

**FOURTH AMENDMENT
TO
NORTH OAK
TAX INCREMENT FINANCING PLAN**

KANSAS CITY, MISSOURI

TIF COMMISSION APPROVAL:

8/12/09	8-18-09
DATE	RESOLUTION No.

CITY COUNCIL APPROVAL:

10/1/09	090832
DATE	ORDINANCE No.

FOURTH AMENDMENT TO THE NORTH OAK TIF PLAN

I. Introduction

The purpose of the Fourth Amendment to the North Oak Tax Increment Financing Plan (the “Fourth Amendment”) is to change the North Oak Tax Increment Financing Plan as approved by the Ordinance No. 050104 on February 24, 2005, the First Amendment to the North Oak TIF Plan as approved by the Ordinance 060534 on July 20, 2006 and the Third Amendment to the North Oak TIF Plan as approved by the Ordinance 070996 on October 11, 2007 (collectively referred to herein as the “Plan”). The Second Amendment was withdrawn.

The Fourth Amendment provides for the creation of a benefit area within the North Oak Corridor neighborhoods for the purposes of establishing a housing program, as well as revisions to the budget for the design of streetscape improvements. The TIF revenues generated within the Redevelopment Area would continue to be used for reimbursing TIF eligible project costs.

II. Specific Plan Text Amendments

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

Amendment No. 1: Section III.C., Project Improvements

Add the following paragraph after the last paragraph of Section III.C. of the plan:

North Oak Corridor Housing & Infrastructure Program Revenues from the North Oak TIF Plan will be used for improvements to housing stock and infrastructure improvements within the North Oak Corridor neighborhoods. The procedure and operations for how the fund is to be used and administered will be established, with approval by the TIF Commission by the North Oak TIF Advisory Committee.

The housing benefit area is generally bound by Interstate 29 on the north, the city limits of Kansas City, Missouri on the south, Interstate 35 on the east, and Main Street on the west.

Amendment No. 2: Add the attached “Supplementary Legal Descriptions of the Redevelopment Area”, as a supplement to Exhibit 1 of the Plan, “Legal Description of the Redevelopment Area”.

Amendment No. 3: Add the attached “Site Plan” map as a supplement to Exhibit 2B of the Plan.

Amendment No. 8: Delete Exhibit 5 & 5A of the Plan, “Estimated Redevelopment Costs” and insert the attached Exhibit 5 in its place.

Supplement to Exhibit 1



TIF Benefit District Area: Legal Description (North Oak Corridor neighborhoods)

Beginning at a point on the centerline of the southbound right-of-way of Interstate 29 at a point due north of the westernmost entrance of the North Oak exit ramp, then continuing south along the centerline of southbound Interstate 29 right-of-way and continuing south along the centerline of the Interstate 35/29 southbound right-of-way to the northern most City boundary line of North Kansas City, Missouri, thence westerly along the North Kansas City boundary thence westerly along the centerline of North 32nd Street to the centerline of northbound Missouri Highway 9 right-of-way thence northwesterly along right-of-way to a point intersecting the western boundary of Waterworks Park, owned by the City of Kansas City, Missouri, known as Lots 22-25 of Evans Land Subdivision thence north to the northern boundary of said property thence easterly to the centerline of the right-of-way of North Main Street thence northerly along centerline and extending north to the Point of Beginning, excluding Lots 1, 2 and 3 of Walnut Creek Apartments and all of Block 11 Northgate in Kansas City, Clay County, Missouri.

Exhibit 2
Supplementary Site Plan



Legend

-  North Oak Benefit Area
-  Excluded (Walnut Creek TIF)

