FIRST AMENDED
WINCHESTER CENTER
TAX INCREMENT FINANCING PLAN
KANSAS CITY, MISSOURI

APPROVED BY THE
TAX INCREMENT FINANCING COMMISSION
OF KANSAS CITY, MISSOURI
SEPTEMBER 8, 1993
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I. INTENT AND NATURE OF THE AMENDMENT

The First Amended Winchester Center Tax Increment Finance Plan provides for the expansion of the Redevelopment Area to include property located on the southwest corner of 63rd Street Trafficway and Manchester Avenue. The expanded area will be generally bound by 63rd Street Trafficway on the north, Interstate 435 and Manchester Avenue on the east, 64th and 67th Street on the south, and the Kansas City Southern Railroad Tracks on the west. The newly included area will be treated as a separate Redevelopment Project known as Project Area 13. Within Project Area 13, the amended Plan calls for the construction of approximately 33,600 square feet of office commercial space together with all necessary appurtenances, utilities and street improvements. The addition of Project Area 13 is not intended to affect any previously approved conditions or agreements.

II. SUMMARY

The following is a Tax Increment Financing Plan (the "Plan") for the redevelopment of an area generally bordered by 63rd Street Trafficway on the north, Interstate 435 and Manchester Avenue on the east, 64th and 67th Street on the south, and the Kansas City Southern Railroad Tracks on the west (the "Redevelopment Area") in Kansas City, Jackson County, Missouri (the "City"). This Plan calls for the development of the Redevelopment Area in 13 phases or "Redevelopment Projects", each of which will be separately approved by ordinance in conformance with Missouri’s Tax Increment Financing Statute.

The Redevelopment Area, including each of the Redevelopment Projects contained therein, qualifies as a "Conservation Area" under Missouri’s Tax Increment Financing Statute. The predominance of buildings 35 years or older, the lack of sanitary and storm sewers, signs of deterioration and depreciation of physical maintenance, as well as very hilly terrain, may cause the area to become blighted if left unattended. The physical conditions, which are detailed herein in Exhibit 4, indicate development will not occur and further blight will result within the Redevelopment Area without the adoption of this Tax Increment Financing Plan. In addition, this Plan is feasible only if all of the specified Redevelopment Projects are designated as such under Missouri’s Tax Increment Financing Statute. Accordingly, development of the initial Redevelopment Project Area shall not impair the ability to designate the subsequent phases as Redevelopment Projects. Furthermore, subject to the approval of the Commission which shall not be unreasonably withheld, individual Redevelopment Projects may be redefined and reenumerated by the Developer to meet market conditions and development demand.

This Plan calls for the development of the Redevelopment Area by the construction of approximately 1,133,600 square feet of office space and 20,000 square feet of retail space, acquisition of residential property, rehabilitation of the existing residential neighborhood, together with all necessary appurtenances, utilities and street improvements by the phased completion of twelve separate Redevelopment Projects. Subject to the approval of the Commission, which shall not be unreasonably withheld, the Developer of the Redevelopment Area selected by the Commission may designate the size and location of the structures and appurtenances thereto and may determine the final size of each of the Redevelopment Projects and sequence in which they shall be approved, so
long as the development complies with the objectives and requirements of this Plan.

This Plan will make available a certain amount of payments in lieu of taxes ("PILOTs") and, subject to constitutional and statutory limitations, fifty percent (50%) of the increase in taxes which are imposed by the municipality or other local taxing districts on economic activities, excluding taxes imposed on sales or charges for sleeping rooms paid by transient guests of hotels and motels, licenses, fees or special assessments and personal property taxes other than payments in lieu of taxes ("Economic Activity Taxes"). These funds will be used to reimburse approved project costs on a pay-as-you-go basis or to retire bonds which may be issued. The total cost of the Redevelopment Projects is estimated to be $114,334,180. The total PILOTS generated by the development over the duration of the Plan is estimated to be $54,680,000 and 50% of the total Economic Activity Taxes are estimated to be $18,313,000. PILOTS and Economic Activity Taxes together total $72,993,000 which equals approximately 63.8% of the total costs of the Redevelopment Projects, and if present valued would be much less. However, this Plan proposes that only $11,434,180 of the Redevelopment Project costs be reimbursed or bonded. This requires only approximately 15.7% of the potential PILOTS and Economic Activity Taxes for reimbursement on a pay-as-you-go basis.

Requests for proposals will be sent to developers. A developer will be selected to implement this Plan (the "Developer"). If a Developer is selected who does not now own all the property within the Redevelopment Area, that Developer will be required to enter into a parcel development agreement with the Commission whereby the Developer will agree to provide the funds necessary for the acquisition or lease, and redevelopment of the property by purchase or eminent domain. The proposal of the Developer(s) selected must include evidence of financial commitments sufficient to complete the project. That proposal will then be attached to this Plan as Exhibit 10 and become a part of the Plan.

III. TAX INCREMENT FINANCING

This Plan is adopted pursuant to the Real Property Tax Increment Allocation Redevelopment Act, Missouri Revised Statutes, Section 99.800 through 99.865, 1990 (the "Act"). The Act enables municipalities to finance redevelopment costs with the revenue generated from PILOTS or Economic Activity Taxes.

The "Total Initial Equalized Assessed Valuation" of a Redevelopment Project will be determined when the individual Redevelopment Project is approved by ordinance. The municipality or the Commission may then issue tax increment bonds to finance redevelopment within the Redevelopment Projects. PILOTS measured by subsequent increases in property tax revenue which would have resulted from increased valuation had Tax Increment Financing not been adopted, will be segregated from taxes resulting from the Total Initial Equalized Assessed Valuation as defined herein, and deposited in a special allocation fund earmarked for bond retirement or payment of Redevelopment Project Costs as defined herein. In addition, subject to constitutional and statutory limitations, fifty percent (50%) of the total additional revenue from taxes which are imposed by the municipality, or other taxing districts, and which are generated by economic activities within the Redevelopment Projects, while Tax Increment Financing remains in effect, excluding taxes imposed on sales or charges for sleeping
rooms paid by transient guests of hotels and motels, licenses, fees or special assessment and personal property taxes other than Payments in Lieu of Taxes shall be allocated to and deposited in a special allocation fund for the retirement of obligations or payment of Redevelopment Project Costs as defined herein.

In the event mandatory abatement is sought or received pursuant to Section 135.215, R.S.Mo., as amended, such abatement shall not serve to reduce payments in lieu of taxes that would otherwise have been available pursuant to Section 99.845, R.S.Mo.. Said designation shall not relieve the assessor or other responsible official from ascertaining the amount of equalized assessed valuation of all taxable property annually as required by Section 99.855, R.S.Mo..

IV. DEFINITIONS

As used in this Plan, the following terms shall mean:

A. "Blighted area," an area which, by reason of the predominance of defective or inadequate street layout, insanitary or unsafe conditions, deterioration of site improvements, improper subdivision or obsolete platting, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, retards the provision of housing accommodations or constitutes an economic or social liability or a menace to the public health, safety, morals, or welfare in its present condition and use;

B. "Conservation area," any improved area within the boundaries of a redevelopment area located within the territorial limits of a municipality in which fifty percent or more of the structures in the area have an age of thirty-five years or more. Such an area is not yet a blighted area but is detrimental to the public health, safety, morals, or welfare and may become a blighted area because of any one or more of the following factors: Dilapidation; obsolescence; deterioration; illegal use of individual structures; presence of structures below minimum code standards; abandonment; excessive vacancies; overcrowding of structures and community facilities; lack of ventilation, light or sanitary facilities; inadequate utilities; excessive land coverage; deleterious land use or layout; depreciation of physical maintenance; and lack of community planning;

C. "Economic Activity Taxes," fifty percent (50%) of the total additional revenue from taxes which are imposed by the municipality or other taxing districts, which are generated by economic activities within the Redevelopment Project Area, while tax increment financing remains in effect, excluding licenses, fees or special assessments, other than payments in lieu of taxes, until the designation is terminated pursuant to subsection 2 of Section 99.850 of the Act;

D. "Economic Development area," any area or portion of an area located within the territorial limits of a municipality, which does not meet the requirements of subdivisions A and B of this section, and in which the governing body of the municipality finds that redevelopment is in the public interest because it will:

1. Discourage commerce, industry or manufacturing from moving their operations to another state; or

2. Result in increased employment in the municipality; or
3. Result in preservation or enhancement of the tax base of the municipality.

E. "Municipality," a city, village, or incorporated town or any county of this state;

F. "Obligations," bonds, loans, debentures, notes, special certificates, or other evidences of indebtedness issued by a municipality or the Commission to carry out a redevelopment project or issued by a municipality to refund outstanding obligations;

G. "Ordinance," an ordinance enacted by the governing body of a city, town, or village or a county or an order of the governing body of a county whose governing body is not authorized to enact ordinances;

H. "Payment in lieu of taxes," those estimated revenues from real property in the area selected for a redevelopment project, which revenues, according to the redevelopment project or plan, are to be used for a public purpose, which taxing districts would have received had a municipality not adopted tax increment allocation financing, and which would result from levies made after the time of the adoption of tax increment allocation financing during the time the current equalized value of real property in the area selected for the redevelopment project exceeds the total initial equalized value of real property in such area until the designation is terminated pursuant to the Act. Payments in lieu of taxes which are due and owing shall constitute a lien against the real estate of the redevelopment project from which they are derived, the lien of which may be foreclosed in the same manner as a special assessment lien as provided in Section 88.861;

I. "Redevelopment Area," an area designated by a municipality, in respect to which the municipality has made a finding that there exist conditions which cause the area to be classified as a blighted area, a conservation area, economic development area, or a combination thereof.

J. "Redevelopment plan," the comprehensive program of a municipality for redevelopment intended by the payment of redevelopment costs to reduce or eliminate those conditions, the existence of which qualified the Redevelopment Area as a blighted area, conservation area, economic development area, or combination thereof, and to thereby enhance the tax bases of the taxing districts which extend into the Redevelopment Area;

K. "Redevelopment Project," any development project within a redevelopment area in furtherance of the objectives of the redevelopment plan, any such redevelopment project shall include a legal description of the area selected for the redevelopment project.

L. "Redevelopment Project Area," the area selected for a specific redevelopment project;

M. "Redevelopment Project Costs" include the sum total of all reasonable or necessary costs incurred or estimated to be incurred, and any such costs incidental to a redevelopment plan or redevelopment project, as applicable. Such costs include, but are not limited to, the following:
1. Costs of studies, surveys, plans and specifications;

2. Professional service costs, including, but not limited to, architectural, engineering, legal, marketing, financial, planning or special services;

3. Property assembly costs, including, but not limited to, acquisition of land and other property, real or personal, or rights or interests therein, demolition of buildings, and the clearing and grading of land;

4. Costs of rehabilitation, reconstruction, or repair or remodeling of existing buildings and fixtures;

5. Initial costs for an economic development area;

6. Cost of construction of public works or improvements;

7. Financing costs, including, but not limited to all necessary and incidental expenses related to the issuance of obligations, and which may include payment of interest on any obligations issued hereunder accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and for not more than eighteen months thereafter, and including reasonable reserves related thereto;

8. All or a portion of a taxing district's capital costs resulting from the redevelopment project necessarily incurred or to be incurred in furtherance of the objectives of the redevelopment plan and project to the extent the municipality by written agreement accepts and approves such costs;

9. Relocation costs to the extent that a municipality determines that relocation costs shall be paid or are required to be paid by federal or state law;

10. Payments in lieu of taxes;

N. "Taxing districts," any political subdivision of this state having the power to levy taxes;

O. "Taxing districts' capital costs," those costs of taxing districts for capital improvements that are found by the municipal governing bodies to be necessary and to directly result from the redevelopment project; and

P. " Vacant land," any parcel or combination of parcels of real property not used for industrial, commercial, or residential buildings.

V. REDEVELOPMENT PLAN AND REDEVELOPMENT AREA

The Tax Increment Financing Commission of Kansas City, Missouri (the "Commission") proposes to undertake the redevelopment of the area described
generally in Part I, hereof, and specifically by legal description in Exhibit 1 attached hereto (the "Redevelopment Area").

For the purpose of redeveloping the Redevelopment Area, this Plan has been prepared by the Commission, and may be recommended to the City Council of the City (the "Governing Body"). The Commission shall request proposals from developers for the redevelopment of the Redevelopment Area. The proposal which, in the opinion of the Commission, will best implement the intent of this Plan shall become a part of this plan and shall be recommended along with the Plan to the Governing Body.

This Plan will be implemented by construction of the depicted development described on the site plan attached as Exhibit 2 and described in the specific objectives of the Plan set forth in Exhibit 3. The Commission may issue bonds or other obligations to finance Redevelopment Project Costs (the "Bonds") or may recommend to the City Council that Bonds be issued in an amount secured by the special allocation fund which is comprised of PILOTS and Economic Activity Taxes. Such obligations, when so issued, shall be retired in the manner provided in the ordinance or resolution authorizing the issuance of such obligations by the receipts of PILOTS resulting from improvements and, subject to annual appropriation, Economic Activity Taxes. In addition, the Commission may determine that Redevelopment Project Costs, as defined herein, be reimbursed on a pay-as-you-go basis as collection of PILOTS and Economic Activity Taxes are made, without the issuance of bonds. PILOTS resulting from improvements in any of the Redevelopment Project Areas and, subject to annual appropriation, Economic Activity Taxes may be used to service the Bonds issued to finance improvements in any other Redevelopment Project or to pay for Redevelopment Project Costs of any other Redevelopment Project on a pay-as-you-go basis.

A. **Redevelopment Plan Objectives.** The general objectives of the Redevelopment Plan are:

1. To enhance the tax base of the City and the other Taxing Districts by developing the Redevelopment Area to its highest and best use and encouraging private investment in the surrounding area.

2. To discourage commerce, industry and manufacturing from moving their operations to another state.

3. To increase employment in the City.

4. To eliminate conditions which may be detrimental to public health, safety, morals or welfare in the Redevelopment Area and prevent the development of blight.

5. To encourage the rehabilitation and strengthening of the existing residential neighborhood.

B. Specific objectives of this Redevelopment Plan are set forth in Exhibit 3.
VI. EXISTING CONDITIONS IN THE REDEVELOPMENT AREA

A study of the Redevelopment Area has been conducted documenting existing conditions and is attached as Exhibit 4.

VII. REDEVELOPMENT PROGRAM

A. Redevelopment Activities

1. Acquisition and Clearance

To achieve the redevelopment objectives of this Plan, property or interests therein, including easements and rights-of-way, identified on Exhibit 1 and identified on Exhibit 5, "Land Acquisition and Disposition Map", attached hereto, and made a part of this Plan, may be acquired by purchase, donation, lease or eminent domain in the manner provided for corporations in Chapter 523, R.S.Mo. by the Municipality or the Commission. The property acquired by the Municipality or the Commission, and also identified on Exhibit 5, may be cleared, and either (1) sold or leased for private redevelopment or (2) sold, leased, or dedicated for construction of public improvements or facilities. The Municipality or the Commission may determine that to meet the redevelopment objectives of the Redevelopment Plan, other properties listed on said map and not scheduled for acquisition should be acquired or certain property currently listed for acquisition should not be acquired.

Individual structures may be exempted from acquisition if they are located so as not to interfere with the implementation of the objectives of this Redevelopment Plan or the projects implemented pursuant to the Redevelopment Plan and their owner(s) agree to rehabilitate or redevelop their property, if necessary, in accordance with the objectives of this Redevelopment Plan.

