

**FIFTH AMENDMENT
TO THE
TOWER PROPERTIES
TAX INCREMENT FINANCING PLAN
KANSAS CITY, MISSOURI**


TIF Commission Approval:

June 9, 2004 6-18-04
Date Resolution No.

City Council Approval:

July 8, 2004 040739
Date Ordinance No.

Attached herewith is a true and correct copy of the ~~5th Amend. to Tower Properties~~ TIF Plan that was approved by the Tax Increment Financing Commission of Kansas City, Missouri, by Resolution No. 6-18-04, at a public hearing that was duly noticed and held on 6-9-04.


Chairman

ADDENDUM

TAB1: Replace Exhibit 4, Estimated Redevelopment Project Cost

TAB 2: Replace Exhibit 5, Sources and Uses of Funds

I. INTRODUCTION

This Fifth Amendment to the Tower Properties Downtown Redevelopment Area Tax Increment Financing Plan (the "Fifth Amendment") shall change the Tower Properties Downtown Redevelopment Area Tax Increment Financing Plan (the "Plan") as by the Ordinance No. 951469 on November 27, 1995 (referred to herein as the "Plan"), and subsequently amended by the Ordinance No. 010362, (referred to herein as the "Second Amendment"), by the Ordinance No.030256 (referred to herein as the "Third Amendment"), and by the Ordinance No 020358 (referred to herein as the "Fourth Amendment"). This Fifth Amendment to the Tower Properties Downtown Redevelopment Area Tax Increment Financing Plan (the "Fifth Amendment") shall change, the estimated redevelopment project cost for Project H as it relates to the redevelopment plan from \$53,322,365 to \$67,519,459. The Fifth Amendment shall also change the estimated reimbursable cost for Project H from \$8,822,365 to \$16,350,000. The budget increases are associated with the interest expense, the cost for creation of a Neighborhood Improvement District, increase of bond issuance fee, construction cost of sidewalk and roof top garden. The intent and substance of the Tower Properties Downtown Redevelopment Area TIF Plan remains unchanged other than those revisions specifically mentioned herein.

II. SPECIFIC PLAN TEXT AMENDMENTS

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

Amendment No. 1: Section II. Estimated Redevelopment Project Costs.

Delete first sentence of the first paragraph within Section II. of the Plan and replace with the following :

"Estimated redevelopment project costs for the projects contemplated under the Plan are projected to be approximately \$243,874,559 over the life of the Plan, of which approximately \$176,355,100 is attributable to Projects A through G and I, and approximately \$67,519,459 is attributable to Project H. The Plan proposes that approximately \$107,132,789 in redevelopment project costs be reimbursable from the Special Allocation Plan, of which approximately \$90,782,789 is attributable to Project A through G and I, and approximately \$16,350,000 is attributable to Project H.

II. Plan Exhibit Amendments

Amendment No. 2: Delete "Estimated Redevelopment Project Costs", Exhibit 4 of the Fourth Amendment and add the attached "Estimated Redevelopment Project Costs" to the Plan.

Amendment No. 3: Delete " Sources and Uses of Funds", Exhibit 5 in its entirety and insert the new Exhibit 5 as attached hereto.

