

GRAND BOULEVARD CORRIDOR TAX INCREMENT FINANCING PLAN

**As Proposed by
UMB FINANCIAL CORPORATION**

**Approved and Recommended by
the Tax Increment Financing Commission
of Kansas City, Missouri**

CERTIFICATION:

We hereby certify that this is a true and correct copy of the Plan approved by the Tax Increment Financing Commission of Kansas City, MO, on October 23, 1996.


Chairman


Executive Director

11/13/96

Date

11/13/96
Date

TABLE OF CONTENTS

| | <u>PAGE</u> |
|---|-------------|
| I. DEFINITIONS | 1 |
| II. TAX INCREMENT FINANCING | 3 |
| III. GENERAL DESCRIPTION OF PLAN AND PROJECTS | 3 |
| A. The Plan | 3 |
| B. Redevelopment Area | 4 |
| C. Project Improvements | 4 |
| D. Redevelopment Projects | 4 |
| E. Estimated Date of Completion | 4 |
| F. Redevelopment Plan Objectives | 4 |
| IV. FINANCING | 5 |
| A. Estimated Redevelopment Project Costs | 5 |
| B. Anticipated Sources of Funds | 5 |
| C. Payments in Lieu of Taxes | 5 |
| D. Economic Activity Taxes | 6 |
| E. Anticipated Type and Terms of Obligations | 6 |
| F. Evidence of Commitments to Finance | 6 |
| V. MOST RECENT EQUALIZED ASSESSED VALUATION | 7 |
| VI. ESTIMATED EQUALIZED ASSESSED VALUATION AFTER REDEVELOPMENT | 7 |
| VII. GENERAL LAND USE | 7 |
| VIII. CONFORMANCE TO THE COMPREHENSIVE PLAN | 7 |
| IX. EXISTING CONDITIONS IN THE REDEVELOPMENT AREA | 8 |
| X. "BUT FOR TIF" | 8 |
| XI. ACQUISITION AND DISPOSITION | 8 |
| XII. RELOCATION ASSISTANCE PLAN | 9 |
| XIII. ENTERPRISE ZONE | 9 |
| XIV. PROVISION OF PUBLIC FACILITIES | 9 |

| | |
|---|-----------|
| XV. REDEVELOPER'S PROPOSAL | 9 |
| XVI. REDEVELOPMENT AGREEMENT | 10 |

EXHIBITS

| <u>NO.</u> | <u>CONTENT</u> |
|-------------------|---|
| 1. | LEGAL DESCRIPTIONS A. Redevelopment Area B. Redevelopment Project Areas |
| 2. | SITE PLAN |
| 3. | SPECIFIC OBJECTIVES |
| 4. | CONSTRUCTION AND EMPLOYMENT INFORMATION A. Construction Totals by Project Area B. Employment Information |
| 5. | ESTIMATED REDEVELOPMENT SCHEDULE |
| 6. | ESTIMATED REDEVELOPMENT PROJECT COSTS |
| 7. | SOURCE OF FUNDS |
| 8. | ESTIMATED ANNUAL INCREASES IN ASSESSED VALUE AND RESULTING PAYMENTS IN LIEU OF TAXES, AND PROJECTED ECONOMIC ACTIVITY TAXES |
| 9. | EVIDENCE OF "BUT FOR" |
| 10. | PROPERTY ACQUISITION AND DISPOSITION |
| 11. | SUMMARY OF DEVELOPER'S PROPOSAL |
| 12. | BLIGHT STUDY |
| 13. | STATUTORY REQUIREMENTS |

I. DEFINITIONS

As used in this Redevelopment 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 plating, 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. "City," the City of Kansas City, Missouri.

C. "Commission," the Tax Increment Financing Commission of Kansas City, Missouri.

D. "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.

E. "Obligations," bonds, loans, debentures, notes, special certificates, or other evidences of indebtedness issued by a municipality to carry out a redevelopment project or to fund outstanding obligations.

F. "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.

G. "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 private use, 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 project area exceeds the total initial equalized value of real property in such area until the designation is terminated pursuant to subsection 2 of Section 99.850. 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 R.S.Mo.

H. "Project Improvements," those development activities undertaken within the Redevelopment Area which are intended to accomplish the objectives of the Redevelopment Plan.

7. All or a portion of a taxing district's capital cost 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;
8. 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;
9. Payments in lieu of taxes.

O. "Tax Increment Financing," tax increment allocation financing as provided pursuant to Chapter 99.800, et seq. RSMo.

P. "Taxing Districts," any political subdivision of this state having the power to levy taxes.

Q. "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.

R. "UMB," UMB Financial Corporation, its successors and assigns.

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

II. 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 (the "Act"). The Act enables municipalities to finance Redevelopment Project Costs with the revenue generated from Payments in Lieu of Taxes and Economic Activity Taxes. This Plan shall be filed of record against all properties in approved Redevelopment Project Areas.

III. GENERAL DESCRIPTION OF PLAN AND PROJECTS

A. The Plan. The Grand Boulevard Corridor Tax Increment Financing Plan ("the Plan") proposes the construction of approximately 140,000 square feet for use as a Technology and Operations Center intended to serve UMB, construction of structured parking to be used by both the new facility and surrounding uses, construction of gateways to the Central Business District at 15th and Grand and 6th and Grand, and implementation of the streetscape improvements called for in the City's Grand/Main Corridor Study and the Downtown 2000 Area Development Plan. This Plan provides for the use of incremental revenues from the existing UMB facility located in Project Area D and the existing office building contained in Project Area G to assist in initiating the proposed redevelopment of the Technology and Operations Center and construction of structured parking located in Project Area C, as well as assisting in financing of the gateways and streetscape improvement. The remaining project areas are included in this

Plan as they have been identified as potential sites for future redevelopment under this TIF Plan. The combination of these activities, in conjunction with the significant investment on the part of the City in the form of the Power & Light District Redevelopment and the Civic Mall Redevelopment efforts, will assist in the ongoing revitalization of the Central Business District and will make downtown Kansas City a vibrant regional attraction for convention visitors, tourists and area residents.

B. Redevelopment Area. The Redevelopment Area generally includes Grand Boulevard between Sixth Street and Truman Road, as well as those contiguous areas described as: being generally bound by 14th Street on the north, McGee Street on the east, Truman Road on the south and Walnut Street on the west, an area generally bound by 10th Street on the north, Oak Street on the east, and a line directly south of 11th Street on the south and Walnut Street on the west; an area located on the southwest corner of 9th Street and Grand Boulevard; and an area generally bound by 6th Street on the north, McGee Street on the east, 8th Street on the south and extending to a line directly west of Walnut Street on the west (the "Redevelopment Area") in Kansas City, Jackson County, Missouri (the "City") as described in Exhibit 1A.

C. Project Improvements. The Project Improvements will consist of an approximately 140,000 square foot Technology and Operations Center; construction of structured parking containing approximately 750 parking spaces; two Grand Boulevard Gateways located at both the north and south termini of the Redevelopment Area; and streetscape improvements along Grand Boulevard, 12th Street, 9th Street and adjacent to the Redevelopment Area, together with all necessary utilities and street improvements which will be constructed as shown on the site plan attached as Exhibit 2.

D. Redevelopment Projects. The Project Improvements and other redevelopment activities will be undertaken in a series of twelve redevelopment projects (the "Redevelopment Projects"), each of which will be separately approved by ordinance in conformance with the Act. The Redevelopment Project Areas are described in Exhibit 1B. Construction and employment information for each Redevelopment Project is set forth in Exhibit 4.

E. Estimated Date of Completion. As set forth in the Redevelopment Schedule attached as Exhibit 5, construction of the Project Improvements in Project Area C is expected to be completed in 1999. The completion of all redevelopment projects and retirement of Obligations incurred to finance redevelopment costs will occur no later than twenty-three (23) years from the adoption of the ordinance approving the Redevelopment Project, 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.

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

1. To eliminate adverse conditions which are detrimental to public health, safety, morals, or welfare in the Redevelopment Area and to eliminate and prevent the recurrence thereof;

2. 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 commerce, industry and manufacturing from moving their operations to another state;
3. To increase employment and housing opportunities in the City; and
4. To stimulate development which would not occur without Tax Increment Financing assistance.

Specific objectives of this Redevelopment Plan are set forth in Exhibit 3.

IV. FINANCING

A. Estimated Redevelopment Project Costs. Redevelopment Project Costs are estimated to be approximately \$53,408,000, of which \$37,633,000 will be incurred for Project Improvements to Project C, \$12,973,498 of which will qualify as Reimbursable Project Costs; and, in addition, an estimated \$8,275,000 will qualify as Reimbursable Project Costs for additional phased projects. These amounts are set out in detail in Exhibit 6.

The Commission has determined that certain planning and special services expenses of the Commission which are not direct project costs 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 Payments in Lieu of Taxes and Economic Activity Taxes paid annually into the fund.

B. Anticipated Sources of Funds. UMB will construct all Project Improvements in Project C and will seek reimbursement of eligible Redevelopment Project Costs from the Special Allocation Fund as Payments in Lieu of Taxes and Economic Activity Taxes become available as set forth in Exhibit 6. The remainder of the estimated Redevelopment Project Costs relative to other Projects are unfunded.

C. Payments in Lieu of Taxes. Calculations of expected proceeds of Payments in Lieu of Taxes 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 rollback in tax levies resulting from reassessment or classification. Furthermore, it is assumed that assessed valuation will increase at a rate of 2% annually, with no levy increases. The total Payments in Lieu of Taxes generated by the development over the duration of the Plan is approximately \$14,958,420 from Projects C, D and G, as shown in detail on Exhibit 8.

The amount of Payments in Lieu of Taxes, if any, 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 available for distribution to the various Taxing Districts in the Redevelopment Area in the manner provided by the Act.

D. Economic Activity Taxes. The estimated Economic Activity Taxes over the duration of the Plan are approximately \$4,153,675, as shown on Exhibit 8. Fifty percent of these funds, an amount equal to approximately \$2,076,835, will be made available upon annual appropriation to pay eligible Redevelopment Project Costs.

Anticipated Economic Activity Taxes will include 50% of the projected net earnings taxes paid by businesses and employees, 50% of the net corporate profits taxes, and 50% of the utility taxes, as well as 50% of the City and County net new sales tax. It is assumed that net earnings and sales tax revenues will increase due to inflation at a rate of 2% a year in addition to the assumed increase due to job creation and business expansion.

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 available for distribution to the various taxing districts in the Redevelopment Area in the manner provided by the Act.

It is necessary that all affected businesses and property owners be identified and the Commission be provided with documentation regarding payment of Economic Activity Taxes and Full Tax Increment Financing by UMB, its contractors, tenants and assigns. The Commission shall make this information available to the City. It shall be the obligation and intent of the City to determine the Economic Activity Taxes and to appropriate such funds into the Special Allocation Fund, no less frequently than yearly and no more frequently than quarterly, in accordance with the Act.

E. Anticipated Type and Terms of Obligations. In the event Obligations are issued, they must have a first call on the Payments in Lieu of Taxes and Economic Activity Taxes revenue stream. Additionally, it is estimated that available project revenues must equal 125% - 175% of the annual debt service payments required for the retirement of the Obligations. Revenues received in excess of 100% of funds necessary for the payment of principal and interest on the Obligations may be used for reserves, sinking funds, reimbursable project costs to call Obligations in advance of their maturities or declared surplus. Obligations 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 adopting tax increment financing for the redevelopment project, or projects which support such Obligations, 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. The latest date of retirement of the Obligations will be 2029.

F. Evidence of Commitments to Finance. The proposal submitted by UMB to implement this Plan includes its unequivocal commitment to finance the Redevelopment Project Costs necessary to complete Project C Improvements. See Section V.D, page 9 of UMB's 9/25/96 proposal included in Exhibit 11.

V. MOST RECENT EQUALIZED ASSESSED VALUATION

The total initial equalized assessed valuation of the Redevelopment Area according to records at the Jackson County Assessor's Office is \$5,306,460 on land and \$4,470,100 on improvements. The current combined ad valorem property tax levy is projected to be \$9.86 (including 1989 M & M replacement taxes) per \$100 assessed valuation on land and \$9.11 (including 1989 M & M replacement taxes) per \$100 assessed valuation on improvements. The annual ad valorem tax revenue from the Redevelopment Area was \$934,350 in 1995.

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. Payments in Lieu of Taxes 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 retirement of Obligations or payment of Redevelopment Project Costs as defined herein.

VI. ESTIMATED EQUALIZED ASSESSED VALUATION AFTER REDEVELOPMENT

When the Project Improvements have been completed, the total assessed valuation of the areas selected for Redevelopment Projects will be reassessed. The resulting increase in assessed valuation and the resulting Payments in Lieu of Taxes are shown on Exhibit 8. When complete and the Redevelopment Plan is terminated, the Redevelopment Area will annually initially yield the estimated real property taxes annually in the amounts shown on Exhibit 8.

VII. GENERAL LAND USE

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 City's Zoning Ordinance as well as other codes and ordinances as may be amended from time to time.

VIII. CONFORMANCE TO THE COMPREHENSIVE PLAN

The Plan is consistent and conforms with the City's Comprehensive Plan. The uses proposed for the Redevelopment Area are consistent with the Downtown 2000 Area Development Plan approved in 1983, the Land Clearance for Redevelopment Authority's Urban Renewal Plan for the Central Business District, the Land Clearance for Redevelopment Authority's Urban Renewal Plan for the Grand Boulevard Office Campus approved in 1988, and the Grand/Main Corridor Study as prepared for the City of Kansas City, Missouri, in November, 1987.

IX. EXISTING CONDITIONS IN THE REDEVELOPMENT AREA

The Redevelopment Area generally consists of vacant or antiquated structures and surface parking lots. Most of the buildings within the Redevelopment Area are obsolete and outdated and are unable to function under current market demands and requirements. The physical conditions within the Redevelopment Area preclude any further development and will continue to jeopardize the public health, safety and welfare.

That portion of the Redevelopment Area lying between 12th and 14th Streets has previously been declared blighted pursuant to the Grand Boulevard Office Campus Urban Renewal Plan and that portion of the Redevelopment Area lying between 13th and 6th Streets has been previously declared blighted pursuant to the Central Business District Urban Renewal Plan. Since these determinations, the area has continued to deteriorate. Attached as Exhibit 12 is a study setting forth the existing conditions in the Redevelopment Area.

X. "BUT FOR TIF"

Because of the necessity to cure the conditions of blight, construction of Project Improvements within the Redevelopment Area will cost significantly more than if they were being made on vacant ground. The physical conditions of the Redevelopment Area and its location downtown result in development costs which are prohibitive and result in the existing underdeveloped state of the Redevelopment Area. It has not been subject to growth and development through private enterprise. The pro forma financial information set forth in Exhibit 9 demonstrates that Project C of the Redevelopment Area would not reasonably be anticipated to be developed by private investment without the public assistance provided herein. Exhibit 9 projects a required rental rate for the Operations Center of \$24.55 per square foot, while the market rate is \$19.35 per square foot and a required rental rate per space for the parking garage to be \$117.00, while the market rate is \$75.00 per space.

XI. ACQUISITION AND DISPOSITION

In order to achieve the redevelopment objectives of this Plan, property may be acquired by purchase, donation, lease or eminent domain in the manner provided for by corporations in Chapter 523, R.S.Mo, by the Commission. It is not anticipated that the Commission will be asked to assist in the acquisition of this property. The property acquired by 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 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. No property for a redevelopment project shall be acquired by eminent domain later than five (5) years from adoption of the ordinance approving the project.

Individual structures may be exempted from acquisition if they are located so as not to interfere with the implementation of the objectives of the Redevelopment Plan or the 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 the 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 effects of clearance activities may be minimized.

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 Commission may deem appropriate.

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 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.

XII. RELOCATION ASSISTANCE PLAN

In order to achieve the redevelopment objectives of this Redevelopment Plan, it may be necessary to demolish existing structures within the project boundaries. Relocation assistance will be available to all eligible displaced occupants of businesses and residences in conformance with the Commission's Relocation Assistance Plan or as may be required by other state or federal laws. Such relocation will be at the expense of UMB. (See Section XVI.)

XIII. 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. without Commission approval. 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.

XIV. PROVISION OF PUBLIC FACILITIES

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

XV. REDEVELOPER'S PROPOSAL

The Commission made a public request for proposals to which UMB responded. A summary of UMB's Proposal, including evidence of commitments for financing, is attached hereto as Exhibit 11. Specific components of UMB's Proposal have been integrated into and have become a part of the Plan. The accuracy of the information contained in the proposal and the reasonableness of the assumptions have been certified to by the President of UMB.

XVI. REDEVELOPMENT AGREEMENT

Upon approval of this Plan, the Tax Increment Financing Commission and UMB will enter into a Redevelopment Agreement which will include, among other things, provisions relative to the following matters:

- A. implementation of the Plan;
- B. reporting of Economic Activity Taxes;
- C. the Commission's Affirmative Action Policy;
- D. a design guideline review and approval process;
- E. the Commission's Relocation Plan.

EXHIBIT 1

LEGAL DESCRIPTIONS

A. REDEVELOPMENT AREA

Beginning at the intersection of the south right-of-way of North Truman Road and the west right-of-way line of Walnut Street; thence north along the west right-of-way line of Walnut Street to 14th Street; thence east along the north right-of-way line of 14th Street to Grand Boulevard; thence north along the west right-of-way line of Grand Boulevard to 12th Street; thence west along the south right-of-way line to the intersection of Walnut and 12th Streets; thence east along the north right-of-way line of 12th Street to Grand Boulevard; thence north along the west right-of-way line of Grand Boulevard to 11th Street; thence west along the south right-of-way line of 11th Street to Walnut Street; thence north along the west right-of-way line of Walnut Street to 10th Street; thence east along the north right-of-way line of 10th Street to Grand Boulevard; thence north along the west right-of-way line to the Ozark National Life Building; thence west along the south side of the Ozark National Life Building; thence north along the west side of the Ozark National Life Building to 9th Street; thence west along the south right-of-way line of 9th Street to the intersection of Walnut and 9th Streets; thence east along the north right-of-way line of 9th Street to Grand Boulevard thence north along the west right-of-way line of Grand Boulevard to 8th Street; thence west along the south right-of-way of 8th Street to Walnut Street; thence north along the west right-of-way line of Walnut Street to Admiral Boulevard; thence west along the south right-of-way line of Admiral Boulevard to the midpoint of the next block; then north along the west side of the midline of the block to 6th Street Trafficway; thence east along the north right-of-way line of 6th Street Trafficway to McGee Street; thence south along the east right-of-way of McGee Street to 8th Street; thence east along the south right-of-way line of 8th Street to Grand Boulevard; thence south along the east right-of-way line of Grand Boulevard to 9th Street; thence east along the north right-of-way line of 9th Street to the intersection of Oak Street; thence west along the south right-of-way line of 9th Street to Grand Boulevard; thence south along the east right-of-way line of Grand Boulevard to 10th Street; thence east along the north right-of-way line of 10th Street to Oak Street; thence south along the east right-of-way line of Oak Street to 11th Street; thence west along the south right-of-way line of 11th Street to McGee Street; thence south along the east right-of-way line of McGee to the south property line of the National Car Garage; thence west along the south property line of the National Car Garage to its southwest corner; thence north along the west property line of National Car Garage to the property line of the Professional Building; thence west along the south property line of the Professional Building to Grand Boulevard; thence south along the east right-of-way line of Grand Boulevard to 12th Street; thence east along the

north right-of-way line of 12th Street to the intersection of Oak Street; thence west along the south right-of-way line of 12th Street to Grand Boulevard; thence south along the east right-of-way line of Grand Boulevard to 14th Street; thence east along the north right-of-way line of 14th Street to McGee Street; thence south along the east right-of-way line of McGee Street to North Truman Road; then west along the south right-of-way line of North Truman Road to the point of beginning.

NOTES

- I. McGee Between Ninth and Tenth. The developer is willing to add McGee Street between Ninth and Tenth Streets to the streetscape program which is a part of the proposal. The addition of such streetscapes would provide a source of funds to upgrade not only streetscapes, but also building facades in a effort to contribute toward the preservation of historically and architectural significant properties on each side of McGee. McGee at this locations is included in the Civic Mall tax increment financing district, and the developer will defer to the provisions and resources of that district to the extent indicated by the Commission.
- II. Streetscapes and Building Facades. In each instance where streetscapes are indicated, it is intended that the streetscape include not only both sides of the street, but also the facades of the building improvements located on each side of the street. Similarly, where a project area boundary abuts a street right-of-way, it is intended that the redevelopment area include the street and the facades of the building improvements across the street from the project area as a part of the streetscape and therefore eligible for disbursements from the incremental revenues generated within the district.

EXHIBIT 1

LEGAL DESCRIPTIONS

B. REDEVELOPMENT PROJECT AREAS

Project A:

Beginning at the intersection of the center line of North Truman Road and the centerline of Walnut Street; thence north along the center line of Walnut Street to the center line of 14th Street; thence east along the centerline of 14th Street to the centerline of Grand Boulevard; thence south along the centerline of Grand Boulevard to the centerline of North Truman Road; thence west along the centerline of North Truman Road to the point of beginning, all included now and a part of Kansas City, Jackson County, Missouri.

Project B:

Beginning at the intersection of the centerline of North Truman Road and the centerline of Grand Boulevard; thence north along the centerline of Grand Boulevard to the centerline of 14th Street; thence east along the centerline of 14th Street to the center line of McGee Street; thence south along the centerline of McGee Street to the centerline of North Truman Road; then west along the centerline of North Truman Road to the point of beginning, all included now and a part of Kansas City, Jackson County, Missouri.

Project C:

Beginning at the intersection of the centerline of 11th Street and the centerline of Grand Boulevard; thence north along the center line of Grand Boulevard to the centerline of 10th Street; thence east along the centerline of 10th Street to the centerline of Oak Street; thence south along the centerline of Oak Street to the center line of 11th Street; thence west along the centerline of 11th Street to the point of beginning, all included now and a part of Kansas City, Jackson County, Missouri.

Project D:

Beginning at the intersection of the centerline of 11th Street and the centerline of Walnut Street; thence north along the center line of Walnut Street to the centerline of 10th Street; thence east along the centerline of 10th Street to the centerline of Grand Boulevard; thence south along the centerline of Grand Boulevard to the center line of 11th Street; thence west along the centerline of 11th Street to the point of beginning, all included now and a part of Kansas City, Jackson County, Missouri.

Project E:

Beginning at the intersection of the centerline of 11th Street and the centerline of McGee Street; thence south to a line 12 feet south of and parallel to the south line of Lot 129, SWOPES ADDITION; thence west along a line 12 feet south and parallel to the south line of Lot 129, SWOPES ADDITION to the centerline of the north-south alley lying between McGee Street and Grand Boulevard; thence north along the centerline of the north-south alley lying between McGee Street and Grand Boulevard to the center line of 11th Street; thence east along the centerline of 11th Street to the point of beginning, all included now and a part of Kansas City, Jackson County, Missouri.

Project F:

Beginning at the intersection of the centerline of Grand Boulevard and centerline of 11th Street; thence east along the centerline of 11th Street to the centerline of the north-south alley lying between Grand Boulevard and McGee Street; thence south along the centerline of the north-south alley lying between Grand Boulevard and McGee Street to the south lot line of Lot 193, SWOPES ADDITION; thence west along the south lot line of Lot 93, SWOPES ADDITION to the centerline of Grand Boulevard; thence north along the centerline of Grand Boulevard to the point of beginning, all included now and a part of Kansas City, Jackson County, Missouri.

Project G:

Beginning at the intersection of the centerline of 9th Street and Grand Boulevard; thence south along the centerline of Grand Boulevard to the south side of the Ozark National Building; thence west along the south side of the Ozark National Building to the centerline of the north-south alley lying between Grand Boulevard and Walnut Street; thence north along the centerline of the north-south alley lying between Grand Boulevard and Walnut Street to the centerline of 9th Street; thence east along the centerline of 9th Street to the point of beginning, all included now and a part of Kansas City, Jackson County, Missouri.

Project H:

Beginning at the intersection of the centerline of 8th Street and the centerline of Grand Boulevard; thence north along the centerline of Grand Boulevard to the centerline of Admiral Boulevard; thence east along the centerline of Admiral Boulevard to the centerline of McGee Street; thence south along the centerline of McGee Street to the centerline of 8th Street; thence west along the centerline of 8th Street to the point of beginning, all included now and a part of Kansas City, Jackson County, Missouri.

Project I:

Beginning at the intersection of the centerline of 8th Street and the centerline of Walnut Street; thence north along the centerline of Walnut Street to the centerline of 7th Street; thence east along the centerline of 7th Street to the centerline of Grand Boulevard; thence south along the centerline of Grand Boulevard to the centerline of 8th Street; thence west along the centerline of 8th Street to the point of beginning, all included now and a part of Kansas City, Jackson County, Missouri.

Project J:

Beginning at the intersection of the centerline of Admiral Boulevard and the centerline of Grand Boulevard; thence north along the centerline of Grand Boulevard to the centerline of 6th Street Trafficway; thence east along the centerline of 6th Street Trafficway to the centerline of McGee Street; thence south along the centerline of McGee Street to the centerline of Admiral Boulevard; thence west along the centerline of 8th Street to the point of beginning, all included now and a part of Kansas City, Jackson County, Missouri.

Project K:

Beginning at the intersection of the centerline of 7th Street and the centerline of Walnut Street; thence north along the centerline of Walnut Street to the centerline of 6th Street Trafficway; thence east along the centerline of 6th Street Trafficway to the centerline of Grand Boulevard; thence south along the centerline of Grand Boulevard to the centerline

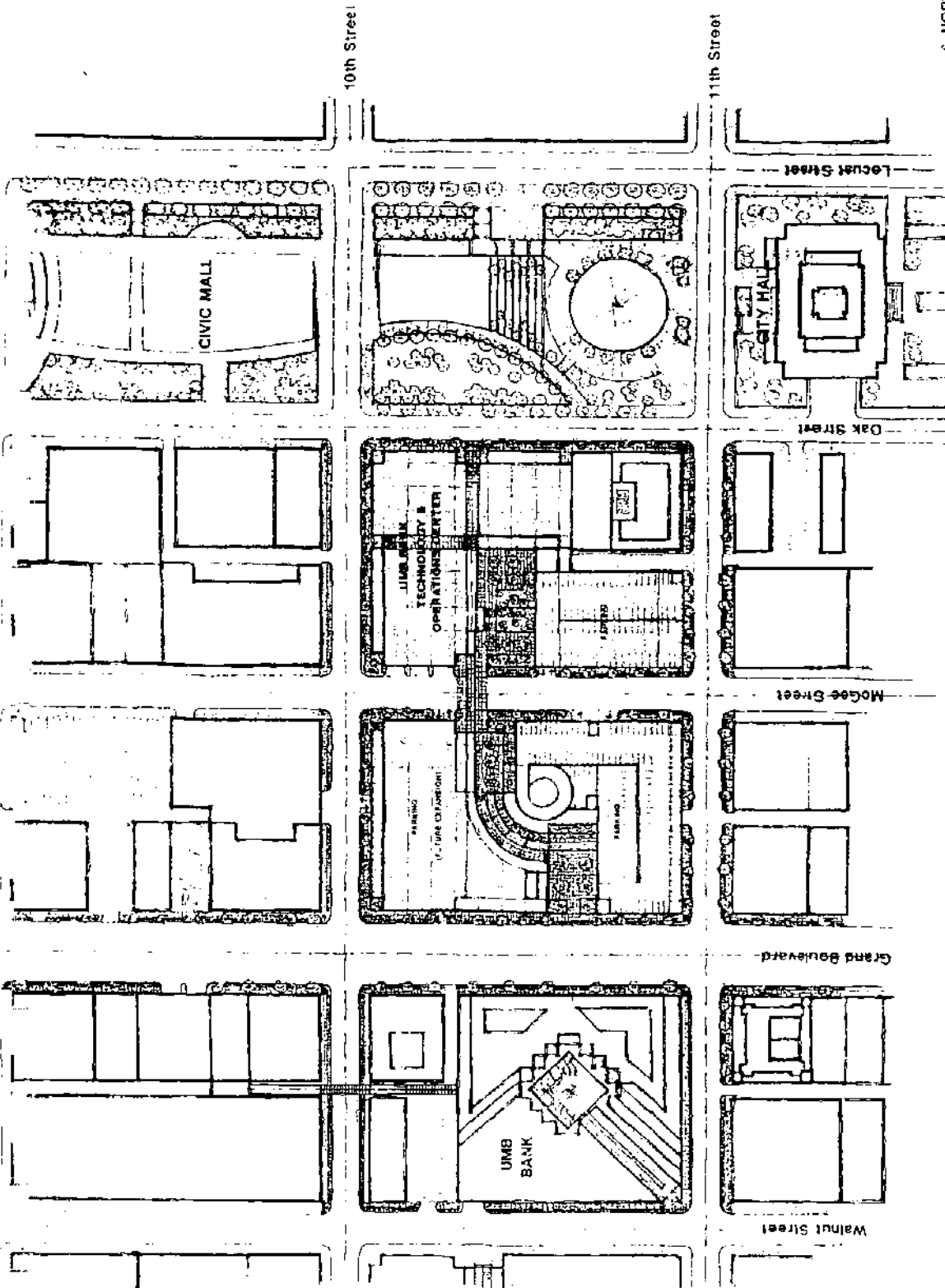
of 7th Street; thence west along the centerline of 7th Street to the point of beginning, all included now and a part of Kansas City, Jackson County, Missouri.