Clearance and demolition activities will, to the greatest extent possible, be timed to coincide with redevelopment activities so that tracts of land do not remain vacant for extended periods of time and so that the adverse affects of clearance activities may be minimized.

The Municipality or the Commission may devote property which it has acquired to temporary uses prior to such time as property is needed for redevelopment. Such uses may include, but are not limited to, project office facilities, parking or other uses the Municipality or the Commission may deem appropriate.

2. Relocation Assistance

In order to achieve the redevelopment objectives of this Redevelopment Plan, two (2),-residences will be acquired and demolished. The developer will be required to provide relocation assistance to all eligible displaced occupants in conformance with the following Relocation Plan:

a. Displaced Business: "Displaced business" shall mean any business that moves from real property within the
Redevelopment Area permanently and voluntarily as a direct result of the acquisition, rehabilitation or demolition of, or the written notice of intent to acquire such real property, in whole or in part, for a public purpose.

b. Displaced Person: "Displaced person" shall mean any person who moves from real property or moves his/her personal property from the real property within the Redevelopment Area permanently and voluntarily as a direct result of the acquisition, rehabilitation or demolition of, or the written notice of intent to acquire such real property, in whole or in part, for a public purpose.

c. Eligibility: The Developer will make payments to all displaced persons and displaced businesses which occupied the property to be acquired for not less than ninety (90) days prior to the initiation of negotiations.

d. Special Needs of Displaced: The Developer will identify special needs of displaced persons and displaced businesses with specific consideration given to income, age, size of family, nature of business, availability of suitable replacement facilities, and vacancy rates of affordable facilities.

e. Referrals to New Quarters: The developer will provide displaced persons with a minimum of three (3) decent, safe and sanitary housing referrals for residential persons or suitable referral sites for displaced businesses, a minimum of ninety (90) days notice of referral sites for handicapped displaced persons and sixty (60) days notice of referral sites for all other displaced persons and displaced businesses prior to the date such displaced persons or displaced businesses are required to vacate the premises and arrangements for transportation to inspect referral sites to be provided to displaced occupants hereinafter identified as "Designated occupants".

f. Notice to Vacate: Every displaced person and every displaced business shall be given a ninety (90) day notice to vacate prior to the date such displaced person or displaced business is required to vacate; provided, however, that the developer may elect to reduce the notice time if the developer extends the relocation payments to any affected displaced person or displaced business by said reduction.

g. "Designated Occupants" shall mean handicapped displaced persons and those displaced persons who are 65 years of age or older at the time of the notice to vacate or who have an income less than the average median income for the metropolitan area as certified annually by the Director of City Development based upon the standards established by the Department of Housing and Community Development.

h. Payments to Displaced Persons: All displaced persons eligible for payments shall be provided with relocation payments based upon one of the following, at the option of the
person:

(1) A $500 fixed payment to be paid at least thirty (30) days prior to the date the occupant is required to vacate the premises; or

(2) Actual reasonable costs of relocation including actual moving costs, utility deposits, key deposits, storage of personal property up to one month, utility transfer and connection fees, and other initial rehousing deposits including first and last month's rent and security deposit.

i. Payments to Handicapped Persons: In addition to the payments provided herein an additional relocation payment shall be provided to handicapped displaced persons which shall equal the amount, if any, necessary to adapt a replacement dwelling to substantially conform with the accessibility and usability of such occupant's prior residence, such amount not to exceed four hundred dollars ($400.00).

j. Payments to Business: All displaced businesses eligible for payment shall be provided with relocation payments based upon the following, at the option of the business:

(1) A one thousand five hundred dollar ($1,500.00) fixed payment to be paid at least thirty (30) days prior to the date the business is required to vacate the premises; or

(2) Actual costs of moving including costs for crating, disconnection, dismantling, reassembling and installing of all personal equipment and costs for relettering similar signs and similar replacement stationery.

k. Waiver of Payments: Any displaced person, who is also the owner of premises, and any business may waive relocation payments for acquisition of the interest held by said person or business. Said waiver shall be on a form supplied by the Secretary of the Commission and filed in this office. The developer shall not be required to pay relocation benefits respecting any interests acquired through negotiations.

l. Notice of Benefits: All occupants and businesses eligible for relocation benefits under this Plan shall be notified in writing of the availability of such relocation payments and assistance, with such notice to be given concurrent with the notice of referral sites set forth in this Plan.

3. Assemblage and Disposition of Land

Land assemblage shall be conducted for (1) sale, lease or conveyance to private developers or (2) sale, lease, conveyance or dedication for the construction of public use, improvements or facilities. The terms of conveyance shall be incorporated in appropriate disposition agreements
which may contain more specific planning and design controls than those stated in this Plan.

4. **Provision of Public Facilities**

Adequate public facilities and utilities will be assured to service each of the Redevelopment Project Areas.

B. **General Land Use**

**Exhibit 2,** the Site Plan, attached hereto and made part of this Redevelopment Plan, designates the intended predominant land use categories for which tracts in the area will be sold, leased, or otherwise conveyed. The individual Redevelopment Projects shall be subject to the applicable provisions of the Municipality's Zoning Ordinance as well as other codes and ordinances as may be amended from time to time.

C. **Additional Controls and Design Criteria**

The following design controls shall apply to the Plan:

1. **General:** New development shall create an integrated, unified design.

2. **Pedestrian Walkways, Streets and Open Walk Spaces:** Streets, pedestrian paths or open walk spaces shall be designed as an integral part of the overall site design, properly related to existing and proposed buildings and City streetscape elements.

3. **Parking:** Parking areas shall be designed with careful regard given to orderly arrangement, landscaping, ease of access, and as an integral part of the total site design. Vehicular access to the parking areas shall minimize conflicts with other vehicular and pedestrian movements. Ingress and egress points shall be well distanced from intersections in order to avoid congestion and interference with traffic.

4. **Landscape Design:** A coordinated landscape program shall be developed in the Redevelopment Areas to incorporate the landscape treatment sought for open spaces, roads, sidewalks, and parking areas into a coherent and integrated arrangement.

5. **Design Review Process:** The Commission has adopted a design review process which shall be carried out to review all proposed improvements in the Redevelopment Area.

D. **Schedule of Projects**

The development schedule is set forth in **Exhibit 6.**
VIII. FINANCING PLAN

A. Estimated Project Costs

Redevelopment Project costs mean and include the sum total of all reasonable or necessary costs incurred or estimated to be incurred, and any such costs incidental to a redevelopment plan or redevelopment project, as applicable, in implementing the Plan and Redevelopment Projects and any incidental costs relating thereto. Included as a part of the Project Costs are those costs of phased construction of public improvements necessitated by the Redevelopment Projects. These costs, along with the estimated Project Costs, are set forth in Exhibit 7. The costs set forth as Type I, Type II, Type III and Type IV Reimbursable Costs in Columns 2 through 5 of Exhibit 7 shall be reimbursed from the PILOTS and Economic Activity Taxes resulting from this Plan.

B. Source of Funds

Anticipated sources and amounts of funds to pay Redevelopment Project Costs and amounts to be available from those sources are shown on Exhibit 8.

The expected source of funds to be used to reimburse eligible expenses include PILOTS and Economic Activity Tax proceeds. Calculations of expected proceeds of PILOTS are based on current real property assessment formulas and current property tax rates, both of which are subject to change due to many factors, including statewide reassessment, the effects of real property classification for real property tax purposes, and the roll back in tax levies resulting from reassessment or classification. Furthermore calculations are based on increases in assessments of 4% every other year that can be expected to result from inflation with no levy increases, which would also increase PILOT. Anticipated Economic Activity Taxes are based upon projected Net Earnings Taxes paid by businesses and employees, as well as sales tax. It is assumed that net earnings, and sales tax revenues will increase due to inflation at a rate of 3% a year in addition to the assumed increases due to job creation and business expansion. The estimated PILOTS and Economic Activity Tax revenues are set forth in Exhibit 9 attached hereto.

If bonds are issued, bond proceeds will be deposited in a special construction fund for use in payment of Reimbursable Project Costs. If property is sold or leased to a selected Developer, land disposition or lease proceeds will be utilized by the Commission for payment of Reimbursable Project Costs.

1. Payment in Lieu of Taxes

a. Most Recent Assessed Valuation

The total initial equalized assessed valuation of the Redevelopment Area according to the Kansas City Assessor's records (1993) is $1,344,080. The current combined tax levy for commercially assessed property is projected to be $8.74 (including 1987 M & M replacement surcharge tax) per $100 assessed valuation on land and $7.99 (including 1987 M & M replacement surcharge tax) per $100 assessed value on improvements. The current combined tax levy for residually assessed property is projected to be $7.303 per $100 assessed value on land and $6.553 per $100 assessed...
value on improvements. The current annual tax revenue, without any property tax exemptions, is approximately $105,260.

b. Anticipated Assessed Valuation and Payments in Lieu of Taxes

Upon completion of the Redevelopment Projects, the assessed valuation of the Redevelopment Area is anticipated to be approximately $39,985,180. The increase in assessed valuation therefore is anticipated to be approximately $38,641,100. The resulting Payments in Lieu of Taxes available to pay redevelopment project costs by year are shown separately for each Redevelopment Project Area in Exhibit 9. When complete the Redevelopment Area will initially yield an estimated $3,215,176 in additional real property taxes annually.

The amount of PILOTS in excess of the funds deemed necessary by ordinance for the retirement of bonds, reserves, sinking funds, and redevelopment project costs, may be declared as surplus by the Commission and if so declared would be made available for distribution to the various Taxing Districts in the Redevelopment Area in the manner provided by the Act.

2. Economic Activity Taxes

Fifty percent (50%) of the total additional revenue from taxes imposed by the municipality, or other taxing districts, and which are generated by economic activities within the Redevelopment Project Areas of the redevelopment project in the calendar year prior to the adoption of the redevelopment project by ordinance, while tax increment financing remains in effect, but excluding taxes imposed on sales or charges for sleeping rooms paid by transient guests of hotels and motels, licenses, fees or special assessments and personal property tax, other than payments in lieu of taxes, will be made available upon annual appropriation, to pay eligible Redevelopment Project Costs. Over the life of the Plan, the total available Economic Activity Tax revenues are estimated to be approximately $18,313,000. The increase in Economic Activity Taxes are shown in Exhibit 9 by year for each Redevelopment Project, as are the resulting share of revenues available to pay project costs.

The amount of Economic Activity Taxes in excess of the funds deemed necessary by ordinance for the retirement of bonds, reserves, sinking funds, and Redevelopment Project Costs, if any, will be declared as surplus and will be available for distribution to the taxing districts in the Redevelopment Area in the manner provided by the Act.

C. Nature and Term of Obligations

Without excluding other methods of financing, Bonds may be issued pursuant to this Plan for a term not to exceed 23 years from the adoption of the ordinance approving a redevelopment project within a redevelopment area, at an interest rate determined by the Issuing Body. In order to market such Bonds, it is estimated that available Project revenues must equal 125% - 175% of the annual
debt service payments required for the retirement of the Bonds. Revenues received in excess of 100% of funds necessary for the payment of principal and interest on the Bonds or for reserves, sinking funds, or allowable project costs may be used to call Bonds in advance of their maturities or may become available for distribution annually to the Taxing Districts. Bonds may be sold in one or more series in order to implement this Plan. All obligations shall be retired no later than 23 years after the adoption of the Ordinance approving the redevelopment project, the costs of which are to be paid from the proceeds thereof. No redevelopment project may be approved by Ordinance adopted more than ten years from the adoption of the ordinance approving the redevelopment plan under which the project is authorized. Therefore the latest date of retirement of the Bonds, if the ordinance approving the redevelopment plan is adopted in 1991, will be 2024.

D. Evidence of Commitments to Finance

Any proposal submitted by a developer to implement this Plan shall include evidence of commitments to finance the Redevelopment Project Costs in addition to those allowable project costs to be paid by Payment in lieu of tax proceeds and Economic Activity Taxes. Such proposal shall be a part of this Plan and be attached hereto as Exhibit 10.

IX. PROVISIONS FOR AMENDING THE TAX INCREMENT PLAN

This Redevelopment Plan and Project may be amended pursuant to the provisions of the Missouri Real Property Tax Increment Allocation Redevelopment Act.
EXHIBIT 1
LOCATION AND LEGAL DESCRIPTION
OF THE
REDEVELOPMENT AREA AND REDEVELOPMENT PROJECT AREAS

REDEVELOPMENT AREA

All or part of the following subdivisions: EAST SWOPE HIGHLANDS, LAUREL RIDGE, SWOPE ACRES, SWOPE PARK RIDGE, SWOPE PARK RIDGE RESURVEY, SKYVIEW MANOR, SCHUETTE HEIGHTS, WINCHESTER BUSINESS CENTER, WINCHESTER OFFICE PARK, and WINCHESTER OFFICE CENTER WEST, PHASE ONE, all subdivisions, according to the recorded plats thereof, including the following streets, drives, courts and avenues: 63rd Street, 64th Street, 65th Street, 66th Street, Scenic Drive and Beacon Drive, 64th Court and 65th Court, Park Ridge Avenue, Belmont Avenue, Bennington Avenue and Winchester Avenue, as said streets, drives, courts and avenues are all now established; together with other lands situate in Section 1, Township 48, Range 33 and a portion of land situate in the Northwest Quarter of Section 6, Township 48, Range 32 all in Kansas City, Jackson County, Missouri, being bounded on the North by the Southerly right-of-way line of 63rd Street Trafficway, on the South by the South right-of-way line of 64th Street and the North right-of-way line of 67th Street, on the East by the East right-of-way line of Manchester Avenue and the Westerly right-of-way line of U.S. Interstate Highway Route No. 435 and on the West by the Easterly right-of-way line of the Kansas City Southern Railway Company.

