo., shall receive all taxes generated within the Redevelopment Area.

Amendment No. 2: Section III.C. of the Plan, entitled “Public Infrastructure Improvements,” shall be deleted in its entirety and replaced with the following:

C. The Public Infrastructure Improvements. The Public Infrastructure Improvements will consist of extending and connecting two existing roads with associated public improvements. A Site Plan generally depicting the location of the Public Infrastructure Improvements within and adjacent to the Redevelopment Area is attached as Exhibit 2C and is detailed below:

1. Improvement 4A – NE 48th Street Temporary Cul-de-sac - Current terminus east of N. Wallace Drive.
2. Improvement 1 – N Arlington Avenue (East) - beginning at current terminus and continuing 1,450 linear feet north to Arlington Cul-de-sac.
3. Improvement 8 – Sanitary Sewers - 10,110 linear feet, which shall consist of 12” – 3,810 linear feet and 8” – 6,300 linear feet.
4. Improvement 1A – N Arlington Avenue (West) - beginning at Arlington Cul-de-sac and continuing west 1,140 linear feet to Stream Corridor.
5. Improvement 1B – N Arlington Cul-de-sac - beginning at N Arlington Ave and continuing south 1,500 feet.
6. Improvement 2 – NE 48th Street - beginning at N Wallace Dr and continuing 1,800 linear feet to Stream Corridor.
7. Improvement 2A – NE 48th Cul-de-sac- beginning at NE 48th Street and continuing north 1,500 linear feet.
8. Improvement 4 – NE 48th Street Widening - beginning at I-435 and continuing 3,200 linear feet to the current terminus.
9. Improvement 5 – NE 48th Street Crossing - beginning at Stream Corridor and continuing 915 linear feet to connect to Improvement Phases 1A and 2.
10. Improvement 7B – NE 48th Street UG Structural Work - underground structural work for NE 48th Street.
11. Improvement 3 – N Kentucky Avenue - beginning at NE 48th Street and continuing south 2,200 linear feet.
12. Improvement 6 – N Kentucky Avenue Crossing - beginning at current terminus and continuing north 625 linear feet.
13. Improvement 7A – Entrance Drive - beginning at NE 48th Street and continuing north 2,045 linear feet.

Amendment No 3: Section III.E. of the Plan, entitled “Estimated Date of Completion”, shall be deleted in its entirety and replaced with the following:

E. Estimated Date of Completion. The estimated date for completion for the Public Infrastructure Improvements is 2047. The schedule for construction is set forth on Exhibit 4B.

The completion of the Public Infrastructure Improvements within and adjacent to the Redevelopment Area and the retirement of Obligations incurred to finance the Redevelopment Project Costs will occur no later than twenty-three (23) years from the adoption of the ordinance approving the last approved Redevelopment Project

In no event shall any ordinance approving a Redevelopment Project be passed by the City later than ten (10) years from the passage of the ordinance approving this Redevelopment Plan.

Amendment No. 4: Exhibit 1B, entitled “Legal Descriptions – Redevelopment Project Areas” shall be supplemented with the addition of the legal descriptions for Redevelopment Projects 2 and 3, which are attached as Exhibit 1B to this Second Amendment.

Amendment No. 5: Exhibit 2A, entitled “Redevelopment Area” shall be deleted and replaced with Exhibit 2A, entitled “Redevelopment Area (Above Ground)” attached to this Second Amendment and incorporated herein.

Amendment No. 6: Exhibit 2C, entitled “Site Plans and Renderings” shall be deleted and replaced with Exhibit 2C attached to this Second Amendment and incorporated herein.

Amendment No. 7: Exhibit 4A, entitled “Estimated Redevelopment Project Costs” shall be deleted and replaced with Exhibit 4A attached to this Second Amendment and incorporated herein.

Amendment No. 8: Exhibit 4B, entitled “Redevelopment Schedule” shall be deleted and replaced with Exhibit 4B attached to this Second Amendment and incorporated herein.