Project L:

Beginning at the intersection of the centerline of 6th Street Trafficway and the centerline of Walnut Street; thence south along the centerline of Walnut Street to the centerline of 7th Street; thence west along the centerline of 7th Street of the centerline of the north-south alley lying between Main Street and Walnut Street; thence north along the centerline of the north-south alley lying between Main Street and Walnut Street to the centerline of 6th Street Trafficway; thence east along the centerline of 6th Street Trafficway to the point of beginning, all included now and a part of Kansas City, Jackson County, Missouri.

EXHIBIT 2

SITE PLAN



UMB TECHNOLOGY & OPERATIONS CENTER

B A N K Kansas City, Missouri

S I T E P L A N

EXHIBIT 3

SPECIFIC OBJECTIVES

1. To cure the blighted conditions identified in the blight study, by among other things, the construction of a technology and operations center, structured parking, gateways to the Central Business District, and implementation of the Streetscape improvements called for in the City's Grand/Main Corridor Study and the Downtown 2000 Area Development Plan, together with all necessary utilities and street improvements.

2. To provide for the construction of approximately 140,000 square feet for use as a Technology and Operations Center intended to serve United Missouri Bank; construction of structured parking to be used by both the new facility and surrounding uses; construction of gateways to the Central Business District at 15th and Grand and 6th and Grand; and implementation of the Streetscape improvements called for in the City's Grand/Main Corridor Study and the Downtown 2000 Area Development Plan.

3. To implement the streetscape design improvements called for in the City's Grand/Main Corridor Study and the Downtown 2000 Area Development Plan.

4. To construct structure parking containing approximately 750 cars to serve the redevelopment project and the surrounding areas.

5. To support efforts to revitalize the Central Business District and encourage ongoing redevelopment.

6. To install, repair, construct, reconstruct and relocate streets, utilities, sidewalk improvements, essential to the preparation of the Redevelopment Area.

7. To upgrade and refurbish utilities, and other infrastructure facilities serving the Redevelopment Area.

8. To vacate any existing public rights-of-way inconsistent with the Plan and to make them a part of the Redevelopment Area.

9. To enhance 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.

10. To promote the health, safety, order, convenience, prosperity and the general welfare, as well as efficiency and economy in the process of development.

11. To provide development/business opportunities in the Redevelopment Area and surrounding areas.

12. To stimulate construction and permanent employment opportunities and increased demand for secondary and support services for the surrounding area.

EXHIBIT 4

CONSTRUCTION AND EMPLOYMENT INFORMATION

A. CONSTRUCTION TOTALS BY PROJECT AREA

CONSTRUCTION TOTALS BY PROJECT AREA: PROJECT C

| | NEW CONSTRUCTION | Existing Structures to REMAIN AS IS | Existing Structures to be REHABILITATED | Total | |
|---|-----------------------------|--|--|--------------|--|
| Square feet of OFFICE Space | 140,000 | 0 | 0 | 140,000 | |
| Square feet of RETAIL Space | 0 | 0 | 0 | 0 | |
| Square feet of INSTITUTIONAL Space | 0 | 0 | 0 | 0 | |
| Square feet of INDUSTRIAL Space | 0 | 0 | 0 | 0 | |
| Square feet of ENTERTAINMENT/ LEISURE OR RESTAURANTS | 0 | 0 | 0 | 0 | |
| Total Square Feet | 140,000 | 0 | 0 | 140,000 | |
| | | | | | |
| Number of DWELLING UNITS | 0 | 0 | 0 | 0 | |
| Number of HOTEL ROOMS | 0 | 0 | 0 | 0 | |
| Number of PARKING SPACES | 750 | 0 | 0 | 750 | |

EXHIBIT 4

CONSTRUCTION AND EMPLOYMENT INFORMATION

B. EMPLOYMENT INFORMATION

EMPLOYMENT INFORMATION: Project C

| | |
|---|--------------|
| | |
| Permanent jobs to be CREATED IN Kansas City | 0 |
| Permanent jobs to be RELOCATED TO Kansas City | 0 |
| Permanent jobs to be RETAINED IN Kansas City | 732 |
| TOTAL | 732 |
| | |
| Anticipated Annual Payroll | \$19,000,000 |
| | |
| Estimated number of construc- tion workers to be hired during construction phase | 55-60 |



EXHIBIT 5

ESTIMATED REDEVELOPMENT SCHEDULE

| | ACQUISITION | DEMOLITION | RENOVATION | CONSTRUCTION | COMPLETE |
|-----------|-------------|-------------|------------|--------------|----------|
| PROJECT C | 1997 | 1997 - 1998 | N/A | 1997-1999 | 1999 |

EXHIBIT 6

ESTIMATED REDEVELOPMENT PROJECT COSTS

GRAND BOULEVARD CORRIDOR
ESTIMATED COSTS
(Revised October 22, 1986)

| Project Area C (FIRST PRIORITY) * | | | | |
|-----------------------------------|-----------|---------------|---------------------|-----------------|
| Cost Items | | Total Cost | Reimbursabl Portion | Owner's Portion |
| Land Cost | | \$ 4,882,005 | \$ - | \$ 4,882,005 |
| Operations Center | 140,000 | | | |
| Construction Cost | \$ 100 | \$ 14,000,000 | \$ - | \$ 14,000,000 |
| Site Work | | \$ 1,000,000 | \$ 250,000 | \$ 750,000 |
| Arch/Eng/Consult (site) | 5% | \$ 50,000 | \$ 12,500 | \$ 37,500 |
| Demolition | | \$ 1,029,685 | \$ 1,029,685 | \$ - |
| Environmental Remediation | | \$ 200,000 | \$ 200,000 | \$ - |
| Utility Relocation | | \$ 200,000 | \$ 200,000 | \$ - |
| Arch/Eng/Consult (general) | 5% | \$ 1,500,000 | \$ 500,000 | \$ 1,000,000 |
| Tenant Finish Office | \$ 15 | \$ 1,650,000 | \$ - | \$ 1,650,000 |
| Tenant Finish Comp | \$ 40 | \$ 800,000 | \$ - | \$ 800,000 |
| Arch/Eng/Consult (finish) | 5% | \$ 40,000 | \$ - | \$ 40,000 |
| Streetscape Improvements | | | | |
| 2,720 LF | \$ 200 | \$ 544,000 | \$ 544,000 | \$ - |
| Arch/Eng/Consult (streets) | 5% | \$ 27,200 | \$ 27,200 | \$ - |
| Structured Parking | | | | |
| 750 Spaces | | | | |
| Owner's Portion | \$ 2,000 | | | \$ 1,500,000 |
| Reimburse Portion | \$ 9,500 | | \$ 7,125,000 | |
| Total per Space | \$ 11,500 | \$ 8,625,000 | | |
| Subtotals | | \$ 34,547,890 | \$ 9,888,385 | \$ 24,659,505 |
| | | 100% | 29% | 71% |
| Time/Interest Factor | | \$ 3,085,113 | \$ 3,085,113 | \$ - |
| Subtotals | | \$ 37,633,002 | \$ 12,973,498 | \$ 24,659,505 |

| Additional Phased Projects ** | | | |
|-------------------------------------|------------|---------------|--------------|
| Grand Boulevard Gateways | | | |
| North | \$ 150,000 | \$ 150,000 | \$ - |
| South | \$ 150,000 | \$ 150,000 | \$ - |
| Arch/Eng/Consult (gateways) | 5% | \$ 15,000 | \$ 15,000 |
| Streetscapes (other than Project C) | | | |
| 26,000 LF | \$ 200 | \$ 5,200,000 | \$ 5,200,000 |
| Arch/Eng/Consult (streets) | 5% | \$ 260,000 | \$ 260,000 |
| 1006 Grand Building (Rehab or Raze) | | | |
| 200,000 SF | \$ 25 | \$ 5,000,000 | \$ 1,250,000 |
| Prof/Nat. Bldgs. (Rehab or Raze) | | | |
| 200,000 SF | \$ 25 | \$ 5,000,000 | \$ 1,250,000 |
| Subtotals | | \$ 15,775,000 | \$ 8,275,000 |

| | | | |
|--------|---------------|---------------|---------------|
| TOTALS | \$ 53,408,002 | \$ 21,248,498 | \$ 32,159,505 |
|--------|---------------|---------------|---------------|

* Reimbursable Project Costs associated with Project C shall be limited to a maximum of \$12,973,498.

** Reimbursable Project Costs associated with the Additional Phased Projects are estimated reimbursable costs.

* In addition, up to 5% of the annual PILOTS and Economic Activity Taxes deposited in the Special Allocation Fund 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 of any other reimbursable costs.

EXHIBIT 7

SOURCES OF FUNDS

PROJECT C: UNITED MISSOURI BANK TECHNOLOGIES AND OPERATION CENTER

| | | |
|----|--|---------------------|
| 1. | Estimated Amount of Reimbursable Costs from PILOTS and Operation and Activity Taxes within Redevelopment Project Areas C and D | \$12,973,498 |
| 2. | Estimated Private Investment and other Sources within proposed Redevelopment Project Areas | <u>\$24,659,505</u> |
| | TOTAL | \$37,633,003 |

ADDITIONAL PHASED PROJECTS

| | | |
|----|--|---------------------|
| 1. | Estimated Amount of Reimbursable Costs from PILOTS and Operation and Activity Taxes within Redevelopment Project Areas C and D | \$8,275,000 |
| 2. | Estimated Private Investment and other Sources within proposed Redevelopment Project Areas | <u>\$7,500,000</u> |
| | TOTAL | \$15,775,000 |

EXHIBIT 8

ESTIMATED ANNUAL INCREASES IN ASSESSED VALUE AND
RESULTING PAYMENTS IN LIEU OF TAXES AND
PROJECTED ECONOMIC ACTIVITY TAXES

[illegible]

| Real Estate Taxes | |
|---------------------|------------|
| RIE Tax @ 3 per SF | \$ 360,000 |
| 1999 Real Estate Ta | \$ 360,000 |
| Base Year Taxes ES | \$ 56,017 |
| Increment | \$ 303,983 |
| Annual Growth | 2% |

NOTE: The foregoing projections are conservative estimates only, and amounts, if any, attributable to net profits and sales taxes are not known at this time.

| Earnings Tax Computation | |
|--------------------------|------------|
| Area of Building | 120,000 |
| Arms per Employee | 200 |
| No. of Employees | 600 |
| Estimated Salary | \$ 20,000 |
| Est Earm Tax Each | \$ 200 |
| Total Est Earm Tax | \$ 120,000 |
| Base Year Amount | 0 |
| Growth Rate | 2% |

| | |
|-------------------------|-----------|
| Utility Tax Computation | |
| Bldg Area | 120,000 |
| Ann Tax per SF | \$ 0.22 |
| Annual Tax | \$ 24,000 |
| Growth Rate | 2% |

| | |
|---------------------------|-----|
| TIF Exp to 2009 | 10% |
| TIF Exp after 2009 | 5% |
| Taxing Jurisdictions | 0% |
| Neighborhood (EAT's only) | 20% |
| UMA | 90% |
| Gateway/Streetcar | 10% |

1010 GRAND AVENUE

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | |
|------------------------------|-------------------|--------------|---------------|--|-----------------|---------------------|----------------------|---------------------------------|--------------|--------------|------------|-------------|-----------|-------------|------------------------|--------------|--------------|---------------|--|
| TOTAL | | | | REAL ESTATE | | | | ECONOMIC ACTIVITY TAX INCREMENT | | | | EAT's | | | | Total PILOTS | | | |
| YEAR | REAL ESTATE TAXES | Less 353 | Total Tax | Less Base | Total Increment | Commission Expenses | Taxing Jurisdictions | Gateways Streetscape | UMB | Earnings Tax | Net Profit | Utility Tax | Sales Tax | Total EAT's | at or Base and Net EAT | Special Fund | Total PILOTS | Total to Date | |
| 1997 | \$ 674,000 | \$ (337,000) | \$ 311,000 | \$ 311,000 | \$ 5,740 | \$ 674 | \$ - | \$ 607 | \$ 5,459 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 6,740 | \$ 6,740 | |
| 1998 | \$ 687,480 | \$ (343,740) | \$ 317,740 | \$ 311,000 | \$ 13,615 | \$ 1,361 | \$ - | \$ 1,228 | \$ 11,028 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 13,615 | \$ 20,355 | |
| 1999 | \$ 701,230 | \$ (360,615) | \$ 324,615 | \$ 311,000 | \$ 20,627 | \$ 2,063 | \$ - | \$ 1,856 | \$ 16,708 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 20,627 | \$ 40,982 | |
| 2000 | \$ 715,254 | \$ (357,827) | \$ 331,627 | \$ 311,000 | \$ 27,780 | \$ 2,663 | \$ - | \$ 2,500 | \$ 22,502 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 27,780 | \$ 65,762 | |
| 2001 | \$ 729,559 | \$ (364,780) | \$ 339,780 | \$ 311,000 | \$ 35,075 | \$ 3,508 | \$ - | \$ 3,157 | \$ 28,471 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 35,075 | \$ 103,837 | |
| 2002 | \$ 744,150 | \$ (372,075) | \$ 346,075 | \$ 311,000 | \$ 42,517 | \$ 4,252 | \$ - | \$ 3,827 | \$ 34,439 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 42,517 | \$ 146,353 | |
| 2003 | \$ 759,633 | \$ (379,517) | \$ 353,517 | \$ 311,000 | \$ 50,107 | \$ 5,011 | \$ - | \$ 4,510 | \$ 40,587 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 50,107 | \$ 196,461 | |
| 2004 | \$ 774,214 | \$ (387,107) | \$ 357,107 | \$ 311,000 | \$ 57,849 | \$ 5,785 | \$ - | \$ 5,206 | \$ 46,858 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 57,849 | \$ 254,310 | |
| 2005 | \$ 789,698 | \$ (394,849) | \$ 358,849 | \$ 311,000 | \$ 65,748 | \$ 6,575 | \$ - | \$ 5,917 | \$ 53,254 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 65,748 | \$ 320,056 | |
| 2006 | \$ 805,492 | \$ (402,746) | \$ 376,746 | \$ 311,000 | \$ 73,801 | \$ 7,380 | \$ - | \$ 6,642 | \$ 59,778 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 73,801 | \$ 393,857 | |
| 2007 | \$ 821,502 | \$ (410,801) | \$ 384,801 | \$ 311,000 | \$ 82,017 | \$ 8,202 | \$ - | \$ 7,382 | \$ 66,434 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 82,017 | \$ 475,874 | |
| 2008 | \$ 836,034 | \$ (419,017) | \$ 393,017 | \$ 311,000 | \$ 90,397 | \$ 9,040 | \$ - | \$ 8,136 | \$ 73,222 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 90,397 | \$ 566,272 | |
| 2009 | \$ 854,795 | \$ (427,397) | \$ 401,397 | \$ 311,000 | \$ 98,945 | \$ 9,895 | \$ - | \$ 8,905 | \$ 80,146 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 98,945 | \$ 665,217 | |
| 2010 | \$ 871,891 | \$ (435,946) | \$ 409,945 | \$ 311,000 | \$ 107,664 | \$ 10,766 | \$ - | \$ 9,590 | \$ 87,208 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 107,664 | \$ 772,882 | |
| 2011 | \$ 889,329 | \$ (444,654) | \$ 418,664 | \$ 311,000 | \$ 116,115 | \$ 11,611 | \$ - | \$ 10,161 | \$ 94,449 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 116,115 | \$ 889,000 | |
| 2012 | \$ 907,115 | \$ - | \$ 881,415 | \$ 311,000 | \$ 125,258 | \$ 12,526 | \$ - | \$ 10,766 | \$ 102,950 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 125,258 | \$ 1,014,258 | |
| 2013 | \$ 925,258 | \$ - | \$ 899,258 | \$ 311,000 | \$ 134,615 | \$ 13,461 | \$ - | \$ 11,228 | \$ 111,028 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 134,615 | \$ 1,148,873 | |
| 2014 | \$ 943,763 | \$ - | \$ 917,763 | \$ 311,000 | \$ 143,981 | \$ 14,398 | \$ - | \$ 11,856 | \$ 119,708 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 143,981 | \$ 1,292,854 | |
| 2015 | \$ 962,638 | \$ - | \$ 936,638 | \$ 311,000 | \$ 153,326 | \$ 15,326 | \$ - | \$ 12,500 | \$ 128,471 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 153,326 | \$ 1,446,180 | |
| 2016 | \$ 981,891 | \$ - | \$ 955,891 | \$ 311,000 | \$ 162,664 | \$ 16,266 | \$ - | \$ 13,157 | \$ 137,439 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 162,664 | \$ 1,608,844 | |
| 2017 | \$ 1,001,529 | \$ - | \$ 975,529 | \$ 311,000 | \$ 171,990 | \$ 17,199 | \$ - | \$ 13,827 | \$ 146,858 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 171,990 | \$ 1,780,834 | |
| 2018 | \$ 1,021,559 | \$ - | \$ 995,559 | \$ 311,000 | \$ 181,304 | \$ 18,130 | \$ - | \$ 14,510 | \$ 156,461 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 181,304 | \$ 1,962,138 | |
| 2019 | \$ 1,041,990 | \$ - | \$ 1,015,990 | \$ 311,000 | \$ 190,615 | \$ 19,061 | \$ - | \$ 15,206 | \$ 166,254 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 190,615 | \$ 2,152,753 | |
| TOTALS | | | \$ 13,015,624 | | \$ 331,775 | \$ 33,177 | \$ - | \$ 553,085 | \$ 4,977,764 | | | | | | | | \$ 5,862,624 | | |
| PRESENT VALUE RATE USED 9.0% | | | | PRESENT VALUE COMPUTATION \$ 4,252,068 | | | | 9.0% | | | | 9.0% | | | | 9.0% | | | |
| | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | |

EXHIBIT 2

EVIDENCE OF "BUT FOR"

GAP ANALYSIS WORKSHEET
UMB TECHNOLOGY AND OPERATIONS CENTER

| TECHNOLOGY AND OPERATIONS CENTER | |
|--|----------------|
| Total Rentable Area | 140,000 |
| Total Project Cost (less Gateways and Parking) | \$25,087,925 |
| Project Cost per SF | \$179 |
| Financing Constant | 10.07% |
| Base Rent per SF | \$18.05 |
| Plus Operating Expenses | \$6.50 |
| Total Rent Needed | \$24.55 |
| Market Rent Full Service | \$19.35 |
| Gap | \$(5.20) |
| Gap per Year | \$(727,443) |
| Gap Over 23 Years | \$(16,731,199) |

| PARKING ANALYSIS PER SPACE | |
|--|----------------|
| Total Number of Spaces | 950 |
| Cost per Space | \$11,500 |
| Financing Constant | 10.07% |
| Base Rent per Space (Annual) | \$1,158 |
| Base Rent per Space (Monthly) | \$97 |
| Plus Operating Costs per Space per Month | \$20 |
| Total Rent per Space per Month | \$117 |
| Market Rent per Space per Month | \$75 |
| Gap | \$(42) |
| Gap per Year | \$(498) |
| Gap for All Spaces (Annual) | \$1473,186 |
| Gap Over 23 Years | \$(10,883,288) |

| FINANCING DETAIL | |
|--|---------------|
| Loan Principal | \$36,012,925 |
| Annual Interest Rate | 9% |
| Maturity Period Years | 15 |
| Amortization Period Years | 25 |
| Annual Principal and Interest | \$(3,626,630) |
| Annual Loan Constant | 10.07% |
| Monthly Principal and Interest Payment | \$(302,219) |
| Monthly Constant | 0.84% |

GRAND BOULEVARD TIF DISTRICT
"BUT FOR" ANALYSIS
 Revised October 22, 1996

| PROJECT AREA C (FIRST PRIORITY) | | DOWNTOWN KANSAS CITY | SUBURBAN KANSAS |
|--------------------------------------|-----------|-------------------------|--------------------|
| ADD PROJECT COSTS | | | |
| Land Cost | | \$ 4,882,005 | \$ 1,742,400 |
| Operations Center | 140,000 | | |
| Construction Cost | \$ 100 | \$ 14,000,000 | \$ 14,000,000 |
| Site Work/Infrastructure | | \$ 1,000,000 | \$ - |
| Arch/Eng/Consult (site) | 5% | \$ 50,000 | \$ - |
| Demolition | | \$ 1,029,685 | \$ - |
| Environmental Remediation | | \$ 200,000 | \$ - |
| Utility Relocation | | \$ 200,000 | \$ - |
| Arch/Eng/Consult (general) | 5% | \$ 1,500,000 | \$ 1,500,000 |
| Tenant Finish Office | \$ 15 | \$ 1,650,000 | \$ 1,650,000 |
| Tenant Finish Comp | \$ 40 | \$ 800,000 | \$ 800,000 |
| Arch/Eng/Consult (finish) | 5% | \$ 40,000 | \$ 40,000 |
| Streetscape Improvements | | | |
| 2,720 LF | \$ 200 | \$ 544,000 | \$ - |
| Arch/Eng/Consult (streets) | 5% | \$ 27,200 | \$ - |
| Structured Parking | | | \$ - |
| 750 Spaces | | | \$ - |
| Owner's Portion | \$ 2,000 | | \$ - |
| Reimburse Portion | \$ 9,500 | | \$ - |
| Total per Space | \$ 11,500 | \$ 8,625,000 | \$ - |
| Asphalt Surface Cost per Space (500) | \$ 500 | \$ - | \$ 250,000 |
| Subtotals | | \$ 34,547,890 | \$ 19,982,400 |
| SUBTRACT ECONOMIC INCENTIVES | | | |
| Kansas City TIF (Present Value) | | \$ (4,200,000) | |
| Kansas Jobs Tax Credit | | | \$ (1,098,000) |
| Kansas Investment Tax Credit | | | \$ (1,998,240) |
| NET COMPARATIVE PROJECT COSTS | | \$ 30,347,890 | \$ 18,886,160 |

DOWNTOWN KANSAS CITY "PREMIUM" \$ 13,461,730

| | |
|---------------------------|--------------|
| Suburban Land Cost | |
| Area Acres | 8 |
| Area SF | 348,480 |
| Cost per SF | \$ 5.00 |
| Total Land Cost | \$ 1,742,400 |

| | |
|-------------------------------------|--------------|
| UMB Downtown Land Cost/Value | |
| Pack | 18,184 |
| Stanley | 4,240 |
| Lathrop | 11,078 |
| Stanley | 28,462 |
| Hanicke | 12,831 |
| Barker | 6,618 |
| Zwillen | 5,741 |
| 109 E 10 | 38,448 |
| UMB Mtg | 4,000 |
| UMB Prk | 19,285 |
| Total Area | 148,887 |
| Cost per SF | \$ 32.79 |
| Total Cost | \$ 4,882,005 |

| | |
|------------------------------|---------------|
| Kansas Tax Incentives | |
| New Jobs Credit | |
| New Kansas Jobs | 732 |
| Credit Each Job | \$ 1,500 |
| Total Credit | \$ 1,098,000 |
| Investment Tax Credit | |
| Amount of Credit | 10% |
| Investment | \$ 19,982,400 |
| Total Credit | \$ 1,998,240 |

EXHIBIT 10

PROPERTY ACQUISITION AND DISPOSITION

No acquisition of property is requested.

EXHIBIT 11

SUMMARY OF DEVELOPER'S PROPOSAL

As submitted on 9/25/96, including supplemental information
and as revised on 10/22/96

***PROPOSAL BY UMB FINANCIAL
CORPORATION***

IN RESPONSE TO

***NOTICE OF REQUEST FOR PROPOSALS
FOR IMPLEMENTATION OF
THE PROPOSED GRAND BOULEVARD
CORRIDOR
TAX INCREMENT FINANCING PLAN***

**TAX INCREMENT FINANCING COMMISSION
OF KANSAS CITY, MISSOURI**

SEPTEMBER 25, 1996



September 25, 1996

Tax Increment Financing Commission
of Kansas City, Missouri
c/o Mr. John Crawford
10 Petticoat Lane, Suite 250
Kansas City, MO 64106

Re: Grand Boulevard Corridor Redevelopment Area

Gentlemen:

This proposal (hereinafter the "Proposal") is hereby submitted by UMB Financial Corporation, a Missouri corporation (hereinafter "Corporation"), in response to the Request for Proposals (hereinafter "RFP") that was published in the Kansas City Star with respect to redevelopment of the above Area. The RFP invited proposals for redevelopment of parcels located within an area having boundaries of Sixth Street on the north, Oak Street on the east, Truman Road on the south, and Walnut Street on the west, such redevelopment to be in accordance with a redevelopment plan (the "Plan") that you have prepared for the redevelopment area (hereinafter the "Redevelopment Area"). A more complete description of the Redevelopment Area is set forth in Item 2 of the enclosed "Developers Kit," a map and description of such Redevelopment Area being attached to such Developers Kit as Exhibit A and Appendix I, respectively.

In response to the RFP, the Corporation hereby submits this proposal, which includes the attached Developers Kit and all exhibits and attachments thereto, (all of the foregoing being incorporated by reference as a part of this proposal) as its proposal that it, or a subsidiary designated by it, be selected as the "Developer" to undertake the Plan. It is anticipated that the development of the Operations and Technology Center/structured parking facility described herein as Project C would be commenced promptly. All other Projects and development are contingent upon market conditions and other circumstances, and Applicant makes no binding commitment or agreement as to them. This proposal will implement the Plan in a number of ways. It will replace existing obsolete, blighted and dangerous buildings with an operations and technology center/parking facility that will not only spur economic activity and redevelopment in the Redevelopment Area, but also link existing improvements to the newly developed Civic Mall. It also contemplates the development of gateways of the type contemplated by the 1987 Grand/Main Corridor Study prepared for the City of Kansas City, Missouri by Howard, Needles, Tannen & Bergdoff. Moreover, it will

1010 Grand Avenue
P.O. Box 419226
Kansas City, Missouri
64141-6226
(816) 860-7000



provide an important funding source for the development of streetscapes and facade improvements and the preservation of historic structures. Such development is not economically feasible, but for the Plan. This proposal is fully consistent with the Plan and the objectives of the Redevelopment Area generally. The Corporation and its banking and other subsidiaries have been long-term owners and supporters of the Central Business District, and this proposal will enable them to further their commitment to that area.