EXHIBIT 4
to Tower Properties Downtown Tax Increment Financing Plan

6/9/2004

Page

1 of 2

Project H (909 Walnut Project)
Estimated Redevelopment Project Costs

DESCRIPTION	Estimated Total Project Costs	Reimbursable ³ from TIF Revenues	Paid from TIF/City Bond Proceeds ⁴
TIF COMMISSION FEES & EXPENSES¹			
Plan Implementation			
Legal Fees & Expenses	\$ 25,000	\$ 25,000	\$ 25,000
Cost Certification (Cost Certifier, Project Engineer & TIF Staff Fees & Exp)	55,000	55,000	55,000
Application Fees	-	-	-
Completion Certificate Fees (\$100 per unit & \$0.05 per non-residential square foot)	28,000	28,000	28,000
Admin/Staff Fees & Expenses	10,000	10,000	10,000
Miscellaneous	-	-	-
Subtotal Plan Implementation	<u>118,000</u>	<u>118,000</u>	<u>118,000</u>
Plan Administration	300,000	300,000	-
Total TIF Commission Fees & Expenses	\$ 418,000	\$ 418,000	\$ 118,000
909 WALNUT PARKING FACILITY			
Land Acquisition	\$ 1,000,000	\$ 1,000,000	\$ -
Construction Costs* (% of Completion of Construction)	5,973,000	5,973,000	5,973,000
Equipment*	80,000	80,000	80,000
Development & Construction Soft Costs			
Site Survey & Platting*	5,000	5,000	5,000
Environmental and Third Party Testing*	10,000	10,000	10,000
Appraisal & Market Study*	6,000	6,000	6,000
Builders Risk Insurance*	15,000	15,000	15,000
Architect/Engineering/Consultants Fees & Expenses*	188,460	188,460	188,460
Legal Fees & Expenses*	100,000	100,000	100,000
Construction & Project Management Fee			
Pre Bond Issue Costs ²	100,000	100,000	100,000
Post Bond Issue Fee (2% of all Line Items with *)	138,647	138,647	138,647
Subtotal Soft Costs	<u>563,107</u>	<u>563,107</u>	<u>563,107</u>
City Staff Time for Formation of NID	1,000	1,000	1,000
Contingency*	554,893	554,893	554,893
Financing Costs			
Costs of Issuance	164,500	164,500	164,500
Underwriter's Discount	78,150	78,150	78,150
Capitalized Interest	195,375	195,375	195,375
Bank LOC/Remarketing Agent Fees/Miscellaneous	86,975	86,975	86,975
Subtotal Financing Costs	<u>525,000</u>	<u>525,000</u>	<u>525,000</u>
Interest	6,185,000	6,185,000	-
<i>on debt incurred to finance the Reimbursable Project Costs)</i>			
Public and Common Area			
Sidewalks and Streetscape (entire project) ⁵	350,000	350,000	210,000
Roof Top Garden (above Parking Facility)	700,000	700,000	-
Subtotal Public and Common Area	<u>1,050,000</u>	<u>1,050,000</u>	<u>210,000</u>
Total 909 Walnut Parking Facility Project Costs	\$ 15,932,000	\$ 15,932,000	\$ 7,697,000

DESCRIPTION	Estimated Total Project Costs	Reimbursable ³ from TIF Revenues	Paid from TIF/City Bond Proceeds ⁴
909 WALNUT & 929 WALNUT BUILDINGS			
Land and Acquisition	\$ 2,891,933	\$ -	\$ -
Construction Costs	36,661,775	-	-
Development and Construction Soft Costs	4,364,690	-	-
Financing Costs	5,599,080	-	-
Contingency	1,651,981	-	-
Total 909 Walnut and 929 Walnut Buildings Project Costs	\$ 51,169,459	\$ -	\$ -
TOTAL PROJECT COSTS	\$ 67,519,459	\$ 16,350,000	\$ 7,815,000

NOTES

¹ These costs are defined as Developer's Direct Costs and Funding Agreement Costs in the Redevelopment Agreement.

² These costs include third party owner's representatives fees and expenses, travel expenses, photocopy costs and other management related costs.

³ TIF revenues and parking facility operating revenues will be pledged to the repayment of the Bonds issued pursuant to a Cooperative Agreement to be entered into between the Developer, the City and the TIF Commission. To the extent that the proceeds of the Bonds are used to finance Reimbursable Project Costs that are certified under the Cooperative Agreement, then once the Bonds are paid in full and other Reimbursable Project Costs are reimbursed, any remaining TIF revenues will be applied to reimburse the Developer for debt service payments on the Bonds that are paid with the Developer's private funds, such as the parking facility revenues, special assessments or other private sources, those payments will be reimbursable from TIF revenues once the Bonds are paid in full.

⁴ These amounts are only estimates and will be determined pursuant to the Cooperative Agreement to be entered into between the Developer, the City, and the TIF Commission. Funding through PIAC proceeds.

EXHIBIT 5

**A. SOURCES OF FUNDS FOR
ESTIMATED REDEVELOPMENT PROJECT COST**

1. Amount of Reimbursable Costs from PILOTS And Economic Activity Taxes within proposed Redevelopment Project Areas	\$107,132,789
2. Estimated Private Investment and other Sources within proposed Redevelopment Project Areas	<u>\$136,741,1770</u>
TOTAL	\$243,874,559

B. BONDS

The total estimated amount of PILOTS and Economic Activity Taxes over the twenty-three years of reimburse project cost in this Plan as provided in the Act is approximately \$107,132,789. The Commission may dedicate part or this entire amount to help support the issuance of bonds.