

SEVENTH AMENDMENT
NORTH OAK
TAX INCREMENT FINANCING PLAN
KANSAS CITY, MISSOURI

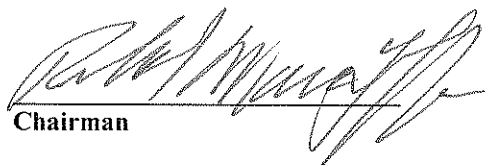
TIF Commission Consideration:

2/8/2012 2-10-12
Date Resolution No.

City Council Approval:

3/1/2012 120172
Date Ordinance No.

Attached herewith is a true and correct copy of the [Plan] TIF Plan that was approved by the Tax Increment Financing Commission of Kansas City, Missouri by Resolution No. 270-12 on 2/8/12.


Chairman

SEVENTH AMENDMENT TO THE NORTH OAK TIF PLAN

I. Introduction

The purpose of the Seventh Amendment to the North Oak Tax Increment Financing Plan (the “Seventh 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 as approved by Ordinance 060534 on July 20, 2006, the Third Amendment as approved by Ordinance 070996 on October 11, 2007, the Fourth Amendment as approved by Ordinance 090832 on October 1, 2009, the Fifth Amendment as approved by Ordinance 100083 on February 11, 2010 and the Sixth Amendment as approved by Ordinance 100705 on September 30, 2010 (collectively referred to herein as the “Plan”). The Second Amendment was withdrawn by the developer prior to TIF Commission’s consideration.

The proposed Seventh Amendment provides for modifications to the Redevelopment Project Costs and notes that the developer is now seeking commercial bank financing rather than revenue bonds. 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 Seventh 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 \$90,998,566 as set forth in detail on Exhibit 5. The Plan proposes that approximately \$23,272,134 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 No. 3: Delete Exhibit 7 of the Plan, “Sources of Funds for All Estimated Redevelopment Project Costs” and insert the attached Exhibit 7 in its place.

Amendment 2:

**Exhibit 5
Estimated Redevelopment Costs**

**North Oak Corridor TIF Plan
Seventh 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	3,944,800	3,944,800	
Streetscape Design	500,000	140,040	
Subtotal	\$ 34,797,600	\$ 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	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	-
Total Hard Costs	\$ 26,941,176	\$ 3,252,561	\$ -
Soft Costs			
Professional Services Fees	\$ 2,120,000	\$ -	\$ -
Financing Cost	6,496,599	6,496,599	-
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	\$ 14,466,539	\$ 7,051,099	\$ -
Public Improvements			
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	-
Total Public Improvements Costs	\$ 6,573,371	\$ 3,710,582	\$ 2,862,789
Subtotal	\$ 56,200,966	\$ 16,854,494	\$ 2,862,789
TOTAL	\$ 90,998,566	\$ 23,272,134	\$ 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.

Amendment 3:

EXHIBIT 7:

**A. SOURCES OF FUNDS FOR ALL
ESTIMATED REDEVELOPMENT PROJECT COSTS**

1. Estimated Amount Reimbursable Costs from PILOTS and Economic Activity Taxes (EATS)	
Project Area 1 & 2B	\$6,417,640
<u>Project Areas 3 through 6</u>	<u>\$16,854,494</u>
Total	\$23,272,134
2. Estimated Private Investment and other Sources	
Project Area 1, 2 & 2B	\$28,379,960
<u>Project Areas 3 through 6</u>	<u>\$39,346,472</u>
Total	\$67,726,432
Subtotal – Project Area 1, 2 & 2B	\$34,797,600
<u>Subtotal – Project Areas 3 to 6</u>	<u>\$56,200,966</u>
TOTAL	\$90,998,566

B. BONDS

For Project Area 1, 2 and 2B, the total investment amount of PILOTS and EATS over twenty-three years available to reimburse project costs is \$10,389,850. The Commission may dedicate part or the entire amount to help support the issuance of bonds to defray the cost of the project.

For Project Areas 3 to 6, the total estimated amount of TIF Revenues available over twenty-three years to reimburse project costs in this plan is approximately \$39,527,019 million and an estimated \$9,828,278 from Super TIF. The Commission may dedicate part or the entire amount to help support the issuance of bonds to defray the cost of the project.

This plan does not anticipate the issuance of bonds for the project.