Enclosed is our check for \$2,500 (\$500 for the Developers Kit, and \$2,000 for the submission fee). We respectfully urge the TIF Commission to approve and forward our proposal to the City Council of the City of Kansas City, Missouri.

Very Truly Yours,

UMB Financial Corporation

By:


Alexander C. Kemper
President

**DEVELOPER APPLICATION
PACKAGE**

**GRAND BOULEVARD CORRIDOR
TAX INCREMENT FINANCING DISTRICT**

September 25, 1996

SUBMITTED AND PREPARED BY:

UMB Financial Corporation

DEVELOPER APPLICATION PACKAGE

I. APPLICANT INFORMATION.

- A. Applicant Name: UMB Financial Corporation
- B. Contact Person: Alexander Kemper
- C. Business Address: 1010 Grand Boulevard
Kansas City, Missouri 64106
- D. Business Telephone: 816-860-7000
- E. Facsimile Number: 816-860-7143
- F. Authorized Representative: Alexander Kemper
- G. Address: 1010 Grand Boulevard
Kansas City, Missouri 64106
- H. Business Telephone: 816-860-7000
- I. Facsimile Number: 816-860-7143
- J. General Contractor: To be later determined.
- K. Other Developments: UMB Financial Corporation and its affiliates have developed and built many banking and related facilities throughout Kansas, Missouri and Colorado, including the headquarters building at 1010 Grand.

II. LOCATION OF REDEVELOPMENT AREA.

- A. General Boundaries: Beginning on Grand Boulevard at the south freeway loop and extending from Walnut to McGee to Fourteenth Street; then continuing as a streetscape along Grand Boulevard to Twelfth Street with streetscape extensions to Walnut and Oak Streets; then continuing as a streetscape along Grand Boulevard to Eleventh Street; then extending west to Walnut and north to Tenth Street, and extending east to Oak, but also picking up the Professional Building and the National Garage on the south side of Eleventh Street; then continuing as a streetscape along Grand Boulevard to the Ozark Building at the southwest corner of Grand and Ninth Street with streetscape extensions along Ninth Street from Walnut to Oak; then continuing north as a streetscape again along Grand Boulevard to Eighth Street and extending north to Sixth Street, east to McGee and west to Walnut and including also the west side of Walnut between Sixth and Seventh Streets. Also including streetscape extensions along Eighth and Twelfth Streets from Walnut to Oak.
- B. The Redevelopment Area map originally submitted as Exhibit A to the Application did not include streetscapes along McGee between Ninth

Street and Tenth Street and such streetscapes are currently within the Civic Mall Plan. If the streetscapes cannot be accomplished through the Civic Mall Plan, Applicant wishes it to be addressed in its Plan.

- C. County: Jackson
- D. Council District: Second

III. DESCRIPTIVE SUMMARY OF PLAN AND PROJECTS.

- A. The key element of this proposal is the construction in downtown Kansas City of a new 140,000 SF data operations facility for UMB Bank, N.A. together with a 950 space structured parking facility. The primary project site is the two block area east of Grand Boulevard between Tenth and Eleventh Streets and is identified as Project Area C on the map attached as Exhibit A.. The proposal will be implemented by Applicant or by a subsidiary of Applicant such as UMB Bank, N.A. (the "Bank").
- B. The new development would enhance and reinforce the city's new Civic Mall investment by removing blight between Grand and Oak. The project would provide a significant architectural linkage between the new Civic Mall and Grand Boulevard and the Bank's headquarters facility at 1010 Grand.
- C. The proposal contemplates the construction of significant architecturally designed and landscaped gateways to central downtown at Fifteenth and Sixth Streets on Grand Boulevard which would be finished as sites are acquired and as TIF funds become available. Such gateways would utilize a combination of elements such as open space, streetscapes, special signage, paving, structures and plantings, and would provide a 'doorway' to the CBD from the City market on the north and the crossroads area on the south. They would provide a transition to each such area, and would create pedestrian and vehicular linkage along Grand between the two areas. Gateway structures in much those same locations were recommended by the 1987 Grand/Main Corridor Study prepared for the city of Kansas City, Missouri, by Howard, Needles, Tammen & Bergendoff (the "Grand/Main Study")

The Grand/Main Study also recommended the extensive use of streetscapes along Grand Boulevard between Fifteenth Street and Sixth Street. The proposal not only contemplates such developments, but also provides a means of funding them, through its Neighborhood Improvement component. Also consistent with the principles of the Grand/Main Study, significant added parking is contemplated in multi-level structures located off of the Main/Grand corridor, and a funding mechanism is provided to enable the replacement of surface parking

along that corridor with adjacent multi-level parking facilities that are more architecturally consistent with existing and planned structures.

D. Neighborhood Improvement Advisory Board

The applicant proposes to allocate a portion of the captured incremental tax revenues to a Neighborhood Improvement fund which would provide for the ongoing redevelopment and revitalization of properties within the tax increment financing district. The applicant proposes that approximately 20% of the EATs generated within the district shall be allocated to assist in funding neighborhood property improvements, including facade improvements, streetscape improvements and parking facilities.

The Commission would appoint a Neighborhood Cooperative Improvements Advisory Board to advise the Commission regarding proposals for such improvements within the Grand Boulevard Corridor Tax Increment Financing District. The Advisory Board would be a representative board with several members, for example, one member from the TIF Commission, one member from the City Council, one member from Historic Kansas City Foundation, one member from the Landmarks Commission, and three property owners from the District.

The Advisory Board would invite proposals for projects that would benefit the District, by providing for facade improvements, streetscape improvements and parking. Due consideration would be given to the contributions made by the proposed projects to the restoration of historically significant properties, the enhancement of streetscape improvements, compliance with historic guidelines, and projects which complement adjacent properties, parking, and commercial support services. Compliance with affirmative action policies of the Tax Increment Financing Commission will also be required.

After review and evaluation of the proposals, the Board would make recommendations to the Commission for the disbursement of funds for approved projects. Disbursements from the fund would be made on the basis of matching grants for amounts spent by property owners. Although improvements to building interiors would not be eligible for reimbursement, the costs of such improvements could be counted toward the required investment for matching grants. Grants from the Neighborhood Improvements fund would be made only after private investments were applied to the project.

- E. Applicant is aware of ongoing discussions regarding the feasibility of establishing light rail service from the City Market area to points south. Although there are currently no definite plans or timetables for such facilities, Applicant intends to closely monitor any future developments, in

order to avoid potential conflicts. One of the more frequently mentioned candidates to serve as a route for light rail in the Central Business District has been Grand Boulevard. Applicant believes that its proposal would not interfere with any such future use, and Applicant would attempt to take any such possible future use into account before proposing any streetscape improvements to Grand Boulevard.

- F. Included within the Area boundaries is a group of properties on both the north and the south end of Grand. The properties on the south (two blocks, bordered by Walnut, McGee, 14th St., and Truman Road) are owned almost exclusively by the Applicant or its affiliates. Other than the Bank's garden bank drive up facility and a small two-story building, the properties are undeveloped and used solely for surface parking. The properties on the north end (basically five blocks, bordered roughly by 6th St., McGee, 8th St., and Walnut, and a portion of a block west of Walnut) are owned by a number of individuals and entities. Applicant's affiliates own several of such parcels that are used for employee parking. A significant portion of the parcels owned by others are currently used for surface parking, and few buildings remain. Several of the buildings are partially or wholly unoccupied.

Inclusion of both of the above areas in the District will provide the owners an opportunity to improve and beautify their properties through future funding that may become available through the Neighborhood Improvement component of the Plan. These areas are natural locations for gateways to the District, the development of which is consistent with the Grand/Main Study. Inclusion would provide a means of funding short-term beautification of the numerous surface parking operations in the areas (particularly in the north end where holdings are more fractionalized), as well as providing potential funds for future demolition of blighted structures and the development of higher level parking facilities or other uses. No rights of eminent domain are currently being sought with respect to either of the areas, and inclusion can only help current owners to maintain and improve their properties.

IV. PROJECT DESCRIPTION.

- A. Project Area Boundary Map. A boundary map of the district is attached as Exhibit A. Exhibit A also shows the boundaries of the proposed Project Areas.
- B. Project Area Legal Description. The legal descriptions of the properties included within the district and the project areas are shown in Exhibit B.
- C. Current Land Use and Zoning. The current zoning of the properties within the district is shown in Exhibit B.

- D. Proposed Land Use and Zoning. The proposed zoning of the properties within the district is described on Exhibit C.
- E. Off Site Public Improvements. Off site improvements to be made within the district may include the following: streetscape improvements and landscaping, facade improvements, utility relocations, and improvements through the Neighborhood Improvement fund.
- F. Development Schedule. Significant portions of the property within the entire district are already owned or controlled by the applicant. Current ownership of nonowned properties is shown in Exhibit B. Significant portions of Project Area C, the site for the proposed operations center and parking, are already owned or controlled by the Applicant. The Applicant plans to own or control the land within Project Area C by the first quarter, 1997, so that construction of the operations center and parking facility can begin in the second quarter, 1997. Future development of other Project Areas will be contingent upon market conditions.
- G. Historical Properties and Districts. There are no national or locally listed properties within the proposed district.
- H. Design Plans. A preliminary site plan of Project C is attached as Exhibit D. A preliminary elevation of the proposed operations center is attached as Exhibit E. These exhibits are preliminary and are subject to change. Applicant is currently considering a design alternative that would involve the closing of the northern one-half of McGee Street between Tenth Street and Eleventh Street. The southern one half of such Street would remain open to provide public access to the public parking and dock facilities located within Project C. This alternative would greatly improve the efficiency of the proposed structure. Any final decision on their alternative will require additional discussions with adjacent landowners, public officials and others.
- I. Currently, the proposed redevelopment area contains many properties which are vacant, under utilized, unclean, unsanitary, unsafe, uneconomical and undeveloped. Ownerships are relatively small, and the predominant land use within the area is surface parking. Many of the doorways and many of the surface parking areas are littered with trash and debris. Liquor stores in the area are frequently sidewalk locations for loitering at all hours. The Professional Building remains vacant and under citation by the city as a dangerous building.

The small platted lots and multiple ownerships do not permit the utilization of land areas for the development of office or commercial uses which require larger, more efficient floor plates. All of the buildings are old with relatively small floor plates which fail to meet current building code requirements. Modern office and commercial usage requires floor plates

which span the alleyways which currently bisect the subdivided and platted blocks within the redevelopment area. Parking currently within the proposed redevelopment area is not adequate to support redevelopment, and structured parking is an essential component of any new construction or redevelopment.

As a result of the foregoing conditions, development in the proposed redevelopment area has stagnated, and no recent development has occurred at all. The only activity has been demolition, and demolition has given way only to surface parking lots. Properties within the area have been the subject of foreclosure. The area is included within existing downtown urban renewal areas.

The area is adjacent to the new Civic Mall area proposed by the city, and redevelopment of the kind proposed in the redevelopment area would enhance the city's investment in this public area. Redevelopment would link the current centers of the city along Main and Walnut Streets to the proposed Civic Mall at Oak Street.

Without redevelopment, the area in its current condition is a liability to the city, and specifically a liability which erodes the new public investment in the Civic Mall area. Furthermore, many locations within the area are a menace to the health, safety and well being of the city, its residents and workers. Included within this proposal as Appendix II are several photographs which illustrate the current condition of properties within the proposed redevelopment area.

A professional study describing the blighted conditions within the proposed redevelopment area has been engaged and will be available to the Commission and its staff.

Economic development incentives available through tax increment financing are essential in order to offset the additional costs required to develop a project site on the east side of the downtown core. Additional costs include the added expenses of assembling a project site from multiple ownerships, the additional costs attributable to increased land values, the costs necessary to demolish vacant and obsolete buildings, the need for environmental remediation, the required vacation of alleyways and necessary utility relocations. When such additional costs are added to the ordinary costs of development and construction, locating the new Technology and Operations Center on the east side of downtown without the support of tax increment financing is simply not economically viable, when compared to the cost of building the center on undeveloped suburban land.

Building the operations center on the east side of the central business district requires the construction of a structured parking facility. A parking

garage is an essential component of the infrastructure required for the project. Approximately 520 parking spaces will be required to accommodate the employees occupying the new Technology and Operations Center. An additional 400 parking spaces will be needed to replace the loss of the surface parking currently on the proposed project site. When compared with the estimated cost of \$2,000 per space for parking in a suburban location, the estimated downtown cost per space of \$10,000 to \$12,000 clearly demonstrates the need for tax increment financing support for a project such as the Technology and Operations Center.

Excluding the cost of land, the cost of building a downtown parking space in a structured parking facility will result in a monthly cost per space in the range of \$125. This far exceeds the estimated market value of such a space which is currently in the range of \$75. Therefore, the support of tax increment financing is essential to the construction of the parking infrastructure necessary to support the operation of the Technology and Operations Center. When the value of the land, at an estimated cost of \$30 to \$35 per square foot, is added to the cost of construction, the gap between the cost necessary to construct parking and the parking rates which the market will support becomes even greater.

Moreover, the added costs of land assembly, demolition, environmental remediation, right of way vacation and utility relocation associated with the proposed downtown site, when compared with the relatively modest for development costs of a suburban location, results in an additional economic gap which must be closed with the economic development support provided by tax increment financing. When comparing the cost of building the operations center downtown with the cost of building in a suburban location, not only must the naturally lower costs of suburban development be considered, but suburban governments are now giving economic development incentives in order to attract business, thus making the availability of tax increment financing in downtown Kansas City even more essential.

Clearly, "but for" the assistance which has been requested in the form of tax increment financing, the aggregate added costs associated with downtown development construction in a blighted area such as the project site will cause the project to be non-competitive with sites in suburban locations where development costs are lower, and will prevent anyone from realizing a reasonable return on the investment required to attract development at the site. As long as such conditions exist, the site will not be redeveloped, and the current blight and decay will only continue and accelerate.

The estimated PILOTs and EATs that may become available for reimbursement of these added costs will not fully cover such costs; such

reimbursements will, however, offer the bank a reasonable expectation to recover a portion of such costs and may thus provide the minimum economic incentive to encourage the immediate development of the site.

A substantial gap separates the costs necessary to develop the project from the revenues which exist in the marketplace. Without the support of tax increment financing the project could not be undertaken. The revenues captured within the proposed tax increment financing district will close the gap only if Project Area D, the current Bank headquarters facility, is included.

How much?
The headquarters facility was developed ten years ago in a redevelopment area under Chapter 353 RSMo. The increased real estate taxes resulting from the expiration of the first leg of the original tax abatement period, ending December 31, 1996, will be essential to the proposed tax increment financing project and the development of the Technology and Operations Center, known as Project Area C. The incremental taxes, captured in the tax increment financing district, will be instrumental in closing the gap.

The original abatement program was essential for the initial development of the headquarters facility, and as a result the Bank built the new facility and expanded its activities in the downtown area. The Bank has been able to expand its operations into smaller, nearby buildings, but without the ability to capture increased revenues from the tax increment financing district, further growth on a scale which will materially improve the downtown area and on a scale necessary to accommodate the Bank's growing operations will not be possible.

The original abatement program was successful. It led to the construction of a modern headquarters facility and kept workers and payrolls downtown. Now that success can become the foundation for additional growth and the continued downtown retention of workers and payrolls.

The headquarters facility will provide revenue support for the new Project Area D, but the new project, must be evaluated completely separate and apart from the headquarter's abatement status. The new project solves problems as they currently exist, and the new project should be judged solely on the basis of its success in solving the blight which currently exists in the area adjacent to the new Civic Mall and in keeping a substantial number of employees downtown. In order to support the new project, a sufficient revenue base is needed. The fact that a portion of that revenue will come from the incremental taxation that will be immediately generated by Project D is both fortuitous and fortunate. In the absence of such income, revenues would not be sufficient to support

the new Technology and Operations Center, and the area adjacent to the Civic Mall would remain blighted and undeveloped. The critical goal is to create sufficient revenue to support the new project and the proposed redevelopment.

V. PROJECT BUDGET.

- A. Development Pro Forma. An estimate of the project costs is attached as Exhibit F.
- B. Ten Year Operating Pro Forma. The operations center and the parking facility will be "owner occupied" therefore an operation pro forma is not possible; however, an estimate of operating expenses is attached as Exhibit G.
- C. Equity Contribution. Project costs for the operations center and the parking facility (Project C) are shown on Exhibit F. Such costs would be funded by Applicant out of its existing capital resources or by possible unsecured borrowings. Whether borrowings are to be used, may depend upon the financing markets and opportunities at the time of the investment.
- D. Private Financing. Any portion of the project costs for the operations center and the parking facility that may be financed, would be at market rates, and would not be secured by the Project. The source and terms of any private financing have not yet been determined and would depend upon the financing markets and the opportunities available at the time. In the event suitable financing terms are not available, the Bank would be able to finance the entire cost of construction from its own resources.
- E. Name of the Lender. Not Available. See previous comments.
- F. Loan Application. Not Available. See previous comments.
- G. Evidence of Commitments to Finance. Not Available. See previous comments.
- H. Itemized Sources and Uses of Public Assistance. The bank is seeking only tax increment financing, which would be utilized in accordance with the estimate set forth on Exhibit F.

VI. CONSTRUCTION TOTALS BY PROJECT AREA.

- A. See Exhibit F attached hereto.

VII. EMPLOYMENT INFORMATION.

- A. New. The operations center will provide a facility suitable to sustain future growth of UMB operations in downtown.
- B. Retained. If the operations center is built downtown, a total of 732 employees will remain downtown with an anticipated annual payroll of over \$19,000,000.
- C. Construction. The construction of the operations center and the parking facility will likely result, on average, in an additional 55 to 60 full time construction jobs.

VIII. ECONOMIC IMPACT.

- A. Real Estate Taxes. See Exhibit H attached hereto. Currently, UMB owned or controlled properties within the proposed district pay real estate taxes totaling \$163,260.
- B. Economic Activity Taxes. See Exhibit H attached hereto. Currently, UMB employees which would be included in the operations center pay earnings taxes to the City of Kansas City, Missouri in the approximate amount of \$197,875.

IX. CONTROL OF PROPERTY.

Currently Owned Property. Applicant or its subsidiaries currently owns or controls a significant amount of the property included within the district. The currently owned parcels and the approximate date of acquisition are shown in Exhibit B attached hereto. None of the property owned or to be acquired by Applicant is or will be subject to a mortgage. At the completion of the project, the land would be held by Applicant or one of its subsidiaries.

- X. Land Acquisition. Exhibit B also indicates the parcels which are not yet owned or controlled. Every effort will be made to acquire needed properties through negotiation; however, to the extent such properties cannot be acquired through negotiation, the applicant requests the right to acquire such properties through the use of eminent domain, in which case, certain acquisition costs and relocation expenses for the commercial properties may be sought as additional reimbursable costs and expenses.

- XI. TAX ABATEMENT. No additional tax abatement is being requested in connection with the plan.

- XII. EVIDENCE OF COMPLIANCE WITH AFFIRMATIVE ACTION POLICY. Applicant will ~~exercise its good faith efforts to accomplish~~ ^{comply with} the affirmative action goals of the Commission as articulated in Resolution 92-70 dated December 15, 1992, and Resolution 93-70 dated December 8, 1993.

SUPPLEMENTAL INFORMATION

TO

*Why does this
need to be done
by Jan 1?*

PROPOSAL BY UMB FINANCIAL CORPORATION IN RESPONSE TO NOTICE OF REQUEST FOR PROPOSALS FOR IMPLEMENTATION OF THE PROPOSED GRAND BOULEVARD CORRIDOR TAX INCREMENT FINANCING PLAN

The following is provided as a clarification and supplement to the above Proposal:

1. Pro Forma Analysis. Attached as Exhibit 1 is a pro forma analysis reflecting the gap that must be covered by tax increment financing revenues in order for the Project to be economically feasible and attract private sector investment.
2. Employment. As a supplement to the data provided in Item VII of the Developer Application Package included within the Proposal, Applicant submits the chart set forth on Exhibit 2 attached hereto.
3. Description of Plan - Structured Parking. The number of structured parking spaces to be constructed as a part of Project C is based upon Applicant's best current estimate of the parking requirements of Applicant's employees, future employment growth, the availability of other parking facilities, and the need for additional public parking spaces. As final programming of the new facility is completed, the number of parking spaces to be included may change. Applicant currently expects that such final number will be in the range of 750 to 950. The latter number was used for purposes of the financial and economic analysis set forth in the Proposal, and in the revised Costs Estimate that is Exhibit F to the Proposal (a copy of which is attached hereto as Exhibit 3).
4. Description of Plan - Technology/Operations Center. Similarly, the size of the Technology/Operations Center is based on Applicant's best current estimates of its current space requirements, projected growth, an ongoing analysis of equipment and personnel placement and proximities, and development of final architectural plans. Applicant currently expects the final number to be between 120,000 and 140,000 square feet. The latter number was used for purposes of the financial and economic analysis set forth in the Proposal, and in the revised Costs Estimate that is Exhibit F to the Proposal.
5. Streetscape Improvements. As clarification, Applicant states that the 2,700 feet of streetscape improvements listed in Exhibit F relates to the streets adjacent to the two block area east of Grand Boulevard on which the new proposed Technology and Operation Center would be located. Such improvements will be made at the same time that such facility is constructed. Although similar streetscape improvements are contemplated for other streets located within the proposed District, it is expected that the lead in initiating such improvements (other than those adjacent to the gateway projects discussed in the following paragraph) would be taken by the City and the

owners of the respective properties . All streetscape improvements , including without limitation those relating to streets adjacent to Project C, would be funded from the PILOTS and EATs that flow into the Special Allocation Fund.

6. Gateway Improvements. As clarification and supplemental information to section III C of the Proposal, Applicant states that it expects to take the lead in the planning and implementation of the gateway structure to be placed at the south end of the District at Grand Boulevard and Truman Road. In contrast, however, Applicant expects that the lead in planning and implementing the gateway structure to be implemented at the north end of the District at Sixth Street and Grand, would be taken by the City and by the owners of the adjacent property. Both of the gateways would be funded from revenues from the Special Allocation Fund. A portion of the initial revenues in the Special Allocation Fund should be earmarked for gateway improvements, so that Applicant can receive some of its Reimbursable expenses listed on Exhibit F at the same time that the gateway improvements are being undertaken.
7. Conceptual Rendering of Gateways. The proposed rendering to be included in the Proposal as Appendix III reflecting how the gateways might be implemented, is attached.
8. Eminent Domain. Only Projects C and G are to be activated at this time. In clarification , Applicant states that the only properties as to which it currently seeks to be given a contingent right of eminent domain are the parcels located within Project Site C (except for that parcel on which the Eleven Oak Tower building is located (such parcel not being acquired in connection with Project C at this time)). Applicant agrees to exercise every effort to acquire the required parcels through negotiation, but in the event such efforts fail, it desires to have the powers to condemn such parcels in order to implement Project C. Associated relocation costs would be added to the Reimbursable costs shown on Exhibit F.

*Dev. does not
receive Planning
Eminent Domain*



UMB
Financial
Corporation

Dennis R. Riling
Executive Vice President
and General Counsel

October 22, 1996

John Crawford
Director of Planning and Redevelopment
Economic Development Corporation
Suite 250
10 Petticoat Lane
Kansas City, MO 64105

Re: Grand Boulevard Corridor Tax Increment Financing Plan

Dear John:

At the conclusion of our October 9, 1996 Hearing, a number of issues were identified for further discussion. Foremost among them was the question of how the Taxing Districts might receive some portion of the PILOTS generated by 1010 Grand building. As you recall, we had meetings and discussions with you and with representatives of the Taxing Districts, and the Bank ultimately developed a revenue sharing proposal.

Subsequently, however, it was determined by the Jackson County Assessor's Office that January 1, 1996 (the assessment date for the 1010 Grand building) rather than December 31, 1996 (the tax payment date for such building) was the critical date for determining the available tax increment. Although we all had grave concerns that the loss of such revenues would kill the deal, you suggested that we try to further revise the proposal to include an interest factor that would at least partially compensate us for the significant reduction in the present value that we will now receive as a result of reimbursement being pushed to the very end of the 23 year period.

In response we have prepared a further revision proposal, and enclosed several documents that describe it. As you can see, although the revised proposal includes a \$3 M interest component, the actual present value of all reimbursement is no greater than the present value that UMB would have received under the tax-sharing proposal we discussed with you shortly after the October 9 Hearing. Moreover it is substantially less than the present value that UMB would have received in its original proposal presented at the October 9 Hearing.

The first enclosure is a summary listing of the key elements of the revised proposal. The second enclosure compares the present value of reimbursement in the revised

1010 Grand Boulevard
P.O. Box 419226
Kansas City, Missouri
64141-6226
(816) 860-3855






plan, against the value that would have been received under our revenue sharing plan. As you can see, we can proceed with the project only with the addition of the added interest component.

Also enclosed is the additional "BUT-FOR" analysis that was requested at the hearing. It reflects the changes that have been made in the revised proposal, and is set forth in a format similar to that used in the Unitog plan. Finally, we attached a revised schedule of estimated costs that reflects a reduction in the size of the parking structure (from 950 spaces to 750 spaces). The latter change was made as a result of further analysis of parking requirements of UMB employees, and continues to replace on a space-for-space basis, all of the surface parking currently located on the project site. It also reflects, as we have discussed, an estimate of costs that might be incurred in a redevelopment of additional sites such as the Professional building or 1006 Grand, in subsequent phases of the plan.

You will note that the revised plan provides that the Taxing Districts' receive the initial Chapter 353 increment, and that an allocation to the Neighborhood Improvement Program and the Streetscape Program are the same percentages as were presented on October 9. The remaining revenues are dedicated to UMB's reimbursable expenses over the entire life of the plan.

We look forward to discussing all of these matters in greater detail at the October 23 Continuance.

Sincerely,


Dennis R. Rilling
Executive Vice President
and General Counsel

DRR/ce

Enclosures

SUMMARY
of
REVISED PROPOSAL

October 22, 1996

Taxing Districts receive annual \$311,000 increment from the 353 abatement, commencing immediately

Linkage Streetscapes/Gateways continue to get 10%

Neighborhood Improvement Program continues to get 20% EATS

UMB Reimbursable reduced because of adjustment to parking, and increased to include a \$3M interest component

UMB does not receive final reimbursement until 23 years

Present value of UMB Reimbursable: \$4,165,420

UMB GRAND BLVD. CORRIDOR TIF PROPOSAL

BENEFITS AND REQUIRMENTS

Revised Proposal
October 23, 1996

Benefits:

1. NEW TECHNOLOGY/OPERATIONS CENTER
2. 730 EMPLOYEES RETAINED
3. NEW STRUCTURED PARKING
4. CAPTURES FUTURE GROWTH DOWNTOWN
5. LINKAGE STREETSCAPES
6. GRAND BLVD. GATEWAYS
7. PROFESSIONAL BLDG. AND 1006 GRAND BLDG.
8. NEIGHBORHOOD IMPROVEMENT FUNDING
9. BUILDS UPON CIVIC MALL PLAN INVESTMENT
10. NO COST OR RISK TO CITY
11. TAXING DISTRICTS RECEIVE \$7 M

Requirements:

- A. PILOTS : 90% TO REIMBURSE UMB FOR PROJECT
10% TO LINKAGE STREETSCAPES/GATEWAYS
- B. EATS: 20% TO NEIGHBORHOOD IMPROVEMENTS
80% TO REIMBURSE UMB FOR PROJECT ; FUND
LINKAGE STREETSCAPES & GATEWAYS
- C. INTEREST COMPONENT OF \$3 M TO COVER REDUCTION IN PRESENT
VALUE OF REIMBURSEMENT OVER 23 YEARS.

