

**SIXTH AMENDMENT**  
**NORTH OAK**  
**TAX INCREMENT FINANCING PLAN**  
**KANSAS CITY, MISSOURI**

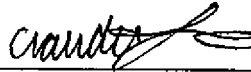
**TIF Commission Consideration:**

<u>August 11, 2010</u>	<u>8-9-10</u>
Date	Resolution No.

**City Council Approval:**

<u>September 30, 2010</u>	<u>100705</u>
Date	Ordinance No.

Attached herewith is a true and correct copy of the Sixth Amendment to the North Oak TIF Plan that was approved by the Tax Increment Financing Commission of Kansas City, Missouri by Resolution No. 8-9-10. on August 11, 2010.

  
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Chair

## SIXTH AMENDMENT TO THE NORTH OAK TIF PLAN

### **I. Introduction**

The purpose of the Sixth Amendment to the North Oak Tax Increment Financing Plan (the “Sixth 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 Ordinance 060534 on July 20, 2006, the Third Amendment to the North Oak TIF Plan as approved by Ordinance 070996 on October 11, 2007, the Fourth Amendment to the North Oak TIF Plan as approved by Ordinance 090832 on October 1, 2009, and the Fifth Amendment to the North Oak TIF Plan as approved by Ordinance 100083 on February 11, 2010 (collectively referred to herein as the “Plan”). The Second Amendment was withdrawn by the developer prior to TIF Commission’s consideration.

The proposed Sixth Amendment provides for revisions to the Budget of Redevelopment Project Costs to allow for additional funds for the local match of the federal grant to be used for streetscape design. The net impact of the line-item changes does not result in an overall increase in Reimbursable Costs. 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 Sixth Amendment the Plan shall be amended as follows:

**Amendment No. 1:** Delete Section IV. A. “Estimated Redevelopment Project Costs” and replace with the following:

Redevelopment Project Costs are estimated to be approximately \$85,580,075 as set forth in detail on Exhibit 5. The Plan proposes that approximately \$17,853,643 in Redevelopment Project Costs be reimbursable from Payments in Lieu of Taxes and Economic Activity Taxes and \$2,862,789 be reimbursable from Super TIF. The estimated Redevelopment Project Costs and costs eligible for reimbursement from the Special Allocation Fund are identified on Exhibit 5.

The Commission has determined that certain planning and special services expenses of the Commission, which are not direct Redevelopment Project costs, are nonetheless reasonable and necessary for the operation of the Commission and are incidental costs to the Redevelopment 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.

**Amendment No. 2:** Delete Exhibit 5 of the Plan, “Estimated Redevelopment Costs” and insert the attached Exhibit 5 in its place.

**Amendment 2:**

**Exhibit 5**

**Estimated Redevelopment Costs**

**North Oak Corridor TIF Plan  
Sixth Amendment**

	Project Costs	TIF Reimbursable	STIF Reimbursable
<b>Projects 1 &amp; 2</b>			
TIF Staff/Legal/Administrative Expenses <sup>1</sup>	\$ 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 <sup>2</sup>	3,944,800	3,944,800	
Streetscape Design	500,000	140,040	
<b>Subtotal</b>	<b>\$ 34,797,600</b>	<b>\$ 6,417,640</b>	
<b>Projects 3-6</b>			
<b>Development Costs</b>			
<b>Land Costs</b>			
Land	\$ 8,219,880	\$ 2,840,252	\$ -
<b>Total Land Costs</b>	<b>\$ 8,219,880</b>	<b>\$ 2,840,252</b>	<b>\$ -</b>
<b>Hard Costs</b>			
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	173,582	173,582	
Buildings Constructed on Pad Sites - Shell	7,500,000		
Pad Site - Sitework/Landscaping	2,040,000		
Site/Landscape (Continental Engineering Estimate)	4,962,594	3,078,979	
<b>Total Hard Costs</b>	<b>\$ 26,941,176</b>	<b>\$ 3,252,561</b>	<b>\$ -</b>
<b>Soft Costs</b>			
Professional Services Fees	\$ 2,120,000	\$ -	\$ -
Financing Cost	1,078,108	1,078,108	
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	
<b>Total Soft Costs</b>	<b>\$ 9,048,048</b>	<b>\$ 1,632,808</b>	<b>\$ -</b>
<b>Public Improvements</b>			
Park Land Dedication	\$ 229,900	\$ 229,900	\$ -
Additional Vivion Road ROW	405,000	405,000	
Wetland Mitigation	14,991	14,991	
Replace Water Main at Oak & Vivion that Frequently Breaks	108,624	108,624	
Replace Overhead Electric Lines with Underground Lines	106,442	106,442	
Sidewalks along Vivion Road and North Oak	71,837	71,837	
Ornamental Perimeter Lighting	153,419	153,419	
Offsite Road Improvements	390,100	390,100	
Extraordinary Cost of Runoff Detention	1,230,269	1,230,269	
Neighborhood Improvements Fund	2,862,789		2,862,789
North Oak Corridor Housing & Infrastructure Program	1,000,000	1,000,000	
<b>Total Public Improvements Costs</b>	<b>\$ 6,573,371</b>	<b>\$ 3,710,582</b>	<b>\$ 2,862,789</b>
<b>Subtotal</b>	<b>\$ 50,782,475</b>	<b>\$ 11,438,003</b>	<b>\$ 2,862,789</b>
<b>TOTAL</b>	<b>\$ 85,580,075</b>	<b>\$ 17,853,643</b>	<b>\$ 2,862,789</b>

**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.

<sup>1</sup> 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.

<sup>2</sup> Yet to be determined. They will be based on the recommendations of the Corridor Study.