The boundary of the Redevelopment Area is more specifically described as beginning at a point of intersection of the West line of the Northeast Quarter of said Section 1 with the Southerly right-of-way line of said 63rd Street Trafficway; thence the following courses and distances along the Southerly right-of-way line of said 63rd Street Trafficway; thence South 64 42'43" East, 224.93 feet; thence Easterly and Northeasterly along a curve to the left, tangent to the last described course, having a radius of 1018.93 feet and a central angle of 8 45'43", an arc distance of 155.82 feet; thence South 73 28'26" East, tangent to the last described curve, 220.13 feet; thence Northeasterly along a curve to the left and along the Northerly line of said WINCHESTER BUSINESS CENTER, tangent to the last described course, having a radius of 882.51 feet and a central angle of 41 34'15", an arc distance of 640.30 feet; thence continuing along said Southerly right-of-way and said Northerly line, the following courses and distances: thence South 25 04'02" East, 17.04 feet; thence Northeasterly along a curve to the left, having an initial tangent bearing of North 64 57'17" East, a radius of 899.02 feet and a central angle of 13 18'47", an arc distance of 208.89 feet; thence North 51 37'11" East, tangent to the last described curve, 202.40 feet; thence Northeasterly along a curve to the right, tangent to the last described course, having a radius of 493.69 feet and a central angle of 35 41'04", an arc distance of 307.48 feet; thence North 3 18'15" West, 24.60 feet; thence Northeasterly along a curve to the right, having an initial tangent bearing of North 76 45'00" East, a radius of 713.94 feet, an arc distance of 76.61 feet; thence Southeasternly along a curve to the right, not tangent to the last described curve, having an initial tangent bearing of South 84 31'03" East, a radius of 533.69 feet and a central angle of 7 20'14", an arc distance of 68.34 feet; thence South 77 10'49" East, tangent to the last described curve, a distance of 600.28 feet to a point on the Westerly right-of-way line of said U.S. Interstate Highway Route No. 435; thence
the following courses and distances along said Westerly right-of-way line and long the Easterly line of said WINCHESTER BUSINESS CENTER; thence South 12 49'11" West, 70.64 feet; thence South 34 20'16" East, 362.79 feet; thence South 22 32'04" West, 778 feet; thence South 5 02'14" West, 415.49 feet; thence South 15 06'04" West, 163.19 feet; thence South 44 12'22" West, 304.93 feet to the Southeast corner of Tract P of said WINCHESTER BUSINESS CENTER; thence continuing South 44 12'22" West along the Westerly right-of-way line of said U.S. Interstate Highway Route No. 435, 137 feet; thence South 2 12'01" West along said West right-of-way line, 23.03 feet to a point on the Northerly right-of-way line of Scenic Drive, as now established; thence continuing South 2 12'01" West along said West right-of-way line, 79 feet to a point on the Southerly right-of-way line of said Scenic Drive and being also the North, Northeast corner of Tract 3 of said WINCHESTER OFFICE CENTER; thence the following courses and distances along the Easterly line of said WINCHESTER OFFICE CENTER and along the Westerly right-of-way line of said U.S. Interstate Highway Route No. 435; thence South 2 12'01" West, 100.95 feet; thence South 87 47'59" East, 60 feet; thence South 2 12'01" West, 1016.01 feet; thence Southerly along a curve to the right, tangent to the last described course having a radius of 34,277.48 feet and a central angle of 0 17'51", an arc distance of 177.68 feet to the Southeast corner of Tract 1 of said WINCHESTER OFFICE CENTER; thence North 85 55'19" West along the South line of said Tract 1 and along a jog in said West right-of-way line, a distance of 72.55 feet to the Northeast corner of Lot 5 of said LAUREL RIDGE; thence South 3 04'41" West along the East line of said West right-of-way line and along the East line of said Lot 5, 230 feet to the Southeast corner thereof, being also a point on the North right-of-way line of said 67th Street; thence Westerly along said North right-of-way line and along the South line of said LAUREL RIDGE, 630 feet to the Southwest corner of Lot 11, being also the Southeast corner of Lot 1 of said SCHUETTE HEIGHTS; thence continuing West along said North right-of-way line and along the South line of said Lot 1 and its Westerly prolongation, a distance of 170 feet to a point on the Westerly right-of-way line of said Winchester Avenue, being also a point on the East line of Lot 61 of said SWOPE PARK RIDGE; thence South along said West right-of-way line and the East line of said Lot 61, 10 feet to the Southeast corner thereof; thence West along the South line of Lots 61 through 66, inclusive, and along the North right-of-way line of said 67th Street, a distance of 668.93 feet to the Southwest corner of said Lot 66; thence North along the West line of said Lot 66 and a jog in said North right-of-way line, 10 feet; thence Westerly, Northwesterly and Westerly along said North right-of-way line, 600 feet, more or less to a point on the East right-of-way line of said Bennington Avenue; thence continuing Westerly and Southwesterly along said North right-of-way line of said 67th Street, 440 feet, more or less to a point on the Easterly right-of-way line of said Kansas City Southern Railway Company; thence Northwesterly and Northerly along said Easterly right-of-way line, 2904.38 feet, more or less to the Northwest corner of Lot 6 of said SWOPE ACRES, being also a point on the South line of the Northwest Quarter of said Section One; thence continuing Northerly along said Easterly right-of-way line, 1561.79 feet, more or less to a point of intersection with the Southerly right-of-way line of said 63rd Street Trafficway; thence the following courses and distances along said Southerly right-of-way; thence Southeasterly along a curve to the right, having an initial tangent bearing of South 78 40'35" East, a radius of 1454.67 feet and a central angle of 16 10'14", an arc distance of 410.55 feet; thence South 61 37'34" East, tangent to the last described curve, 955.08 feet; thence Southeasterly along a curve to the left, tangent to the last described course, having a radius of 1949.86 feet and a central angle of 3 05'09", an arc distance of 105.02 feet; thence South
64 42'43" East, tangent to the last described curve, 383.92 feet to the Point of Beginning.

Certain properties within the area are separate and excluded from the Redevelopment Area. Said properties are described as follows:

Lots A and B, WINCHESTER OFFICE CENTER, a subdivision of land in Kansas City, Jackson County, Missouri, on Certificate of Survey of Tract 1 as filed for record under Document No. K-872300, in Book S-3 at page 27 on March 30, 1989 in the Office of the Recorder of Deeds of Jackson County, Missouri;

Tracts A, B, C and D, WINCHESTER BUSINESS CENTER, a subdivision of land in Kansas City, Jackson County, Missouri as filed for record under Document No. K-522512, in Book K-35, at page 74 on May 18, 1982 in the Office of the Recorder of Deeds of Jackson County, Missouri, said tracts extending upward only from elevation 137 as based on the Kansas City, Missouri datum plane; and

All that part of the Northeast Quarter of the Southeast Quarter Section 1, Township 48, Range 33, in Kansas City Jackson County, Missouri, described as follows: commencing at a point on the South line of said quarter-quarter section, 534.15 feet West from the Southeast corner thereof as measured along said South line; thence deflecting 89 03'32" right from the last described course a distance of 243.01 feet to the true point of beginning of the tract of land to be herein described; thence continuing North along the last described course, 236.93 feet; thence deflecting 73 57'13" left, 360.80 feet to a point on the Northeasterly line of Scenic Drive, as now established; thence deflecting 70 29'27" left from the last described course, 65 feet to a point 5 feet Southwesterly of the Southwesterly line of said Scenic Drive; thence Southeasterly and parallel with said Southwesterly line, at right angles from the last described course, 351 feet; thence continuing Southeasterly, being a curve to the right, concentric with said Southwesterly line, from the last described course as a tangent, having a radius of 1111.28 feet, and a central angle of 6 33'17", a distance of 127.13 feet to the point of beginning.

Also included as part of the Redevelopment Area is a noncontiguous piece described as Lot 4, EAST SWOPE HIGHLANDS.

LEGAL DESCRIPTIONS BY REDEVELOPMENT PROJECTS

REDEVELOPMENT PROJECT 1
(Shown as Tract 3 on Exhibit 2 herein.)
All of Tract 1, WINCHESTER OFFICE CENTER WEST, a subdivision in Kansas City, Jackson County, Missouri, according to the recorded plat thereof.

REDEVELOPMENT PROJECT 2
(Shown as Tract 1 on Exhibit 2 herein.)
All of Tract 2, WINCHESTER OFFICE CENTER, a subdivision in Kansas City, Jackson County, Missouri, according to the recorded plat thereof.

REDEVELOPMENT PROJECT 3
(Shown as Tract 2 on Exhibit 2 herein.)
All of Tract 3, WINCHESTER OFFICE CENTER, a subdivision in Kansas City, Jackson County, Missouri, according to the recorded plat thereof.
REDEVELOPMENT PROJECT 4
(Shown as Tract 4 on Exhibit 2 herein.)
All of Tract 2, WINCHESTER OFFICE CENTER WEST, a subdivision in Kansas City, Jackson County, Missouri, according to the recorded plat thereof.

REDEVELOPMENT PROJECT 5
(Shown as Tract 5 on Exhibit 2 herein.)
All of Tract 3, WINCHESTER OFFICE CENTER WEST, a subdivision in Kansas City, Jackson County, Missouri, according to the recorded plat thereof.

REDEVELOPMENT PROJECT 6
(Shown as Tract 6 on Exhibit 2 herein.)
All of Tract 4, WINCHESTER OFFICE CENTER WEST, a subdivision according to the recorded plat thereof, together with all that part of the North Half of Section 1, Township 48, Range 33, also including portions of 63rd Street and Bennington Avenue, as said street and avenue are now both established, all in Kansas City, Jackson County, Missouri and that part situate in the North Half of said Section 1, being more particularly described as follows.

Beginning at the Northwest corner of said Tract 4; thence the following courses and distances along the Westerly line of said Tract 4; thence South 25°08'00" West, 215 feet; thence South 00'00" West, 161 feet; thence South 35°49'00" West, 293 feet to the Southwest corner of said Tract 4; thence generally Northwesterly, the following courses and distances; thence Northwesterly along a straight line, deflecting 96°31'52" to the right from the last described course, a distance of 363.97 feet; thence Northwesterly along a curve to the left tangent to the last described course, having a radius of 470 feet and a central angle of 21°04'12", an arc distance of 172.56 feet; thence Northwesterly along a straight line, tangent to the last described curve, a distance of 104.02 feet; thence Northwesterly along a curve to the right, tangent to the last described course, having a radius of 344.13 feet and a central angle of 3°39'46", an arc distance of 22 feet; thence North 2°07'22" East, parallel with the East line of the Northwest Quarter of said Section 1, a distance of 380 feet; thence Southeasterly along a straight line, 955 feet, more or less to the Point of Beginning.

REDEVELOPMENT PROJECT 7
(Shown as Tract 7 on Exhibit 2 herein.)
All of Lots 52 and 53 and that part of Lots 49 through 56, inclusive and that part of Lots 75 through 78 inclusive, SWOPE PARK RIDGE, a subdivision, according to the recorded plat thereof, together with all of Lots 1 through 9, inclusive and Lots 25 through 31, inclusive and that part of Lots 10, 11, 12, 32, 33 and 34, SWOPE PARK RESURVEY, a subdivision, according to the recorded plat thereof, including that part of 66th Street and Park Ridge Avenue as said street and avenue are now both established, said parcel of land is bounded on the North by the North right-of-way line of 65th Street, and on the East by the West right-of-way line of Bennington Avenue, and on the Southwesterly side by the Northeasterly right-of-way line of the Kansas City Southern Railway Company and on the South by the Northerly right-of-way line of 67th Street, as all streets and avenue are now established and also bounded on the South and on the East by the following described line:

Beginning at a point on the East line of Lot 49 of said SWOPE PARK RIDGE, 170.23 feet North of the Southeast corner thereof; thence Southwesterly along a
straight line to a point on the West line of the East 15 feet of said Lot 51; thence South along the West line of the East 15 feet of said Lot 75, 340 feet; more or less to a point on the Northerly right-of-way line of said 67th Street.

REDEVELOPMENT PROJECT 8
(Shown as Tract 8 on Exhibit 2 herein.)
All that part of Lots 3, 4, 5 and 7, and all of Lot 6, SWOPE ACRES, a subdivision, according to the recorded plat thereof, together with that part of 63rd Street and that part of the Northwest Quarter of Section 1, Township 48, Range 33, all in Kansas City, Jackson County, Missouri, being more particularly described as follows:

Beginning at a point on the Easterly right-of-way line of the Kansas City Southern Railway Company, 802.69 feet South of the Southerly right-of-way line of 63rd Street Trafficway, as now established; thence Easterly along a straight line, perpendicular to the last described course, a distance of 500 feet; thence Southeasterly along a straight line, deflecting 26 08'39" to the right from the last described course, a distance of 502.53 feet; thence Southwesterly, perpendicular to the last described course, 92.76 feet; thence Southwesterly, Southerly and Southeasterly along a curve to the left, tangent to the last described course, having a radius of 404.13 feet, and a central angle of 86 32'36", an arc distance of 610.42 feet; thence Southwesterly along a straight line, normal to the last described curve, a distance of 338.06 feet to a point on a line, 125 feet North of and parallel with the North right-of-way line of 64th Street, as now established; thence Westerly along said parallel line, a distance of 845 feet, more or less, to a point on the Easterly right-of-way line of said Kansas City Southern Railway Company; thence generally Northerly along a curve to the right, having a radius of 1835.08 feet and a central angle of 14 52'21", an arc distance of 476.34 feet; thence North along said Easterly right-of-way line, 644.63 feet to the Point of Beginning.

REDEVELOPMENT PROJECT 9
(Shown as Tract 12 on Exhibit 2 herein.)
All of Tracts E, F, and G, WINCHESTER BUSINESS CENTER, a subdivision in Kansas City, Jackson County, Missouri, according to the recorded plat thereof.

REDEVELOPMENT PROJECT 10
Project 10 consists of three separate tracts. Said tracts are described as follows:

(Shown as Tract 9 on Exhibit 2 herein.)
A 350 foot by 375 foot parcel of land situated in the Northwest Quarter of Section 1, Township 48, Range 33, in Kansas City, Jackson County, Missouri, being more particularly described as follows:

Beginning at a point on the Southerly right-of-way line of 63rd Street Trafficway, 962.97 feet Southeasterly from the point of intersection with the East right-of-way line of the Kansas City Southern Railway Company, as said trafficway and railroad are now both established; thence continuing Southeasterly along said Southerly right-of-way line, 350 feet; thence South, perpendicular to the last described course, 375 feet; thence Northwesterly, parallel with said Southerly right-of-way line, 350 feet; thence Northwesterly, parallel with said Southerly right-of-way line, 350 feet; thence Northeasterly, perpendicular to the last described course, 375 feet to the Point of Beginning.
and

(Shown as Tract 10 on Exhibit 2 herein.)
All that part of the North Half of Section 1, Township 48, Range 33 in Kansas City, Jackson County, Missouri, being more particularly described as follows:

Beginning at a point of intersection of the Southerly right-of-way line of 63rd Street Trafficway, as now established with the East line of the Northwest Quarter of said Section 1, 884.33 feet North of the Southeast corner thereof; thence Southeasterly and Easterly along said Southerly right-of-way line to a point of intersection with the Westerly right-of-way line of Winchester Avenue, as now established; thence Southeasterly along said Westerly right-of-way line, 159.12 feet; thence Westerly along a straight line deflecting 144 24'12" to the right from an initial tangent bearing of South 51 15'47" East, a distance of 954.79 feet to a point on the East line of the Northwest Quarter of said Section 1; thence continuing Westerly along the last described course, a distance of 179.38 feet; thence Northwesterly along a straight line, deflecting 22 38'11" to the right from the last described course, a distance of 489.95 feet; thence Northeastly along a straight line, deflecting 92 35'50" to the right from the last described course, a distance of 375 feet to a point on the Southerly right-of-way line of said 63rd Street Trafficway; thence Southeasterly along said Southerly right-of-way line, 429.43 feet to the Point of Beginning.

and

(Shown as Tract 11 on Exhibit 2 herein.)
All that part of the North Half of Section 1, Township 48, Range 33, in Kansas City, Jackson County, Missouri, being more particularly described as follows:

Beginning at a point on the East line of the Northwest Quarter of said Section 1, 475.57 feet North of the center of said Section 1; thence Northwesterly along a straight line, deflecting 78 03'13" to the left from the last described course, a distance of 183.25 feet; thence Easterly along a straight line, deflecting 169 10'16" feet to the right from the last described course, a distance of 1110 feet, more or less, to a point on the Westerly right-of-way line of Winchester Avenue, as now established; thence generally Southeasterly along said Westerly right-of-way line to a point of intersection with a line drawn, 350 feet North of and parallel with the South line of the Northeast Quarter of said Section 1; thence West along said parallel line, 570 feet; thence Northwesterly deflecting 10 52'15" to the right from the last described course, a distance of 665.64 feet to the Point of Beginning.

