

**THIRD AMENDMENT  
TO  
ARLINGTON ROAD  
TAX INCREMENT FINANCING PLAN**

---

**KANSAS CITY, MISSOURI**

**TIF COMMISSION APPROVAL:**

<b>10/11/17</b>	<b>10-9-17</b>
<b>DATE</b>	<b>RESOLUTION No.</b>

**CITY COUNCIL APPROVAL:**

<b>11/9/17</b>	<b>170865</b>
<b>DATE</b>	<b>ORDINANCE No.</b>

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

**I. Introduction**

The Third Amendment to the Arlington Road Tax Increment Financing Plan (the “Third 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 and by Ordinance No. 160241 (collectively referred to herein as the “Plan”).

The Third Amendment provides (A) for the addition of Redevelopment Project H1 and (B) that the City Council, by Ordinance, may authorize a longer and deeper Enhanced Enterprise tax abatement for real property located within the Redevelopment Area.

**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 five (5) 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 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 eight (8) current Redevelopment Project Areas and the forty-eight (48) 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 eight (8) current Redevelopment Project Areas and the forty-eight (48) 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 XIV of the Plan, entitled “Enhanced Enterprise Zone,” shall be deleted in its entirety and replaced with the following:

Pursuant to Section 135.963(7) RSMo., the property tax abatement referred to in the Enhanced Enterprise Zone Act shall not relieve the assessor or other responsible official from ascertaining the amount of the equalized assessed value of all taxable property annually as required by Section 99.855 and shall not have the effect of reducing the payments in lieu of taxes referred to in Subdivision (2) of Subsection 1 of Section 99.845, unless such reduction is set forth in the plan approved by the governing body of the municipality pursuant to Subdivision (1) of Subsection 1 of Section 99.820, Section 99.942, or Section 99.1027. By adoption of this Plan, Payments in Lieu of Taxes shall be reduced by the tax abatement referred to in the Enhanced Enterprise Zone Act, provided, however, such reduction shall not exceed 50% of the amount of Payments in Lieu of Taxes generated by each Redevelopment Project Area during any ten-year period, while tax increment financing remains in effect, unless a longer and deeper tax abatement is authorized by an Ordinance approved by the Council.

**Amendment No. 3:** Exhibit 1B, entitled “Legal Descriptions – Redevelopment Project Areas” shall be deleted and replaced with Exhibit 1B to this Third Amendment.

**Amendment No. 4:** Exhibit 2B, entitled “Redevelopment Plan Area (Below-Ground) shall be deleted and replaced with Exhibit 2B attached to this Third Amendment and incorporated herein.

**Exhibit 1B**  
**Legal Descriptions – Redevelopment Project Areas**

**Original TIF Plan, Ordinance 140916 – November 6, 2014**

**Above-Ground Redevelopment Project 8**

All that part of the Northeast Quarter of Section 2, Township 50 North, Range 32 West, and the Southeast Quarter of Section 35, Township 51 North, Range 32 West, all being in Kansas City, Clay County, Missouri, being described as follows: Commencing at the Northeast corner of the Northeast Quarter of said Section 2; thence North 89°31'30" West, along the North line of said Northeast Quarter, 1,492.56 feet to the Point of Beginning of the tract of land to be herein described; thence South 42°46'43" East, 240.20 feet; thence South 51°22'04" West, 948.75 feet; thence Northwesterly, along a curve to the left, having an initial tangent bearing of North 13°01'51" West with a radius of 1,040.00 feet, a central angle of 30°57'02" and an arc distance of 561.80 feet; thence North 38°38'00" East, 818.62 feet; thence South 42°46'43" East, 488.50 feet to the Point of Beginning. Containing 540,092 square feet or 12.40 acres, more or less. All lying above the Winterset Ledge of limestone rock.

**Below-Ground Redevelopment Project Area A-1**

A tract of land in the Southwest Quarter of Section 2, Township 50 North, Range 32 West of the 5th Principal Meridian in Kansas City, Clay County, Missouri being bounded and described as follows: Commencing at the Southeast corner of said Southwest Quarter; thence North 00°40'32" East, along the East line of said Southwest Quarter, 1,311.92 feet; thence South 90°00'00" West, 1,105.02 feet; thence South 00°00'00" East, 21.00 feet; thence South 90°00'00" West, 341.18 feet; thence South 00°00'00" East, 126.94 feet to the Point of Beginning of the tract of land to be herein described; thence continuing South 00°00'00" East, 298.58 feet; thence South 90°00'00" West, 100.00 feet; thence North 00°00'00" East, 298.58 feet; thence North 90°00'00" East, 100.00 feet to the Point of Beginning. Containing 29,858 square feet or 0.69 acres, more or less. All lying below the Winterset Ledge of Limestone Rock and lying above elevation 700 (NAVD 88).

