FIRST AMENDMENT
to
ARLINGTON ROAD
TAX INCREMENT FINANCING PLAN

KANSAS CITY, MISSOURI

TIF COMMISSION APPROVAL:
August 12, 2015 8-05-15
DATE: RESOLUTION NO.

CITY COUNCIL APPROVAL:
September 17, 2015 150758
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
FIRST AMENDMENT
TO THE
ARLINGTON ROAD
TAX INCREMENT FINANCING PLAN

I. Introduction

The First Amendment to the Arlington Road Tax Increment Financing Plan (the “First Amendment”) shall amend the Arlington Road Tax Increment Financing Plan as approved by Ordinance No. 140916 (collectively referred to herein as the “Plan”).

The First Amendment clarifies the legal description of the underground portion of the Redevelopment Area and provides for the addition of Redevelopment Project Areas F, G1, and II.

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 one (1) Redevelopment Project Area and, by virtue of subsequent amendments to the Plan and separate Ordinances passed by the City Council, may include an additional 26 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 current 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 current combined ad valorem property tax levy is projected to be $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 five (5) current Redevelopment Project Areas and the fifty-one (51) 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 five (5) current Redevelopment Project Areas and the fifty-one (51) 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 IV.C. of the Plan, entitled “Payments in Lieu of Taxes”, shall be deleted in its entirety and replaced with the following:

C. Payments in Lieu of Taxes. One hundred percent (100%) of the projected Payments In Lieu of Taxes to be deposited in each Special Allocation Fund established in connection with the existing and potential Redevelopment Projects referenced herein and depicted on Exhibit 2B, during the time Tax Increment Financing remains in effect, is $96,224,065, as shown in Exhibit 5, attached hereto, all of which will be made available to pay eligible Reimbursable Project Costs, in accordance with the Redevelopment Agreement. Any Payments in Lieu of Taxes that exceed the amount necessary for such reimbursement, subject to Section 99.850 RSMo., shall be declared surplus and shall be available for distribution to the Taxing Districts in the manner provided by the Act.

Amendment No. 3: Section IV.D. of the Plan, entitled “Economic Activity Taxes”, shall be deleted in its entirety and replaced with the following:

D. Economic Activity Taxes. The projected Economic Activity Taxes to be deposited in each Special Allocation Fund established in connection with the existing and potential Redevelopment Projects referenced herein and depicted on Exhibit 2B, during the time Tax Increment Financing remains in effect, is $17,320,332, as shown in Exhibit 5, attached hereto, all of which will be made available, upon annual appropriation by the City, to pay eligible Reimbursable Project Costs, in accordance with the Redevelopment Agreement.

Amendment No. 4: Section VI of the Plan, entitled “ESTIMATED EQUALIZED ASSESSED VALUATION AFTER REDEVELOPMENT”, shall be deleted in its entirety and replaced with the following:

V. ESTIMATED EQUALIZED ASSESSED VALUATION AFTER REDEVELOPMENT

When the Public Infrastructure Improvements, together with all real property located within the Redevelopment Area that is supported by such Public Infrastructure Improvements have been completed, the total assessed valuation of the Redevelopment Area will be determined. 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.
Amendment No. 5: The legal description of the Below-Ground portion of the Redevelopment Area as stated on Exhibit 1A ("Legal Descriptions – Redevelopment Area") of the Plan shall be deleted and replaced with the Below-Ground legal description on the attached Exhibit 1A.

Amendment No. 6: The legal descriptions of Redevelopment Project Areas F, G1, and I1, attached as Exhibit 1B, shall be added to Exhibit 1B ("Legal Descriptions – Redevelopment Project Areas") of the Plan.

Amendment No. 7: Exhibit 2A, entitled “Maps: Redevelopment Area” shall be deleted and replaced with Exhibit 2A attached to this Amendment and incorporated herein.

Amendment No. 8: Exhibit 2B, entitled “Maps: Redevelopment Project Areas” shall be deleted and replaced with Exhibit 2B attached to this Amendment and incorporated herein.
BELOW-GROUND REDEVELOPMENT AREA:

Hunt Midwest Enterprises, Inc.
Subtropolis Expansion

All that part of Sections 2 and 3, Township 50 North, Range 32 West, all being in Kansas City, Clay County, Missouri, being described as follows: Commencing at the Northeast corner of the Southwest Quarter of said Section 2; thence South 00°37'50" West, along the East line of said Southwest Quarter, 2,000.61 feet; thence North 89°22'10" West, 1,373.64 feet to the Point of Beginning of the tract of land to be herein described; thence North 89°01'45" West, 3,107.23 feet; thence South 01°24'27" West, 597.17 feet; thence North 89°13'05" West, 606.30 feet; thence North 89°03'18" West, 285.42 feet; thence North 00°30'36" East, 4,844.60 feet; thence South 88°55'12" East, 3,593.30 feet; thence South 01°05'43" West, 390.61 feet; thence South 00°33'24" West, 1,621.88 feet; thence North 90°00'00" East, 102.89 feet; thence South 00°33'24" West, 879.94 feet; thence North 90°00'00" East, 192.43 feet; thence South 00°00'00" East, 587.19 feet; thence South 88°53'31" East, 126.71 feet; thence South 00°58'15" West, 763.53 feet to the Point of Beginning. Containing 16,345.311 square feet or 375.24 acres, more or less. All lying below the bottom of the Winterset Ledge of Limestone Rock and lying above elevation 700 (NAVD 88).
Exhibit 1B
Legal Descriptions - Redevelopment Project Areas

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" West, 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; 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 South Half of Section 3, 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; thence North 89°11'38" West, 870.33 feet; thence North 89°17'57" West, 1,016.38 feet to 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.
Exhibit 2A
Maps: Redevelopment Area
Exhibit 2B
Maps: Redevelopment Project Areas