North Oak Benefit Area



Exhibit 8
Estimated Redevelopment Costs

**North Oak Corridor TIF Plan
Fourth Amendment**

	Project Costs	TIF Reimbursable	STIF Reimbursable
Projects 1 & 2			
TIF Staff/Legal/Administrative Expenses ¹	\$ 350,000	\$ 350,000	
Survey Consulting Service	2,800	2,800	
Building Purchase/Rehabilitation/Tenant Improvements	17,000,000	1,980,000	
Furniture, Fixture and Equipment	13,000,000	-	
Infrastructure improvements ²	3,984,840	3,984,840	
Streetscape Design	500,000	100,000	
Subtotal	\$ 34,837,640	\$ 6,417,640	
Projects 3-6			
Development Costs			
Land Costs			
Land	\$ 8,219,880	\$ 2,840,252	\$ -
Total Land Costs	\$ 8,219,880	\$ 2,840,252	\$ -
Hard Costs			
Anchor Retail Shell	\$ 8,100,000	\$ -	\$ -
Anchor Retail Building Upgrades	675,000	-	-
Anchor Retail Sitework	1,950,000	-	-
Junior Box Shell	1,540,000	-	-
Junior Box Façade Upgrades	330,000	330,000	-
Buildings Constructed on Pad Sites - Shell	7,500,000	-	-
Pad Site - Sitework/Landscaping	2,040,000	-	-
Site/Landscape (Continental Engineering Estimate)	4,962,594	2,799,251	-
Total Hard Costs	\$ 27,097,594	\$ 3,129,251	\$ -
Soft Costs			
Professional Services Fees	\$ 2,120,000	\$ -	\$ -
Interest Carry	1,272,000	-	-
Points	232,000	-	-
Closing - Loan and Land	75,000	-	-
Development Fee	1,200,000	-	-
Preliminary Studies	25,000	-	-
Taxes During Construction	15,000	-	-
TIF Commission Fees	250,000	250,000	-
Investment Banking Fee (IRR C&P)	480,940	-	-
Contingency	2,300,000	304,500	-
Total Soft Costs	\$ 7,969,940	\$ 554,500	\$ -
Public Improvements			
Park Land Dedication	\$ 209,000	\$ 209,000	\$ -
Additional Vivion Road ROW	405,000	405,000	-
Wetland Mitigation	52,500	52,500	-
Replace Water Main at Oak & Vivion that Frequently Breaks	225,000	225,000	-
Replace Overhead Electric Lines with Underground Lines	225,000	225,000	-
Sidewalks along Vivion Road and North Oak	67,500	67,500	-
Ornamental Perimeter Lighting	143,000	143,000	-
Offsite Road Improvements	1,110,000	1,110,000	-
Extraordinary Cost of Underground Runoff Detention	1,475,000	1,475,000	-
Neighborhood Improvements Fund	2,862,789	-	2,862,789
North Oak Corridor Housing & Infrastructure Program	1,000,000	1,000,000	-
Total Public Improvements Costs	\$ 7,774,789	\$ 4,912,000	\$ 2,862,789
Subtotal	\$ 51,062,203	\$ 11,436,003	\$ 2,862,789
TOTAL	\$ 85,899,843	\$ 17,853,643	\$ 2,862,789

ASSUMPTIONS:

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. The amount will be figured and allocated prior to allocation of any other reimbursable costs.

1 This amount is an estimated total budget for plan and project administration expenses to be reimbursed to the selected consultant and the TIF Commission. The selected consultants will submit annually a budget for plan and project administration expenses which will be reviewed and approved by the TIF Commission.

2 Yet to be determined. They will be based on the recommendations of the Corridor Study.

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Accepting the recommendations of the Tax Increment Financing Commission as to the Fourth Amendment to the North Oak Tax Increment Financing Plan; and approving the Fourth Amendment to the North Oak Tax Increment Financing Plan which includes the designation of a benefit area.

WHEREAS, the City Council of Kansas City, Missouri, by Ordinance No. 54556, passed on November 24, 1982, and thereafter amended in certain respects by Committee Substitute for Ordinance No. 911076, as amended, passed on August 29, 1991, created the Tax Increment Financing Commission of Kansas City, Missouri (the "Commission"); and

WHEREAS, on February 24, 2005, the City Council passed Committee Substitute for Ordinance No. 050104, which accepted the recommendations of the Commission as to the North Oak Tax Increment Financing Plan (the "Redevelopment Plan") and designated the Redevelopment Area therein to be a blighted area; and

WHEREAS, on July 20, 2006, the Council approved Ordinance No. 060534, the First Amendment to the North Oak Tax Increment Financing Plan which provided for expansion of the redevelopment area by adding a 32 acre parcel which will be developed into retail space and the change in designation of the Redevelopment Area as a blighted area to a conservation area; and

WHEREAS, a second amendment to the Redevelopment Plan entitled the Second Amendment to the North Oak Tax Increment Financing Plan (the "Second Amendment") was proposed to the Commission but was never approved; and

WHEREAS, on October 11, 2007, the Council approved Ordinance No. 070996, the Third amendment to the North Oak Tax Increment Financing Plan which provided expansion of the redevelopment area by including the east side of the 4200 block of North Oak Trafficway as Project 2B to be developed into retail space for and

WHEREAS, a fourth amendment to the Redevelopment Plan entitled the Fourth Amendment to the North Oak Tax Increment Financing Plan (the "Fourth Amendment") was proposed to the Commission; and

WHEREAS, said Commission has been duly constituted and its members appointed; and, after all proper notice was given, the Commission met in public hearing and after receiving the comments of all interested persons and taxing districts, closed said public hearing on August 12, 2009, adopted Resolution No. 8-18-09 (the "Resolution") recommending that the City Council approve the Fourth Amendment; and

WHEREAS, the Fourth Amendment provides for the creation of a benefit area for the purposes of establishing a housing and infrastructure program and revisions to the

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budget to include funding the local match for the federal grant to design streetscape improvements and standards; NOW, THEREFORE,

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY:

Section 1. The recommendations of the Commission concerning the Fourth Amendment to the North Oak Tax Increment Financing Plan as set forth in the Resolution attached hereto as Exhibit A are hereby accepted and the Fourth Amendment, a copy of which is attached hereto as Exhibit B, is hereby approved and adopted as valid and the Redevelopment Project contained therein is hereby authorized.