**First Amendment, Ordinance 150758 – September 17, 2015**

**Below-Ground Redevelopment Project Area F**

Hunt Midwest SubTropolis

A tract of land in the South Half of Section 3, Township 50 North, Range 32 West of the 5th Principal Meridian, all lying below the top of the Winterset Ledge of Limestone Rock and lying above elevation 700 (NAVD 88), in Kansas City, Clay County, Missouri, being bounded and described as follows: Commencing at the Southeast corner of the Southwest Quarter of Section 2, Township 50 North, Range 32 West of the 5th Principal Meridian; thence North 00°40'32" East, along the East line of said Southwest Quarter, 708.86 feet; thence North 89°19'28" West, 2,546.16 feet; thence North 89°11'38" West, 870.33 feet; thence North 89°17'57" West, 1,016.38 feet; thence South 00°42'27" West, 40.00 feet to the Point of Beginning of the tract of land to be

herein described; thence South 00°38'01" West, 498.14 feet; thence North 89°24'17" West, 236.32 feet; thence South 01°05'26" West, 64.92 feet; thence North 89°09'57" West, 605.08 feet; thence North 00°30'36" East, 560.75 feet; thence South 89°23'25" East, 843.13 feet to the Point of Beginning. Containing 458,353 square feet or 10.52 acres, more or less.

### **Below-Ground Redevelopment Project Area G1**

Hunt Midwest SubTropolis

A tract of land in the Southwest Quarter of Section 2 and the South Half of Section 3, both in Township 50 North, Range 32 West of the 5th Principal Meridian, all lying below the top of the Winterset Ledge of Limestone Rock and lying above elevation 700 (NAVD 88), in Kansas City, Clay County, Missouri, being bounded and described as follows: Commencing at the Southeast corner of said Southwest Quarter of said Section 2; thence North 00°40'32" East, along the East line of said Southwest Quarter, 708.86 feet; thence North 89°19'28" West, 2,546.16 feet to the Point of Beginning of the tract of land to be herein described; thence North 89°11'38" West, 870.33 feet to a point hereafter known as Point "A"; thence North 00°43'54" East, 540.44 feet; thence South 89°36'32" East, 869.89 feet; thence South 00°40'59" West, 546.74 feet to the Point of Beginning. Containing 472,982 square feet or 10.86 acres, more or less.

### **Below-Ground Redevelopment Project Area I1**

Hunt Midwest SubTropolis

A tract of land in the Southwest Quarter of Section 2 and the South Half of Section 3, both in Township 50 North, Range 32 West of the 5th Principal Meridian, all lying below the top of the Winterset Ledge of Limestone Rock and lying above elevation 700 (NAVD 88), in Kansas City, Clay County, Missouri, being bounded and described as follows: Commencing at said Point "A"; thence North 89°17'57" West, 1,016.38 feet to a point hereafter known as Point "B", said point being the Point of Beginning of the tract of land to be herein described; thence North 89°23'25" West, 869.02 feet; thence North 00°46'55" East, 866.66 feet; thence South 89°32'05" East, 869.03 feet; thence South 00°46'55" West, 868.85 feet to the Point of Beginning. Containing 754,096 square feet or 17.31 acres, more or less.

### **Second Amendment, Ordinance 160241 – April 7, 2016**

#### **Above-Ground Redevelopment Project Area 2**

Hunt Midwest Enterprises

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°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°46'42" West, 1,197.31 feet to the Point of Beginning of the tract of land to be herein described; thence South 00°09'13" East, 785.05 feet; thence North 89°31'45" West, 926.91 feet; thence North 00°26'53" East, 785.00 feet; thence South 89°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.

Property Description:

**Above-Ground Redevelopment Project Area 3**

Hunt Midwest Enterprises

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°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°27'58" West, 1,280.50 feet to the Point of Beginning of the tract of land to be herein described; thence North 89°31'45" West, 447.96 feet; thence North 00°15'10" East, 243.96 feet; thence North 19°59'25" West, 715.18 feet; thence South 89°33'41" East, 695.43 feet; thence South 00°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.