REDEVELOPMENT PROJECT 11
(Shown as Residential Area 1 on Exhibit 2 herein.)
Beginning at the intersection of the West right-of-way line of Interstate 435, as now established, and the Northerly right-of-way line of 67th Street, as now established; thence along the Northerly right-of-way line of 67th Street to a point on the West line of the East 15 feet of Lot 75, SWOPE PARK RIDGE; thence North along the West line of the East 15 feet of said Lot 75 and the West line of the East 15 feet of Lot 50, SWOPE PARK RIDGE, 340 feet, more or less; thence Northeastly along a straight line to a point on the West right-of-way line of Bennington Avenue, as now established; thence North along the West right-of-way line of Bennington Avenue 170.23 feet to the point of intersection with the South right-of-way line of 66th Street, as now established; thence continuing
North along the West right-of-way line of Bennington Avenue to its intersection with the westerly extension of the South lot line of Tract 2, WINCHESTER OFFICE CENTER WEST; thence East along the westerly and easterly extensions of the South lot line and the South lot line of Tract 2, WINCHESTER OFFICE CENTER WEST to its intersection with the East right-of-way line of Winchester Avenue, as it now exists; thence South along the East right-of-way of Winchester Avenue to its intersection with the North lot line of Lot 3, SCHUETTE HEIGHTS; thence East along the North lot line of Lot 3, SCHUETTE HEIGHTS, to its intersection with the East lot line of said Lot 3; thence South along the East lot line of said Lot 3 to its intersection with the South lot line of Lot A, WINCHESTER OFFICE CENTER; thence East along the South lot line of said Lot A to its intersection with the West right-of-way line of Interstate 435; thence South along the West right-of-way line of Interstate 435 to the Point of Beginning, all included in and a part of Kansas City, Jackson County, Missouri.

REDEVELOPMENT PROJECT 12
(Shown as Residential Area 2 on Exhibit 2 herein.)
Beginning at the point of intersection of the North right-of-way line of 65th Street, as now established, and the West right-of-way line of Bennington Avenue, as now established; thence East along the North right-of-way line of 65th Street to its intersection with the Easterly right-of-way line of the Kansas City Southern Railroad Tracks, as it now exists; thence northerly along the Easterly right-of-way line of the Kansas City Southern Railroad Tracks to a point on a line, 125 feet North of the North right-of-way line of 64th Street, as now established; thence Easterly along a line 125 feet North of and parallel to the North right-of-way line of 64th Street, a distance 845 feet, more or less; thence Southeasterly along a line parallel to the Northeasternly right-of-way line of 64th street, a distance of 200 feet, more or less to a point on a line 125 feet North of the North right-of-way line of 64th street; thence East along a line, 125 feet north of and parallel to the North right-of-way line of 64th Street to its intersection with the East lot line of Lot 7, SWOPE ACRES; thence South along the East lot line of Lot 7, SWOPE ACRES, to its intersection with the South lot line of said Lot 7, said point also being on the West right-of-way line of Bennington Avenue, as it now exists; thence continuing South along the West right-of-way line of Bennington Avenue to the Point of Beginning, all included in and a part of Kansas City, Jackson County, Missouri.

REDEVELOPMENT PROJECT 13
(63rd and Manchester Project)
All of Lot 4, EAST SWOPE HIGHLANDS, a subdivision, according to the recorded plat thereof, all in Kansas City, Jackson County, Missouri.
EXHIBIT 3

SPECIFIC OBJECTIVES OF REDEVELOPMENT PLAN

1. Mitigation and elimination of those conditions which if left unaddressed will cause the area to be blighted. The conditions to be addressed include an aging, deteriorating housing stock; the absence of sanitary and storm sewers; and depreciation of physical maintenance.

2. Enhancement of the tax base by inducing development of the Redevelopment Area to its highest and best use, benefit taxing districts and encourage private investment in surrounding areas.

3. Promotion of health, safety, order, convenience, prosperity and the general welfare, as well as an increase in efficiency and economy in the process of development.


5. Stimulation of construction employment opportunities and increased demand for secondary and support services for the surrounding commercial area.

6. Landscaping of private areas, including parking areas and street rights of way.

7. Encouragement of local residential property owners to improve their property.

8. Construction of sanitary sewers, storm sewers, other utilities, and street improvements within the Redevelopment Area.

9. Construction of approximately 1,133,600 square feet of office and approximately 20,000 square feet of retail, commercial space in 10 phases.

10. Acquisition of properties which impede the Redevelopment Plan.

11. Construction of an Interstate 435 interchange at its intersection with 63rd Street Trafficway.

12. Realignment and extension of Bennington Avenue between Beacon Drive and 63rd Street Trafficway.

13. Construction of street improvements along 63rd Street Trafficway and 67th Street.
I. Introduction

A. Purpose of this Report

The purpose of this report is to provide sufficient evidence to find that the Winchester Center Redevelopment Area qualifies as a Real Property Tax Increment Allocation Redevelopment Area.

B. General Location

The Redevelopment Area is generally located south of 63rd Street Trafficway, west of Interstate 435, north of 67th Street, and east of the Kansas City Southern Railroad tracks in Kansas City, Jackson County, Missouri.

C. Statement of Report Criteria for Eligibility

The Real Property Tax Increment Allocation Redevelopment Act, Missouri Revised Statutes, Section 99.800 et seq, as amended (the "Act"), provides that a Real Property Tax Increment Allocation Redevelopment Plan can be implemented by the Tax Increment Financing Commission if the governing body of a community determines, by ordinance, that an area qualifies under the Act as

- a "Blighted Area," an area which, by reason of the predominance of defective or inadequate street layout, insanitary or unsafe conditions, deterioration of site improvements, improper subdivision or obsolete platting, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, retards the provision of housing accommodations or constitutes an economic or social liability or a menace to the public health, safety, morals or welfare in its present condition and use;

- b) a "Conservation Area," any improved area within the boundaries of a redevelopment area located within the territorial limits of a municipality in which fifty percent (50%) or more of the structures in the area have an age of thirty-five (35) years or more. Such an area is not yet a blighted area but is detrimental to the public health, safety, morals, or welfare and may become a blighted area because of any one or more of the following factors: dilapidation; obsolescence; deterioration; illegal use of individual structures; presence of structures below minimum code standards; abandonment; excessive vacancies; overcrowding of structures and community facilities; lack of ventilation, light or sanitary
facilities; inadequate utilities; excessive land coverage; deleterious land use or layout; depreciation of physical maintenance; and lack of community planning; or

c) an "Economic Development Area," any area or portion of an area located within the territorial limits of a municipality which does not meet the requirements of subdivisions 1 and 2 of this section, and in which the governing body of the municipality finds that redevelopment is in the public interest because it will:

(a) discourage commerce, industry or manufacturing from moving their operations to another state; or
(b) result in increased employment in the municipality; or
(c) result in preservation or enhancement of the tax base of the municipality;

and that the area has not been subject to growth and development through investment by private enterprise; and would not reasonably be anticipated to be developed without the adoption of the redevelopment plan.

II. Area Description

The Redevelopment Area consists of a mixture of vacant land, office commercial and residential uses. Approximately 114 acres are currently undeveloped and the terrain consists of steep slopes and uneven topography. In the eastern portion of the area there exists underground storage, three office buildings, and a city pump station. Located along the southern edge and in the northwest quadrant of the redevelopment area are seventy (70) single family residences. A majority of these residences are older than 35 years of age, in less than good condition and lacking access to sanitary sewer.

The Redevelopment Area is framed by Swope Park on the west and Interstate 435 on the east. The property across 63rd Tafficway to the north is used for quarrying activities. To the south across 67th Street the predominant land use is residential.

A. Site Analysis

The site is relatively isolated due to the topography on the north, the interstate on the east and the park on the west. The existing conditions hamper further development and will cause the existing residential neighborhood to become a blighted or insanitary area if left unattended. The following narrative summarizes the existing conditions in the area.

Predominance of Structures 35 Years or Older: Nearly sixty percent (60%) of the seventy-three (73) existing buildings (i.e., 3 office commercial and seventy (70) single family residences) were built in or prior to 1956. In the southwest quadrant are thirteen (13) houses which were constructed in the 1920's. These houses are among those relocated from the path of the Bruce Watkins Freeway on to new foundations. There are only seven (7) houses which have been built in the past two decades, of which the two most recent homes were built in 1986 and 1987.
(Exhibit A provides the year of construction of each house.)

Dilapidation and Deterioration: A predominance of the residential structures are in less than good condition. Approximately eighty four percent (84%) of the seventy (70) houses show some deficiency. In many cases the deficiencies are due to age, weathering and lack of adequate maintenance. A majority of the houses show weathering of the roof and/or facade. Approximately eleven percent (11%) are in poor and seriously deteriorated condition having critical defects, such as significant cracks in foundations or walls.

(Exhibit A describes the structural condition of each residential unit.)

Lack of Sanitary Facilities: A majority of the area lacks sanitary sewer. With the exception of the three commercial buildings and a couple of residences along Winchester Avenue, the rest of the residences rely on septic tank systems.

The soil conditions in much of the area are not conducive to the use of septic tank absorption fields and can negatively affect the public health through excessively slow absorption of effluent, surfacing of effluent, seepage or contamination of ground water. The soil conditions south of 63rd Street Trafficway and along Interstate 435 exhibit flooding, wetness, slow percolation and insufficient depth to rock, thereby constituting a situation which is unfavorable or so difficult to overcome that special design, significant increases in construction costs and possibly increased maintenance are required. In the west and along 67th Street there are moderate limitations due to the existing slope. These soil features are not favorable for septic tank absorption fields and require special planning, design or maintenance to overcome or minimize the limitations. The balance of the area consist of soil features which are generally favorable for septic tanks with only slight limitations on development.

(Exhibit B shows the location of the existing sanitary and storm sewers and Exhibit C describes the soil conditions.)

Inadequate Infrastructure and Utilities: The area lacks storm sewer, sidewalks, and curbs, except along the recently improved Winchester Avenue and Beacon Drive. Portions of the area, particularly in the north and in the west are inaccessible because there are no roads into these areas. Except for Winchester Avenue and Beacon Drive, the streets are in less than fair condition and in the northwest portion of the area the circle at the end of 64th Street is reduced to a rutted, gravel lane. These conditions endanger life and property of the area residents and businesses as the lack of these improvements impede access to the area by emergency and maintenance services.

Deleterious Land Layout: The topography and soil conditions retard the provision of housing accommodations and constitute an economic liability the soil conditions, as referred to above, are not conducive to the use of septic tank absorption fields as currently used by the residents in the area. The topography is so irregular that it is difficult and costly to
develop. A large ridge rises about 140 feet from 63rd Street Trafficway at a very steep slope and is interrupted by steep ravines. The terrain continues to slope upward at a more gradual rate toward the south and the east. Along the western edge of the area the terrain is steeply sloped and irregular. As a result of the this uneven and steep terrain, the lot coverage is extremely limited and added costs will be incurred in order to build.

(Exhibit D is a topographical map of the area.)

Zoning: The area is zoned for planned industrial uses in the northeast corner in the vicinity of the underground storage site and the DST offices. The western and southern portions of the site are zoned for single and two family residences which is consistent with the current use. The remainder of the area is zoned for commercial uses which is consistent with the intent to develop office commercial uses.

(Exhibit E is a zoning map of the area.)

III. Findings

Finding Number 1: The Winchester Center Redevelopment Area is a Conservation Area.

The Winchester Center Redevelopment Area qualifies for designation as a Real Property Tax Increment Allocation Redevelopment Area as the area constitutes a conservation area. The criteria for designation as a conservation area requires that fifty percent (50%) or more of the structures be thirty-five (35) years or older. In the case of the Winchester Center Redevelopment Area, approximately sixty percent (60%) of the structures are at least 35 years old. Though the area is not yet a blighted area, it is detrimental to the public health, safety and welfare and may become a blighted area because of dilapidation and deterioration, lack of sanitary facilities, inadequate utilities, deleterious land layout, and depreciation of physical maintenance. Approximately eighty-four percent (84%) of the structures show some signs of deterioration and obsolescence. A majority of the residential structures are on septic tanks in an area where many of the soil conditions are not conducive to septic tank absorption fields. Much of the area lacks infrastructure such as storm sewers, sidewalks, curbs, and portions of the area lack well paved streets. Deleterious land layout (terrain) significantly affects the density and cost of development. Physical maintenance of many residential properties is poor, with debris and household items (including the kitchen sink) strewn about the property and some of the properties are overgrown thus displaying a depreciation in physical maintenance. These conditions recited herein, though not yet to the degree of qualifying the area as blighted, represent a combination of factors which retard the provision of housing accommodations, constitute an economic liability, and are a menace to the public health, safety and welfare.

Finding Number 2: The Winchester Center Redevelopment Area, on the whole, has not been subject to growth and development through investment by private enterprise and will not reasonably be anticipated to be developed without the adoption of the redevelopment plan.

The majority of the project area is currently undeveloped and consists of rocky,
steep and uneven terrain. The topography greatly limits the use of the site and will add significantly to the cost of any construction. The added cost of development makes Winchester Center much less competitive and harder to market than other commercial development areas. Without the Tax Increment Financing Plan this area will not be developed.

That portion of the area which has been developed contains a predominance of structures thirty-five (35) years or more of age, many of which are on very cramped and narrow lots. It is highly unlikely that additional residential units will be added. Much of the area was rezoned for residential use in the past decade, but no new residential development has ever occurred in the rezoned area.

The area overall is isolated, under accessed and under serviced. Without a minimum level of public services and infrastructure, the residential neighborhood will decline, and no new residential or commercial development will occur. Without some type of development it is unlikely that the necessary street, sewer and infrastructure will occur as the funding of these public benefits will not be feasible. But for the adoption of the proposed Tax Increment Financing Plan for this area, neither development of commercial uses nor retention or revitalization of residential uses will occur.

IV. Recommendation:

It is, therefore, the recommendation of this report that the Winchester Center Redevelopment Area is a conservation area and qualifies under the Missouri Revised Statutes as a Real Property Tax Allocation Redevelopment Area.
EXHIBIT A
WINCHESTER CENTER REDEVELOPMENT AREA
EXISTING CONDITION STUDY:
RESIDENTIAL STRUCTURE SURVEY FACT SHEETS

UNDER SEPARATE COVER
Sanitary Facilities

Table 12 shows the degree and kind of soil limitations that affect septic tank absorption fields, sewage lagoons, and sanitary landfills. The limitations are considered slight if soil properties and site features are generally favorable for the indicated use and limitations are minor and easily overcome; moderate if soil properties or site features are not favorable for the indicated use and special planning, design, or maintenance is needed to overcome or minimize the limitations; and severe if soil properties or site features are so unfavorable or so difficult to overcome that special design, significant increases in construction costs, and possibly increased maintenance are required.

Table 12 also shows the suitability of the soils for use as daily cover for landfills. A rating of good indicates that soil properties and site features are favorable for the use and good performance and low maintenance can be expected; fair indicates that soil properties and site features are moderately favorable for the use and one or more soil properties or site features make the soil less desirable than the soils rated good; and poor indicates that one or more soil properties or site features are unfavorable for the use and overcoming the unfavorable properties requires special design, extra maintenance, or costly alteration.