Section 2. All terms used in this ordinance, not otherwise defined herein, shall be construed as defined in Section 99.800 to 99.865 of the Revised Statutes of Missouri, as amended (the Act).

Section 3. That the area legally described as:

Beginning at a point on the centerline of the southbound right-of-way of Interstate 29 at a point due north of the westernmost entrance of the North Oak exit ramp, then continuing south along the centerline of southbound Interstate 29 right-of-way and continuing south along the centerline of the Interstate 35/29 southbound right-of-way to the northern most City boundary line of North Kansas City, Missouri, thence westerly along the North Kansas City boundary thence westerly along the centerline of North 32nd Street to the centerline of northbound Missouri Highway 9 right-of-way thence northwesterly along right-of-way to a point intersecting the western boundary of Waterworks Park, owned by the City of Kansas City, Missouri, known as Lots 22-25 of Evans Land Subdivision thence north to the northern boundary of said property thence easterly to the centerline of the right-of-way of North Main Street thence northerly along centerline and extending north to the Point of Beginning, excluding Lots 1, 2 and 3 of Walnut Creek Apartments and all of Block 11 Northgate in Kansas City, Clay County, Missouri.

is added to the North Oak Tax Increment Financing Plan Redevelopment Area and made a part thereof.

Section 4. The Council hereby finds that:

- (a) Good cause has been shown for amendment of the Redevelopment Plan, and that the findings of the Council in Ordinance No. 050104, 060534, and 070996 with respect to the Redevelopment Plan are not affected by the Fourth Amendment and apply equally to the Fourth Amendment;
- (b) The Redevelopment Area, as amended, is a conservation area, as a whole, and has not been subject to growth and development through investment

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by private enterprise and would not reasonably be anticipated to be developed without the adoption of the Redevelopment Plan, as amended, and the Fourth Amendment;

- (c) The Redevelopment Plan includes a detailed description of benefactors that qualify the Redevelopment Area as a conservation area and an affidavit as required by Section 99.810.1(1), RSMo.
- (d) The Redevelopment Plan, as amended, confirms to the comprehensive plan for the development of the City as a whole;
- (e) The areas selected for Redevelopment Projects include only those parcels of real property and improvements therein which will be directly and substantially benefited by the Redevelopment Project improvements;
- (f) The estimated dates of completion of the respective Redevelopment Projects and retirement of obligations incurred to finance Redevelopment Project Costs, have been stated in the Redevelopment Plan, as amended, and are not more than 23 years from the adoption of any ordinance approving a Redevelopment Project within the Redevelopment Area, as amended;
- (g) A plan has been developed for relocation assistance for businesses and residences;
- (h) A cost benefit analysis showing the impact of the Fourth Amendment on each taxing district which is at least partially within the boundaries of the Redevelopment Area has been prepared in accordance with the Act;
- (i) The Third Amendment does not include the initial development or redevelopment of any gambling establishment.
- (j) A blight study has been completed and the findings of such study satisfy the requirements provided under subdivision (1) of Section 99.805, RSMo.

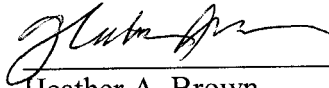
Section 5. The Commission is authorized to issue obligations in one or more series of bonds secured by the North Oak Account of the Special Allocation Fund to finance Redevelopment Project Costs within the Redevelopment Area, as amended, and subject to any constitutional limitations, to acquire by purchase, donation, lease or eminent domain, own, convey, lease, mortgage, or dispose of, land or other property, real or personal, or rights or interests therein, and grant or acquire licenses, easements and options with respect thereto, all in the manner and at such price the Commission determines, to enter into such contracts and stake all such further actions as are reasonably necessary to achieve the objectives of the Redevelopment Plan, as amended, pursuant to the power delegated to it in Ordinance No. 54556. Any obligations issued to finance Redevelopment Project Costs shall contain a recital that they are issued pursuant

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to Sections 99.800 and 99.865, which recital shall be conclusive evidence of their validity and of the regularity of their issuance.

Section 6. Pursuant to the provisions of the Redevelopment Plan, as amended the City Council approves the pledge of all funds generated from Redevelopment Projects that are deposited into the North Oak Account of the Special Association Fund to the payment of Redevelopment Project Costs within the Redevelopment Area, as amended, and authorizes the Commission to pledge such funds on its behalf.

Approved as to form and legality:



Heather A. Brown
Assistant City Attorney



Authenticated as Passed



Mark Funkhouser, Mayor



Vickie Thompson, City Clerk

OCT 01 2009

Date Passed