

**SEVENTH AMENDMENT
to
RIVER MARKET
TAX INCREMENT FINANCING PLAN**

KANSAS CITY, MISSOURI

TIF COMMISSION APPROVAL:

<u>1/11/07</u>	<u>1-14-07</u>
DATE:	RESOLUTION No.

CITY COUNCIL APPROVAL:

<u>2/08/07</u>	<u>070118</u>
DATE:	ORDINANCE No.

Attached herewith is a true and correct copy of the TIF Plan that was approved by the Tax Increment Financing Commission of Kansas City, Missouri.

**SEVENTH AMENDMENT
TO THE
RIVER MARKET
TAX INCREMENT FINANCING PLAN**

I. Introduction

This Seventh Amendment to the River Market Tax Increment Financing Plan (the "Fifth Amendment") shall change the River Market TIF Redevelopment Plan (the "Plan") as approved by the Ordinance No. 991556 on December 16, 1999 (referred to herein as the "Plan"), and subsequently amended by the Ordinance No. 011388 on October 4, 2001 (referred to herein as the "First Amendment") and by the Ordinance No. 021189 on October 10, 2002 (referred to herein as the "Second Amendment") and by the Ordinance No. 040774 on July 15, 2004 (referred to herein as the "Third Amendment") and by the Ordinance No. 040992 on September 16, 2004 (referred to herein as the "Fourth Amendment") and by the Ordinance No. 050495 on May 19, 2005 (referred to herein as the "Fifth Amendment") and by the Ordinance No. 051117 on September 15, 2005 (referred to herein as the "Sixth Amendment") so as to provide for (i) the identification of two separate phases within Project 17 and the updating of the Estimated Redevelopment Schedule; (ii), revision to the Estimated Redevelopment Project Costs, TIF revenue projections, and sources and uses of funds.

The Seventh Amendment continues to provide for project improvements in the Redevelopment Area that are targeted toward support of the Town of Kansas Archaeological Park, as well as other area-wide improvements including infrastructure and streetscape improvements, maximization of access to the area and view corridors, green spaces, transportation and access linkages, and other neighborhood enhancements, together with parking, and all necessary utilities and street improvements to serve the area.

II. Plan Text Amendments

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

Amendment No. 1:

Revise Section IV.A. of the Plan, "Estimated Redevelopment Project Costs," by deleting the first sentence of the first paragraph in its entirety and inserting the following sentence in its stead:

Redevelopment Project Costs are estimated to be approximately \$37,383,015, of which an estimated \$17,030,294 will qualify as Reimbursable Project Costs.

III. Plan Exhibit Amendments

Amendment No. 2: Delete Exhibit 4 of the Plan, entitled "Estimated Redevelopment Schedule," and insert revised Exhibit 4, attached hereto, in its stead.

Amendment No. 3: Delete Exhibit 5 of the Plan, entitled "Estimated Redevelopment Project Costs," and insert revised Exhibit 5, attached hereto, in its stead.

Amendment No. 4: Delete Exhibit 6 of the Plan, entitled "Sources of Funds," and insert revised Exhibit 6, attached hereto, in its stead.

Amendment No. 5: Insert the attached "Estimated Annual Increases in Assessed Value and Resulting Payments in Lieu of Taxes and Projected Economic Activity Taxes (Project 17)" as a supplement to Exhibit 7 of the Plan, entitled "Estimated Annual Increases in Assessed Value and Resulting Payments in Lieu of Taxes and Projected Economic Activity Taxes."

Exhibit 4

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**EXHIBIT 4
ESTIMATED REDEVELOPMENT SCHEDULE**

TIF Commission Holds Public Hearing	November 1999
City Council Adopts Ordinance Approving TIF Plan	December 1999
City Council Adopts First Project Ordinance	December 1999
Area Improvements Commence	2001 / 2002
Project 11	
Construction Commences	2004
Construction Completed	2005
Project 16	
Construction Commences	2004
Construction Completed	2005
Project 17	
Phase I (Republic Building Site)	
Construction Commences	2005
Construction Completed	2007
Phase II	
Construction Commences	Unknown
Construction Completed	Unknown
Last Project Ordinance Adopted by City Council	2009
Redevelopment Plan Ceases	2032

Activities will be coordinated with the City's Town of Kansas planning efforts and in cooperation with the area businesses and property owners.