Septic tank absorption fields are areas in which effluent from a septic tank is distributed into the soil through subsurface tiles or perforated pipe. Only that part of the soil between depths of 24 and 72 inches is evaluated. The ratings are based on soil properties, site features, and observed performance of the soils. Permeability, a high water table, depth to bedrock or to a cemented pan, and flooding affect absorption of the effluent. Large stones and bedrock or a cemented pan interfere with installation.

Unsatisfactory performance of septic tank absorption fields, including excessively slow absorption of effluent, surfacing of effluent, and hillside seepage, can affect public health. Ground water can be polluted if highly permeable sand and gravel or fractured bedrock is less than 4 feet below the base of the absorption field, if slope is excessive, or if the water table is near the surface. There must be unsaturated soil material beneath the absorption field to filter the effluent effectively. Many local ordinances require that this material be of a certain thickness.

Sewage lagoons are shallow ponds constructed to hold sewage while aerobic bacteria decompose the solid liquid wastes. Lagoons should have a nearly level floor surrounded by cut slopes or embankments of compacted soil. Lagoons generally are designed to hold the sewage within a depth of 2 to 5 feet. Nearly impervious soil material for the lagoon floor and sides is required to minimize seepage and contamination of ground water.

Table 12 gives ratings for the natural soil that makes up the lagoon floor. The surface layer and, generally, 1 or 2 feet of soil material below the surface layer are excavated to provide material for the embankments. The ratings are based on soil properties, site features, and observed performance of the soils. Considered in the ratings are slope, permeability, a high water table, depth to bedrock or a cemented pan, flooding, large stones, and content of organic material.

Excessive seepage due to rapid permeability of the soil or a water table that is high enough to raise the level of sewage in the lagoon causes a lagoon to function unsatisfactorily. Pollution results if seepage is excessive or if floodwater overtops the lagoon. A high content of organic matter is detrimental to proper functioning of the lagoon because it inhibits aerobic activity. Slope, bedrock, and cemented pans can cause construction problems, and large stones can hinder compaction of the lagoon floor.

Sanitary landfills are areas where solid waste is disposed of by burying it in soil. There are two types of landfill—trench and area. In a trench landfill, the waste is placed in a trench. It is spread, compacted, and covered daily with a thin layer of soil excavated at the site. In an area landfill, the waste is placed in successive layers on the surface of the soil. The waste is spread, compacted, and covered daily with a thin layer of soil from a source away from the site.

Both types of landfill must be able to bear heavy vehicular traffic. Both types involve a risk of ground water pollution. Ease of excavation and revegetation needs to be considered.

The ratings in Table 12 are based on soil properties, site features, and observed performance of the soils. Permeability, depth to bedrock or to a cemented pan, a high water table, slope, and flooding affect both types of landfill. Texture, stones and boulders, highly organic layers, soil reaction, and content of salts and sodium affect trench type landfills. Unless otherwise stated, the ratings apply only to that part of the soil within a depth of about 6 feet. For deeper trenches, a limitation rated slight or moderate may not be valid. Onsite investigation is needed.

Daily cover for landfill is the soil material that is used to cover compacted solid waste in an area type sanitary landfill. The soil material is obtained offsite, transported to the landfill, and spread over the waste.

Soil texture, wetness, coarse fragments, and slope affect the ease of removing and spreading the material during wet and dry periods. Loamy or silty soils that are free of large stones or excess gravel are the best cover for a landfill. Clayey soils are sticky or cloddy and are difficult to spread; sandy soils are subject to soil blowing.

After soil material has been removed, the soil material remaining in the borrow area must be thick enough over bedrock, a cemented pan, or the water table to permit revegetation. The soil material used as final cover for a landfill should be suitable for plants. The surface layer generally has the best workability, more organic matter, and the best potential for plants. Material from the surface layer should be stockpiled for use as the final cover.
### Table 12.—Sanitary Facilities

Terms that describe restrictive soil features are defined in the Glossary. See text for definitions of "slight," "good," and other terms. Absence of an entry indicates that the soil was not rated. The information in this table indicates the dominant soil condition but does not eliminate the need for onsite investigation.

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<td></td>
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</tr>
<tr>
<td>31—Colo</td>
<td>Moderate: flooding,</td>
<td>Moderate: flooding,</td>
<td>Slight</td>
<td>Poor:</td>
<td></td>
</tr>
<tr>
<td></td>
<td>percs slowly,</td>
<td>seepage,</td>
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<td>too clayey,</td>
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<td></td>
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<td></td>
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<tr>
<td>35—Zook</td>
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<td>Poor:</td>
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<td></td>
<td></td>
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<tr>
<td>36—Bremer</td>
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<td>Poor:</td>
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<tr>
<td></td>
<td>percs slowly,</td>
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<td></td>
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<tr>
<td>47D—Ganseville</td>
<td>Moderate: flooding,</td>
<td>Moderate: flooding,</td>
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<td>Poor:</td>
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<tr>
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<td>too clayey,</td>
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<td></td>
<td></td>
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<tr>
<td>54C—Knox</td>
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<td>Poor:</td>
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<tr>
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<tr>
<td>54E, 54F—Knox</td>
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<td>55D3—Knox</td>
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<td></td>
<td>Seepage,</td>
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<td></td>
<td></td>
<td>Seepage,</td>
<td>too clayey,</td>
<td>too clayey,</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>slope,</td>
<td></td>
<td></td>
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</tbody>
</table>

Urban land.

See footnote at end of table.
SUPPLEMENT TO EXHIBIT 4
EXISTING CONDITIONS
DATA PERTAINING TO
THE ADOPTION OF A FINDING OF BLIGHT
FOR THE
FIRST AMENDED WINCHESTER CENTER REDEVELOPMENT PROJECT
PREPARED BY THE TAX INCREMENT FINANCING COMMISSION OF
KANSAS CITY, MISSOURI
JULY 1993

1. **Purpose of this Report**
The purpose of this report is to supplement the Existing Conditions Report done for the Winchester Center Redevelopment Area and to provide sufficient evidence to find that the expanded Redevelopment Area, as discussed in the First Amended Winchester Center Redevelopment Plan, qualifies as a Real Property Tax Increment Allocation Redevelopment Area.

2. **General Location**
The Redevelopment Area is generally located south of 63rd Street Trafficway, west of Manchester Avenue and Interstate 435, north of 64th and 67th Streets, and east of the Kansas City Southern Railroad tracks in Kansas City, Jackson County, Missouri. Under the First Amended Redevelopment Plan, the Redevelopment Area has been expanded to include that area east of Interstate 435, generally bounded by 63rd Street Trafficway, Manchester Avenue, 64th Street and Interstate 435. (See Attached location map.)

3. **Statement of Report Criteria for Eligibility**
The Real Property Tax Increment Allocation Redevelopment Act, Missouri Revised Statutes, Section 99.800 et seq, as amended (the "Act"), provides that a Real Property Tax Increment Allocation Redevelopment Plan can be implemented by the Tax Increment Financing Commission if the governing body of a community determines, by ordinance, that an area qualifies under the Act as a "Blighted Area", a "Conservation Area" or an "Economic Development Area", and that the area has not been subject to growth and development through investment by private enterprise; and would not reasonably be anticipated to be developed without the adoption of the redevelopment plan.

4. **Previous Finding**
On November 6, 1991 the Tax Increment Financing Commission found the Winchester Center Redevelopment Area to be a Conservation Area and that the Redevelopment Area qualified under the Missouri Revised Statutes as Real Property Tax Allocation Redevelopment Area.

5. **Area Description**
The Redevelopment Area has been expanded to include two additional ownership parcels that are noncontiguous with the originally designated Redevelopment Area. The conditions described in the original Existing Conditions Report have not changed
significantly since September 1991 when that report was completed and the finding made by the TIF Commission. The two additional properties do not change the finding that the overall Redevelopment Area exhibit the conditions used in defining the existence of a "Conservation Area".

The newly included parcels consist of two adjacent vacant lots. The two vacant lots lack utility service and access to the interior of the property. The vacant properties are located on a rock outcropping and suffer from poor drainage. Some trash and debris has been observed on the site, as well as the presence of weeds. The two vacant lots are improperly subdivided and the platting is obsolete. Taken separately, neither lot can be fully redeveloped for commercial use.

6. Finding
The addition of the two properties to the Winchester Center Redevelopment Area does not significantly alter the basis for finding the Redevelopment Area as a "Conservation Area". The expanded Redevelopment Area qualifies as a Real Property Tax Increment Allocation Redevelopment Area as provided for under the Act.
EXHIBIT D
WINCHESTER CENTER
REDEVELOPMENT AREA
EXISTING CONDITION STUDY;
TOPOGRAPHICAL MAP

October 1, 1991

The diagram shows the topography of the area. Note that the area is slopes steeply up Street Trafficway and the terrain in the majority of the area is steep and irregular.
ZONING MAPS
KANSAS CITY, MISSOURI

zoning will not be changed as development. The existing zoning categories in the area as the standards of population coverage and building for the area after redevelopment.
EXHIBIT 6
ESTIMATED DEVELOPMENT SCHEDULE

1. Publication of Notice in Paper  
   October 1, 1991

2. TIF Commission holds Public 
   Hearing, Approval of plan and 
   Redeveloper Selection  
   October 30, 1991

3. Plan Ordinance introduced  
   November 14, 1991

4. Ordinance is heard before the 
   Committee of the City Council  
   November 20, 1991

5. Ordinance has second reading by 
   City Council  
   November 27, 1991

6. Ordinance is passed approving 
   Plan, Developer and First 
   Redevelopment Project  
   December 5, 1991

7. Ordinance is Effective  
   December 15, 1991

8. First Redevelopment Project 
   Complete  
   January 1, 1992

9. Redevelopment Projects 
   Commence*  

10. TIF Commission holds Public 
    Hearing on First Amended Plan  
    August 11, 1993

11. Ordinance Amending Plan is 
    Effective  
    Fall, 1993

12. Acquire Land and Commence 
    Construction of Thirteenth 
    Redevelopment Project (63rd 
    and Manchester Project)  
    Fall, 1993

13. Complete Construction of 
    Project 13  

14. Completion of Land Acquisition 
    (Title Work/Purchasing)  
    December 1, 1996

15. Relocation Process. (Two 
    residences and no businesses 
    will have to be relocated.)  
    90 days
16. All Redevelopment Projects Activated
   December 31, 2001

17. Projected Completion of Construction
   December 15, 2024

* Construction is expected to occur in response to market conditions.

Revised 7/27/93
# EXHIBIT 7
ESTIMATED REDEVELOPMENT COSTS

## REIMBURSABLE EXPENSES

<table>
<thead>
<tr>
<th></th>
<th>REIMBURSABLE PROJECT COSTS</th>
<th>TYPE I</th>
<th>TYPE II</th>
<th>TYPE III</th>
<th>TYPE IV</th>
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<tbody>
<tr>
<td></td>
<td>AMOUNT</td>
<td>PROJECT COSTS</td>
<td>PROJECT COSTS</td>
<td>PROJECT COSTS</td>
<td>PROJECT COSTS</td>
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<tr>
<td>1.</td>
<td>Estimated Reimbursable Costs for Plan Implementation*</td>
<td>$12,500</td>
<td>12,500</td>
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<td>12,500</td>
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<tr>
<td></td>
<td>A. Legal</td>
<td>2,000</td>
<td>2,000</td>
<td>2,000</td>
<td>2,000</td>
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<tr>
<td></td>
<td>B. Agend</td>
<td>28,000</td>
<td>28,000</td>
<td>28,000</td>
<td>28,000</td>
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<td></td>
<td>C. Staff Time</td>
<td>4,000</td>
<td>4,000</td>
<td>4,000</td>
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<tr>
<td></td>
<td>D. Miscellaneous</td>
<td>33,000</td>
<td>33,000</td>
<td>33,000</td>
<td>33,000</td>
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</tbody>
</table>

| 2. | Estimated TIF Commission Fees** |        |        |          |          |
|    | A. Final Development Plan Approval Fees ($0.05 per square foot of commercial space) | 57,680 | 56,680 |          |          |
|    | B. Land Acquisition Fees (@ 4% of estimated acquisition) | 29,600 | 29,600 |          |          |
|    | C. Offer to Purchase Fee (@ 1% of estimated acquisition) | 7,400  | 7,400  |          |          |

**TIF REIMBURSABLE COSTS SUBTOTAL** | 174,180 | 174,180 |          |          |
<table>
<thead>
<tr>
<th></th>
<th>Relocation ($)500 x 2 residences</th>
<th>1,000</th>
<th>1,000</th>
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<tr>
<td>4.</td>
<td>Acquisition</td>
<td>740,000</td>
<td>490,000</td>
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<tr>
<td>5.</td>
<td>Demolition</td>
<td>125,000</td>
<td>75,000</td>
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<tr>
<td>6.</td>
<td>Infrastructure</td>
<td></td>
<td></td>
</tr>
<tr>
<td>A.</td>
<td>Roadways</td>
<td>1,858,800</td>
<td>1,222,800</td>
</tr>
<tr>
<td>B.</td>
<td>Sanitary Sewers</td>
<td>489,000</td>
<td>116,600</td>
</tr>
<tr>
<td>C.</td>
<td>Storm Sewers</td>
<td>459,600</td>
<td>309,800</td>
</tr>
<tr>
<td>D.</td>
<td>Utilities</td>
<td>650,000</td>
<td>350,000</td>
</tr>
<tr>
<td>E.</td>
<td>Water Mains</td>
<td>150,600</td>
<td>82,200</td>
</tr>
<tr>
<td>F.</td>
<td>Contingency</td>
<td>560,000</td>
<td>350,000</td>
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<tr>
<td>G.</td>
<td>Financing Costs</td>
<td>827,000</td>
<td>496,200</td>
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<tr>
<td>7.</td>
<td>Consultants</td>
<td></td>
<td></td>
</tr>
<tr>
<td>A.</td>
<td>Legal</td>
<td>150,000</td>
<td>100,000</td>
</tr>
<tr>
<td>B.</td>
<td>Engineering</td>
<td>654,000</td>
<td>327,000</td>
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<tr>
<td>C.</td>
<td>Other</td>
<td>100,000</td>
<td>50,000</td>
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<tr>
<td>8.</td>
<td>Home Improvement Grant</td>
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<tr>
<td>(65 residences @ maximum of $3,000)</td>
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<td></td>
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<tr>
<td></td>
<td></td>
<td>195,000</td>
<td>195,000</td>
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<tr>
<td>9.</td>
<td>I-435 Interchange Improvements</td>
<td>1,800,000</td>
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<tr>
<td>10.</td>
<td>63rd St. Trafficway &amp; 67th St. Improvements</td>
<td>2,000,000</td>
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</tr>
</tbody>
</table>
PRIVATE DEVELOPMENT

11. Hard Building Costs (estimated at $80/s.f.) 89,600,000

12. Land 11,400,000

PRIVATE DEVELOPMENT EXPENSES SUBTOTAL 101,000,000

PROJECT COSTS FOR PROJECTS 1 THRU 12 TOTAL 111,760,000

PROJECT COSTS FOR PROJECT 13***

Land Acquisition

North Lot 80,000
South Lot 93,000

Environmental Audits 3,000
Legal Fees 5,000
Misc Closing Costs 7,000

Pre-Construction Expenses

TIF Legals 21,000
Rezoning & related Exp. 9,000
Architectural Work 10,000
Construction Documents 58,000
Architect Const. Admin. 20,000
City required inspection 10,000
Project Coord. 6,000
Bldg. Permit 7,500
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<thead>
<tr>
<th>Construction</th>
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<tr>
<td>Bldg and Offices Original Turn Key</td>
<td>1,285,000</td>
<td>300,200</td>
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<tr>
<td>Public Meeting Space</td>
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<tr>
<td>Added Site Costs</td>
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<td></td>
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<td>Additional Parking for meeting space</td>
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<tr>
<td>Sidewalks</td>
<td>4,000</td>
<td>4,000</td>
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<tr>
<td>Paving &amp; Curbs</td>
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<td>Utilities</td>
<td>25,000</td>
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<tr>
<td>Landscaping, fence</td>
<td>15,000</td>
<td>75,000</td>
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<td>Screening, Fence</td>
<td>7,500</td>
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<td>Rock &amp; Excavation</td>
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<tr>
<td>Real Estate Leasing</td>
<td>35,000</td>
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<tr>
<td>Offsite, 64th Street</td>
<td>48,800</td>
<td>48,800</td>
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<tr>
<td>(305’ @ 160/sf)</td>
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<tr>
<td>Contingencies</td>
<td>56,200</td>
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<tr>
<td>Financing Costs</td>
<td>100,000</td>
<td>25,000</td>
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</table>

**TOTAL PROJECT COSTS FOR PROJECT 13**  
2,400,000  500,000

**TOTAL ALL PROJECT COSTS**  
114,334,180

**TOTAL ALL REIMBURSABLE PROJECT COST**  
11,434,180

* The selected developer shall pay plan implementation fees to reimburse the TIF Commission for Plan implementation costs including, but not limited to, staff time, agenda costs, legal fees, printing and publication of notices. The selected developers shall be billed by the Commission as needed to pay for the plan implementation. These expenses shall be reimbursed to the developers from the Special Allocation Fund.