CERTIFICATE

This Certificate is executed and delivered to the Tax Increment Financing Commission of Kansas City, Missouri (the "Commission") this 12th day of November, 1996, in connection with the UMB Financial Corporation ("UMB") September 25, 1996 Proposal (the "Proposal") in response to the Commission's Notice of Request for Proposals for Implementation of the Proposed Grand Boulevard Corridor Tax Increment Financing Plan. The undersigned hereby certifies that to the best of his knowledge, all data and information set forth in the September 25, 1996 Proposal (including all Exhibits thereto) submitted by UMB to the Commission, and in the Supplemental Information submitted by UMB to the Commission on October 2, 1996 in connection therewith, and as revised on October 22, 1996, is accurate, and that all projections and estimates made or set forth in such documents are fair and reasonable.

Dated as of this 12th day of November, 1996



Alexander C. Kemper

President,

UMB Financial Corporation

EXHIBIT 12

BLIGHT STUDY

BLIGHT STUDY

OF

**GRAND AVENUE
FROM 6TH STREET TO 15TH STREET
KANSAS CITY, MISSOURI**

FOR

**MR. DENNIS R. RILINGER
DIVISIONAL EXECUTIVE VICE PRESIDENT
& GENERAL COUNSEL
UMB BANK
1010 GRAND BOULEVARD
KANSAS CITY, MISSOURI 64141**

BY

METROPOLITAN APPRAISAL COMPANY

**James P. Fern, MAI
Julie Fern**

October 1, 1996

METROPOLITAN APPRAISAL COMPANY

REAL ESTATE APPRAISING AND CONSULTING

James P. Fern, MAI
David H. Markus
Julie Fern

10977 Granada, Suite 110
Overland Park, Kansas 66211
Telephone: (913) 345-8707
FAX: (913) 345-9021

October, 1, 1996

Mr. Dennis R. Rilinger
Divisional Executive Vice President & General Counsel
UMB Bank
1010 Grand Boulevard
Kansas City, MO 64141-6226

Re: Grand Avenue Blight Study

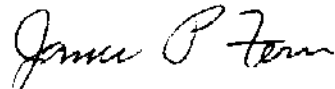
Dear Mr. Rilinger,

In accordance with your request, we have prepared a study documenting evidence of blight as defined in Paragraph 1, Section 99.805 of the 1992 Revised Statutes of the State of Missouri, in the Grand Avenue project area, consisting of 49 parcels, defined in this study. A complete project area description, including appropriate mapping, is contained in the report.

The report following summarizes the data gathered and our conclusions with respect to blight conditions in the subject area.

Thank you for the opportunity to be of service.

Respectfully submitted,



James P. Fern, MAI



Julie Fern

JPF/JF/jf

THE APPRAISER'S CERTIFICATION OF VALUE

We, the undersigned, do hereby certify to the best of our knowledge and belief that:

The statements of fact contained in this report are true and correct. The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, unbiased, professional analyses, opinions and conclusions.

I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.

That I understand that this appraisal may be used in connection with the acquisition of property for a project utilizing United States Department of Transportation funds.

This appraisal assignment is not contingent on a requested minimum valuation, a specific valuation, or the approval of a loan, resulting from the analyses, opinions or conclusions in, or the use of, this report.

My analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics of the Appraisal Institute and the Uniform Standards of Professional Appraisal Practice.

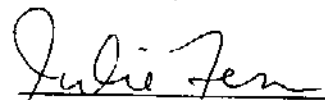
The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

That I have not revealed the findings and results of such appraisal to anyone other than the proper officials of the acquiring agency or officials of the United States Department of Transportation and I will not do so until authorized by said officials, or until I am required to do so by process of law, or until I am released from this obligation by having publicly testified to such findings.

All signatories to this report have made a personal inspection of the property that is the subject of this report. No one provided significant professional assistance to the persons signing this report.

10/1/96
Date


James P. Fern, MAI


Julie Fern

"The Appraisal Institute conducts a voluntary program of continuing education for its designated members. MAIs and RMs who meet the minimum standards of this program are awarded periodic educational certification." I, James P. Fern, am currently in compliance with the AI voluntary continuing education program.

MISSOURI CERTIFICATE #RA 001206
KANSAS CERTIFICATE #G-1071

LIMITING CONDITIONS

This appraisal report and the letter of transmittal and the above certification of value are made expressly subject to the following limiting conditions, and any special limiting conditions contained herein which are incorporated herein by reference.

1. This appraisal is subject to the accuracy of the legal description furnished the appraiser; however, we assume no responsibility of matters legal in nature, nor can we render an opinion as to the title. All existing liens and encumbrances have been disregarded and the property is appraised as though free and clear of any such impediments that might affect value, and that the property is under responsible ownership and competent management.
2. The sketch in this report is included to assist the reader in visualizing the property. We have made no survey of the property, and assume no responsibility in connection with such matters.
3. We believe to be reliable the information which was furnished to us by others, but we assume no responsibility for its accuracy.
4. We are not required to give testimony, or to appear in court, by reason of this appraisal with reference to the property in question, unless arrangements have been previously made theretofore.
5. The distribution of the total valuation in this report between land and improvements applies only under the existing program of utilization. The separate valuations for land and building must not be used in conjunction with any other appraisal and are invalid if so used.
6. Subsurface rights (minerals and oil) were not considered in making this appraisal.
7. The appraisers have inspected, as far as possible, by observation, the land and the improvements thereon, and have reported damage, if any, by termites, dry rot, wet rot, or other infestations as a matter of information, however, it was not possible to personally observe conditions beneath the soil or hidden structural components within the improvements, therefore, no representations are made herein as to these matters, and unless specifically considered in the report, our value estimate is subject to any such conditions that could cause loss in value.
8. The appraisers have no training or expertise in environmental matters, and make no representations regarding the presence of any contaminant other than those specifically mentioned or called to our attention. Our value estimate is predicated upon the assumption that there is no environmental condition on or in the property, or in such proximity to the property, that would result in diminished value.
9. All furnishings and equipment, except those specifically indicated, have been disregarded by this appraiser. Only the real estate has been considered.
10. The comparable sales data relied upon in this appraisal are believed to be from reliable sources, however, it was not possible to inspect the comparables completely, and it was necessary to rely on information furnished by others as to said data, therefore, the value conclusions are subject to the correctness of said data.
11. Possession of this report, or copy thereof, does not carry with it the right of publication. Neither all, nor any part, of the contents of this report shall be conveyed to the public through advertising, public relations, news, sales or other media, nor for any purpose by anyone but the applicant, without the written consent and approval of the author, particularly as to valuation conclusions, the identity of the appraiser or firm with which he is connected, or any reference to the Appraisal Institute, or to the MAI, SRA, SREA, or RM designations.

QUALIFICATIONS OF JAMES P. FERN, MAI

EDUCATION:

- 1958, Rockhurst College, Kansas City, Missouri (BSIR)
- 1964, Society of Real Estate Appraisers, Kansas City, Missouri, "Principles and Techniques Course"
- 1968, American Institute of Real Estate Appraisers, University of Indiana, "Course I"
- 1969, American Institute of Real Estate Appraisers, University of Nebraska, "Course II"
- 1972, American Institute of Real Estate Appraisers, Chicago, "Course VI"
- Various continuing education seminars and workshops.

EXPERIENCE:

- 1978-Present Metropolitan Appraisal Company, Overland Park, Kansas, President, Review Appraiser and Managing Officer
- 1966-1978 Vincent J. O'Flaherty and Company, Realtors, Kansas City, Missouri, Real Estate Appraiser
- 1961-1966 Vincent J. O'Flaherty and Company, Realtors, Kansas City, Missouri, Real Estate Salesman (Residential, Apartment and Commercial Sales)

TEACHING EXPERIENCE:

- 1985 Rockhurst College, Kansas City, Missouri, "Principles of Real Estate Valuation"
- 1980 University of Missouri Extension Service, Kansas City, Missouri, "Basic Appraisal"
- 1972-1979 Rockhurst College, Kansas City, Missouri, Society of Real Estate Appraisers, "Course 101"
- 1972 Rockhurst College, Kansas City, Missouri, "Principles of Real Estate Valuation"

PROFESSIONAL AFFILIATIONS:

- Appraisal Institute (MAI #4872)
- Missouri State Certified General Real Estate Appraiser (License #RA 001206)
- Kansas State Certified General Real Property Appraiser (Certification #G-1071)

OFFICES HELD:

- 1981 President - Kansas City Chapter of the American Institute of Real Estate Appraisers
- 1980 Vice President - Kansas City Chapter of the American Institute of Real Estate Appraisers
- 1979 Secretary - Kansas City Chapter of the American Institute of Real Estate Appraisers
- 1977 President - Kansas City Chapter of the Society of Real Estate Appraisers

QUALIFICATIONS OF JAMES P. FERN, MAI - continued

RECERTIFICATION:

The Appraisal Institute conducts a voluntary program of continuing education for its designated members. MAIs and RMs who meet the minimum standards of this program are awarded periodic education-al certification.

I am currently in compliance with the Appraisal Institute's voluntary continuing education program.

QUALIFIED WITNESS:

Accepted as a qualified expert witness in various courts in both Kansas and Missouri, and has appeared before municipal planning commissions, bankruptcy courts, etc.

RIGHT-OF-WAY NEGOTIATOR

Has functioned as a Right-of-Way Negotiator on behalf on municipalities.

PRINCIPAL CLIENTS SERVED:

Missouri Highway & Transportation
Commission
Jackson County Parks & Recreation
Department
Various Individuals and Law Firms
City of Kansas City, Missouri
Federal National Mortgage Association
United States Postal Service
University of Missouri-Kansas City
Pioneer Financial Corporation
Neighborhood Housing Services
Land Clearance for Redevelopment
Authority of Kansas City
Kansas City Power and Light Company
United States Bankruptcy Court
City of Grandview, Missouri
Federal Deposit Insurance Corporation
City of Leawood, Kansas
City of Independence, Missouri
Bank IV
Mission Bank
J.C. Nichols Company
Internal Revenue Service
Van Enterprises

Rockhurst College
Boatmen's Bank
Tax Increment Financing Commission
First Business Bank
City of Overland Park, Kansas
Johnson County, Kansas
B'Nai Jehuda Temple
Diocese of Kansas City-St. Joseph
City of Raymore, Missouri
Bank of Odessa
Ree, Inc. (RTC Agent)
Salvation Army
Mark Twin Bank
State of Missouri
Blue Hills Homes Corporation
Department of Housing and Urban
Development
Block and Company
Grant Thornton Company
United State's Justice Department
American Bank
Crown Cinema, Corp.
Diocese of Kansas City in Kansas

PROJECT AREA

The project area consists of four separate sections joined by a narrow corridor along Grand. The first section, consisting of Blocks A and B, is located between Walnut and McGee and 14th and 15th Streets. The second section, consisting of Blocks C, D E and F, is located between Walnut and Oak and 10th and 11th Streets with an additional three buildings located south of 11th Street between Grand and McGee. The third section, consisting of Block G, is located at the northwest corner of 9th and Grand. The final section, consisting of Blocks H, I, J, K and L, is located between Walnut and McGee and 6th and 8th Streets with the addition of four parking lots on the west side of Walnut in the 600 block. These four sections are connected by the narrow sidewalk corridor along either side of Grand Avenue. In addition, there are narrow sidewalk fingers off of Grand at 9th and 12th Streets. These fingers will allow the project area to connect with the new federal courthouse under construction and the proposed civic mall.

There have been several renovations made in the project area in recent years. There is a new United Missouri Bank building located at 1010 Grand and is included in the project. This large, nearly new, executive office building is of excellent quality. The exterior is of marble and the renovated streetscape includes decorative street lights. The United Missouri Bank building located on the southwest corner of 9th and Grand, constructed of cut stone, was renovated a number of years ago and has received excellent maintenance. These two buildings, along with the Federal Reserve Bank Building at 925 Grand, are the biggest assets to the project area. Much of the balance of the frontage along Grand is improved with old, sparsely occupied or empty office buildings, obsolete storerooms, surface parking, or older and obsolete parking garages. These improvements, coupled with a very plain and worn streetscape, do not produce a suitable setting for major new structures in this area.

PURPOSE OF STUDY

This study is made for the purpose of providing and documenting evidence of any existence of blighted conditions affecting the area included in the Grand Avenue project area. United Missouri Bank, proposes to continue their past renovation efforts throughout the project area.

The term "blight" has been defined by statute and ordinance. In the following discussion, those portions of the applicable Missouri Statute considered pertinent to an understanding of what blight is have been cited. The common denominator of most of the definitions found for blight is the existence of under-utilization of a neighborhood in view of its optimum potential. In Paragraph 1 of Section 99.805 of the Missouri Statute, this is emphasized. The paragraph follows:

"Blighted area, an area which, by reason or 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 or such factors, retards the provision of housing accommodations or

1

constitutes an economic or social liability or a menace to the public health, safety, morals, or welfare in its present condition and use."

Underlying the foregoing is the premise that blight is a general neighborhood condition arising from the employment of a substantial proportion of the individual properties in the district in uses that are undesirable and/or unprofitable in view of their potential. Although the inadequacies of each property in the affected district contribute to the general condition of blight, there is no requirement that all or even a majority of the properties in the area suffer from such deficiencies.

In the individual property analysis is a section entitled "Potential for Rehabilitation". This is not intended as a feasibility study because it is based upon observed physical and functional condition of the improvements as evaluated in light of the current economic and financial climate. Again, a conservative approach has been adopted in order not to overstate any finding of physical, functional or economic inadequacy.

GRAND AVENUE PROJECT ANALYSIS

The subject is located in the northeast quadrant of Downtown Kansas City. There are several projects, either under construction or in the planning phase,, slated for this portion of the downtown area. The new federal courthouse is currently under construction at 7th and Oak, just east of the north portion of the subject area. The City of Kansas City is currently acquiring land to create a park-like mall between Oak and Locust Streets, from this new federal courthouse, south to the City Hall building. The Tax Increment Financing Commission is acquiring land between Locust and Cherry south of 9th Street as a site for a new FAA headquarters. All of this new development is government sponsored and indicates an unwillingness within the private sector to invest in the area without government encouragement.

INDIVIDUAL PROPERTY ANALYSIS - METHODOLOGY

The initial analysis consists of identifying the property and the owner and the site described. The last portion of the individual property analysis has to do with condition and use analysis. The analyst has analyzed the property based on the elements set forth in paragraph 1 of Section 99.805 of the Missouri Statute and the Kansas City Code, Paragraph 35, "Urban Development", and has compared elements in the subject property with the criteria given in Section 99.805 and Section 36.2 "Determination of Necessity for Legislation". Certain criteria are not particularly meaningful for individual properties, but are meaningful to the area and have been discussed in other sections of this report.

While Section 99.805 and the City Code calls for various criteria to be used in evaluating the property, the analyst has combined some of these measurements into single discussions.

Section 99.805 indicates that an evaluation of the existence of blight should consider the following: 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, and that as a result of any of the above,

1

the area constitutes an economic or social liability or a menace to the public health, safety, morals or welfare.

The City Code indicates that discussions should be made of the following: Excessive Land Coverage; Defective Design or Arrangement of Buildings; Lack of Property Sanitary Facilities; Age; Obsolescence; Inadequate or Outmoded Design; Physical Deterioration; Depreciated Values; Impaired Investments; Reduced or Negligible Income; Tax Delinquencies, Small Parcels-Multiple Ownership-Title Confusion; Possibility of Owner Redevelopment; Possibility of Progressive Deterioration; Possibility of Population Loss; and Individual Undertakings to Remedy.

The analyst found that attempting to address each of these causes repetitiveness and redundancy. The analyst has addressed each of the measurements, but did so under the following general headings: Excessive Land Coverage; Small Parcels and Obsolete Platting, Multiple Ownership, and Title Confusion; Defective, Inadequate, or Outmoded Design or Arrangement of Buildings; Age and Condition, Including Deterioration and Obsolescence; Possibility of Owner Redevelopment or Rehabilitation; Economic Evaluation; Potential for Redevelopment.

The individual property analysis includes photographs of the property.

ECONOMIC EVALUATION

The appraisers will evaluate parking lots only, as the appraiser was unable to obtain or develop any information regarding the expenses, profit, etc. for the other buildings.

In order to analysis whether the individual parking lots are economically viable, the appraisers must have some idea of property value. A number of acquisitions have been made recently in the northeast quadrant of the downtown loop.

The City of Kansas City, Missouri has acquired portions of the land for their Civic Mall project at a cost in the range of \$28 to \$35 per square foot.

The TIF Commission has acquired land for the FFA Headquarters (9th & Locust) at a cost in the range of \$25 to \$30 per square foot.

UMB has acquired land for the projects on Grand Avenue in the range of \$30 to \$40 per square foot.

In additon, there are a number of additional sales, contained in the addendum of this report, generally in the \$14 to \$36 per square foot of land.

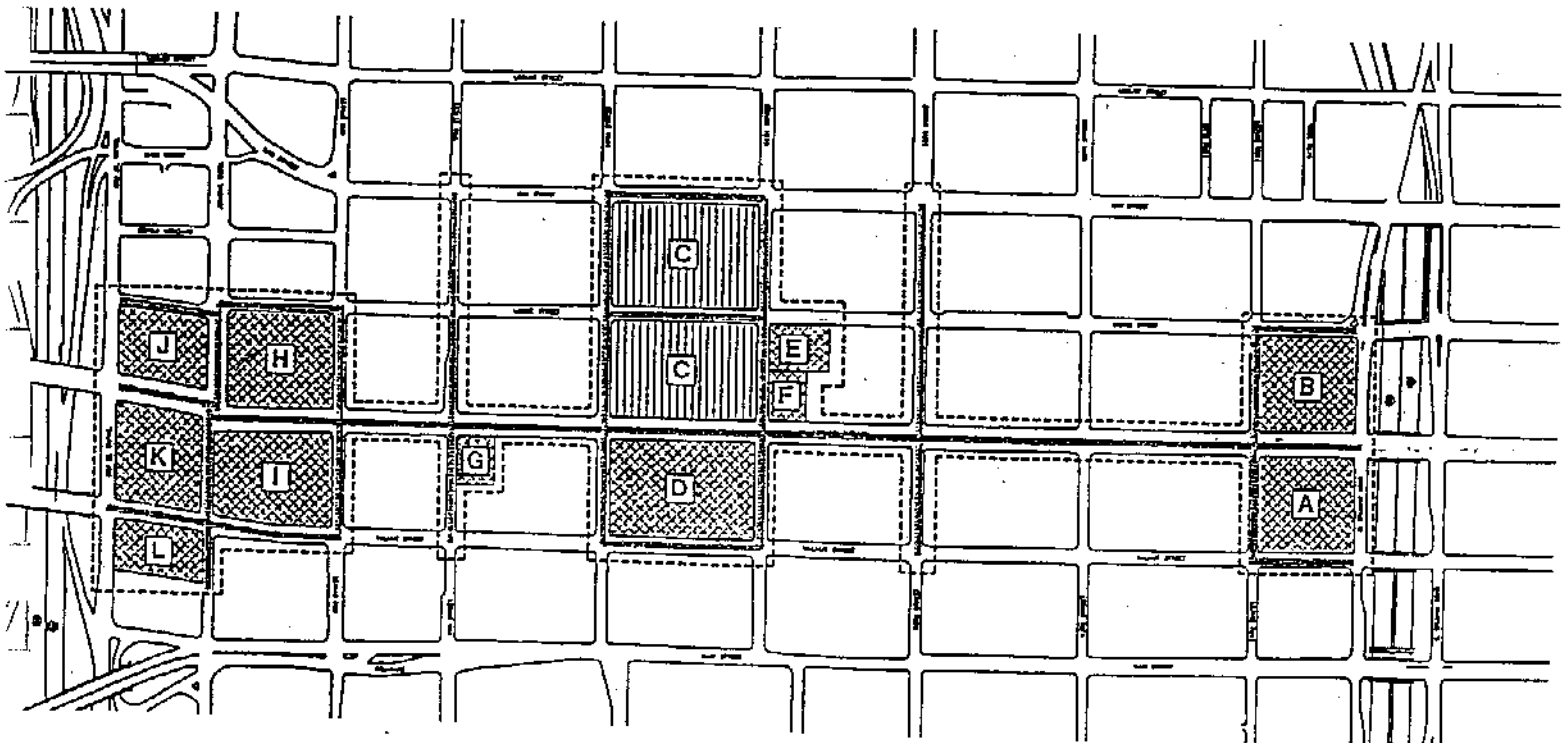
The appraisers have valued a number of parking lots in the downtown area in recent years, which indicate an expense ratio range of between 35% and 60%. The appraisers have chosen a ratio at the low end of this range, or 40%.

TIF REDEVELOPMENT PROJECT AREA

REDEVELOPMENT PROJECT AREAS
A, B, D, E, F, G, H, I, J, K, L

REDEVELOPMENT PROJECT AREA C

STREETSCAPING



CORRIDOR REDEVELOPMENT AREA

The Project Area

Looking North on Grand
from 15th Street



Looking South on Grand
across the new bridge
north of 6th Street



Block: **A**

Tax ID: 29-230-18-12

Address: 1400 Grand & 1401 Walnut

Owner: United Missouri Bank

Site Description: There is frontage of 247' on both 14th and 15th Streets and 247' on both Grand and Walnut for a total site area of 61,009 square feet. Topography is basically level and at grade with both streets.

Improvement Description: The site is improved as a surface parking lot with spaces for 204 cars. The site is fenced with a brick and wrought iron fence, and there is attractive landscaping on the south side.

Excessive Land Coverage: As the site is utilized for surface parking, this does not apply.

Small Parcels - Multiple Ownership: As the site occupies one square block, this does not apply.

Defective, Inadequate or Outdated Design or Arrangement in Structure: The pathways and spaces are of adequate size, the lot is basically level.

Age & Condition Including Deterioration & Obsolescence: The asphalt surface and the fencing are in good condition.

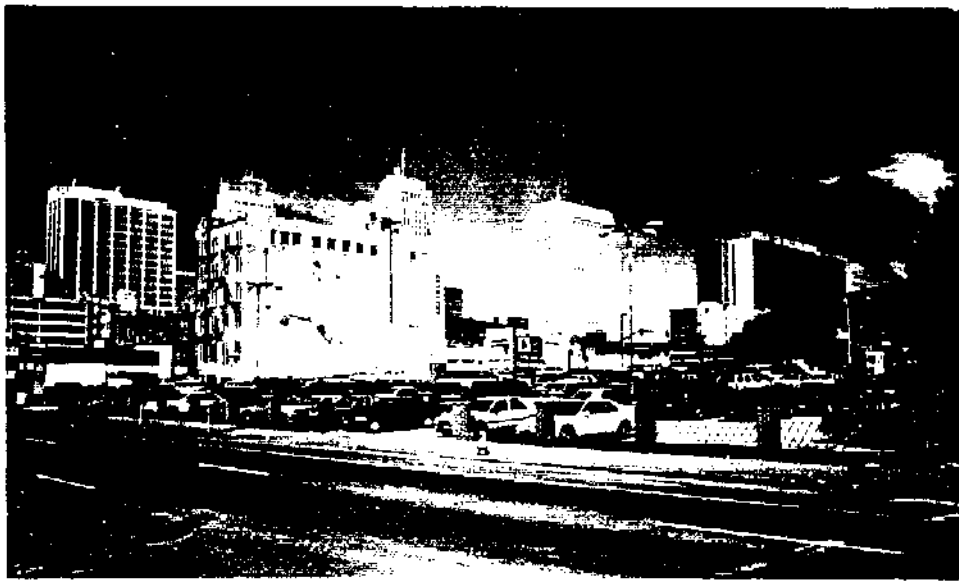
Possibility of Owner Redevelopment: This parking lot is more attractive than most downtown lots, as the owners have made several enhancements (fencing, landscaping, etc.). The owners have constructed a new building and rehabbed older ones.

| | |
|-----------------------------|---|
| <u>Economic Evaluation:</u> | Parking Rate: \$2.50 |
| | Number of Spaces: 204 |
| | Estimated Potential Gross Income: \$122,400 (\$510 daily) |
| Less: | <u>Estimated Expenses (40%):</u> \$48,960 |

| | |
|-----------------------|----------|
| Estimated Net Income: | \$73,440 |
|-----------------------|----------|

At a 10 % capitalization rate, a net income of \$73,440 indicates a value of \$734,400. At \$35 per square feet, the 61,009 square foot lot's estimated value is \$2,135,315, indicating that the existing surface parking lot is an under-utilization of the site.

Potential for Rehabilitation: Given the several government sponsored projects underway in this portion of the downtown area, and the near dearth of other private sector projects, the appraisers speculate the property has minimal potential for rehabilitation.



1400 Grand & 1401 Walnut

Block: **B**

Tax ID: 29-230-17-01

Address: 1414 McGee

Owner: United Missouri Bank

Site Description: The site has frontage of approximately 50' on the west side of McGee and a depth of 115' for a total site area of 5,750 square feet.

Improvement Description: The site is improved with a one-story, retail, 80-year old building of brick construction and containing 2,675 square feet. The front storeroom windows have been boarded up and the building is vacant.

Excessive Land Coverage: The building fills the site.

Small Parcels - Multiple Ownership: The site contains 5,750 square feet, which is not atypical of other parcels in the area. By today's standards, the size is considered inadequate as current economic trends and conditions suggest both construction and operating costs are more economical on larger tracts. More feasible development could occur with assemblage.

Defective, Inadequate or Outdated Design or Arrangement in Structure: There little demand for retail space in this neighborhood.

Age & Condition Including Deterioration & Obsolescence: The building is 85 years old and in need of extensive tuckpointing, cleaning, painting and general repair and restoration.

Possibility of Owner Redevelopment: The owners have a history of renovation in the area.

Economic Evaluation: The appraiser was unable to obtain or develop any information regarding the expenses, profit, etc. Although, we speculate the building has produced no income for several years.

Potential for Rehabilitation: Given the several government sponsored projects underway in this portion of the downtown area, and the near dearth of other private sector projects, the appraisers speculate the property has minimal potential for rehabilitation.



Block: **B**

Tax ID: 29-230-17-02

Address: 1415 Grand Boulevard

Owner: United Missouri Bank

Site Description: There is frontage of 247' on the east side of Grand, 246, on the south side of 14th Street, 148' on the west side of McGee and 115' on the north side of 15th Street for a total site area of 50,368 square feet. Topography is basically level and at grade with both streets.

Improvement Description: The site is improved with a one-story, 35-year old, bank building of brick construction and containing 3,587 square feet. There are seven teller lines on the east side of the building. Ample parking is located east of the teller lines in an asphalt lot in good condition. There is attractive landscaping throughout the site.

Excessive Land Coverage: Only a small portion of the site is filled.

Small Parcels - Multiple Ownership: As the site occupies the majority of one square block, this does not apply.

Defective, Inadequate or Outdated Design or Arrangement in Structure: The structure is fairly modern bank facility; this does not apply.