Exhibit 5

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**EXHIBIT 5
ESTIMATED REDEVELOPMENT PROJECT COSTS**

	I. Estimated Total Project Costs	II. Reimbursable From TIF Revenues	III. Funded from Other Public Funds	IV. Developer Equity or Private Finance
A. Commission Expenses				
1. Estimated Reimbursable Costs for Plan Implementation				
A. Legal	\$100,000	\$100,000		
B. Agenda	\$2,000	\$2,000		
C. Staff Time	\$40,000	\$40,000		
D. Miscellaneous	\$5,000	\$5,000		
E. Development Finance Consultant	\$5,000	\$5,000		
F. Historic District Consultant	\$15,000	\$15,000		
G. Urban Design Consultant	\$40,000	\$40,000		
H. Planning Consultant	\$50,000	\$50,000		
2. Final Development Plan Approval Fees (\$0.05 per square foot @ _____ s.f.)				
3. Plan and Project Administration and Developer/ Consultant/TIF Commission Expenses (including Expenses for affirmative action administration)	\$330,000	\$330,000		
SUBTOTAL	\$587,000	\$587,000		
B. Acquisition, Relocation and Preparation	\$2,000,000	\$2,000,000		
C. Parking for Town of Kansas	\$600,000	\$600,000		
D. Second Street Corridor Improvements	\$4,000,000	\$4,000,000		
E. Town of Kansas Urban Archaeological Park	\$671,000		\$671,000	
F. Broadway Corridor Study - Urban Foyer	\$411,900		\$411,900	
G. Broadway Corridor Study - The Broadway Bridge	\$577,600		\$577,600	
H. Urban Archaeological Park and History Center	\$5,700,000		\$5,700,000	
I. River Market Area Improvements	\$750,000		\$750,000	
J. Soft Costs Including Legal Fees and Fees and Costs of Bond Issuance	\$350,000	\$350,000		
K. Project 11 - Riverview Central Office and Restaurant & Garage				
Acquisition Costs	\$850,000			\$850,000
Office & Restaurant				
Site Repair & Earthwork	\$150,000	\$150,000		
Demolition	\$199,000	\$199,000		
Fire Sprinklers	\$138,710	\$138,710		
Other Hard Costs, Tenant Finish, Contingency	\$5,016,218			\$5,016,218
NID Special Assessment (300 Wyandotte Garage)	\$300,000	\$300,000		
Parking Garage				
Hard Costs	\$1,400,200	\$1,400,200		
Architectural	\$137,700	\$137,700		
Contingency	\$153,790	\$153,790		
Other General Project Soft Costs				
TIF Administrative	\$10,000	\$10,000		
Legal Fees	\$75,000	\$75,000		
Other Project Soft Costs	\$1,152,682			\$1,152,682
Interest	\$2,527,802	\$2,527,802		
L. Project 16 - 4th & Locust Office & Parking				
Acquisition Costs	\$505,000	\$0		\$505,000
Office				
Site Work & Demolition	\$18,000	\$18,000		
Hard Costs (interior, exterior, tenant improvement, parking)	\$360,473	\$317,344		\$43,129
Contingency	\$28,244	\$0		\$28,244
Interest	\$385,250	\$385,250		