** In addition, up to five percent (5%) of the annual TIF revenues will be retained by the TIF Commission. This amount will be figured and allocated prior to allocation of any other reimbursable costs.

*** In the Case of Project 13, all eligible reimbursable project costs will be paid from TIF revenues generated by Project 13. Once eligible project costs are reimbursed for Project 13, all remaining revenues will be used in the balance of the Redevelopment Area.
EXHIBIT 7-A

DETAIL BREAK DOWN FOR REIMBURSABLE COST
### Acquisition of Properties

<table>
<thead>
<tr>
<th>Description</th>
<th>Commercial/Office</th>
<th>Residential</th>
<th>Combined</th>
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<tbody>
<tr>
<td>Vacant (Unimproved)</td>
<td>$160,000</td>
<td>$N/A</td>
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<tr>
<td>Improved</td>
<td>$500,000</td>
<td>$250,000</td>
<td>$750,000</td>
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<tr>
<td>Demolition Cost</td>
<td>$75,000</td>
<td>$50,000</td>
<td>$125,000</td>
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### Infrastructure

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<tbody>
<tr>
<td>Roadways</td>
<td>$1,222,800</td>
<td>$636,000</td>
<td>$1,858,800</td>
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<tr>
<td>Storm Sewers</td>
<td>$308,800</td>
<td>$149,800</td>
<td>$458,600</td>
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<tr>
<td>Sanitary Sewers</td>
<td>$116,600</td>
<td>$372,400</td>
<td>$489,000</td>
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<tr>
<td>Water Mains</td>
<td>$82,200</td>
<td>$68,400</td>
<td>$150,600</td>
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<tr>
<td>Utilities</td>
<td>$350,000</td>
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<tr>
<td>Contingency</td>
<td>$350,000</td>
<td>$210,000</td>
<td>$560,000</td>
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### Consultants

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<tr>
<td>Legal</td>
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<tr>
<td>Engineering</td>
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<td>$654,000</td>
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<tr>
<td>Other</td>
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### FFSITE IMPROVEMENTS

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<tbody>
<tr>
<td>I-435 &amp; 63rd Street Trfwy. Interchange</td>
<td>$1,800,000</td>
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<td>$1,800,000</td>
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### Totals

<table>
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<tbody>
<tr>
<td>Totals</td>
<td>$5,433,400</td>
<td>$2,463,600</td>
<td>$7,897,000</td>
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</tbody>
</table>
COMMERCIAL / OFFICE PARK -- DEVELOPMENT COSTS

INFRASTRUCTURE -- ROADWAY IMPROVEMENTS

Subtotal $1,222,800

- Bennington Avenue (north - south)

(Collector Street Standards)

60' R/W
5' Sidewalks Both Sides (2 x $11 / LF)
36' B-B Street Width
CG-1 Curb & Gutter Both Sides (2 x $7 /LF)
2" Asphalt Surface Course ($14 / LF)
7" Asphalt Base Course ($40 / LF)

4,200 LF @ $90 / LF = $378,000

- Beacon Drive (east - west)

(Collector Street Standards)

60' R/W
5' Sidewalks Both Sides (2 x $11 / LF)
36' B-B Street Width
CG-1 Curb & Gutter Both Sides (2 x $7 /LF)
2" Asphalt Surface Course ($14 / LF)
7" Asphalt Base Course ($40 / LF)

600 LF @ $80 / LF = $48,000

- Intersection Improvements @ Bennington Avenue & 63rd Street Trafficway (Paving Only)

- Pav'lt. Widening of 63rd Street Trfwy.

2" Asphalt Surface Course
9" Asphalt Base Course

2,100 S.Y. @ $22 / S.Y. = $46,200

6" Gravel Shoulder
1,700 S.Y. @ $6 / S.Y. = $10,200

- Traffic Signals $ 80,000
  (Depends on whether traffic counts warrant signals or not)
- **Removals Along Existing Beacon Drive:**
  - Removal of Existing Water Mains
    2,800 LF @ $3 / LF = $8,400
  - Removal of Existing Curb
    3,000 LF @ $6 / LF = $18,000
  - Removal of Existing Storm Sewer Pipe
    1,300 LF @ $10 / LF = $13,000
  - Removal of Existing Storm Curb Inlets
    8 Each @ $300 / Each = $2,400
  - Removal of Existing Sidewalks
    14,300 SF @ $2 / SF = $28,600
  - Removal of Existing Pavement
    12,700 SY @ $5 / SY = $63,500
  - Removal of Existing Street Lights
    5 Each @ $400 / Each = $2,000

- **Clearing Along Bennington Avenue Extension** $30,000

- **60' R/W (36' B-B) Roadway Grading**
  - Bennington Avenue (north - south)
  - Beacon Drive (east - west)
  4,800 LF @ $55 / LF = $264,000

- **Intersection Improvements @ Bennington Avenue & 63rd Street Trafficway (Grading Only)**
  $5,000

- **Seeding & Sodding**
  4,800 LF @ $4 / LF = $19,200

- **Street Lighting**
  30 Poles @ $4,000 / Pole = $120,000

- **City Construction Permit (7%)**
  0.07 x $1,142,800 = $80,000
INFRASTRUCTURE – WATER MAIN IMPROVEMENTS

- Relocate Fire Hydrants
  3 Each @ $1,000 / Each = $3,000

- 8" Water Main
  3,800 LF @ $20 / LF = $78,000

- City Construction Permit (4%)
  0.04 x $78,000 = $3,120

Subtotal $82,200

OFFSITE IMPROVEMENTS (I-435 INTERCHANGE)

- NW Quadrant (Southbound Off-Ramp)
  $500,000

- SE Quadrant (Northbound On-Ramp)
  $500,000

- SE Quadrant (Northbound Off-Ramp)
  Remove & Rebuild
  $800,000

Subtotal $1,800,000

In 1988, NHTD had an engineering study performed on this interchange. The study concluded that an off-ramp in the southbound direction was feasible in the NW quadrant of the interchange. There is not sufficient room in the NE quadrant for an on-ramp for northbound traffic. However, by rebuilding the SE quadrant one can construct a northbound on-ramp. This would require the northbound off-ramp to be rebuilt as well. Additional R/W would be required in both the NW & SE quadrants.

NHTD indicated that if the interchange is feasible from an engineering standpoint, it is a possibility that they would provide approximately 25% of the required funds.
INFRASTRUCTURE - STORM SEWER IMPROVEMENTS

Subtotal $ 309,800

- RCB under Bennington Avenue & channel on south side of 63rd Street Trafficway
  270 CY @ $ 450 / CY = $121,500

- Enclosed Storm Sewer Systems
  4,800 LF (of Street) @ $ 35 / LF = $ 168,000

- City Construction Permit (7%)
  0.07 x $ 289,600 = $ 20,300:

INFRASTRUCTURE - SANITARY SEWER IMPROVEMENTS

Subtotal $ 116,600

- Onsite:
  - 6" Sewer
    2,400 L.F. @ $ 35 / L.F. = $ 84,000

- West of KCS RR Tracks:
  - Bore under KCS RR Tracks
    0.60 x 150 LF @ $ 100 / LF = $ 7,500
  - 8" Sewer
    0.50 x 1,000 L.F. @ $ 35 / L.F. = $ 17,500

- City Construction Permit (7%)
  0.07 x $ 109,000 = $ 7,600
RESIDENTIAL - DEVELOPMENT COSTS

INFRASTRUCTURE - ROADWAY IMPROVEMENTS

Subtotal $636,000

- 64th Street (east - west)

(Residential Street Standards)
50' R/W
4' Sidewalks Both Sides (2 x $9 / LF)
28' B-B Street Width
CG-2 Curb & Gutter Both Sides (2 x $7 /LF)
2" Asphalt Surface Course ($10 / LF)
6" Asphalt Base Course ($25 / LF)

1,600 LF @ $67 / LF = $107,200

- Cul de Sac (north - south off of 64th Street)

(Residential Street Standards)
60' R/W
4' Sidewalks Both Sides (2 x $9 / LF)
28' B-B Street Width
CG-2 Curb & Gutter Both Sides (2 x $7 /LF)
2" Asphalt Surface Course ($10 / LF)
6" Asphalt Base Course ($25 / LF)

1,100 LF @ $67 / LF = $73,700

- 66th Street (east - west)

(Residential Street Standards)
50' R/W
4' Sidewalks Both Sides (2 x $9 / LF)
28' B-B Street Width
CG-2 Curb & Gutter Both Sides (2 x $7 /LF)
2" Asphalt Surface Course ($10 / LF)
6" Asphalt Base Course ($25 / LF)

1,300 LF @ $67 / LF = $87,100
- Driveways
  44 Each @ $ 1,600 / Each = $70,400

- 50' R/W (28' B-B) Roadway Grading
  - 64th Street (east - west)
  - Cul de Sac (north - south off of 64th Street)
  - 66th Street (east - west)
  4,000 LF @ $ 40 / LF = $160,000

- Seeding & Sodding
  4,000 LF @ $ 4 / LF = $16,000

- Street Lighting
  20 Poles @ $ 4,000 / Pole = $ 80,000

- City Construction Permit (7%)
  0.07 x $ 594,400 = $ 41,600

----------------------------------------
INFRASTRUCTURE - STORM SEWER IMPROVEMENTS
----------------------------------------
Subtotal $ 149,800

- Enclosed Storm Sewer Systems
  4,000 LF (of Street) @ $ 35 / LF = $140,000

- City Construction Permit (7%)
  0.07 x $140,000 = $ 9,800
INFRASTRUCTURE - SANITARY SEWER IMPROVEMENTS

Subtotal $ 372,400

- Onsite:
  - 8" Sewer
    6,600 L.F. @ $ 35 / L.F. = $ 227,500

- West of KCS RR Tracks:
  - Bore under KCS RR Tracks
    1.50 x 150 LF @ $ 100 / LF = $ 22,500
  - 8" Sewer
    2,800 L.F. @ $ 35 / L.F. = $ 98,000

- City Construction Permit (7%)
  0.07 x $ 348,000 = $ 24,400

INFRASTRUCTURE - WATER MAIN IMPROVEMENTS

Subtotal $ 68,400

- Adjust House Service Line Connections
  22 Each @ $ 400 / Each = $8,800

- Relocate Fire Hydrants
  3 Each @ $ 1,000 / Each = $ 3,000

- 8" Water Main
  2,700 LF @ $ 20 / LF = $ 54,000

(Note: City indicated that they might possibly split the cost
50 / 50 for any water main improvements on 64th Street.
Cost shown above is the total estimate.)

- City Construction Permit (7%)
  0.04 x $ 65,800 = $ 2,600
CONSULTANTS (ENGR) - LAND PLANNING SERVICES

- Master Plan $10,000
- Misc. Consulting Services $20,000
- Design of Intersection Landscape Features $6,000

Commercial / Office Park: 0.50 x $36,000 = $18,000
Residential: 0.50 x $36,000 = $18,000

CONSULTANTS (ENGR) - CIVIL ENGINEERING DESIGN SERVICES

- Preliminary Engineering Feasibility Studies and Services $50,000
- Final Engineering Design of:
  Streets
  Street Lighting
  Storm
  (Based on previous discussions w/ City Staff we are assuming storm water detention will not be required)
  Water
  Sanitary
  I-435 & 63rd St. Trfwy. Interchange Design
  Traffic Study
  $380,000

Commercial / Office Park: 0.50 x $380,000 = $190,000
Residential: 0.50 x $380,000 = $190,000
CONSULTANTS (ENGR) - LAND SURVEYING SERVICES

- Miscellaneous Legal Descriptions (Assume 50) $8,000
- Certificate of Survey (Assume 10) Boundary Surveys $10,000
- Record Plats (Assume 4) $20,000

Commercial / Office Park: 0.50 x $38,000 = $19,000
Residential: 0.50 x $38,000 = $19,000

CONSULTANTS (ENGR) - CONSTRUCTION STAKING

- Includes Construction Staking of:
  - Clearing
  - Grading
  - Curbs
  - Storm Sewers
  - Storm Sewer As-Builts
  - Sanitary Sewers
  - Sanitary Sewer As-Builts
  - Water Main Extensions
  - Street Lighting
CONSULTANTS (OTHER) GEOTECHNICAL INVESTIGATIONS

- Rock Probe Borings for Design/Construction for infrastructure improvements
  Assume 100 probe borings @ $120 / Hole = $12,000
- Miscellaneous Services $10,000

Commercial / Office Park: $0.50 \times 22,000 = $11,000
Residential: $0.50 \times 22,000 = $11,000

CONSULTANTS (OTHER) AERIAL PHOTOGRAPHY & CONTOUR MAPPING

- Further Updates of the Current Topo Mapping (Assume 3 Updates)

Commercial / Office Park: 0.50 \times 20,000 = 10,000
Residential: 0.50 \times 20,000 = 10,000

CONSULTANTS (OTHER) MISCELLANEOUS

Commercial / Office Park: $29,000
EXHIBIT 7-B

HOME IMPROVEMENT GRANT PROGRAM

PURPOSE: The purpose of this program is to encourage the continued health and revitalization of the residential neighborhood. The means for achieving this objective is through the provision of a grant. The grant may be used to reimburse the cost of sanitary sewer hookup fees and to reimburse the cost of exterior home improvements. This grant program is to be administered by the Tax Increment Financing Commission.

ELIGIBLE APPLICANTS: Owners of existing single family houses lying within the boundaries of the Plan Area, exclusive of those designated for acquisition. This program applies to both owner-occupied and rental property.