**Third Amendment, Ordinance 17xxxx – November , 2017**

**Below-Ground Redevelopment Project Area H1**

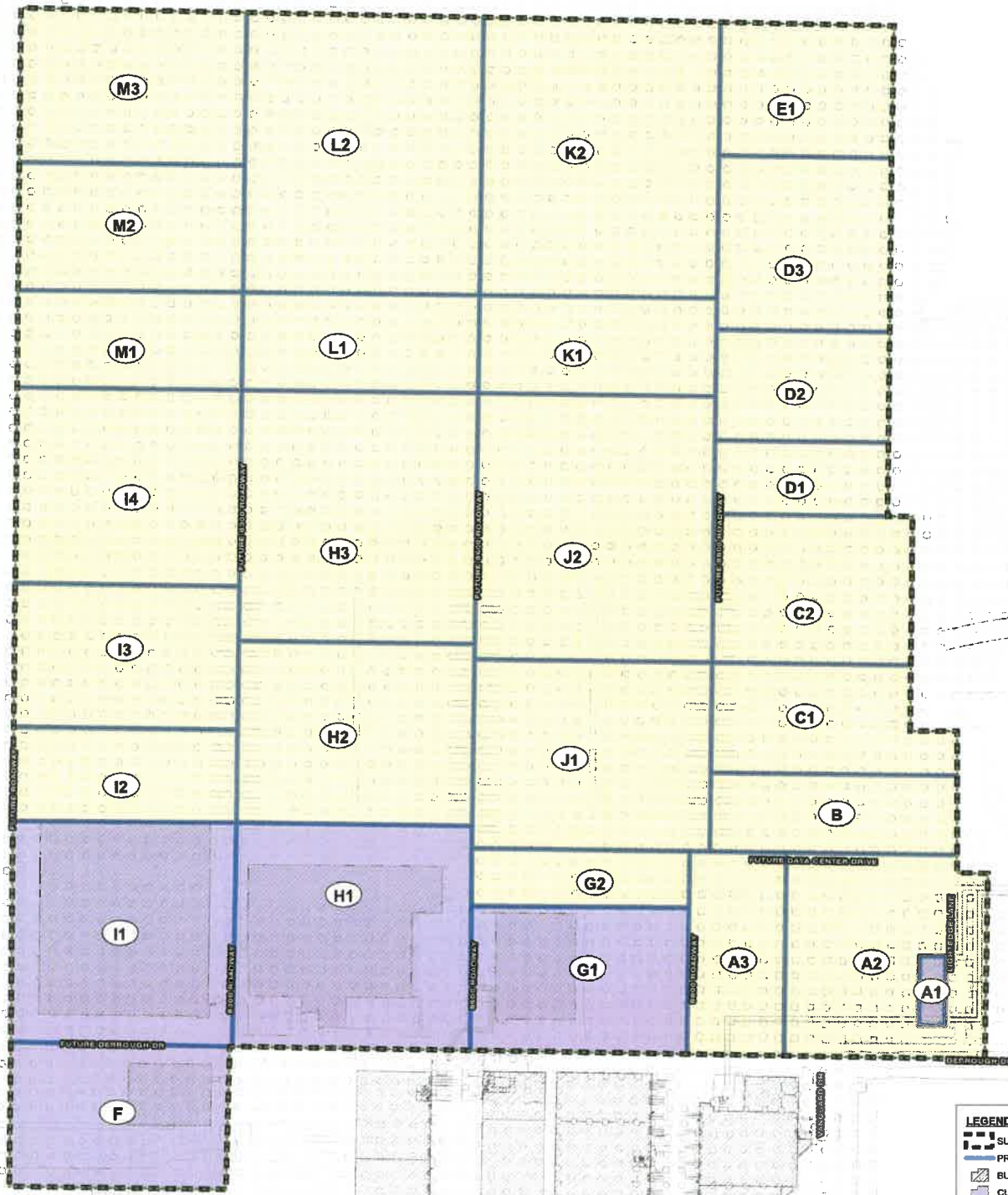
Hunt Midwest SubTropolis

A tract of land in the Southeast Quarter of Section 3, Township 50 North, Range 32 West of the 5th Principal Meridian, all lying below the top of the Winterset Ledge of Limestone Rock and lying above elevation 700 (NAVD 88), in Kansas City, Clay County, Missouri, being bounded and described as follows: Commencing at the Southeast corner of the Southwest Quarter of Section 2, Township 50 North, Range 32 West; thence North 00°40'32" East, along the East line of said Southwest Quarter, 710.90 feet; thence North 89°19'28" West, 3,456.49 feet to the Point of Beginning of the tract of land to be herein described; thence North 89°17'58" West, 936.38 feet; thence North 00°46'55" East, 891.91 feet to a point of intersection of the westerly extension of the northerly face of building; thence on the said extension of the northerly face of building South 89°38'08" East, 377.66 feet; thence on the northerly face of building, South 00°26'05" West, 7.28 feet; thence on the northerly face of building and the easterly extension thereof; South 89°39'05" East, 557.91 feet; thence South 00°43'54" West, 890.28 feet to the Point of Beginning.

**Exhibit 2B**  
**Redevelopment Plan Area (Below-Ground)**



**ARLINGTON ROAD TIF**  
**THIRD AMENDMENT TO**  
**ARLINGTON ROAD TAX**  
**INCREMENT FINANCING PLAN**  
**8/17/2017**



AREA	AREA (AC)	AREA (S.F.)
A1	0.71	30,952.91
A2	15.75	685,856.10
A3	7.65	333,318.24
B	7.97	329,853.60
C1	9.41	409,741.75
C2	11.36	494,685.33
D1	4.97	216,913.14
D2	7.47	325,475.68
D3	11.72	510,661.89
E1	8.89	384,753.08
F	10.52	456,251.20
G1	10.05	473,063.60
G2	4.81	209,719.46
H1	20.81	897,692.32
H2	16.81	732,734.64
H3	22.81	991,757.83
I1	17.31	754,023.60
I2	8.17	356,874.55
I3	12.53	545,925.87
I4	16.95	738,246.14
J1	17.56	764,809.98
J2	24.35	1,060,721.77
K1	9.16	399,125.28
K2	25.32	1,102,764.26
L1	9.12	397,359.35
L2	29.46	1,109,027.37
M1	8.62	375,891.53
M2	11.09	483,076.57
M3	13.30	579,155.60

**LEGEND (SUBTROPOLIS EXPANSION)**

- SUBTROPOLIS - ARLINGTON ROAD TIF LIMITS
- PROJECT AREAS