	I Estimated Total Project Costs	II. Reimbursable From TIF Revenues	III. Funded from Other Public Funds	IV. Developer Equity or Private Financing
M. Project 17 - 1st & Main				
Plan Approval Fees	\$ 1,600	\$ -		\$ 1,600
Project Acquisition, Demolition & Remediation	\$875,000	\$ -		\$875,000
Construction Costs	\$5,096,287	\$2,894,228		\$2,204,059
Developer Fee	\$1,251,186	0		\$1,251,186
Project Management	205,000	0		\$205,000
Architect Fee	120,000	84,000		\$36,000
Architect Reimbursable	10,000	7,000		\$3,000
Market Analysis/signage and brochures	25,000	17,500		\$7,500
Entitlement Procurement/ TIF and Historic Tax Credits	25,000	25,000		\$0
Survey (original 3K and platting 9K)	12,000	8,400		\$3,600
HOA Documents	6,500	0		\$6,500
Structural Engineer	25,000	17,500		\$7,500
MEP Engineer	20,000	14,000		\$6,000
Special Inspections	18,000	12,600		\$5,400
Appraisal	2,250	0		\$2,250
Civil Engineer (storm water and utility)	10,000	7,000		\$3,000
Legal	7,000	4,900		\$2,100
Soil Borings	11,000	7,700		\$3,300
Insurance	7,954	0		\$7,954
Printing (exterior signs and brochures)	6,000	0		\$6,000
Landscape Architect	5,000	0		\$5,000
Marketing and event planning	5,000	0		\$5,000
MBE/WBE Consultants	15,000	15,000		\$0
Interest Cost	565,670	565,670		\$0

N. Other Projects

Other projects may be approved by the TIF Commission. The estimated Redevelopment Project Costs and Reimbursable Project Expenses to be determined by the TIF Commission upon approval of the proposal for a particular project

TOTAL ESTIMATED PROJECT EXPENSES	\$37,383,015	\$17,030,294	\$8,110,500	\$12,242,221
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Notes

1. The amounts included herein are estimated expenses. The actual amounts to be reimbursed will be revisited, for purposes of this Plan, at the time the TIF Commission reviews and approves designation of each of the individual Redevelopment Projects. Such revisions of themselves shall not be considered amendments to the Plan.

2. Selected Developers shall pay plan implementation fees to reimburse the TIF Commission for Plan implementation costs including, but not limited to, legal fees and consultant fees. The selected developers shall be billed by the Commission as needed to pay for the Plan implementation. These expenses shall be reimbursed to developers from the Special Allocation Fund.

3. The Commission has determined that those planning and special service expenses of the Commission which cannot be directly attributable to a particular project 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 TIF

4. Additional sources of public financing are anticipated to be available for financing of activities related to the implementation of the Plan. These revenues may be provided from local, state and federal sources.

5. All project costs are stated in 2001 dollars (Projects 11, 16, and 17 stated in 2004 dollars)

6. Final Development Plan Approval Fees shall be determined at time of approval of the individual projects.

* As of April 2001, the Town of Kansas Funding Sources in hand for planning were:

PLAC 2001 Funding	\$330,000
TEA-21 Enhancement Funding	\$341,000
	\$671,000

Exhibit 6

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EXHIBIT 6

A. SOURCE OF FUNDS FOR ALL ESTIMATED REDEVELOPMENT PROJECT COSTS

1.	Estimated Amount of Reimbursable Costs from PILOTS and EATS within the Proposed Redevelopment Project Areas	\$17,030,294
2.	Estimated Private Investment and other Public Sources within proposed Redevelopment Project Area	<u>\$20,352,721</u>
	TOTAL	\$37,383,015

B. BONDS

The total estimated amount of PILOTS and Economic Activity Taxes over the life of the Plan available to reimburse project costs is approximately \$17.5 million. The Commission may dedicate part or all of this amount to help support the issuance of bonds to defray the cost of the projects.

**Exhibit 7
Supplement**

PROJECT: FIRST AND MAIN PROJECT 1 (Historic Renovation of 136 Main Street)
 PROJECT MANAGER: Chris Sally
 DATE: 12/5/2006

ASSUMPTIONS

GROWTH RATES

BIANNUAL GROWTH RATE PILOTS: 2.00% every other year
 ANNUAL GROWTH RATE EATS: 2.00%

ESTIMATED SALES AND PAYROLL

TENANT	SQ. FT.	ANNUAL SALES PER S.F.	ANNUAL SALES TOTAL	Est. # of Employees	ANNUAL PAYROLL
RESTAURANT	0	0	0	0	0
RETAIL	4,227	450	1,902,150	6	174,000
RESIDENTIAL	27,795	0	0	0	0
OFFICE	0	0	0	0	0
TOTAL	32,022	450	1,902,150	6	174,000