Exhibit 1B
Legal Descriptions – Redevelopment Project Areas

Hunt Midwest Enterprises, Inc.
Arlington Avenue TIF – Project Area 2
Lutjen Project No. 13051
December 17, 2015

Property Description:

All that part of the Northwest Quarter of Section 2, Township 50 North, Range 32 West, of the 5th Principal Meridian in Kansas City, Clay County, Missouri, being described as follows: Commencing at the Northeast corner of the Northeast Quarter; thence North $89^{\circ}31'30''$ West, along the North line of said Northeast Quarter, 2,610.25 feet to the Northwest corner said Northeast Quarter; thence South $87^{\circ}46'42''$ West, 1,197.31 feet to the Point of Beginning of the tract of land to be herein described; thence South $00^{\circ}09'13''$ East, 785.05 feet; thence North $89^{\circ}31'45''$ West, 926.91 feet; thence North $00^{\circ}26'53''$ East, 785.00 feet; thence South $89^{\circ}31'45''$ East, 918.66 feet to the Point of Beginning. Containing 724,385 square feet or 16.63 acres, more or less. All lying above the Winterset Ledge of limestone rock.

Hunt Midwest Enterprises, Inc.
Arlington Avenue TIF – Project Area 3
Lutjen Project No. 13051
December 17, 2015

Property Description:

All that part of the Southwest Quarter of Section 35, Township 51 North, Range 32 West, of the 5th Principal Meridian in Kansas City, Clay County, Missouri, being described as follows: Commencing at the Northeast corner of the Northeast Quarter of Section 2, Township 50 North, Range 32 West; thence North $89^{\circ}31'30''$ West, along the North line of said Northeast Quarter, 2,610.25 feet to the Northwest corner of said Northeast Quarter; thence North $88^{\circ}27'58''$ West, 1,280.50 feet to the Point of Beginning of the tract of land to be herein described; thence North $89^{\circ}31'45''$ West, 447.96 feet; thence North $00^{\circ}15'10''$ East, 243.96 feet; thence North $19^{\circ}59'25''$ West, 715.18 feet; thence South $89^{\circ}33'41''$ East, 695.43 feet; thence South $00^{\circ}15'14''$ West, 914.42 feet to the Point of Beginning. Containing 492,495 square feet or 11.31 acres, more or less. All lying above the Winterset Ledge of limestone rock.

Exhibit 2A
Site Plans and Renderings

ARLINGTON ROAD TIF
SECOND AMENDMENT TO
ARLINGTON ROAD TAX
INCREMENT FINANCING PLAN
01/15/2016

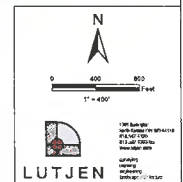
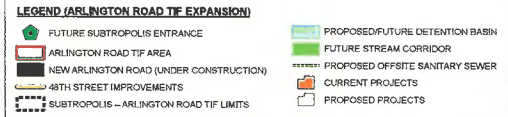


Exhibit 2C
Site Plans and Renderings

LEGEND

-  ARLINGTON TIF AREA
-  CITY LIMITS BOUNDARY
-  KCP&L EASEMENT
-  CLAY COUNTY PARCELS
-  PROPOSED 12" SANITARY SEWER
-  PROPOSED 8" SANITARY SEWER
-  END OF 12" OFFSITE SANITARY SEWER
-  PLATTED DETENTION BASIN