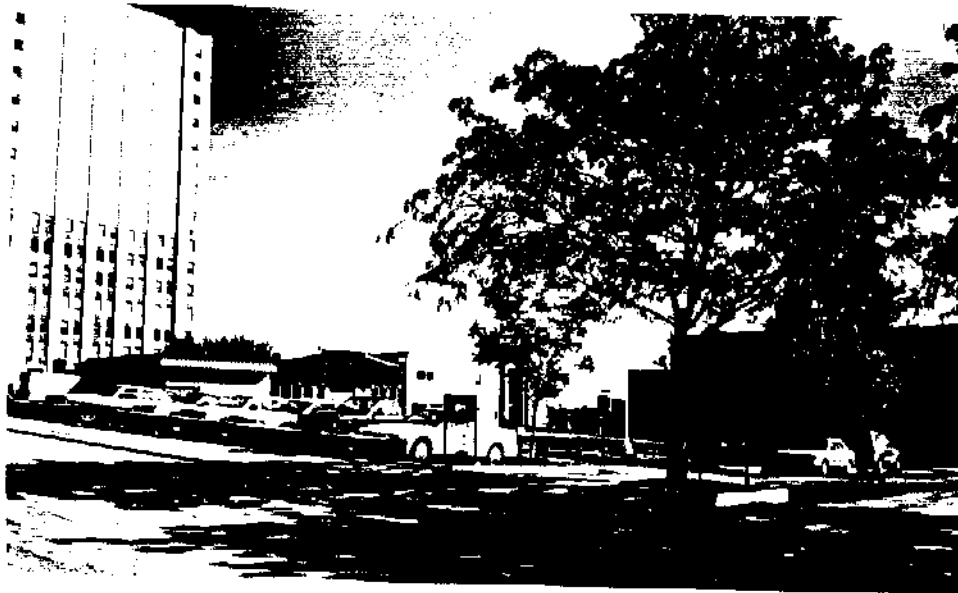
Age & Condition Including Deterioration & Obsolescence: The bank building and asphalt parking lot are in good condition.

Possibility of Owner Redevelopment: The owners have a history of renovation in the area.

Economic Evaluation: The appraiser was unable to obtain or develop any information regarding the expenses, profit, etc.

Potential for Rehabilitation: Not applicable.





1415 Grand

Block: **B**

Tax ID: 29-230-17-03

Address: 1416 McGee

Owner: 1416 McGee Corporation

Site Description: There is frontage of 50' on the west side of McGee and 115' on the north side of 20th Street for a total site area of 5,750 square feet. Topography is basically level and at grade with both streets.

Improvement Description: There is a two-story, 70-year old, brick retail/office building containing 11,000 square feet. The first floor storeroom windows have been filled with brick.

Excessive Land Coverage: The building fills the site.

Small Parcels - Multiple Ownership: The site contains 5,750 square feet, which is not atypical of other parcels in the area. By today's standards, the size is considered inadequate as current economic trends and conditions suggest both construction and operating costs are more economical on larger tracts. More feasible development could occur with assemblage.

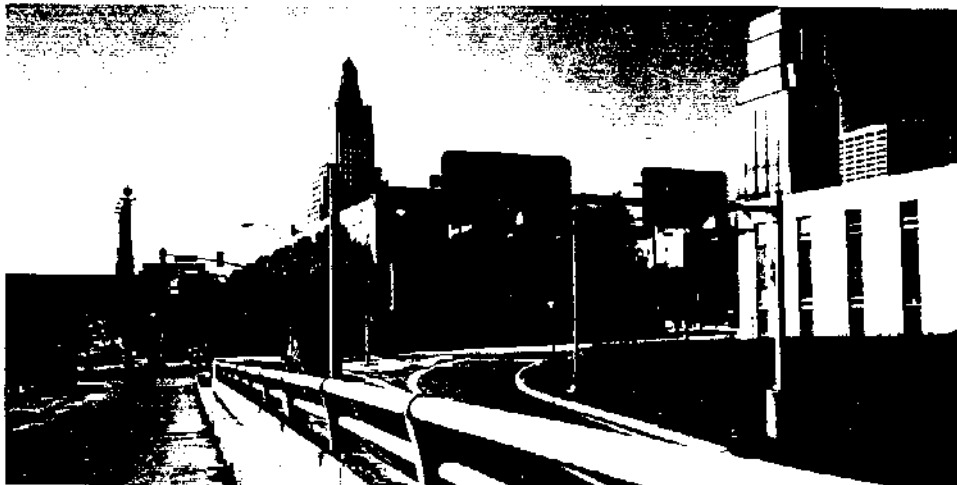
Defective, Inadequate or Outdated Design or Arrangement in Structure: There is little demand for second floor, walk up office space or offices with few windows.

Age & Condition Including Deterioration & Obsolescence: The building is in fair condition and in need of rehabilitation.

Possibility of Owner Redevelopment: The appraisers are unaware of the renovation history of the property owner, and speculates that the possibility is poor.

Economic Evaluation: The appraiser was unable to obtain or develop any information regarding the expenses, profit, etc.

Potential for Rehabilitation: Given the several government sponsored projects underway in this portion of the downtown area, and the near dearth of other private sector projects, the appraisers speculate the property has minimal potential for rehabilitation.



Block: **C** Tax ID: 29-210-34-05

Address: 314 E 11th Street & 1020 Oak

Owner: KC Partners

Site Description: The tract has frontage of 86' on the west side of Oak and 128' on the south side of 11th Street for a total site area of 11,008 square feet. The site is level and at grade with both streets.

Improvement Description: There is a 20-story, 60-year old, reinforced concrete office building containing approximately 200,000 square feet. The building has a reasonably high occupancy and no off-street parking. Also, there is a 4-story brick, office building containing 25,173 square feet.

Excessive Land Coverage: The buildings fill the site.

Small Parcels - Multiple Ownership: The site contains 11,008 square feet, which is not atypical of other parcels in the area. By today's standards, the size is considered adequate as current economic trends and conditions suggest both construction and operating costs are more economical on larger tracts. More feasible development could occur with assemblage.

Defective, Inadequate or Outdated Design or Arrangement in Structure: There is little demand for older rehabbed office space.

Age & Condition Including Deterioration & Obsolescence: The buildings are in average condition.

Possibility of Owner Redevelopment : The appraisers are unaware of the renovation history of the property owner.

Economic Evaluation: The appraiser was unable to obtain or develop any information regarding the expenses, profit, etc.

Potential for Rehabilitation: Not applicable, as the building has experienced partial rehab.



314 E. 11th & 1020 Oak

Block: C

Tax ID: 29-210-34-05

Address: 1000 Oak Street

Owner: KC Partners

Site Description: There is frontage of 240, on the west side of Oak and 126' on the south side of 10th Street for a total site area of 30,240 square feet. Topography is basically level and at grade with both streets.

Improvement Description: The tract is utilized, along with the adjacent tract, as a surface parking lot with 92 spaces and daily rates of \$2.75

Excessive Land Coverage: As the site is utilized for surface parking, this does not apply.

Small Parcels - Multiple Ownership: The site contains 30,240 square feet, which is not atypical of other parcels in the area. By today's standards, the size is considered inadequate as current economic trends and conditions suggest both construction and operating costs are more economical on larger tracts. More feasible development could occur with assemblage.

Defective, Inadequate or Outdated Design or Arrangement in Structure: The pathways and spaces are of adequate size, the lot is basically level.

Age & Condition Including Deterioration & Obsolescence: The asphalt surface is in good condition.

Possibility of Owner Redevelopment : The appraisers are unaware of the renovation history of the property owner.

| | |
|-----------------------------|--|
| <u>Economic Evaluation:</u> | Parking Rate: \$2.75 |
| | Number of Spaces: 92 |
| | Estimated Potential Gross Income: \$60,720 |
| Less: | <u>Estimated Expenses (40%): \$24,288</u> |

| | |
|-----------------------|----------|
| Estimated Net Income: | \$36,432 |
|-----------------------|----------|

At a 10 % capitalization rate, a net income of \$36,432 indicates a value of \$364,320. At \$30 per square foot, the 30,240 square foot lot's estimated value is \$907,200, indicating that the existing surface parking lot is an under-utilization of the site.

Potential for Rehabilitation: Given the several government sponsored projects underway in this portion of the downtown area, and the near dearth of other private sector projects, the appraisers speculate the property has minimal potential for rehabilitation.



1000 Oak

Block: C

Tax ID: 29-220-36-05

Address: 300 E. 11th Street

Owner: William D. Stanley

Site Description: There is frontage of 144', on the east side of McGee and 132' on the south side of 10th Street for a total site area of 19,080 square feet. Topography is basically level and at grade with both streets.

Improvement Description: The tract is improved with an old 1-story bus terminal containing 3,024 square feet.

Excessive Land Coverage: the building fills only a portion of the site.

Small Parcels - Multiple Ownership: The site contains 19,080 square feet, which is not atypical of other parcels in the area. By today's standards, the size is considered inadequate as current economic trends and conditions suggest both construction and operating costs are more economical on larger tracts. More feasible development could occur with assemblage.

Defective, Inadequate or Outdated Design or Arrangement in Structure: The bus company has long since vacated the property, and there is little demand for this type of office space.

Age & Condition Including Deterioration & Obsolescence: The building is in average condition.

Possibility of Owner Redevelopment: The appraisers are unaware of the renovation history of the property owner.

Economic Evaluation: The appraiser was unable to obtain or develop any information regarding the expenses, profit, etc.

Potential for Rehabilitation: Given the several government sponsored projects underway in this portion of the downtown area, and the near dearth of other private sector projects, the appraisers speculate the property has minimal potential for rehabilitation.



Block: C

Tax ID: 29-220-36-04

Address: 1021 McGee

Owner: William D. Stanley

Site Description: There is frontage of 48' on the east side of McGee and a depth of 132' for a total site area of 6,336 square feet. Topography is basically level and at grade with both streets.

Improvement Description: There is a 6-story, 65-year old, reinforced concrete and brick office building containing 38,564 square feet and retail space on the first floor.

Excessive Land Coverage: The building fills the site.

Small Parcels - Multiple Ownership: The site contains 6,336 square feet, which is not atypical of other parcels in the area. By today's standards, the size is considered inadequate as current economic trends and conditions suggest both construction and operating costs are more economical on larger tracts. More feasible development could occur with assemblage.

Defective, Inadequate or Outdated Design or Arrangement in Structure: There is little demand for older rehabbed office space.

Age & Condition Including Deterioration & Obsolescence: The building is in average condition.

Possibility of Owner Redevelopment: The appraisers are unaware of the renovation history of the property owner.

Economic Evaluation: The appraiser was unable to obtain or develop any information regarding the expenses, profit, etc.

Potential for Rehabilitation: Given the several government sponsored projects underway in this portion of the downtown area, and the near dearth of other private sector projects, the appraisers speculate the property has minimal potential for rehabilitation.



1021 McGee

Block: C

Tax ID: 29-220-36-03

Address: 1017 McGee

Owner: Elizabeth M. Hanicke

Site Description: There is frontage of 96' on the east side of McGee and a depth of 132' for a total site area of 12,672 square feet. Topography is basically level and at grade with both streets.

Improvement Description: There is a 4-story, 80-year old, brick building containing 50,688 square feet. The building has no off-street parking. The building is largely empty.

Excessive Land Coverage: The building fills the site.

Small Parcels - Multiple Ownership: The site contains 12,672 square feet, which is not atypical of other parcels in the area. By today's standards, the size is considered inadequate as current economic trends and conditions suggest both construction and operating costs are more economical on larger tracts. More feasible development could occur with assemblage.

Defective, Inadequate or Outdated Design or Arrangement in Structure: There is little demand for older rehabbed office space.

Age & Condition Including Deterioration & Obsolescence: The building is in average condition.

Possibility of Owner Redevelopment : The appraisers are unaware of the renovation history of the property owner, although the building shows signs of some renovation.

Economic Evaluation: The appraiser was unable to obtain or develop any information regarding the expenses, profit, etc.

Potential for Rehabilitation: Given the several government sponsored projects underway in this portion of the downtown area, and the near dearth of other private sector projects, the appraisers speculate the property has minimal potential for rehabilitation.



Block: C

Tax ID: 29-220-36-02

Address: 1003-7 McGee

Owner: Samuel F. Barker

Site Description: There is frontage of 48' on the east side of McGee and 132' on the south side of 11th Street for a total site area of 6,336 square feet. Topography is basically level and at grade with both streets.

Improvement Description: There is a 2-story, 80-year old brick and reinforced concrete, retail and office building containing 12,672 square feet. The building is largely empty

Excessive Land Coverage: The building fills the site.

Small Parcels - Multiple Ownership: The site contains 6,336 square feet, which is not atypical of other parcels in the area. By today's standards, the size is considered inadequate as current economic trends and conditions suggest both construction and operating costs are more economical on larger tracts. More feasible development could occur with assemblage.

Defective, Inadequate or Outdated Design or Arrangement in Structure: There is little demand for second floor, walk-up office space.

Age & Condition Including Deterioration & Obsolescence: The building is in good condition and has received updates and maintenance.

Possibility of Owner Redevelopment : The appraisers are unaware of the renovation history of the property owner.

Economic Evaluation: The appraiser was unable to obtain or develop any information regarding the expenses, profit, etc.

Potential for Rehabilitation: Given the several government sponsored projects underway in this portion of the downtown area, and the near dearth of other private sector projects, the appraisers speculate the property has minimal potential for rehabilitation.



Block: C

Tax ID: 29-220-36-01

Address: 301-9 E. 10th Street

Owner: Edith Zwillenberg

Site Description: There is frontage of 50' on the east side of McGee and 115' on the south side of 10th Street for a total site area of 5,750 square feet. Topography is basically level and at grade with both streets.

Improvement Description: The site is improved with a 31-space, asphalt parking lot.

Excessive Land Coverage: As the site is utilized for surface parking, this does not apply.

Small Parcels - Multiple Ownership: The site contains 5,750 square feet, which is not atypical of other parcels in the area. By today's standards, the size is considered inadequate as current economic trends and conditions suggest both construction and operating costs are more economical on larger tracts. More feasible development could occur with assemblage.

Defective, Inadequate or Outdated Design or Arrangement in Structure: The pathways and spaces are of adequate size, the parking lot is basically level.

Age & Condition Including Deterioration & Obsolescence: The asphalt surface is in fair condition.

Possibility of Owner Redevelopment: The appraisers are unaware of the renovation history of the property owner.

Economic Evaluation: Parking Rate: \$2.25

Number of Spaces: 31

Estimated Potential Gross Income: \$18,600

Less: Estimated Expenses (40%): \$7,440

Estimated Net Income: \$11,160

At a 10 % capitalization rate, a net income of \$11,160 indicates a value of \$111,600. At \$35 per square feet, the 5,750 square foot lot's estimated value is \$201,250, indicating that the existing surface parking lot is an under-utilization of the site.

Potential for Rehabilitation: Given the several government sponsored projects underway in this portion of the downtown area, and the near dearth of other private sector projects, the appraisers speculate the property has minimal potential for rehabilitation.



301-9 E. 10th

Block: C

Tax ID: 29-220-37-11

Address: 1021 Grand

Owner: United Missouri Bank

Site Description: There is frontage of 192' on the east side of Grand and a depth of 115' for a total site area of 22,080 square feet. Topography is basically level and at grade with the street.

Improvement Description: There is a 5-story brick and reinforced concrete office building containing 27,600 square feet. There is asphalt parking north of the building.

Excessive Land Coverage: The building fills only a portion of the tract

Small Parcels - Multiple Ownership: The site contains 22,080 square feet, which is not atypical of other parcels in the area. By today's standards, the size is considered inadequate as current economic trends and conditions suggest both construction and operating costs are more economical on larger tracts. More feasible development could occur with assemblage.

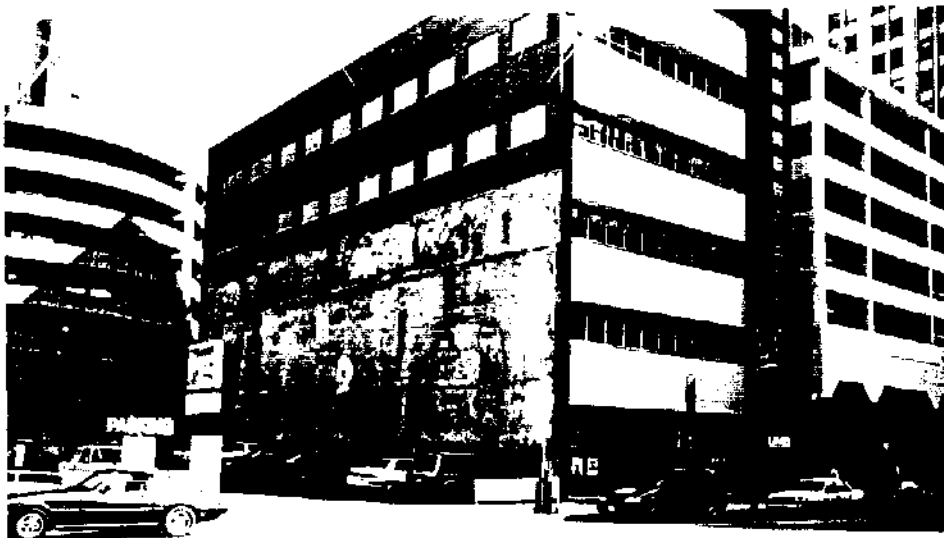
Defective, Inadequate or Outdated Design or Arrangement in Structure: There is little demand for older, rehabbed office space.

Age & Condition Including Deterioration & Obsolescence: The building and lot are in average condition.

Possibility of Owner Redevelopment: The owners have a history of recent renovations in the area.

Economic Evaluation: The appraiser was unable to obtain or develop any information regarding the expenses, profit, etc.

Potential for Rehabilitation: Given the several government sponsored projects underway in this portion of the downtown area, and the near dearth of other private sector projects, the appraisers speculate the property has minimal potential for rehabilitation.



1021 Grand

Block: C

Tax ID: 29-220-37-10

Address: 1025 Grand

Owner: North American Savings Bank

Site Description: There is frontage of 104' on the east side of Grand, 247' on the north side of 11th Street and 208' on the west side of McGee for a total site area of 39,208 square feet. Topography is basically level and at grade with all streets..

Improvement Description: The site is improved with a 25-year old, 6-level, reinforced concrete parking garage.

Excessive Land Coverage: The parking structure fills the site.

Small Parcels - Multiple Ownership: The site contains 39,208 square feet. By today's standards, the size is considered adequate as current economic trends and conditions suggest both construction and operating costs are more economical on larger tracts.

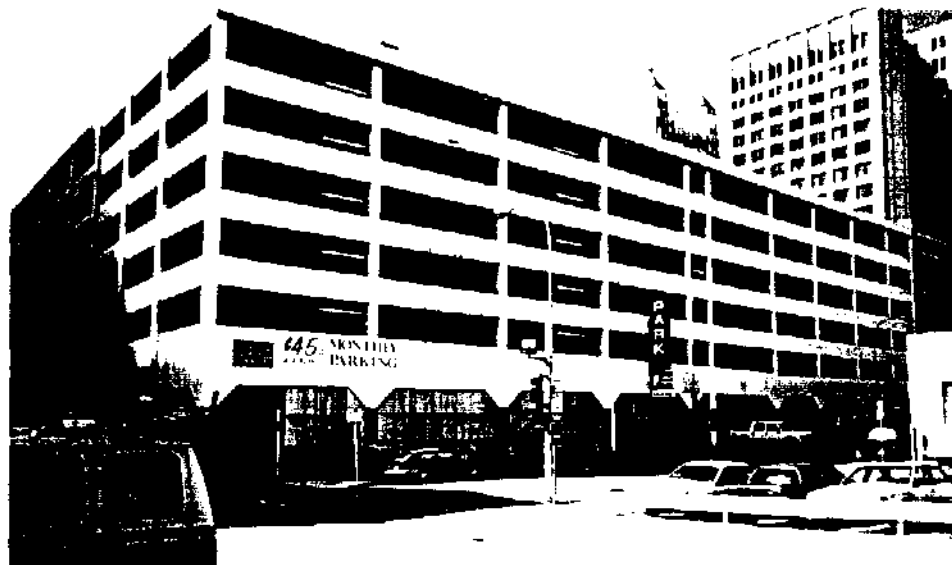
Defective, Inadequate or Outdated Design or Arrangement in Structure: The structure is adequate in design.

Age & Condition Including Deterioration & Obsolescence: The garage is in good condition.

Possibility of Owner Redevelopment : The appraiser is unaware of the renovation history of the property owner.

Economic Evaluation: The appraiser was unable to obtain or develop any information regarding the expenses, profit, etc.

Potential for Rehabilitation: This does not apply.



Block: C

Tax ID: 29-220-37-08

Address: 1012-14 McGee

Owner: W.D. Stanley

Site Description: There is frontage of 40' on the west side of McGee and a depth of 115' for a total site area of 4,600 square feet. Topography is basically level and at grade with both streets.

Improvement Description: There is a 4-story, brick, retail building containing 16,600 square feet. There is a freight elevator.

Excessive Land Coverage: The building fills the majority of the site.

Small Parcels - Multiple Ownership: The site contains 4,600 square feet, which is not atypical of other parcels in the area. By today's standards, the size is considered inadequate as current economic trends and conditions suggest both construction and operating costs are more economical on larger tracts. More feasible development could occur with assemblage.

Defective, Inadequate or Outdated Design or Arrangement in Structure: There is little demand for older rehabbed office space, or demand for retail space.

Age & Condition Including Deterioration & Obsolescence: The building is in fair condition and needs rehabilitation.

Possibility of Owner Redevelopment: The appraiser is unaware of the renovation history of the property owner.

Economic Evaluation: The appraiser was unable to obtain or develop any information regarding the expenses, profit, etc.

Potential for Rehabilitation: Given the several government sponsored projects underway in this portion of the downtown area, and the near dearth of other private sector projects, the appraisers speculate the property has minimal potential for rehabilitation.



Block: C

Tax ID: 29-220-37-02

Address: 1001-7 Grand

Owner: Lathrop Acquisition Corporation

Site Description: There is frontage of 95' on the east side of Grand and 116' on the south side of 10th Street for a total site area of 11,020 square feet. Topography is basically level and at grade.

Improvement Description: There is an 8-story, 80-year old brick and reinforced concrete, office and retail building. Occupancy rates are reasonably good; there is no off-street parking.

Excessive Land Coverage: The building fills the site.

Small Parcels - Multiple Ownership: The site contains 11,020 square feet, which is not atypical of other parcels in the area. By today's standards, the size is considered inadequate as current economic trends and conditions suggest both construction and operating costs are more economical on larger tracts. More feasible development could occur with assemblage.

Defective, Inadequate or Outdated Design or Arrangement in Structure: There is little demand for older, rehabbed office space.

Age & Condition Including Deterioration & Obsolescence: The building is in fair condition and needs rehabilitation.

Possibility of Owner Redevelopment: The appraiser is unaware of the renovation history of the property owner.

Economic Evaluation: The appraiser was unable to obtain or develop any information regarding the expenses, profit, etc.

Potential for Rehabilitation: Given the several government sponsored projects underway in this portion of the downtown area, and the near dearth of other private sector projects, the appraisers speculate the property has minimal potential for rehabilitation.



Block: C

Tax ID: 29-220-37-01-01

Address: 1000 McGee

Owner: Steven S. & Florence A. Pack

Site Description: There is frontage of 71' on the west side of McGee and 115' on the south side of 10th Street for a total site area of 8,165 square feet. Topography is basically level and at grade with both streets.

Improvement Description: The site is improved with a 1-story, 30-year old, brick retail store containing approximately 2,013 square feet. This tract, along with other adjacent tracts has a 2-level parking garage.

Excessive Land Coverage: The buildings fills the site.

Small Parcels - Multiple Ownership: The site contains 11,020 square feet, which is not atypical of other parcels in the area. By today's standards, the size is considered inadequate as current economic trends and conditions suggest both construction and operating costs are more economical on larger tracts. More feasible development could occur with assemblage.

Defective, Inadequate or Outdated Design or Arrangement in Structure: There is little demand for retail space.

Age & Condition Including Deterioration & Obsolescence: The presence of two such uses, and the fact that the garage is shared with adjacent tracts, creates functional obsolescence. The building is in fair condition in need of rehabilitation.

Possibility of Owner Redevelopment: The appraiser is unaware of the renovation history of the property owner.

Economic Evaluation: The appraiser was unable to obtain or develop any information regarding the expenses, profit, etc.

Potential for Rehabilitation: Given the several government sponsored projects underway in this portion of the downtown area, and the near dearth of other private sector projects, the appraisers speculate the property has minimal potential for rehabilitation.



1000 McGee

Block: C

Tax ID: 29-220-37-01-02

Address: 1004 McGee

Owner: Steven S. & Florence A. Pack

Site Description: There is frontage of 23' on the west side of McGee and a depth of 115' for a total site area of 2,645 square feet. Topography is basically level and at grade.

Improvement Description: The site, along with adjacent tracts, is improved with a multi-level parking garage.

Excessive Land Coverage: The parking structure fills the site.

Small Parcels - Multiple Ownership: The site contains 2,645 square feet, which is not atypical of other parcels in the area. By today's standards, the size is considered inadequate as current economic trends and conditions suggest both construction and operating costs are more economical on larger tracts. More feasible development could occur with assemblage.

Defective, Inadequate or Outdated Design or Arrangement in Structure: The garage is modern and adequate in design.

Age & Condition Including Deterioration & Obsolescence: The fact that the garage is shared with adjacent tracts, creates functional obsolescence.

Possibility of Owner Redevelopment : The appraiser is unaware of the renovation history of the property owner.

Economic Evaluation: The appraiser was unable to obtain or develop any information regarding the expenses, profit, etc.

Potential for Rehabilitation: Given the several government sponsored projects underway in this portion of the downtown area, and the near dearth of other private sector projects, the appraisers speculate the property has minimal potential for rehabilitation.



Block: C

Tax ID: 29-220-37-01-03

Address: 1008 McGee

Owner: Parking Systems, Inc.

Site Description: There is frontage of 50' on the west side of McGee and a depth of 115' for a total site area of 5,750 square feet. Topography is basically level and at grade with both streets.

Improvement Description: The site, along with adjacent tracts, is improved with a multi-level parking garage.

Excessive Land Coverage: The parking structure fills the site.

Small Parcels - Multiple Ownership: The site contains 5,750 square feet, which is not atypical of other parcels in the area. By today's standards, the size is considered inadequate as current economic trends and conditions suggest both construction and operating costs are more economical on larger tracts. More feasible development could occur with assemblage.

Defective, Inadequate or Outdated Design or Arrangement in Structure: This is a modern garage of adequate design.

Age & Condition Including Deterioration & Obsolescence: The fact that the garage is shared with adjacent tracts, creates functional obsolescence.

Possibility of Owner Redevelopment: The appraiser is unaware of the renovation history of the property owner.

Economic Evaluation: The appraiser was unable to obtain or develop any information regarding the expenses, profit, etc.

Potential for Rehabilitation: Given the several government sponsored projects underway in this portion of the downtown area, and the near dearth of other private sector projects, the appraisers speculate the property has minimal potential for rehabilitation..



Block: **D**

Tax ID: 29-220-38-101-01
29-220-38-101-02

Address: 1000A & 1000 Grand

Owner: Building: 1006 Grand Corporation/Starace Organization
Land: GBA Corporation

Site Description: There is frontage of 95' on the west side of Grand and 115' on the south side of 10th Street for a total site area of 10,925 square feet. Topography is basically level and at grade with both streets.