BASE YEAR INFORMATION

RETAIL SALES	0
RESTAURANT SALES	0
EARNINGS	0
UTILITY TAXES	0

PROPERTY

COMMERCIAL	32%
RESIDENTIAL	19%
Commercial Sales	\$675,000
Residential Sales	\$6,404,500

ASSESSED VALUES

IFMV LAND	154,000	IEAV LAND	154,000
EFMV LAND	738,000	EAV LAND	738,000
IFMV IMPROVEMENTS	1,035	IEAV IMPROVEMENTS	1,035
EFMV IMPROVEMENTS:	7,079,500	EAV IMPROVEMENTS:	7,079,500

PROPERTY RATES

PROPERTY TAX MILLAGE	IMPROVEMENT	LAND
Jackson Co		
KC School		
Mental Health		
Library		
Jr. College		
Hnd Wkshp		
City		
TOTAL	0.078789	0.086289
	7.87890	8.6289

EAT'S INFORMATION

CITY SALES TAX	
COUNTY SALES TAX	
F&B SALES	
EARNINGS TAX	

Need to enter new data for project
 Need to make sure current tax information and assumptions are correct

YEAR	NETAL		EQUA. NET		PILOT	PILOT TOTAL
	EVALUATED		EQUA. NET			
	TRADE	VALUE	NETWORTH	PILOT		
COMMERCIAL	COMMERCIAL	COMMERCIAL	COMMERCIAL			
1	L	49,280	140,220	90,940	7,847	7,847
	I	331	331	0	0	
2	L	49,280	143,024	93,744	8,089	120,956
	I	331	1,432,855	1,432,524	112,867	
3	L	49,280	143,024	93,744	8,089	120,956
	I	331	1,432,855	1,432,524	112,867	
4	L	49,280	145,885	96,605	8,336	123,461
	I	331	1,461,512	1,461,181	115,125	
5	L	49,280	145,885	96,605	8,336	123,461
	I	331	1,461,512	1,461,181	115,125	
6	L	49,280	148,803	99,523	8,588	126,016
	I	331	1,490,742	1,490,411	117,428	
7	L	49,280	148,803	99,523	8,588	126,016
	I	331	1,490,742	1,490,411	117,428	
8	L	49,280	151,779	102,499	8,845	128,622
	I	331	1,520,557	1,520,226	119,777	
9	L	49,280	151,779	102,499	8,845	128,622
	I	331	1,520,557	1,520,226	119,777	
10	L	49,280	154,814	105,534	9,106	131,280
	I	331	1,550,968	1,550,637	122,173	
11	L	49,280	154,814	105,534	9,106	131,280
	I	331	1,550,968	1,550,637	122,173	
12	L	49,280	157,910	108,630	9,374	133,991
	I	331	1,581,988	1,581,656	124,617	
13	L	49,280	157,910	108,630	9,374	133,991
	I	331	1,581,988	1,581,656	124,617	
14	L	49,280	161,069	111,789	9,646	136,756
	I	331	1,613,627	1,613,296	127,110	
15	L	49,280	161,069	111,789	9,646	136,756
	I	331	1,613,627	1,613,296	127,110	
16	L	49,280	164,290	115,010	9,924	139,577

	I	331	1,645,900	1,645,569	129,653	
17	L	49,280	164,290	115,010	9,924	139,577
	I	331	1,645,900	1,645,569	129,653	
18	L	49,280	167,576	118,296	10,208	142,454
	I	331	1,678,818	1,678,487	132,246	
19	L	49,280	167,576	118,296	10,208	142,454
	I	331	1,678,818	1,678,487	132,246	
20	L	49,280	170,927	121,647	10,497	145,389
	I	331	1,712,394	1,712,063	134,892	
21	L	49,280	170,927	121,647	10,497	145,389
	I	331	1,712,394	1,712,063	134,892	
22	L	49,280	174,346	125,066	10,792	148,382
	I	331	1,746,642	1,746,311	137,590	
23	L	49,280	174,346	125,066	10,792	148,382
	I	331	1,746,642	1,746,311	137,590	