ELIGIBLE REIMBURSABLE HOME IMPROVEMENT COSTS: The funds shall be made available to reimburse the greater of either the cost of sanitary sewer hookup or up to $3,000 which may also be used to reimburse the cost of improvements to the exterior of the residential structure. Examples of eligible exterior improvements include:

- replacement or repair of roof;
- replacement or repair of structural or architectural features, such as a porch, exterior stairs, chimney, windows, exterior doors, garage, gutters and fascia;
- painting of exterior;
- replacement or repair of fences.

ALLOCATION OF FUNDS: Funds will be made available once Type I Costs have been reimbursed from the special allocation fund.

APPLICATION PROCEDURE: An eligible applicant shall submit copies of the paid receipts for the work completed. Upon verification of the improvements completion and payment for the project, the request for reimbursement will be processed by the Tax Increment Financing Commission along with all other requests for reimbursement.
EXHIBIT 8

A. SOURCE OF FUNDS FOR ALL ESTIMATED REDEVELOPMENT PROJECT COSTS

1. Amount of Reimbursable Costs from PILOTS and Operation and Activity Taxes $11,434,180
2. Private Investment $102,900,000
   Total $114,334,180

B. BONDS

The total estimated amount of PILOTS and Economic Activity Taxes over twenty-three years available to reimburse project costs is $72,993,000. The Commission may dedicate part or all of this amount to help support the issuance of bonds to defray the cost of the projects. This amount of PILOTS and Economic Activity Taxes will support approximately $25,468,000 over 23 years assuming an interest rate of 8%. (No coverage ratio was included in the calculation of bonds.)

Revised 9/8/93
EXHIBIT 9

ESTIMATED ANNUAL PAYMENTS IN LIEU OF TAXES AND ECONOMIC ACTIVITY TAXES OVER THE LIFE OF THE REDEVELOPMENT PLAN

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<th>YEAR</th>
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<th>50% OF ECONOMIC ACTIVITY TAXES</th>
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<th>CUMULATIVE TOTAL</th>
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TOTAL 54,680,000 18,313,000 72,993,000 72,993,000
### EXHIBIT 9A

REDEVELOPMENT PROJECTS 1 - 12

ESTIMATED ANNUAL PAYMENTS IN LIEU OF TAXES AND ECONOMIC ACTIVITY TAXES OVER THE LIFE OF THE REDEVELOPMENT PLAN

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<th>50% OF ECONOMIC ACTIVITY TAXES</th>
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<th>CUMULATIVE TOTAL</th>
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TOTAL 53,668,000 17,995,000 71,663,000 71,663,000
### Exhibit 9B
63rd and Manchester Project

**Estimated Annual Payments in Lieu of Taxes and Economic Activity Taxes Over the Life of the Redevelopment Plan**

<table>
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<tr>
<th>YEAR</th>
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<th>50% of Economic Activity Taxes</th>
<th>Annual Total</th>
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<td>2005</td>
<td>47,000</td>
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<td>61,000</td>
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<td>2006</td>
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<td>52,000</td>
<td>15,000</td>
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<td>1,045,000</td>
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<td>2012</td>
<td>52,000</td>
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<td>67,000</td>
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<td>55,000</td>
<td>17,000</td>
<td>72,000</td>
<td>1,184,000</td>
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<td>2014</td>
<td>55,000</td>
<td>17,000</td>
<td>72,000</td>
<td>1,256,000</td>
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<td>2015</td>
<td>57,000</td>
<td>17,000</td>
<td>74,000</td>
<td>1,330,000</td>
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</table>

**Total**

| 1,012,000 | 318,000 | 1,330,000 | 1,330,000 |
EXHIBIT 10

DEVELOPER'S PROPOSAL

The Winchester Venture II Proposal for the original Winchester Center Redevelopment Area is under separate cover.

Developer's Proposal for the 63rd and Manchester Project will be inserted upon approval of a Developer by the Tax Increment Financing Commission.
August 5, 1993

Mark M. Bunnell  
Executive Director  
Tax Increment Financing Commission  
of Kansas City, Missouri  
10 Petticoat Lane  
Suite 250  
Kansas City, MO 64106

Re: Proposal for Winchester Center TIF Redevelopment Plan  
(63rd Street Trafficway and Manchester Avenue Project)

Dear Mark:

With this letter we are delivering three copies of our proposal in  
response to your request for proposals for the First Amended  
Winchester Center Redevelopment Area (63rd Street Trafficway and  
Manchester Avenue Project) dated July 26, 1993. In addition we are  
submitting a check payable to the Tax Increment Financing Commission of Kansas City, Missouri in the amount of $2,000 as the submission fee.

Should you have any questions with regard to our proposal please contact our legal counsel, Roxsen E. Koch or Richard A. King at 753-6666.

Sincerely,

[Signature]

Edward Phillips  
President
PROPOSAL FOR THE

FIRST AMENDED WINCHESTER CENTER
REDEVELOPMENT PLAN

(63RD STREET TRAFFICWAY AND MANCHESTER AVENUE PROJECT)

SUBMITTED BY

VISIONS BUILDING CORPORATION

AUGUST 5, 1993
INTRODUCTION

This Proposal is submitted by Visions Building Corporation ("Visions"), a Missouri corporation for the development of the proposed 63rd Street Trafficway and Manchester Avenue Project (the "Project") in accordance with the proposed First Amended Winchester Center Tax Increment Financing Plan (the "Plan"). This Proposal provides for the implementation of the objectives of the Plan and the elimination of potential and existing blighting conditions in the Project area utilizing tax increment financing pursuant to the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 through 99.865, Revised Statutes of Missouri. Visions will carry out this Proposal in agreement with Winchester Ventures II, the master developer of the Winchester Center Redevelopment Area, to ensure that the Project will compliment the twelve other redevelopment projects in the Winchester Center Redevelopment Area.

DEVELOPMENT TEAM

Visions will work with a team of experienced developers, architects, contractors and legal counsel to implement the Project. The following team members have assisted Visions in the preparation of this proposal and will continue to provide assistance to complete the Project.
CONTRACT MANAGER
AND LEASING AGENT:
JOHN BROWN AND COMPANY
210 Platte Valley Drive
Riverside, Missouri 64150

Representative: Dan Peak

ARCHITECT:
WRS, INC.
120 N.W. Parkway
Kansas City, Missouri 64150
(816) 587-9500

Representative: Mark Spurgeon

LEGAL COUNSEL:
KING, BURKE, HERSHEY,
FARCHMIN & SCHLOMANN, P.C.
4740 Grand Avenue
Kansas City, Missouri 64112
(816) 753-6666

Representatives: Richard A. King
Roxsen E. Koch

GENERAL CONTRACTOR
AND SUBCONTRACTORS:
To be selected.

AFFIRMATIVE ACTION

Visions specifically supports the Tax Increment Financing Commission’s
Affirmative Action participation guidelines. Visions will undertake a program
of affirmative action to make known that equal employment and contract
bidding opportunities are available on basis of individual merit and to actively
encourage minority and women participation. Visions will implement an
Affirmative Action plan to ensure a 15% and 5% participation by MBEs and
WBEs, respectively.
LAND ACQUISITION

The area within the Project has been subdivided into two parcels each owned by separate entities. Visions’ affiliate has a contract to purchase the south parcel from The Housing Authority of Kansas City, Missouri. Manchester Woods Partnership owns the north parcel and is willing to sell it to Visions for a purchase price which the parties are currently negotiating.

PROJECT IMPROVEMENTS

The Project improvements will consist of an approximately 32,000-square-foot office building, a 137-space parking lot and landscaped green area. Visions has worked closely with WRS, Inc. to design a quality office building which compliments the Winchester Center Redevelopment Area and offers meeting space for union organizations and other community activities. The building and the terraced parking area have been specially designed to work efficiently with the steep grade of the Project area. The Project area is approximately 4.374 acres, 56% of which will remain an open green area. Copies of the Site Plan and the Elevation are attached as Exhibit A and Exhibit B respectively. The cost of the Project improvements are estimated to be $2.3 million dollars. A breakdown of the Project costs is attached as Exhibit C.
FINANCING

Boatmen's First National Bank of Kansas City has issued a construction and permanent loan commitment in the amount of $1.6 million dollars to finance the construction of the Project. An additional $500,000 will be borrowed in the form of a note or bond to be issued by Visions and retired with the payments in lieu of taxes ("PILOTS") and economic activity taxes ("EATs") generated by the Project. The balance of the Project will be financed with an equity investment by Visions.

It is estimated that the Project will generate $1.4 million in PILOTS and EATs during the 23-year life of the Project. See the projections of PILOTS and EATs on the attached Exhibit D. Based on these projections the Project will generate in an average annual amount of $61,270 PILOTS and EATs. The estimated average annual debt service on the TIF financing is $50,186 leaving an average annual surplus in the amount of $11,084. The surplus will be available to complete the other redevelopment projects in the Winchester Center Redevelopment Area.

NECESSITY FOR TAX INCREMENT FINANCING

The Project area has been marketed for commercial development for many years. The area has gone undeveloped due to its steep grade and limestone deposits, which greatly increase the cost to develop. In fact, the north parcel
of the Project area is almost unbuildable due to its steep grade. For that reason Visions changed its plans and moved the footprint of the building to the south parcel which it did not originally intend to purchase. All of the foregoing factors have increased the cost to build the Project. The combination of these extraordinary costs and soft rental market in this area renders the need for tax increment financing.

The investment of public money in this area, however, is justified considering the benefits that will result. Once completed, the Project will act to bridge the current Winchester Center Redevelopment Area across Interstate 435. This will provide greater visibility to the entire Winchester Center Redevelopment Area and spur additional development along the 63rd Street corridor, an area which is in great need of development. In addition, the Project will provide meeting facilities to community organizations. Currently, Kansas City lacks this type of facility for which there is a great need.
VISIONS BUILDING CORPORATION

WINCHESTER CENTER TAX INCREMENT FINANCING PLAN
(63rd Street Trafficway & Manchester Avenue Project)

ESTIMATED PROJECT COSTS

<table>
<thead>
<tr>
<th>LAND ACQUISITION:</th>
<th>Total</th>
<th>Reimbursable</th>
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</thead>
<tbody>
<tr>
<td>Purchase Price North Lot</td>
<td>$ 80,000</td>
<td>$ 80,000</td>
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<td>Purchase Price South Lot</td>
<td>93,000</td>
<td>93,000</td>
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<tr>
<td>Environmental Audits</td>
<td>3,000</td>
<td></td>
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<tr>
<td>Legal Fees</td>
<td>5,000</td>
<td></td>
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<tr>
<td>Miscellaneous Closing Costs</td>
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<td><strong>Subtotal, Land Acquisition</strong></td>
<td><strong>$ 188,000</strong></td>
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<table>
<thead>
<tr>
<th>PRECONSTRUCTION EXPENSES:</th>
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<tbody>
<tr>
<td>TIF Legal Expenses</td>
<td>$ 21,000</td>
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<tr>
<td>Rezoning/plan approval legal expenses</td>
<td>9,000</td>
</tr>
<tr>
<td>Architectural work</td>
<td>2,000</td>
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<tr>
<td>Construction Documents (including storm water, struct., mechan. &amp; Elect. eng and survey)</td>
<td>58,000</td>
</tr>
<tr>
<td>Architect construction administration</td>
<td>20,000</td>
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<tr>
<td>City required special inspections (S6-10,000)</td>
<td>10,000</td>
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<tr>
<td>Project coordination</td>
<td>6,000</td>
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<tr>
<td>Building permit</td>
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<td><strong>Subtotal, Preconstruction Expenses</strong></td>
<td><strong>$ 133,500</strong></td>
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<table>
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<th>CONSTRUCTION:</th>
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<tbody>
<tr>
<td>Bldg., Original Turnkey price</td>
<td>$1,400,000</td>
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<tr>
<td>Budget to finish expansion offices</td>
<td>285,000</td>
</tr>
<tr>
<td>Added site costs:</td>
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<tr>
<td>City sidewalks</td>
<td>4,000</td>
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<tr>
<td>Paving and curbs</td>
<td>19,000</td>
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<tr>
<td>Utilities, storm, sanitary &amp; water</td>
<td>25,000</td>
</tr>
<tr>
<td>Landscaping, fence</td>
<td>15,000</td>
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<tr>
<td>Screening, fence</td>
<td>7,500</td>
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<tr>
<td>Rock excavation budget</td>
<td>75,000</td>
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<tr>
<td>Real estate leasing commissions</td>
<td>35,000</td>
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<td>Off site: 64th St. 305’ @ $160/FT.</td>
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<td><strong>Subtotal, Construction expenses</strong></td>
<td><strong>$1,914,300</strong></td>
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<tr>
<th>* FINANCING COSTS</th>
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<td><strong>$ 100,000</strong></td>
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<th>TOTAL PROJECT COSTS</th>
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<tr>
<td><strong>$2,335,800</strong></td>
<td><strong>$500,000</strong></td>
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* Expense items which are reimbursable out of the Special Allocation Fund. In addition, all other fees paid by Visions Building Corporation or its affiliates to the TIF Commissions will be reimbursable out of the Special Allocation Fund.

EXHIBIT C
# Visions Building Corporation

**Winchester Center Tax Increment Financing Plan**
(63rd Street Trafficway & Manchester Avenue Project)

**Estimated Payments to Tax Increment Financing Special Allocation Fund**

<table>
<thead>
<tr>
<th>Year</th>
<th>PILOTS</th>
<th>Earnings Tax</th>
<th>Utilities Tax</th>
<th>TOTAL</th>
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<td>1</td>
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<td>$52,388</td>
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<td>5,704</td>
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<td>5,989</td>
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<td>6,602</td>
<td>7,824</td>
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<td>42,148</td>
<td>6,932</td>
<td>8,059</td>
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<td>7,279</td>
<td>8,301</td>
<td>58,149</td>
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<td>7,643</td>
<td>8,550</td>
<td>58,762</td>
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<td>9,071</td>
<td>60,492</td>
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<td>9,623</td>
<td>62,337</td>
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<td>15</td>
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<td>63,524</td>
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<td>16</td>
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<td>23</td>
<td>46,092</td>
<td>14,411</td>
<td>12,556</td>
<td>73,059</td>
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</table>

**Total** | **$992,454** | **$204,106** | **$212,653** | **$1,409,213**

**Exhibit D**
ASSUMPTIONS

1. **PILOTS**
   a. Market Value of Improvements in Year 1: $1.6 million
   b. Assessment Rate: 32%
   c. Levy Rate: 7.99% (5.173 Jackson County; 1.38 Kansas City; 1.437 Replacement Tax)
   d. Inflation/Growth Rate: 1% every year with a reassessment every other year

2. **EARNINGS TAX**
   a. ILAF payroll: $185,387.00
   b. Other Tenants: $800,000
   c. Earnings Tax Rate: 1%
   d. Inflation/Growth Rate: 5% per year

3. **UTILITIES TAX**
   a. Annual expense for gas & electric: $1.50/sq. ft.
   b. Annual expense for water: $.15/sq. ft.
   c. Annual expense for telephone: $2.25/sq. ft.
   d. Utilities tax rate: 10%
   e. Inflation/growth rate: 3% per year
September 8, 1993

Mark M. Bunnell  
Executive Director  
Tax Increment Financing Commission  
of Kansas City, Missouri  
10 Petticoat Lane, Suite 250  
Kansas City, MO 64106

Re: Visions Building Corporation

Dear Mark:

As you requested per your letter to Dick King dated August 16, 1993, I am enclosing the following documents:

1. A copy of Kathy Hauser's opinion letter on the collection of utility taxes under tax increment financing.

2. A copy of our letter to Kathy Hauser and memorandum regarding the collection of utility taxes under tax increment financing.