Improvement Description: There is a 20-story reinforced concrete office building containing 177,215 square feet.

Excessive Land Coverage: The building fills the site.

Small Parcels - Multiple Ownership: The site contains 10,925 square feet, which is not atypical of other parcels in the area. By today's standards, the size is considered inadequate as current economic trends and conditions suggest both construction and operating costs are more economical on larger tracts. More feasible development could occur with assemblage.

Defective, Inadequate or Outdated Design or Arrangement in Structure: There is little demand for older, rehabbed space.

Age & Condition Including Deterioration & Obsolescence: The building is in fair condition and has been vacant for several years.

Possibility of Owner Redevelopment : The appraiser is unaware of the renovation history of the property owner.

Economic Evaluation: The appraiser was unable to obtain or develop any information regarding the expenses, profit, etc.

Potential for Rehabilitation: Given the several government sponsored projects underway in this portion of the downtown area, and the near dearth of other private sector projects, the appraisers speculate the property has minimal potential for rehabilitation.



1000 & 1000A Grand

Block: **D**

Tax ID: 29-220-38-03

Address: 1007 Walnut

Owner: Sentinel Federal Savings & Loan

Site Description: There is frontage of 48' on the east side of Walnut and a depth of 110' for a total site area of 5,280 square feet. Topography is basically level and at grade.

Improvement Description: There is an asphalt, surface parking lot for 18 cars with daily rates of \$5.00

Excessive Land Coverage: As the site is utilized for surface parking, this does not apply.

Small Parcels - Multiple Ownership: The site contains 5,280 square feet, which is not atypical of other parcels in the area. By today's standards, the size is considered inadequate as current economic trends and conditions suggest both construction and operating costs are more economical on larger tracts. More feasible development could occur with assemblage.

Defective, Inadequate or Outdated Design or Arrangement in Structure: The design is adequate.

Age & Condition Including Deterioration & Obsolescence:

Possibility of Owner Redevelopment: The appraiser is unaware of the renovation history of the property owner.

| | |
|-----------------------------|--|
| <u>Economic Evaluation:</u> | Parking Rate: \$5.00 |
| | Number of Spaces: 18 |
| | Estimated Potential Gross Income: \$21,600 |
| <u>Less:</u> | <u>Estimated Expenses (40%):</u> \$8,640 |
| | Estimated Net Income: \$12,960 |

At a 10 % capitalization rate, a net income of \$12,960 indicates a value of \$129,600. At \$35 per square feet, the 5,280 square foot lot's estimated value is \$184,800, indicating that the existing surface parking lot is an under-utilization of the site.

Potential for Rehabilitation: Given the several government sponsored projects underway in this portion of the downtown area, and the near dearth of other private sector projects, the appraisers speculate the property has minimal potential for rehabilitation.



1007 Walnut

Block: **D**

Tax ID: 29-220-38-02

Address: 1003 Walnut

Owner: Sentinel Federal Savings & Loan

Site Description: There is frontage of 48' on the east side of Walnut and 110' on the south side of 10th Street for a total site area of 5,280 square feet. Topography is basically level and at grade with both streets.

Improvement Description: There is a 4-story, 80-year old, reinforced concrete office building containing 20,900 square feet. There is no off-street parking.

Excessive Land Coverage: The building fills the site.

Small Parcels - Multiple Ownership: The site contains 5,280 square feet, which is not atypical of other parcels in the area. By today's standards, the size is considered inadequate as current economic trends and conditions suggest both construction and operating costs are more economical on larger tracts. More feasible development could occur with assemblage.

Defective, Inadequate or Outdated Design or Arrangement in Structure: The building is adequate in design.

Age & Condition Including Deterioration & Obsolescence: The building is in average condition.

Possibility of Owner Redevelopment: The appraiser is unaware of the renovation history of the property owner.

Economic Evaluation: The appraiser was unable to obtain or develop any information regarding the expenses, profit, etc.

Potential for Rehabilitation: Given the several government sponsored projects underway in this portion of the downtown area, and the near dearth of other private sector projects, the appraisers speculate the property has minimal potential for rehabilitation.



Block: **D**

Tax ID: 29-220-38-10

Address: 1010 Grand

Owner: United Missouri Bank

Site Description: There is frontage of 288' on both Grand and Walnut and 242' on the north side of 11th Street for a total site area of 69,696 square feet. Topography is basically level and at grade with both streets.

Improvement Description: There is a 4-story, 5-year old, reinforced concrete, office building containing approximately 278,000 square feet, with a 3-level underground parking deck.

Excessive Land Coverage: The building fills the site.

Small Parcels - Multiple Ownership: The site is a recent assemblage and is adequate in size

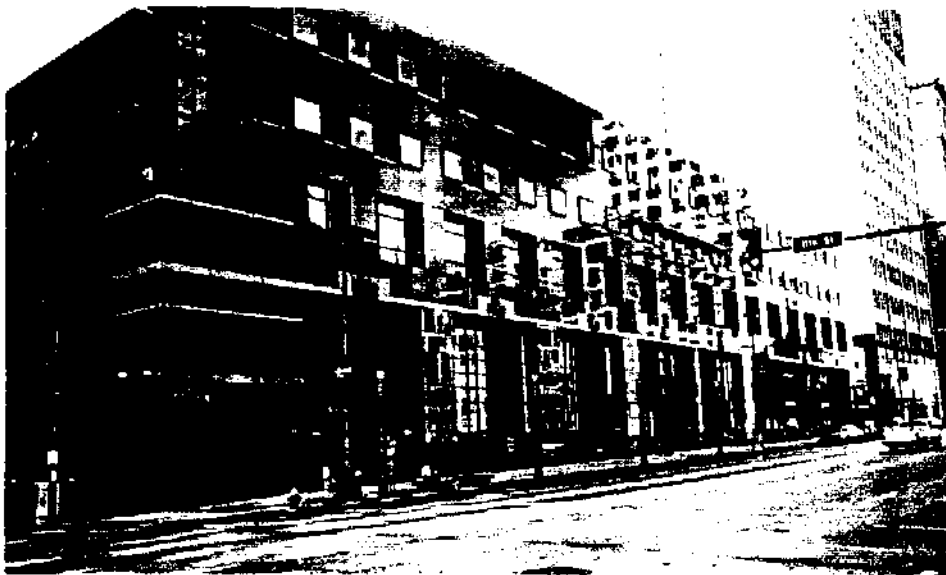
Defective, Inadequate or Outdated Design or Arrangement in Structure: The building is new and adequate in design.

Age & Condition Including Deterioration & Obsolescence: The building is new.

Possibility of Owner Redevelopment : Not applicable.

Economic Evaluation: The appraiser was unable to obtain or develop any information regarding the expenses, profit, etc.

Potential for Rehabilitation: Not applicable



Block: **E**

Tax ID: 29-220-50-10-01

Address: 1100-4 McGee

Owner: Thomas F. Lillis

Site Description: There is frontage of 96' on the west side of Grand and 115' on the south side of 11th Street for a total site area of 11,040 square feet. Topography is basically level and at grade with both streets.

Improvement Description: Together with an adjacent tract, there is a 7-story, 65-year old parking garage with storerooms on the first level.

Excessive Land Coverage: The garage fills the site.

Small Parcels - Multiple Ownership: The site contains 11,040 square feet, which is not atypical of other parcels in the area. By today's standards, the size is considered inadequate as current economic trends and conditions suggest both construction and operating costs are more economical on larger tracts.

Defective, Inadequate or Outdated Design or Arrangement in Structure: Suffers from antiquated garage design.

Age & Condition Including Deterioration & Obsolescence: The garage is in fair condition and in need of rehabilitation.

Possibility of Owner Redevelopment : The appraiser is unaware of the renovation history of the property owner.

Economic Evaluation: The appraiser was unable to obtain or develop any information regarding the expenses, profit, etc.

Potential for Rehabilitation: Given the several government sponsored projects underway in this portion of the downtown area, and the near dearth of other private sector projects, the appraisers speculate the property has minimal potential for rehabilitation.



Block: **E**

Tax ID: 29-220-50-10-02

Address: 1110 McGee

Owner:

Site Description: There is frontage of 60' on the west side of McGee and a depth of 115' for a total site area of 6,900 square feet. Topography is basically level and at grade.

Improvement Description: Improvement Description: Together with an adjacent tract, there is a 7-story, 65-year old parking garage with storerooms on the first level.

Excessive Land Coverage: The garage fills the site.

Small Parcels - Multiple Ownership: The site contains 6,900 square feet, which is not atypical of other parcels in the area. By today's standards, the size is considered inadequate as current economic trends and conditions suggest both construction and operating costs are more economical on larger tracts.

Defective, Inadequate or Outdated Design or Arrangement in Structure: Suffers from antiquated garage design.

Age & Condition Including Deterioration & Obsolescence: The garage is in fair condition and in need of rehabilitation.

Possibility of Owner Redevelopment : The appraiser is unaware of the renovation history of the property owner.

Economic Evaluation: The appraiser was unable to obtain or develop any information regarding the expenses, profit, etc.

Potential for Rehabilitation: Given the several government sponsored projects underway in this portion of the downtown area, and the near dearth of other private sector projects, the appraisers speculate the property has minimal potential for rehabilitation.



Block: **F**

Tax ID: 29-220-50-02

Address: 1103 Grand

Owner: New York-Kansas Building Company

Site Description: There is frontage of 96' on the east side of McGee and 115' on the south side of 11th Street for a total site area of 11,040 square feet. Topography is basically level and at grade with both streets.

Improvement Description: There is a 16-story, 65-year old reinforced concrete office building containing 177,408 square feet. Vacancy levels are 100%. There is no off street parking

Excessive Land Coverage: The building fills the site.

Small Parcels - Multiple Ownership: The site contains 11,040 square feet, which is not atypical of other parcels in the area. By today's standards, the size is considered inadequate as current economic trends and conditions suggest both construction and operating costs are more economical on larger tracts.

Defective, Inadequate or Outdated Design or Arrangement in Structure: There is little demand for older, rehabbed office space.

Age & Condition Including Deterioration & Obsolescence: The building is in poor condition and needs rehabilitation.

Possibility of Owner Redevelopment: The appraiser is unaware of the renovation history of the property owner.

Economic Evaluation: The appraiser was unable to obtain or develop any information regarding the expenses, profit, etc.

Potential for Rehabilitation: Given the several government sponsored projects underway in this portion of the downtown area, and the near dearth of other private sector projects, the appraisers speculate the property has minimal potential for rehabilitation.



1103 Grand

Block: **G**

Tax ID: 29-220-33-11

Address: 910 Grand

Owner: United Missouri Bank

Site Description: There is frontage of 95' on the west side of Grand and 115' on the south side of 9th Street for a total site area of 10,925 square feet. Topography is basically level and at grade with both streets.

Improvement Description: There is a 16-story, 70-year old, reinforced concrete office building in average condition and is fully occupied.

Excessive Land Coverage: The building fills the site.

Small Parcels - Multiple Ownership: The site contains 10,925 square feet, which is not atypical of other parcels in the area. By today's standards, the size is considered inadequate as current economic trends and conditions suggest both construction and operating costs are more economical on larger tracts.

Defective, Inadequate or Outdated Design or Arrangement in Structure: The building is of adequate design.

Age & Condition Including Deterioration & Obsolescence: The building is in good condition.

Possibility of Owner Redevelopment : The owners have a history of renovations in the area.

Economic Evaluation: The appraiser was unable to obtain or develop any information regarding the expenses, profit, etc.

Potential for Rehabilitation: This is not applicable.



Block: **H**

Tax ID: 29-220-17-01

Address: 700 McGee

Owner: JC Auto Park

Site Description: There is frontage of 72' on the west side of McGee and 120' on the south side of Admiral for a total site area of 8,640 square feet. Topography is basically level and at grade. There is a 30' grade differential with the tract to the south. There is a retaining wall of both natural and constructed stone.

Improvement Description: The site is improved with an asphalt parking lot containing 27 spaces.

Excessive Land Coverage: As the site is utilized for surface parking, this does not apply.

Small Parcels - Multiple Ownership: The site contains 8,640 square feet, which is not atypical of other parcels in the area. By today's standards, the size is considered inadequate as current economic trends and conditions suggest both construction and operating costs are more economical on larger tracts.

Defective, Inadequate or Outdated Design or Arrangement in Structure: The pathways and spaces are of adequate size, the lot is basically level.

Age & Condition Including Deterioration & Obsolescence: The asphalt surface is in average condition.

Possibility of Owner Redevelopment : The appraisers are unaware of the owners renovation history in the area.

| | |
|--|--|
| <u>Economic Evaluation:</u> | Parking Rate: \$1.75 |
| | Number of Spaces: 27 |
| | Estimated Potential Gross Income: \$11,340 |
| Less: <u>Estimated Expenses (40%):</u> | <u>\$4,536</u> |
| Estimated Net Income: | \$6,804 |

At a 10 % capitalization rate, a net income of \$6,804 indicates a value of \$68,040. At \$25 per square feet, the 8,640 square foot lot's estimated value is \$216,000, indicating that the existing surface parking lot is an under-utilization of the site.

Potential for Rehabilitation: Given the several government sponsored projects underway in this portion of the downtown area, and the near dearth of other private sector projects, the appraisers speculate the property has minimal potential for rehabilitation.



700 McGee

Block: **H**

Tax ID: 29-220-17-04

Address: 721 Grand

Owner: Parking Company of America

Site Description: There is frontage of 72' on the east side of Grand and a depth of 120' for a total site area of 8,640 square feet. The site sits approximately 20' above the grade of Grand and can only be accessed by an alley off of 8th Street.

Improvement Description: The site, along with adjoining properties, is improved with an asphalt parking lot containing 30 spaces.

Excessive Land Coverage: As the site is utilized for surface parking, this does not apply.

Small Parcels - Multiple Ownership: The site contains 8,640 square feet, which is not atypical of other parcels in the area. By today's standards, the size is considered inadequate as current economic trends and conditions suggest both construction and operating costs are more economical on larger tracts.

Defective, Inadequate or Outdated Design or Arrangement in Structure: The site can only be accessed through an alley off of 8th Street.. This lot, along with an adjacent lot, create one large, sloped lot with narrow pathways and awkward arrangements.

Age & Condition Including Deterioration & Obsolescence: The asphalt surface is in poor condition.

Possibility of Owner Redevelopment : The appraiser is unaware of the renovation history of the property owner.

| | |
|-----------------------------|--|
| <u>Economic Evaluation:</u> | Parking Rate: \$1.75 |
| | Number of Spaces: 30 |
| | Estimated Potential Gross Income: \$12,600 |
| Less: | <u>Estimated Expenses (40%):</u> \$5,040 |
| | Estimated Net Income: \$7,560 |

At a 10 % capitalization rate, a net income of \$7,560 indicates a value of \$75,600. At \$25 per square feet, the 8,640 square foot lot's estimated value is \$216,000, indicating that the existing surface parking lot is an under-utilization of the site.

Potential for Rehabilitation: Given the several government sponsored projects underway in this portion of the downtown area, and the near dearth of other private sector projects, the appraisers speculate the property has minimal potential for rehabilitation.



721 Grand

Block: **H** Tax ID: 29-220-17-05

Address: 200 E. 8th Street

Owner: Pioneer Service Corporation/R. Crosby Kemper

Site Description: There is frontage of 72' on the east side of Grand and 120' on the north side of 7th Street for a total site area of 8,640 square feet. Topography is basically level and at grade with both streets.

Improvement Description: The site is improved with a 2-level, reinforced concrete parking deck containing 50 spaces.

Excessive Land Coverage: As the site is utilized for parking, this does not apply.

Small Parcels - Multiple Ownership: The site contains 8,640 square feet, which is not atypical of other parcels in the area. By today's standards, the size is considered inadequate as current economic trends and conditions suggest both construction and operating costs are more economical on larger tracts.

Defective, Inadequate or Outdated Design or Arrangement in Structure: The pathways and spaces are of adequate size.

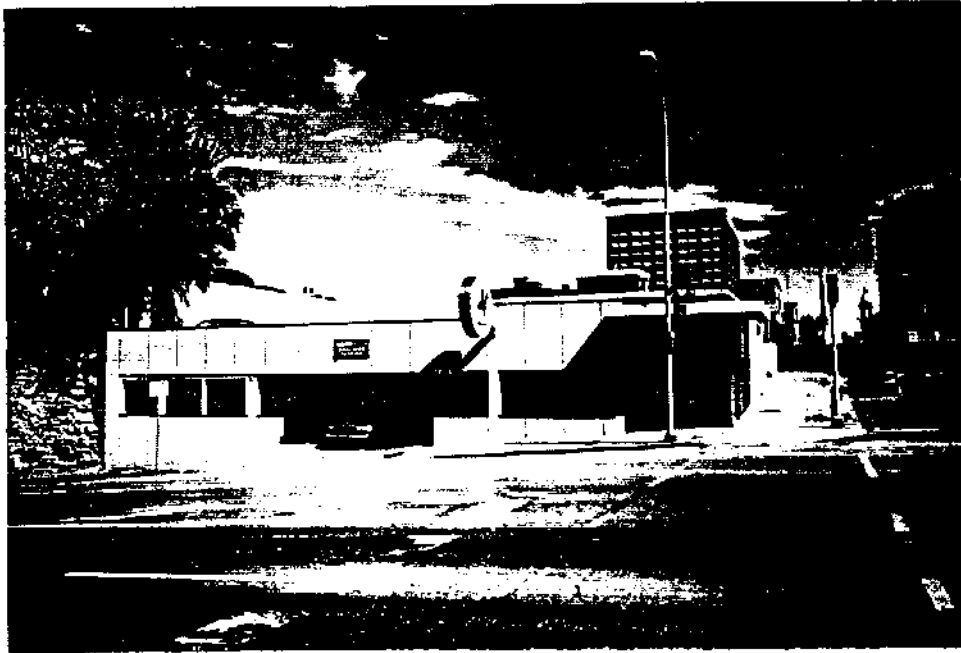
Age & Condition Including Deterioration & Obsolescence: The asphalt surface and deck structure are in good condition.

Possibility of Owner Redevelopment: Crosby Kemper has a significant history of renovation and rebuilding in the subject area.

| | |
|-----------------------------|--|
| <u>Economic Evaluation:</u> | Parking Rate: \$1.75 |
| | Number of Spaces: 50 |
| | Estimated Potential Gross Income: \$21,000 |
| Less: | <u>Estimated Expenses (40%):</u> \$8,400 |
| | Estimated Net Income: \$12,600 |

At a 10 % capitalization rate, a net income of \$12,600 indicates a value of \$126,000. At \$25 per square feet, the 8,640 square foot lot's estimated value is \$216,000, plus value of the deck, indicating that the existing parking structure is an under-utilization of the site. A larger, multi-level deck might result in a more profitable investment.

Potential for Rehabilitation: Given the several government sponsored projects underway in this portion of the downtown area, and the near dearth of other private sector projects, the appraisers speculate the property has minimal potential for rehabilitation.



200 E. 8th Street



Block: **H**

Tax ID: 29-220-17-06

Address: Northwest Corner of 8th and McGee

Owner: Pioneer Service Corporation/R. Crosby Kemper

Site Description: There is frontage of 48' on the west side of McGee and 120' on the north side of 7th Street for a total site area of 5,760 square feet. Topography is basically level and at grade with both streets.

Improvement Description: The site is improved with an asphalt surface parking lot containing 22 spaces.

Excessive Land Coverage: As the site is utilized for surface parking, this does not apply.

Small Parcels - Multiple Ownership: The site contains 5,760 square feet, which is not atypical of other parcels in the area. By today's standards, the size is considered inadequate as current economic trends and conditions suggest both construction and operating costs are more economical on larger tracts.

Defective, Inadequate or Outdated Design or Arrangement in Structure: The pathways and spaces are of adequate size, the lot is basically level.

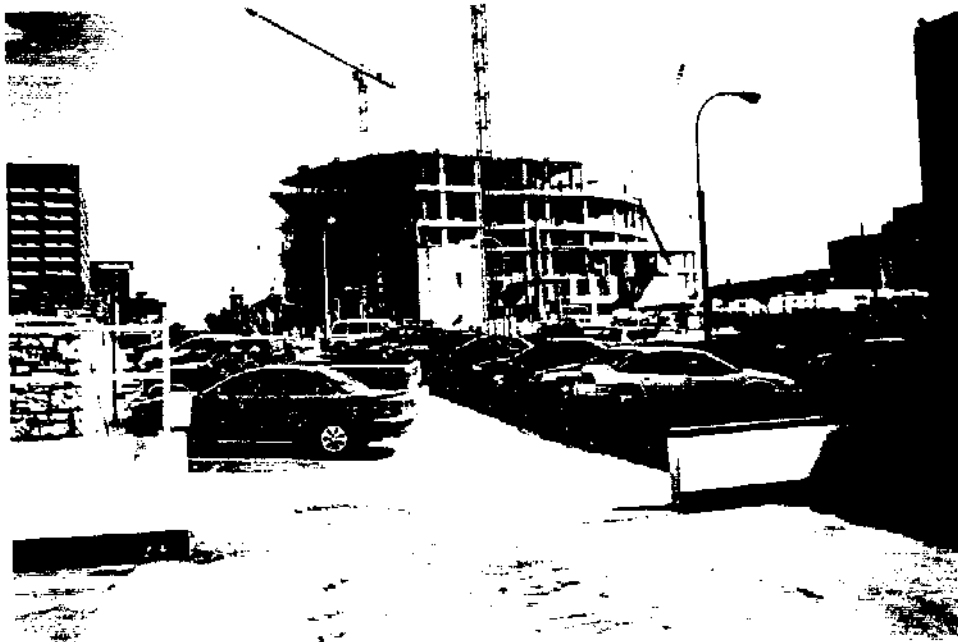
Age & Condition Including Deterioration & Obsolescence: The asphalt surface is in average condition.

Possibility of Owner Redevelopment: Crosby Kemper has a significant history of renovation and rebuilding west of the subject area.

| | |
|-----------------------------|---|
| <u>Economic Evaluation:</u> | Parking Rate: \$1.75 |
| | Number of Spaces: 22 |
| | Estimated Potential Gross Income: \$9,240 |
| <u>Less:</u> | <u>Estimated Expenses (40%):</u> \$3,696 |
| | Estimated Net Income: \$5,544 |

At a 10 % capitalization rate, a net income of \$5,544 indicates a value of \$55,440. At \$25 per square feet, the 5,760 square foot lot's estimated value is \$144,000, indicating that the existing surface parking lot is an under-utilization of the site.

Potential for Rehabilitation: Given the several government sponsored projects underway in this portion of the downtown area, and the near dearth of other private sector projects, the appraisers speculate the property has minimal potential for rehabilitation.



Northwest Corner of 8th & McGee

Block: **H**

Tax ID: 29-220-17-10

Address: 718 McGee

Owner: Parking Company of America

Site Description: There is frontage of 144' on the west side of McGee and a depth of 120' for a total site area of 17,280 square feet. Topography is sloped and ranges from 3' to 30' above grade. There is a 30' grade differential with the tract to the north and the retaining wall is of both natural and constructed stone.

Improvement Description: The site, along with an adjacent tract, is utilized as an asphalt, surface parking lot containing 62 spaces.

Excessive Land Coverage: As the site is utilized for surface parking, this does not apply.

Small Parcels - Multiple Ownership: The site contains 17,280 square feet, which is not atypical of other parcels in the area. By today's standards, the size is considered inadequate as current economic trends and conditions suggest both construction and operating costs are more economical on larger tracts.

Defective, Inadequate or Outdated Design or Arrangement in Structure: Together with and adjacent tract, this lot forms a large parking lot which is sloped, has awkward turns and narrow pathways. These lots create one large, sloped lot with narrow pathways and awkward arrangements.

Age & Condition Including Deterioration & Obsolescence: The asphalt surface is in poor condition. The retaining wall on the north is in poor condition and there is evidence of a recent failure and repair.

Possibility of Owner Redevelopment: The appraiser is unaware of the renovation history of the property owner.

Economic Evaluation: Parking Rate: \$1.75

Number of Spaces: 62

Estimated Potential Gross Income: \$26,040

Less: Estimated Expenses (40%): \$10,416

Estimated Net Income: \$15,624

At a 10 % capitalization rate, a net income of \$15,624 indicates a value of \$152,624. At \$25 per square foot, the 17,280 square foot lot's estimated value is \$432,000, indicating that the existing surface parking lot is an under-utilization of the site.

Potential for Rehabilitation: Given the several government sponsored projects underway in this portion of the downtown area, and the near dearth of other private sector projects, the appraisers speculate the property has minimal potential for rehabilitation.

718 McGee



Block: **H**

Tax ID: 29-220-17-11

Address: 701 Grand

Owner: Anthony & Teresa Spino

Site Description: There is frontage of 120' on the east side of Grand and 120' on the south side of Admiral for a total site area of 14,400 square feet. Topography is basically level and at grade with both streets. The site sits some 20' below the properties to the south and there is a natural stone retaining wall.

Improvement Description: The site is improved with a 15-year old brick restaurant containing 3,538 square feet. Additionally there is a 50-year old storage building containing approximately 200 square feet and appears to be vacant. There is asphalt parking for 21 cars.

Excessive Land Coverage: A third of the site is filled, leaving generally adequate room for on-site parking..

Small Parcels - Multiple Ownership: The site contains 14,400 square feet, which is not atypical of other parcels in the area. By today's standards, the size is considered inadequate as current economic trends and conditions suggest both construction and operating costs are more economical on larger tracts.

Defective, Inadequate or Outdated Design or Arrangement in Structure: The restaurant is a converted gas station that has been added to several times.

Age & Condition Including Deterioration & Obsolescence: The building is in good condition.

Possibility of Owner Redevelopment : The appraiser is unaware of the renovation history of the property owner.

Economic Evaluation: The appraiser was unable to obtain or develop any information regarding the expenses, profit, etc.

Potential for Rehabilitation: This is not applicable.



701 Grand

Block: **I**

Tax ID: 29-220-16-01

Address: 706 Grand

Owner: United Missouri Bank

Site Description: There is frontage of 119' on the east side of Walnut and 214' on the south side of 6th Street and 140' on the west side of Grand for a total site area of approximately 27,510 square feet. Topography is basically level and at grade with both streets.

Improvement Description: The site is improved with an asphalt parking lot containing 146 spaces.

Excessive Land Coverage: As the site is utilized for surface parking, this does not apply.

Small Parcels - Multiple Ownership: The site contains 27,510 square feet. By today's standards, the size is considered adequate as current economic trends and conditions suggest both construction and operating costs are more economical on larger tracts.

Defective, Inadequate or Outdated Design or Arrangement in Structure: The pathways and spaces are of adequate size, the lot is basically level.

Age & Condition Including Deterioration & Obsolescence: The asphalt surface is in average condition.

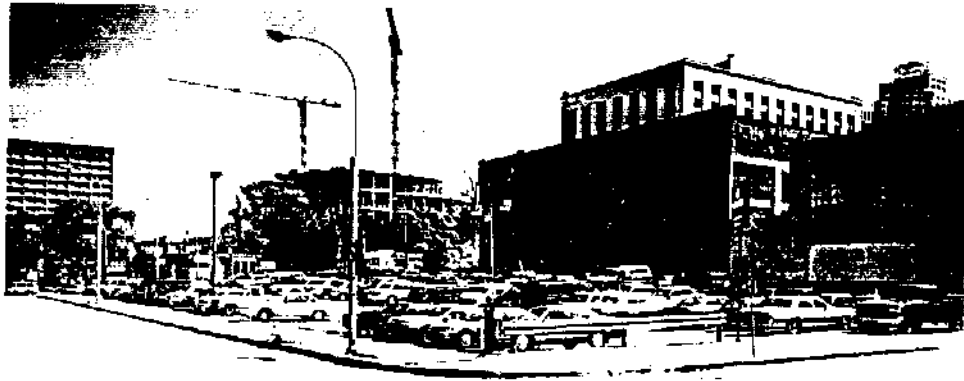
Possibility of Owner Redevelopment : The owners have an extensive history or renovation in the area.