- BUILDING FOOTPRINTS
- CURRENT PROJECTS
- PROPOSED PROJECTS

N

0 100 200 Feet

1"=100'

**OLSSON ASSOCIATES**

**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
3 Sanitary Sewers	1,071	12' x 10' manholes, 24" x 24" linear pipe	\$ 1,071,000*
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	\$ 5,853,192
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
<b>Subtotal</b>			<b>\$ 43,571,327</b>
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
<b>TOTAL COSTS</b>			<b>\$ 93,947,864</b>

\* 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.

COMMITTEE SUBSTITUTE FOR ORDINANCE NO. 170865

Accepting the recommendations of the Tax Increment Financing Commission of Kansas City as to the Third Amendment to the Arlington Road Tax Increment Financing Plan; and approving the Third Amendment to the Arlington Road Tax Increment Financing Plan.

WHEREAS, pursuant to the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 to 99.865 of the Revised Statutes of Missouri, as amended (the "Act"), the City Council of Kansas City, Missouri by Ordinance No. 54556 passed on November 24, 1982, and thereafter amended in certain respects by Committee Substitute for Ordinance No. 911076, As Amended, passed on August 29, 1991, Ordinance No. 100089, As Amended, passed on January 28, 2010, Ordinance No. 130986, passed on December 19, 2013 and Committee Substitute for Ordinance No. 140823, As Amended, on June 18, 2015, created the Tax Increment Financing Commission of Kansas City, Missouri (the "Commission"); and

WHEREAS, the City Council, by Committee Substitute for Ordinance No. 140916, accepted the recommendations of the Tax Increment Financing Commission of Kansas City, Missouri ("Commission") and approved the Arlington Road Tax Increment Financing Plan ("Plan") and designated a Redevelopment Area; and

WHEREAS, the City Council, by Committee Substitute for Ordinance No. 150758, accepted the recommendations of the Commission, and approved the First Amendment to the Plan on September 17, 2015; and

WHEREAS, the City Council, by Ordinance No. 160241, accepted the recommendations of the Commission, and approved the Second Amendment to the Plan on April 7, 2016; and