WORLDS OF FUN
OCEANS OF FUN

SUBTROPOLIS - ARLINGTON TIE LIMITS

LUTJEN



1301 Burlington
North Kansas City, MO 64116
816 587 4320
816 587 1301 fax
www.kc2jns.com

Exhibit 4A
Estimated Redevelopment Project Costs

EXHIBIT 4A
ARLINGTON TIF PLAN
REDEVELOPMENT PROJECT COSTS

Improvement Description	Linear Feet	Beginning/Ending Location	Reimbursable Project Costs (Construction)
4A 48th Street Temporary Cul-de-sac	N/A	Current terminus east of N Wallace Dr	\$ 85,000
1 Arlington E	1,450	Current terminus north to Arlington Cul-de-sac	\$ 6,341,344
8 Sanitary Sewers	10,110	12" - 3,810 linear feet, 8" - 6,300 linear feet	\$ 1,071,098 *
1A Arlington W	1,140	Arlington Cul-de-sac west to Stream Corridor	\$ 2,706,450
1B Arlington Cul-de-sac	1,500	N Arlington Ave south 1,500 feet	\$ 1,104,378
2 48th Street	1,800	N Wallace Dr to Stream Corridor	\$ 2,425,914
2A 48th Street Cul-de-sac	1,500	NE 48th Street north 1,500 feet	\$ 813,945
4 48th Street Widening	3,200	I-435 east to current terminus	\$ 2,682,113 *
5 48th Street Crossing	915	Stream Corridor; connects Phases 1A and 2	\$ 3,467,515
7B 48th Street UG Structural Work	N/A	Underground structural work for 48th Street	\$ 4,731,858
3 Kentucky	2,200	NE 48th Street south 2,200 feet	\$ 5,653,192
6 Kentucky Crossing	625	Current terminus north 625 feet	\$ 3,114,551
7A Entrance Drive	2,045	NE 48th Street north 2,045 feet	\$ 9,373,969
Subtotal			\$ 43,571,327
Aggregate Engineering/Surveying Fees - 12% of the Construction Costs for each Improvement plus \$150,000 for initial services			\$ 5,378,559
Aggregate Project Management - 5% of the Construction Costs for each Improvement			2,178,566
Aggregate General Contractor Fee - 8% of the Construction Costs for each Improvement			3,485,706
Aggregate Professional Services - 7% of the Construction Costs for each Improvement			3,049,993
Aggregate Interest Expense - 6.50%			\$ 34,856,766
Aggregate TIF Admin. (Initial/Ongoing)			\$ 1,426,946
TOTAL COSTS			\$ 93,947,864

* Resolution 150090, approved February, 5, 2015, directs the City Manager to pursue funding options for Phase 4, the widening of NE 48th Street and Phase 8, sanitary sewers. The costs for construction, engineering, project management, G.C. Fee, Professional Services and Interest Expense, for NE 48th Street is estimated at \$3,540,333 and sanitary sewers are estimated at \$1,413,802.

Exhibit 4B
Redevelopment Schedule

Improvement Description	Commencement Date of Construction	Completion Date of Construction
4A 48 th Street Temporary Cul-de-sac	2016	2016
1 Arlington E	2018	2025
8 Sanitary Sewers	2018	2036
2 48th Street	2024	2030
2A 48th Street Cul-de-sac	2024	2030
4 48th Street Widening	2024	2030
1A Arlington W	2026	2027
1B Arlington Cul-de-sac	2026	2027
5 48th Street Crossing	2029	2030
7B 48th Street UG Structural Work	2029	2030
3 Kentucky	2030	2036
6 Kentucky Crossing	2043	2046
7A Entrance Drive	2046	2047

Redevelopment Schedule
ARLINGTON TIF PLAN

Improvement Description	Commencement Date of Construction	Completion Date of Construction
4A 48th Street Temporary Cul-de-sac	2016	2016
1 Arlington E	2018	2025
8 Sanitary Sewers	2018	2036
2 48th Street	2024	2030
2A 48th Street Cul-de-sac	2024	2030
4 48th Street Widening	2024	2030
1A Arlington W	2026	2027
1B Arlington Cul-de-sac	2026	2027
5 48th Street Crossing	2029	2030
7B 48th Street UG Structural Work	2029	2030
3 Kentucky	2030	2036
6 Kentucky Crossing	2043	2046
7A Entrance Drive	2046	2047