Economic Evaluation:

| | |
|-----------------------------------|----------|
| Parking Rate: | \$1.75 |
| Number of Spaces: | 146 |
| Estimated Potential Gross Income: | \$61,320 |
| Less: Estimated Expenses (40%): | \$24,528 |
| Estimated Net Income: | \$36,792 |

At a 10 % capitalization rate, a net income of \$36,792 indicates a value of \$367,920. At \$25 per square feet, the 27,510 square foot lot's estimated value is \$687,750, indicating that the existing surface parking lot is an under-utilization of the site.

Potential for Rehabilitation: Given the several government sponsored projects underway in this portion of the downtown area, and the near dearth of other private sector projects, the appraisers speculate the property has minimal potential for rehabilitation.



706 Grand

Block: I

Tax ID: 29-220-16-02

Address: 711-3 Walnut

Owner: Racket Merchandise Company

Site Description: There is frontage of 100' on the east side of Walnut and a depth of 115' for a total site area of approximately 11,500 square feet. Topography is basically level and at grade.

Improvement Description: There is an 80-year old, 2-story, office & retail, brick building containing 15,840 square feet. The building appears to be fully occupied at this time. There is no off-street parking.

Excessive Land Coverage: The building fills the site.

Small Parcels - Multiple Ownership: The site contains 11,500 square feet, which is not atypical of other parcels in the area. By today's standards, the size is considered inadequate as current economic trends and conditions suggest both construction and operating costs are more economical on larger tracts.

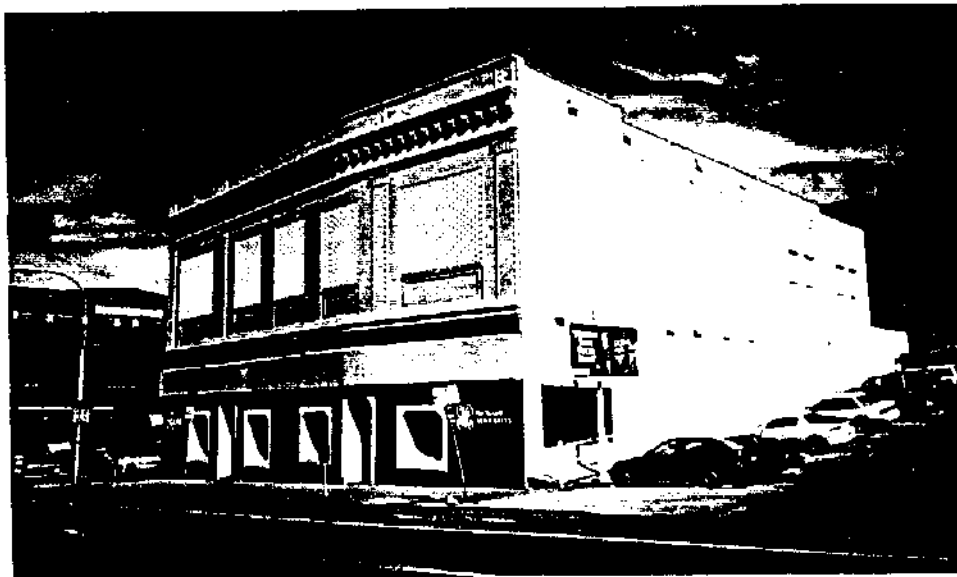
Defective, Inadequate or Outdated Design or Arrangement in Structure: There is little demand for second level, walk-up space.

Age & Condition Including Deterioration & Obsolescence: The building is in average condition.

Possibility of Owner Redevelopment: The appraisers are unaware of the owner's renovation history. Although the building's front facade has been redone.

Economic Evaluation: The appraiser was unable to obtain or develop any information regarding the expenses, profit, etc.

Potential for Rehabilitation: This is not applicable.



Block: I

Tax ID: 29-220-16-03

Address: 102 E. 8th Street

Owner: MBT Partners

Site Description: There is frontage of 96' on the east side of Walnut and 108' on the north side of 8th Street for a total site area of 10,368 square feet. Topography is basically level and at grade with both streets.

Improvement Description: There is an asphalt parking lot containing 40 spaces.

Excessive Land Coverage: As the site is utilized for surface parking, this does not apply.

Small Parcels - Multiple Ownership: The site contains 9,880 square feet, which is not atypical of other parcels in the area. By today's standards, the size is considered inadequate as current economic trends and conditions suggest both construction and operating costs are more economical on larger tracts.

Defective, Inadequate or Outdated Design or Arrangement in Structure: The pathways and spaces are of adequate size, the lot is somewhat sloped.

Age & Condition Including Deterioration & Obsolescence: The asphalt surface is in average condition.

Possibility of Owner Redevelopment: The appraisers are unaware of the owner's renovation history.

Economic Evaluation: Parking Rate: \$1.75

Number of Spaces: 40

Estimated Potential Gross Income: \$16,800

Less: Estimated Expenses (40%): \$6,720

Estimated Net Income: \$10,080

At a 10 % capitalization rate, a net income of \$10,080 indicates a value of \$100,800. At \$25 per square feet, the 10,368 square foot lot's estimated value is \$259,200, indicating that the existing surface parking lot is an under-utilization of the site.

Potential for Rehabilitation:

Given the several government sponsored projects underway in this portion of the downtown area, and the near dearth of other private sector projects, the appraisers speculate the property has minimal potential for rehabilitation.



102 E. 8th Street

Block: **I**

Tax ID: 29-220-16-04

Address: 110 E. 8th

Owner: Lanbros Properties

Site Description: There is frontage of 24' on the north side of 8th Street and a depth of 96' for a total site area of 2,304 square feet. Topography is basically level and at grade.

Improvement Description: There is a 75-year old, 2-story brick office/retail building containing 3,312 square feet.

Excessive Land Coverage: The building fills the site.

Small Parcels - Multiple Ownership: The site contains 2,304 square feet, which is not atypical of other parcels in the area. By today's standards, the size is considered inadequate as current economic trends and conditions suggest both construction and operating costs are more economical on larger tracts.

Defective, Inadequate or Outdated Design or Arrangement in Structure: There is little demand for second floor walk-up space.

Age & Condition Including Deterioration & Obsolescence: The building needs tuckpointing and window replacement.

Possibility of Owner Redevelopment: The appraisers are unaware of the owner's renovation history.

Economic Evaluation: Economic Evaluation: The appraiser was unable to obtain or develop any information regarding the expenses, profit, etc.

Potential for Rehabilitation: Given the several government sponsored projects underway in this portion of the downtown area, and the near dearth of other private sector projects, the appraisers speculate the property has minimal potential for rehabilitation.



Block: I

Tax ID: 29-220-16-05

Address: 120 E. 8th Street

Owner: Joseph & Augustine Accurso

Site Description: There is frontage of 96' on the west side of Grand and 103' on the north side of 8th Street for a total site area of 9,880 square feet. Topography is basically level and at.

Improvement Description: There is an asphalt parking lot containing 39 spaces.

Excessive Land Coverage: As the site is utilized for surface parking, this does not apply.

Small Parcels - Multiple Ownership: The site contains 9,880 square feet, which is not atypical of other parcels in the area. By today's standards, the size is considered inadequate as current economic trends and conditions suggest both construction and operating costs are more economical on larger tracts.

Defective, Inadequate or Outdated Design or Arrangement in Structure: The lot is of adequate design

Age & Condition Including Deterioration & Obsolescence: The asphalt surface is in average condition.

Possibility of Owner Redevelopment : The appraisers are unaware of the owner's renovation history.

Economic Evaluation: Parking Rate: \$2.00

Number of Spaces: 39

Estimated Potential Gross Income: \$18,720

Less: Estimated Expenses (40%): \$7,488

Estimated Net Income: \$11,232

At a 10 % capitalization rate, a net income of \$11,232 indicates a value of \$112,320. At \$25 per square feet, the 9,880 square foot lot's estimated value is \$247,000, indicating that the existing surface parking lot is an under-utilization of the site.

Potential for Rehabilitation: Given the several government sponsored projects underway in this portion of the downtown area, and the near dearth of other private sector projects, the appraisers speculate the property has minimal potential for rehabilitation.



120 E. 8th Street

Block: I

Tax ID: 29-220-16-06

Address: 718-22 Grand

Owner: Grand Avenue Garage, Inc.

Site Description: There is frontage of 80' on the east side of Grand and a depth of 122' for a total site area of 9,760 square feet. Topography is basically level and at grade.

Improvement Description: There is a 3-story, 70-year old parking garage.

Excessive Land Coverage: The garage fills the site.

Small Parcels - Multiple Ownership: The site contains 9,760 square feet, which is not atypical of other parcels in the area. By today's standards, the size is considered inadequate as current economic trends and conditions suggest both construction and operating costs are more economical on larger tracts.

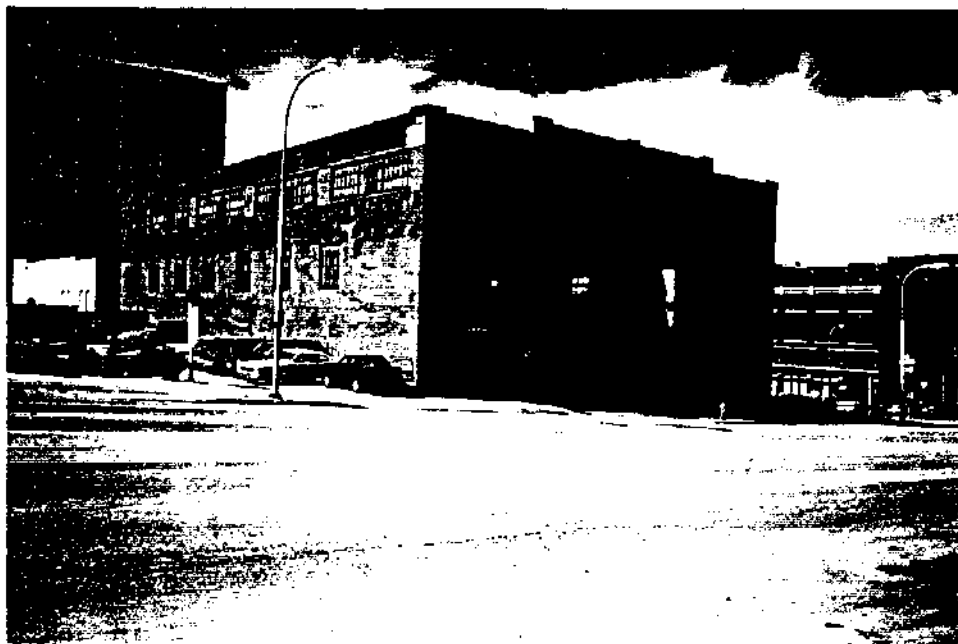
Defective, Inadequate or Outdated Design or Arrangement in Structure: The design is dated.

Age & Condition Including Deterioration & Obsolescence: The building is in need of tuckpointing.

Possibility of Owner Redevelopment : The appraisers are unaware of the owner's renovation history.

Economic Evaluation: The appraiser was unable to obtain or develop any information regarding the expenses, profit, etc.

Potential for Rehabilitation: Given the several government sponsored projects underway in this portion of the downtown area, and the near dearth of other private sector projects, the appraisers speculate the property has minimal potential for rehabilitation.



Block: **J**

Tax ID: 29-220-02-04

Address: 211-5 E. 6th Street

Owner: Joseph R. Sacco & Peter J. Cuezze

Site Description: There is frontage of 83' on the west side of McGee and 95' on the south side of 6th Street for a total site area of 7,885 square feet. Topography is basically level and at grade with both streets.

Improvement Description: There is a 2-story, brick, office/retail building containing 9,450 square feet. The building is 20% occupied. There are 4 parking spaces located on the west side of the building.

Excessive Land Coverage: The site is 70% filled.

Small Parcels - Multiple Ownership: The site contains 7,885 square feet, which is not atypical of other parcels in the area. By today's standards, the size is considered inadequate as current economic trends and conditions suggest both construction and operating costs are more economical on larger tracts.

Defective, Inadequate or Outdated Design or Arrangement in Structure: There is little demand for second level walk-up space.

Age & Condition Including Deterioration & Obsolescence: The building is poor condition and in need of rehabilitation.

Possibility of Owner Redevelopment : The appraisers are unaware of the owner's renovation history.

Economic Evaluation: The appraiser was unable to obtain or develop any information regarding the expenses, profit, etc.

Potential for Rehabilitation: Given the several government sponsored projects underway in this portion of the downtown area, and the near dearth of other private sector projects, the appraisers speculate the property has minimal potential for rehabilitation.

211-5 E 6th Street



Block: **J**

Tax ID: 29-220-02-10

Address: 220 Admiral Boulevard & 616 McGee Street

Owner: Admiral 220 Corporation

Site Description: There is frontage of 154' on the west side of McGee and 95' on the north side of Admiral for a total site area of 14,630 square feet. Topography is basically level and at grade with both streets.

Improvement Description: There is a 3-story, brick, office/industrial building containing 36,000 square feet. The building is vacant and offered for sale or lease at this time. There is no off-street parking.

Excessive Land Coverage: The building fills the majority of the site.

Small Parcels - Multiple Ownership: The site contains 14,630 square feet, which is not atypical of other parcels in the area. By today's standards, the size is considered inadequate as current economic trends and conditions suggest both construction and operating costs are more economical on larger tracts.

Defective, Inadequate or Outdated Design or Arrangement in Structure: The building is of adequate design.

Age & Condition Including Deterioration & Obsolescence: The exterior of the building is good shape with newer windows (except for off the alleys).

Possibility of Owner Redevelopment : It would appear that the building has undergone some rehabilitation in the recent past.

Economic Evaluation: The appraiser was unable to obtain or develop any information regarding the expenses, profit, etc.

Potential for Rehabilitation: Given the several government sponsored projects underway in this portion of the downtown area, and the near dearth of other private sector projects, the appraisers speculate the property has minimal potential for rehabilitation.

220 Admiral & 616 McGee



Block: **J**

Tax ID: 29-220-02-13

Address: 200-14 Admiral Boulevard

Owner: P.C. Warehouse, Inc.

Site Description: There is frontage of 247' on the east side of Grand and 70' on the north side of Admiral for a total site area of 17,290 square feet. Topography is basically level and at grade with both streets.

Improvement Description: There is a 2-story, brick retail/office building containing 4,836 square feet. The building is 100% occupied. There is parking for 45 cars on the north side of the building.

Excessive Land Coverage: The building fills only a small portion of the site.

Small Parcels - Multiple Ownership: The site contains 17,290 square feet, which is not atypical of other parcels in the area. By today's standards, the size is considered inadequate as current economic trends and conditions suggest both construction and operating costs are more economical on larger tracts.

Defective, Inadequate or Outdated Design or Arrangement in Structure: There is little demand for second floor walk-up space.

Age & Condition Including Deterioration & Obsolescence: The building is in average condition

Possibility of Owner Redevelopment: The appraisers are unaware of the owner's renovation history.

Economic Evaluation: The appraiser was unable to obtain or develop any information regarding the expenses, profit, etc.

Potential for Rehabilitation: Given the several government sponsored projects underway in this portion of the downtown area, and the near dearth of other private sector projects, the appraisers speculate the property has minimal potential for rehabilitation.

200-14 Admiral



Block: **K**

Tax ID: 29-220-03-01

Address: 600 Grand

Owner: Enterprise Leasing

Site Description. There is frontage of 164' on the west side of Grand and 112' on the south side of 6th Street for a total site area of 18,368 square feet. Topography is basically level and at grade with both streets.

Improvement Description: There is a 2,200 square foot, 3-bay, brick car rental agency (formerly a service station).

Excessive Land Coverage: The building fills only a small portion of the site.

Small Parcels - Multiple Ownership: The site contains 18,368 square feet, which is not atypical of other parcels in the area. By today's standards, the size is considered inadequate as current economic trends and conditions suggest both construction and operating costs are more economical on larger tracts

Defective, Inadequate or Outdated Design or Arrangement in Structure: The building is adequate for its current user.

Age & Condition Including Deterioration & Obsolescence: The building is in average condition.

Possibility of Owner Redevelopment : The appraisers are unaware of the owner's renovation history.

Economic Evaluation: The appraiser was unable to obtain or develop any information regarding the expenses, profit, etc.

Potential for Rehabilitation: Given the several government sponsored projects underway in this portion of the downtown area, and the near dearth of other private sector projects, the appraisers speculate the property has minimal potential for rehabilitation.



Block: **K**

Tax ID: 29-220-03-01

Address: 601 Walnut & 105 E. 6th Street

Owner: H.E. & Bonnel J. Bunch

Site Description: There is frontage of 82' on the west side of Walnut and 127' on the south side of 6th Street for a total site area of 10,414 square feet. Topography is basically level and at grade with both streets.

Improvement Description: The site is improved with a 85-year old, 3-story brick office/retail building containing 24,800 square feet. The building appears to have been recently renovated. There is tandem parking for 20 cars in the rear.

Excessive Land Coverage: The building fills 80% the site.

Small Parcels - Multiple Ownership: The site contains 10,414 square feet, which is not atypical of other parcels in the area. By today's standards, the size is considered inadequate as current economic trends and conditions suggest both construction and operating costs are more economical on larger tracts.

Defective, Inadequate or Outdated Design or Arrangement in Structure: The structure is adequate in design.

Age & Condition Including Deterioration & Obsolescence: The building is in good condition with new windows

Possibility of Owner Redevelopment: The appraisers are unaware of the owner's renovation history.

Economic Evaluation: The appraiser was unable to obtain or develop any information regarding the expenses, profit, etc.

Potential for Rehabilitation: This is not applicable.



Block: **K**

Tax ID: 29-220-03-03

Address: 609 Walnut

Owner: Danguard, Inc.

Site Description: There is frontage of 45' on the east side of Baltimore and a depth of 127' for a total site area of 5,715 square feet. Topography is basically level and at grade with both streets.

Improvement Description: The lot is improved with an asphalt parking lot containing space for 24 cars

Excessive Land Coverage: As the site is utilized for surface parking, this does not apply.

Small Parcels - Multiple Ownership: The site contains 5,715 square feet, which is not atypical of other parcels in the area. By today's standards, the size is considered inadequate as current economic trends and conditions suggest both construction and operating costs are more economical on larger tracts.

Defective, Inadequate or Outdated Design or Arrangement in Structure: The pathways and spaces are of adequate size, the lot is basically level.

Age & Condition Including Deterioration & Obsolescence: The asphalt surface is in good condition.

Possibility of Owner Redevelopment : The appraisers are unaware of the owner's renovation history.

Economic Evaluation: Parking Rate: \$1.50

Number of Spaces: 24

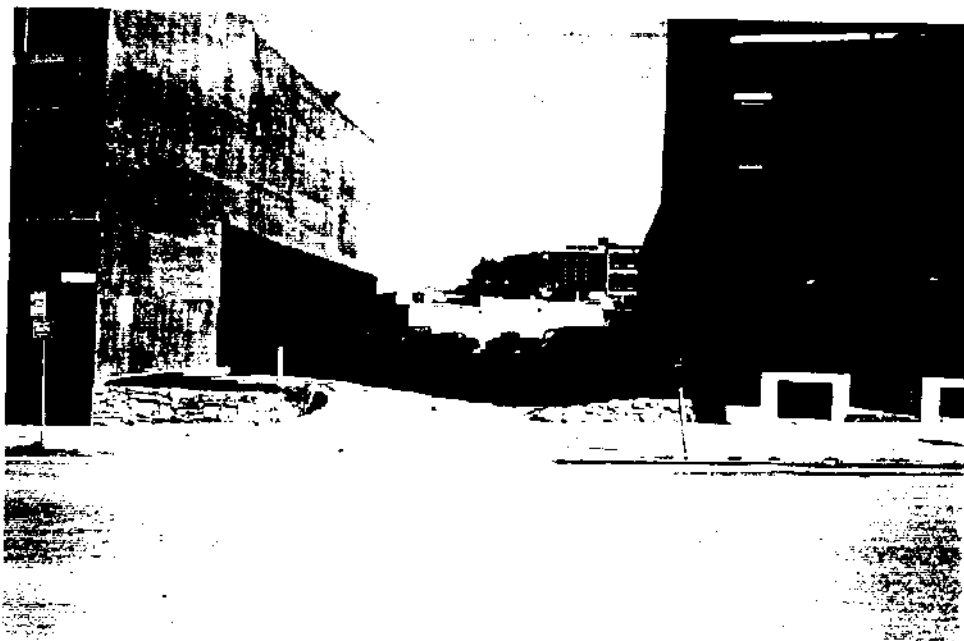
Estimated Potential Gross Income: \$8,640

Less: Estimated Expenses (40%): \$3,456

Estimated Net Income: \$5,184

At a 10 % capitalization rate, a net income of \$5,184 indicates a value of \$51,840. At \$25 per square feet, the 5,715 square foot lot's estimated value is \$142,875, indicating that the existing surface parking lot is an under-utilization of the site.

Potential for Rehabilitation: Given the several government sponsored projects underway in this portion of the downtown area, and the near dearth of other private sector projects, the appraisers speculate the property has minimal potential for rehabilitation.



609 Walnut

Block: **K**

Tax ID: 29-220-03-04

Address: 114 E. 7th Street & 617 Walnut

Owner: Paul S. & Nancy C. Kivett

Site Description: There is frontage of 110' on the east side of Walnut and 127' on the north side of 7th Street for a total site area of 13,970 square feet. Topography is basically level and at grade with both streets.

Improvement Description: There is a 70-year old, 4-story brick office/industrial building containing 50,000 square feet.

Excessive Land Coverage: The building fills the site.

Small Parcels - Multiple Ownership: The site contains 13,970 square feet, which is not atypical of other parcels in the area. By today's standards, the size is considered inadequate as current economic trends and conditions suggest both construction and operating costs are more economical on larger tracts.

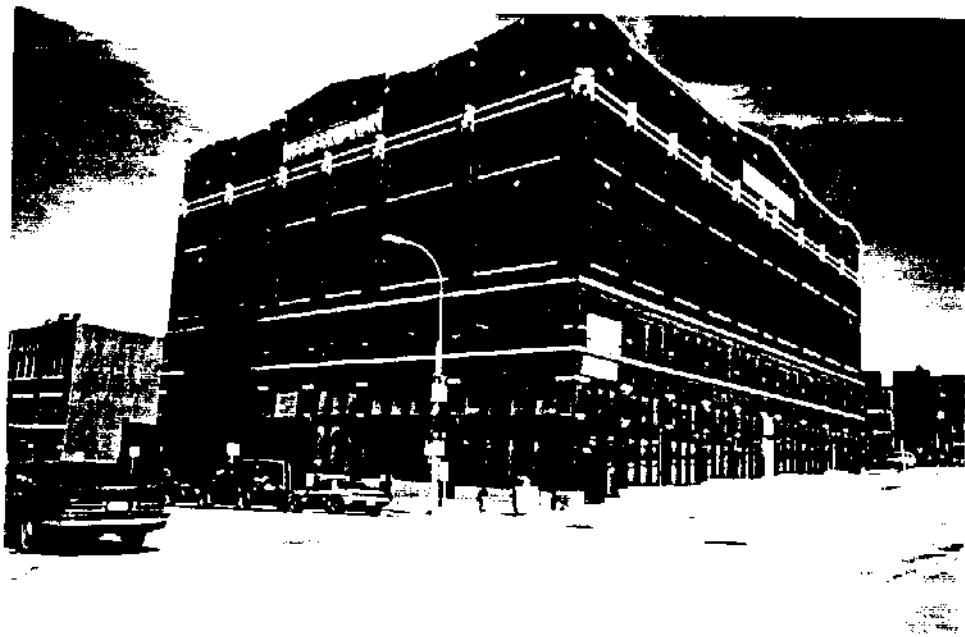
Defective, Inadequate or Outdated Design or Arrangement in Structure: There is little demand for downtown industrial space, which appears to be the building design.

Age & Condition Including Deterioration & Obsolescence: The building appears to be in average condition and has new windows.

Possibility of Owner Redevelopment : The appraisers are unaware of the owner's renovation history.

Economic Evaluation: The appraiser was unable to obtain or develop any information regarding the expenses, profit, etc.

Potential for Rehabilitation: This is not applicable.



Block: **K**

Tax ID: 29-220-03-15

Address: 120 E. 7th

Owner: WJB Investment Company

Site Description: There is frontage of 72' on the west side of Grand and 112' on the north side of 7th Street for a total site area of 8,064 square feet. Topography is basically level and at grade.

Improvement Description: The site is improved with an asphalt parking lot containing 49 spaces.

Excessive Land Coverage: As the site is utilized for surface parking, this does not apply.

Small Parcels - Multiple Ownership: The site contains 8,064 square feet, which is not atypical of other parcels in the area. By today's standards, the size is considered inadequate as current economic trends and conditions suggest both construction and operating costs are more economical on larger tracts.

Defective, Inadequate or Outdated Design or Arrangement in Structure: The pathways and spaces are of barely adequate size; the lot is basically level.

Age & Condition Including Deterioration & Obsolescence: The asphalt surface is in average condition.

Possibility of Owner Redevelopment : The appraisers are unaware of the owner's renovation history.

Economic Evaluation: Parking Rate: \$1.50

Number of Spaces: 49

Estimated Potential Gross Income: \$17,640

Less: Estimated Expenses (40%): \$7,056

Estimated Net Income: \$10,584

At a 10 % capitalization rate, a net income of \$10,584 indicates a value of \$105,840. At \$25 per square feet, the 8,064 square foot lot's estimated value is \$201,600, indicating that the existing surface parking lot is an under-utilization of the site.

Potential for Rehabilitation: Given the several government sponsored projects underway in this portion of the downtown area, and the near dearth of other private sector projects, the appraisers speculate the property has minimal potential for rehabilitation.



120 E. 7th Street

Block: **L**

Tax ID: 29-220-04-05

Address: 608-10 Walnut

Owner: Six Ten Walnut

Site Description: There is frontage of 100' on the west side of Walnut and a depth of 119' for a total site area of 11,900 square feet. Topography is basically level and at grade with both streets.

Improvement Description: The site is improved with a 2-level parking deck.

Excessive Land Coverage: The structure fills the site.

Small Parcels - Multiple Ownership: The site contains 11,900 square feet, which is not atypical of other parcels in the area. By today's standards, the size is considered inadequate as current economic trends and conditions suggest both construction and operating costs are more economical on larger tracts.

Defective, Inadequate or Outdated Design or Arrangement in Structure: The pathways and spaces are of adequate size, the lot is basically level.

Age & Condition Including Deterioration & Obsolescence: The asphalt surface is in good condition.

Possibility of Owner Redevelopment: The appraisers are unaware of the owner's renovation history.

| | |
|-----------------------------|--|
| <u>Economic Evaluation:</u> | Parking Rate: \$2.00 |
| | Number of Spaces: |
| | Estimated Potential Gross Income: \$17,640 |
| Less: | Estimated Expenses (40%): \$7,056 |
| | Estimated Net Income: \$10,584 |

At a 10 % capitalization rate, a net income of \$10,584 indicates a value of \$105,840. At \$25 per square feet, the 11,900 square foot lot's estimated value is \$297,500, indicating that the existing surface parking lot is an under-utilization of the site.