WHEREAS, a Third Amendment to the Plan ("Third Amendment") was proposed to the Commission and the Commission, having been duly constituted and its members appointed, after proper notice was given, met in public hearing, and after receiving the comments of all interested persons and taxing districts, closed the public hearing October 11, 2017, and adopted Resolution No. 10-9-17 ("Resolution") recommending approval of the Third Amendment; and

WHEREAS, the Third Amendment provides for the addition of Redevelopment Project Area H1 and allows for the City Council, by Ordinance, to authorize a longer and more extensive Enhanced Enterprise tax abatement for real property located within the Redevelopment Area; NOW, THEREFORE,

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY:

Section 1. That the recommendations of the Commission concerning the Third Amendment is hereby accepted, and the Third Amendment, a copy of which is attached hereto, is hereby approved.

COMMITTEE SUBSTITUTE FOR ORDINANCE NO. 170865

Section 2. That all terms used in this ordinance, not otherwise defined herein, shall be construed as defined in the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 to 99.865, RSMo (“Act”).

Section 3. That the City Council hereby finds that good cause has been shown for the Third Amendment of the Plan and that the findings of the Council in Committee Substitute for Ordinance No. 140916, Ordinance No. 150758 and Ordinance No. 160241 are not affected by the Third Amendment and apply equally to the Third Amendment.

Section 4. That the Third Amendment does not alter the previous findings of the City Council listed below:

- a. The Redevelopment Area as a whole is an Economic Development Area, as defined in Section 99.805 of the Act, 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. The lack of sufficient street improvements, interchanges, and other infrastructure has inhibited the development of the Redevelopment Area.
- b. The Plan, as amended by the Third Amendment, conforms to the comprehensive plan for the development of the City as a whole.
- c. The areas selected for Redevelopment Projects include only those parcels of real property and improvements thereon which will be directly and substantially benefited by the Redevelopment Project Improvements.
- d. The estimated dates of completion of the Redevelopment Projects and retirement of obligations incurred to finance Redevelopment Project Costs have been stated in the Redevelopment Plan, as amended by the Third Amendment and are not more than 23 years from the passage of any ordinance approving a Redevelopment Project within the Redevelopment Area.
- e. The Redevelopment Plan, as amended by the Third Amendment includes a plan for relocation assistance for businesses and residences.
- f. A cost-benefit analysis showing the impact of the Plan, as amended by the Third Amendment, on each taxing district which is at least partially within the boundaries of the Redevelopment Area has been prepared in accordance with the Act.
- g. The Plan, as amended by the Third Amendment does not include the initial development or redevelopment of any gambling establishment.
- h. A study has been completed and the findings of such study satisfy the requirements provided under Section 99.810, RSMo.

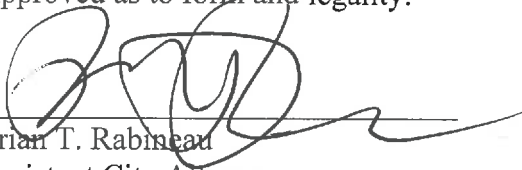
COMMITTEE SUBSTITUTE FOR ORDINANCE NO. 170865

Section 5. That the Commission is authorized to issue obligations in one or more series of bonds secured by the Arlington Road Tax Financing Plan Account of the Special Allocation Fund to finance Redevelopment Project Costs identified by the Plan and, subject to any constitutional limitations, to acquire by purchase, donation, lease or eminent domain, own, convey, lease, mortgage, or dispose of land or other property, real or personal, or rights or interests therein, and grant or acquire licenses, easements and options with respect thereto, all in the manner and at such price the Commission determines, to enter into such contracts and take all such further actions as are reasonably necessary to achieve the objectives of the Plan. Any obligations issued to finance Redevelopment Project Costs shall contain a recital that they are issued pursuant to Sections 99.800 to 99.865 of the Act, which recital shall be conclusive evidence of their validity and of the regularity of their issuance.

Section 6. That the City Council approves the pledge of all funds that are deposited into the Arlington Road Tax Increment Financing Plan Account of the Special Allocation Fund to the payment of Redevelopment Project Costs within the Redevelopment Area and authorizes the Commission to pledge such funds on its behalf.

---

Approved as to form and legality:

  
\_\_\_\_\_  
Brian T. Rabineau  
Assistant City Attorney



Authenticated as Passed

  
\_\_\_\_\_  
Sly James, Mayor

  
\_\_\_\_\_  
Marilyn Sanders, City Clerk  
NOV 09 2017

\_\_\_\_\_  
Date Passed