TOTAL 2,961,611

Present Value at 9%	\$1,131,879.61
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YEAR	ANNUAL SALES ¹	ANNUAL RESTAURANT SALES ²	TOTAL SALES TAX	CITY EARNINGS TAX	UTILITY TAX	EATS	TOTAL PILOTS	TOTAL PILOTS & EATS	TIF Revenue available to developer ³
1	0	0	0	870	3,122	1,986	7,847	9,843	9,351
2	1,902,150	0	58,729	1,740	6,244	33,357	120,956	154,313	146,597
3	1,940,193	0	59,903	1,775	6,369	34,024	120,956	154,980	147,231
4	1,978,997	0	61,102	1,810	6,497	34,704	123,461	158,165	150,257
5	2,018,577	0	62,324	1,847	6,626	35,398	123,461	158,859	150,916
6	2,058,948	0	63,570	1,883	6,759	36,106	126,016	162,122	154,016
7	2,100,127	0	64,841	1,921	6,894	36,828	126,016	162,844	154,702
8	2,142,130	0	66,138	1,960	7,032	37,565	128,622	166,187	157,877
9	2,184,972	0	67,461	1,999	7,173	38,316	128,622	166,938	158,591
10	2,228,672	0	68,810	2,039	7,316	39,083	131,280	170,362	161,844
11	2,273,245	0	70,186	2,079	7,463	39,864	131,280	171,144	162,587
12	2,318,710	0	71,590	2,121	7,612	40,661	133,991	174,652	165,920
13	2,365,084	0	73,022	2,163	7,764	41,475	133,991	175,465	166,692
14	2,412,386	0	74,482	2,207	7,919	42,304	136,756	179,060	170,107
15	2,460,634	0	75,972	2,251	8,078	43,150	136,756	179,906	170,911
16	2,509,847	0	77,492	2,296	8,239	44,013	139,577	183,590	174,411
17	2,560,043	0	79,041	2,342	8,404	44,894	139,577	184,470	175,247
18	2,611,244	0	80,622	2,389	8,572	45,791	142,454	188,245	178,833
19	2,663,469	0	82,235	2,436	8,744	46,707	142,454	189,161	179,703
20	2,716,739	0	83,879	2,485	8,918	47,641	145,389	193,030	183,378
21	2,771,073	0	85,557	2,535	9,097	48,594	145,389	193,983	184,284
22	2,826,495	0	87,268	2,586	9,279	49,566	148,382	197,948	188,051
23	2,883,025	0	89,013	2,637	9,464	50,557	148,382	198,939	188,992
TOTAL	51,926,762	0	1,603,239	48,370	173,585	912,597	2,961,611	3,874,208	3,680,498

¹ Accounts for 5% TIF Commission administrative fee that is deducted before all TIF reimbursements

² First year revenues were divided in half to account for any lag in revenues during start-up period

³ If running projections for project in Jackson County, subtract an additional 1% from the PILOTS projections (Jackson County keeps a 1% collection fee--the other counties do not)

CITY OF FOUNTAINS
HEART OF THE NATION



KANSAS CITY
MISSOURI

City Planning & Development Department

Office of the Director

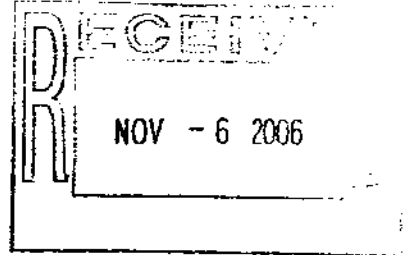
15th Floor, City Hall
414 E. 12th Street
Kansas City, Missouri 64106-2795



2006

(816) 513-1407
Fax: (816) 513-2838

November 1, 2006



The Tax Increment Financing Commission of Kansas City, Missouri
Attention: Mr. Gary Carter, Executive Director
10 Petticoat Lane, Suite 250
Kansas City, MO 64106

Dear Mr. Carter:

This is to inform the TIF Commission of Kansas City, Missouri that the City Planning and Development of Department of Kansas City, Missouri supports the 5th Amendment to the River Market TIF. This modification to the TIF recognizes that the City will no longer pursue the development of the Republic Fiber Building at the northeast corner of 2nd Street and Main Street and that it supports the assignment development rights to a private entity.

Please contact me if you have any questions about this issue at (816) 513-2871.

Sincerely,

Tom Coyle, AICP
Director