Potential for Rehabilitation: Given the several government sponsored projects underway in this portion of the downtown area, and the near dearth of other private sector projects, the appraisers speculate the property has minimal potential for rehabilitation.



Block: **L**

Tax ID: 29-220-04-08

Address: 600 Walnut

Owner: Downtown Redevelopment Corporation

Site Description: There is frontage of 59' on the west side of Walnut and 127' on the south side of 6th Street for a total site area of 7,493 square feet. Topography is basically level and at grade with both streets.

Improvement Description: The site is improved with a 2-level parking structure.

Excessive Land Coverage: The structure fills the lot.

Small Parcels - Multiple Ownership: The site contains 7,493 square feet, which is not atypical of other parcels in the area. By today's standards, the size is considered inadequate as current economic trends and conditions suggest both construction and operating costs are more economical on larger tracts.

Defective, Inadequate or Outdated Design or Arrangement in Structure: The pathways and spaces are of adequate size, the lot is basically level. There is not internal access to the lower level.

Age & Condition Including Deterioration & Obsolescence: The asphalt surface is in average condition.

Possibility of Owner Redevelopment : The appraisers are unaware of the owner's renovation history.

Economic Evaluation: Parking Rate: \$1.50

Number of Spaces: 39

Estimated Potential Gross Income: \$14,040

Less: Estimated Expenses (40%): \$5,616

Estimated Net Income: \$8,424

At a 10 % capitalization rate, a net income of \$8,424 indicates a value of \$84,240. At \$25 per square feet, the 7,493 square foot lot's estimated value is \$187,325, indicating the existing surface parking lot is an under-utilization of the site.

Potential for Rehabilitation: Given the several government sponsored projects underway in this portion of the downtown area, and the near dearth of other private sector projects, the appraisers speculate the property has minimal potential for rehabilitation.



Block: **L**

Tax ID: 29-220-04-06

29-220-04-07

Address: 614 Walnut

Owner: Theodore & Susanne Folkert

Site Description: There is frontage of 78' on the west side of Walnut and 116' on the north side of 7th Street for a total site area of 9,048 square feet. Topography is basically level and at grade.

Improvement Description: The site is improved with a 43-space, asphalt parking lot.

Excessive Land Coverage: As the site is utilized for surface parking, this does not apply.

Small Parcels - Multiple Ownership: The site contains 9,048 square feet, which is not atypical of other parcels in the area. By today's standards, the size is considered inadequate as current economic trends and conditions suggest both construction and operating costs are more economical on larger tracts.

Defective, Inadequate or Outdated Design or Arrangement in Structure: The pathways and spaces are barely of adequate size, the lot is basically level.

Age & Condition Including Deterioration & Obsolescence: The asphalt surface is in average condition.

Possibility of Owner Redevelopment: The appraisers are unaware of the owner's renovation history.

Economic Evaluation: Parking Rate: \$1.50

Number of Spaces: 43

Estimated Potential Gross Income: \$15,480

Less: Estimated Expenses (40%): \$6,192

Estimated Net Income: \$9,288

At a 10 % capitalization rate, a net income of \$9,288 indicates a value of \$92,880. At \$25 per square feet, the 9,048 square foot lot's estimated value is \$226,200, indicating the existing surface parking lot is an under-utilization of the site.

Potential for Rehabilitation: Given the several government sponsored projects underway in this portion of the downtown area, and the near dearth of other private sector projects, the appraisers speculate the property has minimal potential for rehabilitation.



614 Walnut

CONCLUSION

The appraisers were unable to discover or develop any information regarding the profitability of leases, impaired investments, etc., except for parking lots, which were all under improvements. Therefore, the Economic Evaluation category has been excluded from analysis. In addition, the possibility of owner redevelopment could only be determined by the obvious history of renovations that may or may not have been visible from the street. This category is eliminated from analysis as well. The appraisers have analyzed the individual subject tracts as follows (an X indicates the tract is deficient in the category):

| Address | Block | Excessive Land Coverage | Small Parcels, Etc. | Defective Design, Etc. | Deterioration & Obs. | Economically Under-utilized | Potential for Rehab. | % Blighted |
|-----------------|-------|-------------------------|---------------------|------------------------|----------------------|-----------------------------|----------------------|------------|
| 1400 Grand | A | | | | | X | X | 33 |
| 1414 McGee | B | X | X | X | X | X | X | 100 |
| 1415 Grand | B | | | | | NA | | 0 |
| 1416 McGee | B | X | X | X | X | NA | X | 100 |
| 1020 Oak | C | X | X | X | | NA | | 60 |
| 1000 Oak | C | | X | | | X | X | 50 |
| 300 E. 11th | C | | X | X | | NA | X | 60 |
| 1021 McGee | C | X | X | X | | NA | X | 80 |
| 1017 McGee | C | X | X | X | | NA | X | 80 |
| 1003-7 McGee | C | X | X | X | | NA | X | 80 |
| 301-9 E. 10th | C | | X | | X | X | X | 67 |
| 1021 Grand | C | | X | X | | NA | X | 60 |
| 1025 Grand | C | | | | | NA | | 0 |
| 1012-4 McGee | C | X | X | X | X | NA | X | 100 |
| 1001-7 Grand | C | X | X | X | X | NA | X | 100 |
| 1000 McGee | C | X | X | X | X | NA | X | 100 |
| 1004 McGee | C | | X | | X | NA | X | 60 |
| 1008 McGee | C | | X | | X | NA | X | 60 |
| 1000 Grand | D | X | X | X | X | NA | X | 100 |
| 1007 Walnut | D | | X | | | X | X | 50 |
| 1003 Walnut | D | X | X | | | NA | X | 60 |
| 1010 Grand | D | | | | | NA | | 0 |
| 1100-4 McGee | E | | X | X | X | NA | X | 80 |
| 1110 McGee | E | | X | X | X | NA | X | 80 |
| 1103 Grand | F | X | X | X | X | NA | X | 100 |
| 910 Grand | G | X | X | | | NA | | 40 |
| 700 McGee | H | | X | | | X | X | 50 |
| 721 Grand | H | | X | X | X | X | X | 83 |
| 200 E. 8th | H | | X | | | X | X | 50 |
| NWC 8th & McGee | H | | X | | | X | X | 50 |
| 718 McGee | H | | X | X | X | X | X | 83 |
| 701 Grand | H | | X | X | | NA | | 40 |
| 706 Grand | I | | X | | | X | X | 50 |
| 711-3 Walnut | I | X | X | X | | NA | | 60 |
| 102 E 8th | I | | X | | | X | X | 50 |
| 110 E 8th | I | X | X | X | X | NA | X | 100 |
| 120 E 8th | I | | X | | | X | X | 50 |
| 718-22 Grand | I | | X | X | X | NA | X | 80 |
| 211-5 E. 6th | J | X | X | X | X | NA | X | 100 |
| 220 Admiral | J | X | X | | | NA | X | 60 |
| 200-14 Admiral | J | | X | X | | NA | X | 60 |

| Address | Block | Excessive Land Coverage | Small Parcels, Etc. | Defective Design, Etc. | Deterioration & Obs. | Economically Under-utilized | Potential for Rehab. | % Blighted |
|-----------------------|-------|-------------------------|---------------------|------------------------|----------------------|-----------------------------|----------------------|------------|
| 600 Grand | K | | X | | | NA | X | 40 |
| 601 Walnut | K | X | X | | | NA | | 40 |
| 609 Walnut | K | | X | | | X | X | 50 |
| 114 E. 7 & 617 Walnut | K | X | X | X | | NA | X | 80 |
| 120 E. 7th | K | | X | | | X | X | 50 |
| 608-10 Walnut | L | | X | | | X | X | 50 |
| 614 Walnut | L | | X | | | X | X | 50 |
| 600 Walnut | L | | X | X | | X | X | 67 |
| Totals | | 19 | 45 | 25 | 17 | 18 | 41 | 63 |

Considering only the six above components of blight, 9 of the 49 tracts are 100% blighted; 2 are 83% blighted; 7 are 80% blighted; 2 are 67% blighted; 9 are 60% blighted; 12 are 50% blighted; 4 are 40% blighted and 1 are 33% blighted. Only three of the tracts are not affected by at least one of the above components of blight.

The Professional Building located at 1103 Grand is the classic example of blight. The building has been vacant for a number of years and is awaiting tax foreclosure.

There are an abundance of vacant office buildings, some which have undergone partial rehabilitation. There is little demand for older, rehabbed office space. Rather, the trend in the downtown area is for space in the bigger, newer buildings. Several improved property sales, included in the addendum, indicate that even the better properties within the neighborhood experience massive (90%-98%) depreciation that we attribute to blight.

All of the parking lots analyzed did not have sufficient income to support land values. The appraisers speculate that a number of the older office/retail/industrial buildings are also under-utilizations of the sites. By reason of the deterioration of site improvements, small parcels, obsolete platting and defective designs and other blighting factors identified above, the area is considered an economic liability to the community.

The appraisers are of the opinion that all of the properties needing rehab have poor potential for rehabilitation. The only rehabilitation done in this area of the downtown loop, has been either by government, or sponsored by the government. The records were reviewed, inspections were made, comparisons were made demonstrating that the site has not been developed by the private sector in a number of years. The one exception to this is the new UMB Bank building located at 1010 Grand.

If a single building on a single block is renovated, it does little to correct the problems of the entire neighborhood, as is evidenced now. Several buildings have received significant renovations, but, the neighboring buildings have not and blight is still a major concern for the neighborhood. An area wide project will need to be undertaken for real improvement to occur.

The area has met a number of the factors contained in the definitions found in the beginning of the report. The platting is obsolete in that the lot sizes are significantly smaller than is economically

advantageous by today's standards. Most of the buildings fill their respective site areas. As a result, parking is a significant problem. Seventeen of the tracts are physically deteriorated.

In conclusion, most of the individual buildings exhibit some degree of blight using the criterion described above, and are considered an economic liability to the community. The only real hope for the neighborhood to improve is through the establishment of a redevelopment district privy to the financial benefits of tax abatement and consolidation of the numerous property owners. Without such changes, the blight will remain and worsen.

Addendum

Land Sale No. 1

Location: 701 Central, Kansas City, Missouri

Grantor: Dale and Karen Rice

Grantee: Tower Properties

Sale Date: September 27, 1993

Size: 7,600 Square Feet

Zoning: M-1, Light Industrial District

Sale Price: \$150,000 including \$90,000 purchase plus \$60,000 cost of demolition and fill; total unit value - \$19.74 per square foot of land.

Site

Description: This is a rectangular site having 95' fronting the east side of Central Street and 80' on the south side of West 7th Street; total area is approximately 7,600 square feet. Topography would be considered at grade with adjacent streets and surrounding property. All utilities are present.

Improvement

Description: At the time of sale, a 3-story plus basement industrial building completely filled the site. The building was heavily depreciated, served by city steam, and featured air-conditioning and sprinklers.

Comments: Current all-day parking - Private; nearby rates are \$2.75 north of 8th and Wyandotte, \$3.00 south of 8th and Wyandotte, \$1.75 south of 9th and Broadway.

This sale was the last in the Grantee's assemblage of the entire block, which is used as parking for Commerce Bank employees.

The building which formerly occupied the site was part of the Garment District and served as headquarters of the Rice Coat and Suit Co.

Demolition costs - \$2.63 per sq. foot of building or \$7.89 per sq. foot of land.

Confirmed by Ben Brian of Tower Properties.

Land Sale No. 2

Location: 201 West 8th Street, Kansas City, Missouri

Grantor: Allright Corporation

Grantee: Boatmen's First National Bank

Sale Date: December 11, 1992

Size: 21,950 Square Feet

Zoning: M-1, Light Industrial District

Sale Price: \$445,000 or \$20.27 per square foot of land.

Site

Description: This is a rectangular site having approximately 172' fronting the south side of West 8th, 128' on the east side of Central, and 128' on the west side of Wyandotte; total area is approximately 21,950 square feet. Topography is at grade with adjacent streets and surrounding property. All utilities are present.

Improvement

Description: At the time of sale, the site was paved for use as a surface parking lot.

Comments: Current all-day parking - Private; nearby rates are \$2.75 north of 8th and Wyandotte, \$3.00 south of 8th and Wyandotte, \$1.75 south of 9th and Broadway.

The Grantee is using the site for employee parking during business hours.

Confirmed by Bob Jones of Bliss & Co.

Land Sale No. 3

Location: 1040 Cherry Street, Kansas City, Missouri

Grantor: Meyer's Parking System

Grantee: Central Parking System

Sale Date: October 1991

Size: 19,008 Square Feet

Zoning: C-4, Central Business District
C-3b, Intermediate Business Transitional District

Sale Price: \$400,000 or \$21.04 per square foot of land

Site

Description: A rectangular site on the northwest corner of 11th Street and Cherry having approximately 132' fronting the north side of 11th and approximately 144' on the west side of Cherry. the site is level and at grade with all utilities present.

Improvement

Description: The site was improved for commercial surface parking at the time of sale.

Comments: Current all-day parking rate - \$4.50

The property is directly across 11th Street from the Municipal Court building and cater-corner from the City Hall; there is a heavy and constant demand for parking.

The seller in this transaction purchased the property in December of 1986 for \$425,000 or \$22.36 per square foot of land. The appraisers believe that land value in the subject neighborhood is stable and that the decrease displayed by this sale represents the depreciation of parking lot improvements.

Confirmed by both buyer and seller.

Land Sale No. 4

Location: Northeast corner of 10th and Locust Streets, Kansas City, Missouri

Grantor: Woodswether Development Company

Grantee: Phil Ruffin

Sale Date: July 28, 1989

Size: 19,008 Square Feet

Zoning: C-3b, Intermediate Business Transitional

Sale Price: \$275,000 or \$14.47 per square foot of land

Site

Description: The tract has a rectangular shape with 144' of frontage on Locust Street and 132' on 10th Street. The topography has a slight slope. The site has commercial zoning, good access and excellent visibility.

Improvement

Description: The site was improved for commercial surface parking at the time of sale.

Comments: Purchased for development of a convenience store. This was a cash sale.

Confirmed by Phil Ruffin and Nathan Reiz.

Land Sale No. 5

Location: 312-318 East 12th Street, Kansas City, Missouri
Grantor: Catherine Sage Trust
Grantee: McDonald's Corporation
Sale Date: December 6, 1994
Size: 7,618 Square Feet
Zoning: C-4, Central Business District
Sale Price: \$275,000 plus estimated \$5,000 demolition or \$36.76 per square foot of land

Site

Description: A virtually square site on the north side of 12th Street having approximately 87' fronting 12th and average depth of 87.5'; platted measurements are: 87.17'x86.5'x87.39'x88.5'. The site is level and at grade with all utilities present.

Improvement

Description: The site was improved with a 1,354-sq foot restaurant building plus 6,264 square feet of commercial surface parking at the time of sale.

Comments: Current parking rates: \$1.00 for 20 minutes
\$4.50 all-day maximum

The property is an interior parcel some 25' west of the corner of 12th and Oak directly across from City Hall and cater-corner from the County Courthouse; there is a heavy and constant demand for parking.

The most recent leases on the property were producing \$1,590 per month net for the building and \$2,200 per month net for the parking less 6% leasing commission; total annual net rent would be \$42,750. This indicated overall rate for this purchase is .1527.

The buyer intended to develop a restaurant on the site and the appraisers have estimated demolition costs. The City now intends to acquire the site for a parking garage.

Confirmed by the broker in the transaction.

Land Sale No. 6

Location: 1319 and 1329 Wyandotte Street, Kansas City, Mo.
Grantor: Kansas City Power & Light Co.
Grantee: Gailoyd Enterprises Corp.
Sale Date: March 15, 1994
Size: 17,750 and 26,100 square feet plus 2,130 square feet of vacated alley; 45,980 square feet total.
Zoning: C-4, Central Business District
Sale Price: \$1,450,000 plus \$65,000 demolition or \$32.95 per square foot of land

Site

Description: The site consists of two rectangular parcels on either side of a 15' wide alley. The north site (1319 Wyandotte) has 125' fronting the east side of Wyandotte and depth of 142' for area of approx. 17,750 sq. feet. The south site (1329 Wyandotte) has 130.5' fronting the east side of Wyandotte and 200' on the north side of West 14th for area of approx. 26,100 sq. feet.

Topography in the vicinity has a pronounced upward slope toward the north but the site would be considered at grade with adjacent streets and surrounding property. All utilities are present.

Improvement

Description: The north site is fully occupied by a 4-level concrete parking garage plus roof parking with brick and block curtain walls and metal factory windows; gross square footage is 71,000 square feet excluding roof. Though in good condition, the buyer, the seller, and real estate professionals involved in the sale, all considered the structure to be 100% functionally obsolete.

Comments: Current all-day parking - \$1.75, evening event parking - \$3.00.

This property is across Wyandotte from the Municipal Auditorium complex and cater-corner from the eastern leg of Bartle Hall.

The buyer's intention reportedly is speculative holding with redevelopment imminent. The appraisers believe that the alley separating the parcels will be vacated.

Land Sale No. 7

Location: 1015 Grand Avenue, Kansas City, Missouri

Grantor: Allright Corporation

Grantee: United Missouri Bank N.A.

Sale Date: February 1993

Size: 11,088 Square Feet

Zoning: C-4, Central Business District

Sale Price: \$395,000 or \$35.62 per square foot of land

Site

Description: A basically rectangular interior site having approximately 98' fronting the east side of Grand and depth of approximately 115.5'. The site is level and at grade with all utilities present.

Improvement

Description: The site was improved with 23 spaces for commercial surface parking at the time of sale.

Comments: Current parking rates: \$1.00 for 30 minutes
\$4.00 all-day maximum

An adjacent building has been demolished to expand the lot to 42 spaces and the property remains in use as a surface parking lot with an attendant.

Sale Number 1

Location: 921 Cherry Street, Kansas City, Missouri

Grantor: Various

Grantee: Wayne Rexman

Sale Date: September 1993

Sale Price: 475,000 or \$5.86 per sq. foot of building

Legal
Description: Lots 33 - 40, Block 16, Smart's Addition No. 3

Site
Description: A rectangular parcel having 385.5' fronting the east side of Cherry Street, 132' on the north side of East 10th and 132' on the south side of East 9th with total area of 50,886 square feet. Topography is at grade with a moderate slope from north to south; all utilities are present; zoning is C-3b, Intermediate Business Transitional.

Improvement
Description: A former Travel-Lodge Inn consisting of 3- and 4-story wings built in 1965. Total of 143 rooms and approximately 81,000 gross sq. feet; two elevators. At the time of sale the building was operated primarily as transient housing; the restaurant was closed and the pool filled; the roof had reached the point of failure; occupancy was about 4%; condition was poor.

Comments: Interviewed on Feb. 8, 1995, Mr. Wayne Rexman stated that he first purchased the land from three retired Travel-Lodge executives for \$375,000 (\$7.37 per sq. foot); the leasehold interest in the improvement was later purchased for \$100,000. At this writing (July 1995), a \$500,000 renovation has been completed. Rental rates are \$111 to \$133.25 per week and \$24 to \$29 daily; no monthly rate; all utilities and phone included. The owner projects occupancy between 92% and 98%.

Sale
Analysis: Estimated Land Value - \$375,000 at \$7.37 / sq. foot
Improvements: (Boeckh's Building Valuation Manual)
81,000 Sq. Ft. Bldg @ \$62.26 psf = \$5,043,060
Parking Lot - \$ 56,250

Sale Number 1 - Continued

| | |
|----------------------------------|-------------|
| Total Estimated Replacement Cost | \$5,099,310 |
|----------------------------------|-------------|

| | |
|--------------|-----------|
| Sale Price - | \$475,000 |
|--------------|-----------|

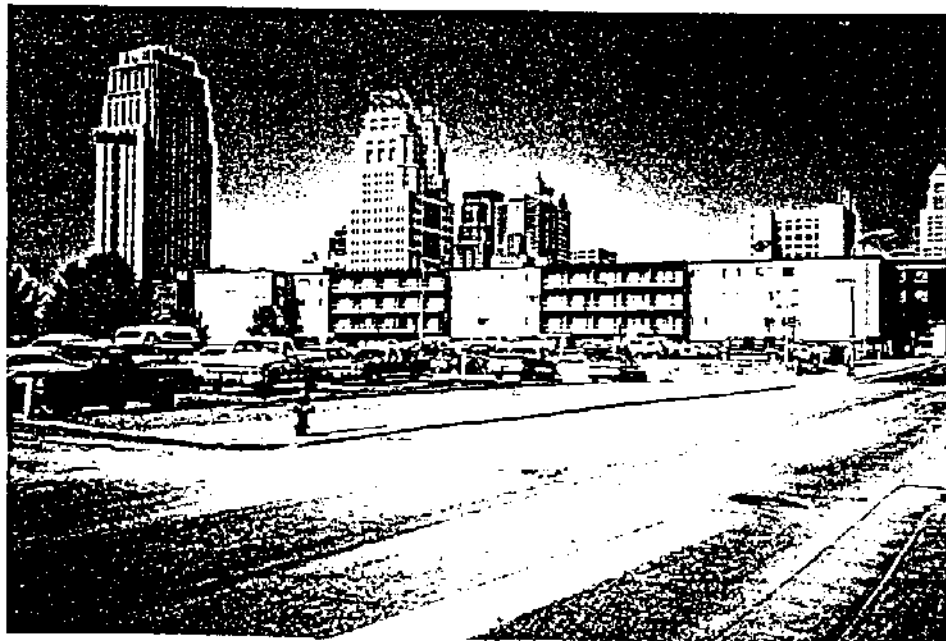
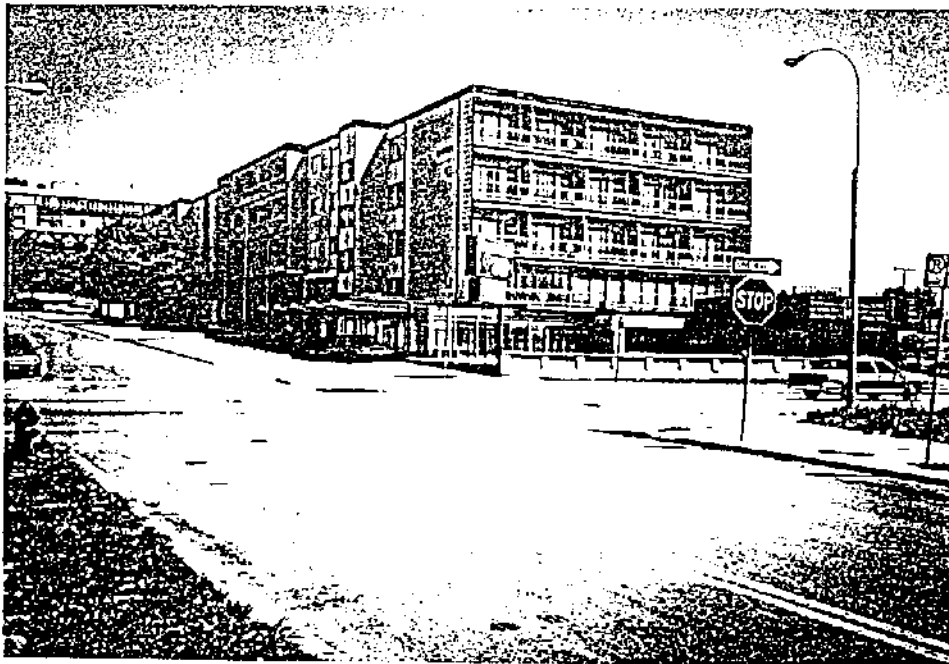
| | |
|-------------------|-----------|
| Less Land Value - | \$375,000 |
|-------------------|-----------|

| | |
|------------------------------|-----------|
| Sale Price of Improvements - | \$100,000 |
|------------------------------|-----------|

Replacement to Sale of Improvements

\$100,000 : \$5,099,310 = 2%

Percentage of Depreciation of Improvements: 98%



Sale Number 3

Location: 926 Cherry Street, Kansas City, Missouri
Grantor: E. L. Mendenhall, Inc.
Grantee: Judith Penny Hubbard
Sale Date: May 1992
Sale Price: \$195,000 or \$25.32 per sq. foot of building
Legal
Description: Lot 25 and the south 36' of Lot 26, Block 15, Smart's Addition No. 3

Site
Description: Rectangular corner lot having 84' fronting the west side of Cherry Street and 132' on the north side of East 10th Street with total area of 11,088 square feet. Topography is at grade; all utilities are present; zoning is C-3b, Intermediate Business Transitional.

Improvement
Description: This is a 2-story office warehouse characterized by masonry construction. The entire building is air conditioned; 5,200-sq. foot first floor in use as print shop; 2,500-sq. foot second floor finished as office.

Sale
Analysis: Estimated Land Value - \$166,000 at \$15 / sq. foot
Improvements: (Boeckh's Building Valuation Manual)

| | |
|------------------------------------|-----------------|
| 7,700 Sq. Ft. Bldg @ \$36.06 psf = | \$277,662 |
| Parking Lot - | <u>\$ 6,250</u> |

| | |
|----------------------------------|-----------|
| Total Estimated Replacement Cost | \$283,912 |
|----------------------------------|-----------|

| | |
|-------------------|-----------|
| Sale Price - | \$195,000 |
| Less Land Value - | \$166,000 |

| | |
|------------------------------|-----------|
| Sale Price of Improvements - | \$ 29,000 |
|------------------------------|-----------|

Replacement to Sale of Improvements

$\$29,000 \div \$283,912 = 10.2\%$

Percentage of Depreciation of Improvements: 89.8%



EXHIBIT 13

STATUTORY REQUIREMENTS

Section 99.810 of the Act sets forth nine minimum requirements for information that must be included in any tax increment financing plan. The following is a list of those requirements, followed by citations to the sections of the Plan containing information in compliance with each:

- A. A general description of the program to be undertaken to accomplish the objectives of the Plan. Section III (A), (B), (C), (D), (E) and (F).
- B. The estimated Redevelopment Project costs. Section IV (C); Exhibit 6.
- C. The anticipated sources of funds to pay the costs. Section IV (D), Exhibit 7.
- D. Evidence of the commitments to finance the project costs. Section IV (G); Exhibit 11.
- E. Anticipated type and term of the sources of funds to pay costs. Section IV(A); Exhibit 7.
- F. Anticipated type and terms of the obligations to be issued. Section IV(B).
- G. The most recent equalized assessed valuation of the property within the Redevelopment Area which is to be subjected to payments in lieu of taxes and economic activity taxes. Section VI.
- H. The estimated equalized assessed valuation after redevelopment is completed. Section VI; Exhibit 8.
- I. The general land uses to apply in the Redevelopment Area. Section VII; Exhibit 2.

In addition, Section 99.810 sets forth certain findings that must be made by the city as a prerequisite to adoption of the Plan. Those required findings are set forth below, along with the sections of the Plan whereby information can be found to support such findings:

- 1. The redevelopment area on the whole is a blighted area, a conservation area, or an economic development area, and 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. Section IX and X; Exhibits 9A and 9B.
- 2. The redevelopment plan conforms to the comprehensive plan for the development of the municipality as a whole. Section VIII.
- 3. The estimated dates, which shall not be more than twenty-three years from the adoption of the ordinance approving a redevelopment project within a redevelopment area, of

completion of any redevelopment project and retirement of obligations incurred to finance redevelopment project costs have been stated. Sections III(E) and IV(B); Exhibit 5.

4. A plan has been developed for relocation assistance for businesses and residences. Sections XII and XVI.