3. A copy of the Boatmen's Loan Commitment. Boatmen's has authorized the extension of this commitment until November 30, 1993. We will send a copy of the extended commitment to you as soon as we receive it from Boatmen's.

4. A detailed operating pro forma which has been updated and includes a category for return on investment.

5. An unexecuted copy of the Voting Trust Agreement describing the ownership and direction of Visions Building Corporation.

We will provide copies of the deeds establishing the history of the improper platting of the property as soon as possible.

Visions Building Corporation is continuing to negotiate the purchase price of the North portion of the subject property. Visions Building Corporation through its real estate agent compared this property to other property along the I-435 corridor in establishing its value. The Housing Authority's asking price for the South half was substantially higher than the agreed upon purchase price. Visions is continuing to negotiate with the owners...
of the North half to settle on a purchase price which is comparable to the purchase price of the South half.

Visions Building Corporation is in communication with a brokerage firm to underwrite or place the TIF portion of the funding. Both Visions Building Corporation and the International Association of Firefighters Local No. 42 are willing to guarantee or enhance the TIF financing as needed.

Visions Building Corporation is committed to meeting or exceeding the Tax Increment Financing Commission's MBE/WBE policies. Visions Building Corporation is working with its architect, WRS, Inc., and the developer, John Brown & Company, to identify the general contractor, subcontractors and additional professional service entities.

Please let me know if we can provide any additional information with regard to the proposal of Visions Building Corporation.

Very truly yours,

KING, BURKE,
HERSHEY, FARCHMIN & SCHLOMANN
A Professional Corporation

Roxsen E. Koch

REK: ekc

cc: Ed Phillips
Office of the City Attorney

City of Kansas City, Missouri
Heart of America

28th Floor, City Hall
414 E. 12th Street
Kansas City, Missouri 64106
(816) 274-1415
FAX (816) 274-1111

June 25, 1993

Ms. Roxsen E. Koch
Wirken & King
3rd Floor, Wirken & King Building
4740 Grand Avenue
Kansas City, Missouri 64112

Re: Treatment of Quarterly License Fees Imposed
   By Certain City Sections and the Emergency License
   Taxes Imposed by Certain Sections

Dear Roxsen:

I have requested City staff to review the position you
propounded in your communication of April 26, 1993. After a
thorough review, I will not dispute your conclusion that the fees
referenced above do constitute "taxes" subject, however, to a final
interpretation by the City Council.

Respectfully,

[Signature]
Kathleen A. Hauser
Acting City Attorney

KAH/smk

cc: Mary K. Vaugh, Acting City Manager
    Verlyn Leiker, Director of Finance
    Robert Collins, Director of City Development
April 26, 1993

Kathy Hauser
Assistant City Attorney
City of Kansas City, Missouri
414 E. 12th Street
28th Floor City Hall
Kansas City, Missouri 64106


Dear Kathy:

We understand that the City of Kansas City, Missouri (the "City") has taken the position that the Utility Taxes are "licenses" or "fees" which cannot be utilized to pay the redevelopment project costs of a tax increment financing project under the TIF Act. As you know, we take a contrary position. As you requested, we have prepared a legal memorandum which supports our position that the Utility Taxes do constitute "taxes" and can be used for the payment of the redevelopment project costs of a tax increment finance project.

Enclosed is a copy of our legal memorandum. Please contact either me or Dick King to discuss this issue further once you have had an opportunity to review the memorandum.

Very truly yours,

WIRKEN & KING
A Professional Corporation

Roxsen E. Koch

REX/ml
Enclosure
cc: Larry Cain
Rick Aland
MEMORANDUM

TO: RAK
FROM: UMC
DATE: April 26, 1993
RE: Whether the City of Kansas City, Missouri's Utility Taxes Constitute a Tax for Tax Increment Financing Purposes.

ISSUE

Whether the City of Kansas City's the quarterly license fees imposed by Sections 21.439, 21.441, 21.443, 21.448, and 21.456 of the Kansas City City Code; and the emergency license taxes imposed by Sections 21.440, 21.442, 21.444 and 21.457 of the Kansas City City Code (collectively, the "Utility Taxes") constitute taxes that can be used for the payment of redevelopment project costs of a Tax Increment Financing ("TIF") project.

BRIEF ANSWER

The Utility Taxes are taxes imposed by the City of Kansas City and are not licenses or fees, and therefore, may be used for the payment of development costs.

FACTS

K-A Company has proposed the construction of a convention center hotel (the "Project") in a blighted area. A portion of the Project will be financed under the Real Property Tax Increment Allocation Redevelop Act (the "Act"). Section 99.845.3, RSMo (Supp. 1992), of the Act provides that "fifty percent of the total additional revenue from taxes which are imposed by the municipality or taxing districts ... generated by the economic activities within the area of the redevelopment project ... but excluding ... licenses [and] fees" may be used for the payment of development costs. The City proposes that the Utility Taxes are licenses or fees, and therefore, are excluded from being used to pay for redevelopment project costs of the Project under the Act.

DISCUSSION

The Utility Taxes constitute a tax -- not licenses or fees -- and are therefore available for the payment of the redevelopment project costs of the Project under the Act.

The Missouri Supreme Court set forth the definition of a "tax" in Leggett v. Missouri State Life Ins. Co. 342 S.W.2d 833 (Mo. banc 1960). There the court stated that "Taxes are 'proportional
contributions imposed by the state upon individuals for the support of government and for all public needs". Id. at 875; citing Taylor v. Gebner, 45 S.W.2d 59, 60 (Mo.). The court noted that revenues generated through taxation are generally raised to address essential governmental functions and are deposited into the general fund of the municipality. Whereas, a fee or charge is imposed upon a specific group to address a specific purpose and generally are paid into a special fund of the municipality. The key test which has been applied by every court that has examined this issue is as follows: an imposed charge is a tax if "the object of the requirement is to raise revenue to be paid into the general fund of the government to defray customary governmental expenditures". Id. Consequently, even fees or charges imposed on a specific group are taxes if the object of the imposition is to raise revenue to be paid to the general fund to defray ordinary expenses. Id.

The issue of what constitutes a tax is not a new one and has been examined by Missouri courts on several occasions. The most recent decision on this issue was pronounced in Keller v. Marion County Ambulance District, 820 S.W.2d 301, (Mo. banc 1989). In this case, the Supreme Court of Missouri held that a fee increase imposed by a local ambulance district did not constitute a tax and was not governed by the Hancock Amendment. The court noted that in determining whether an item constitutes a tax substance over form will control. In other words, the application of the term "tax", "license" or "fee" is not relevant, but instead one must look at the purpose in imposing the "tax", "license" or "fee". If the object of the charge is to raise revenues that will be paid into the general fund to defray customary governmental expenditures it will constitute a "tax". However, if the revenues generated are used to pay the compensation of public officers for particular services rendered they will constitute "fees" rather than "taxes".

The Utility Taxes are imposed upon the providers of utility services and are then passed on to the ultimate consumers. The revenues generated from the imposition of the Utility Taxes are paid into the general fund, and the revenues are used to address ordinary governmental functions. The Utility Taxes are not imposed by the City to defray the City's cost of providing a specific service.

For the above-stated reasons the Utility Taxes in substance are taxes and can therefore be used to pay the redevelopment project costs of the Project under the Act.

CONCLUSION

The Utility Taxes may be used for the payment of redevelopment project costs of the Project under the Act.
June 21, 1993

International Association of Fire Fighters
Local Union No. 42
c/o Roxsen E. Koch
Wirken & King
4740 Grand Avenue
Kansas City, MO 64112

RE: Union Office Project

Gentlemen:

Boatmen’s First National Bank of Kansas City ("Boatmen’s") hereby offers to make a loan as follows, subject to the following terms and conditions:

BORROWER:
International Association of Fire Fighters, Local Union No. 42

AMOUNT OF LOAN:
Not to exceed $1,600,000 to be determined by Boatmen’s based upon review of final budget, construction costs, projected rent roll and appraisal.

INTEREST RATE:
Construction Period: All sums advanced pursuant to the loan shall bear interest at a per annum rate of one and ¾ percent (1 ¾ %) in excess of the Corporate Base Rate of interest of Boatmen’s which is the interest rate established by it from time to time as its Corporate Base Rate and designed as such for its own internal convenience. No representation is made that the Corporate Base Rate is the lowest, the best, or a favored rate. The rate shall be adjusted as often as and on the same day as any change in such Corporate Base Rate.

Interest shall be payable monthly in arrears and shall be calculated on the actual number of days on the basis of a 360-day year.
Term Period: The interest rate for the Term Period will be established at the time of conversion to the term loan and adjusted daily. The loan shall bear interest at a per annum rate equal to the greater of: a) eight and ½ percent (8½%) or b) one and ¾ percent (1¾%) in excess of the Corporate Base Rate of interest of Boatmen’s. Provided, however, that notwithstanding the foregoing, the interest rate to be charged during the Term Period shall not at any time be less than seven and ¼ (7¼%) or greater than eleven percent (11%) per annum. Provided further, that other than the foregoing limitations with respect to the maximum and minimum interest rates which may be charged and the maximum increase or decrease with respect to each adjustment date, there shall be no limitations on the total amount that the interest rate may change over the term of the loan. In the event of default under the Note or other loan documents the unpaid principal balance shall bear interest at thirteen percent (13%) per annum.

REPAYMENT:

Construction Period: Interest only payable monthly, beginning the first day of the first month following the first disbursement by Boatmen’s and continuing on the first day of each month thereafter until the earlier of (a) completion of the construction and Borrower furnishing satisfactory evidence and certification thereof, including a certificate of occupancy and final cost certification, to Boatmen’s and conversion to the term loan, or (b) the date that is nine (9) months after the date of closing the loan which is the subject of this Commitment.

Term Period: Commencing at the beginning of the term period, monthly principal and interest payments sufficient to amortize the loan over one hundred eighty (180) months at the interest rate above provided. Such monthly installment amounts shall be adjusted upwards or downwards, if necessary, upon the date the interest rate may be adjusted as described above, to an amount which, taking into consideration any change in the interest rate, would be the amount sufficient to amortize in equal monthly installments of principal and interest the then outstanding principal balance of this Note over the number of months equal to the difference between 180 minus the number of months which have elapsed since the commencement of the amortizing payments.
LOAN ORIGINATION FEE: $16,000 at loan closing

TERM OF LOAN: Construction Period: From the date of the closing of the loan which is the subject of this Commitment until the earlier of (a) the date that is nine (9) months after the date of such closing, or (b) completion of the construction and Borrower furnishing satisfactory evidence and certification thereof, including a certificate of occupancy and final cost certification, to Boatmen’s.

Term Period: Subject to the provisions of the loan documents evidencing, securing, guaranteeing, or otherwise executed in connection with the loan which is the subject of this commitment, and so long as certain conditions are met including, without limitation, satisfactory completion of construction and Borrower furnishing satisfactory evidence and certification thereof, including issuance of a certificate of occupancy and final cost certification, to Boatmen’s, until sixty (60) months after the closing date.

PURPOSE OF LOAN: Construction/Term loan for the acquisition and construction of an office building (the "Project"), located at 63rd and Manchester, Kansas City, Missouri, (the "Property"). The Property is legally described on Exhibit A attached hereto.

SECURED PREMISES: The loan shall be secured by, among other collateral as set forth herein, a first and prior lien created by a deed of trust on the Property and improvements located thereon, a first lien security interest in all of the personal property used or useful in connection with the operation, use and occupancy of the Project or the Property, and a collateral assignment of and first lien security interest in all plans, specifications, permits, and contracts relating to the construction, leasing, and management of the Project.

TAX INCREMENT FINANCING: Borrower must receive an approval from the City of Kansas City for tax increment financing and the bonds must be funded prior to loan closing.
BOATMEN'S FIRST NATIONAL BANK OF KANSAS CITY
Roxsen E. Koch
Page 4
June 21, 1993

PRE-LEASING AND HOLD-BACK PROVISIONS:
Borrower must have signed leases prior to loan closing which would indicate a breakeven occupancy to cover expenses and debt service (at 8½ percent on a 15 year amortization). This will be determined prior to funding based on leases and projected expenses as analyzed by Boatmen’s. All leases will be triple net and shall be written for a minimum of five years. An amount of $15 per square foot for tenant improvements shall be withheld from disbursement until leases are obtained for the space.

CASH FUNDED RESERVE:
A funded working capital cash reserve will be established prior to closing. A dollar amount will be determined prior to closing.

ENVIRONMENTAL COMPLIANCE:
Boatmen’s shall be furnished with an environmental assessment of the Property satisfactory to it, in Boatmen’s sole and absolute discretion, prior to the closing of the loan which is the subject of this Commitment, which discloses no environmental conditions objectionable to Boatmen’s. Borrower represents and warrants that the Property and the Project currently fully comply with and will, at the time of the closing of the loan which is the subject of this Commitment, and at any and all times any amounts due Boatmen’s remain unpaid, fully comply with all applicable environmental laws, rules, regulations, guidance documents, and remediation directives (hereinafter collectively referred to as “Environmental Laws”).

PLANS AND SPECIFICATIONS:
Boatmen’s, and Boatmen’s inspecting architect, must have approved the plans and specifications for the construction of the Project.

SURETIES:
Borrower must have obtained performance and payment surety bonds for the benefit of Boatmen’s in such amount (but at least in the amount of the cost to complete construction of the Project), in such form, and from such company(ies) as are satisfactory to Boatmen’s for the work to be done pursuant to the general construction contracts.
BOATMEN'S FIRST NATIONAL BANK OF KANSAS CITY
Roxsen E. Koch
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June 21, 1993

DISCLOSURE/CONFLICT
OF INTEREST:
Borrower warrants that it will disclose to Boatmen's by the date of
this letter.

a) The identity of Borrower and related entities plus the Developer,
Builder, Architect, Management Agent, and other participants in the
development or management of the Project and the names of the
officers, directors, shareholders, investors, principal members, and
other parties having a substantial interest in each of the foregoing;
and

b) The previous participation by each of the above-described
parties in loans by any lender to any community development
corporation. Borrower warrants that none of these parties has any
conflict of interest that is or would be detrimental to Borrower or
Boatmen's. Borrower shall fully and promptly update such
disclosures. Any future conflict of interest by any of these parties
that would be a violation of this provision shall be a default under
the Loan.

DOCUMENTS:
Borrower shall furnish to Boatmen's, which must be in form and
substance satisfactory to Boatmen's, the following documents prior
to the closing of the loan and prior to any loan advance:

a) Construction plans and specifications prepared by a registered
architect or engineer.

b) Current survey of the Property certified to the title insurance
compagny (hereinafter described) and Boatmen's. The survey shall
be of ALTA or equal standards and be in a form and prepared by a
registered surveyor satisfactory to the title company. The survey
shall be dated no more than sixty (60) days prior to loan closing,
have the surveyor's certification, seal, and signature, recite the
legal description (including the number of acres), located all
easements (setting forth book and page number), driveways,
ditches, streets (indicate where paved or property line), rights-of-
way, improvements (including fences, power lines, etc.) and the
dimensions and area of the Property.

c) A title insurance commitment covering the Property with a copy
of all title exceptions that are to remain on record and a search of
the personal property records issued by a title company approved
by Boatmen's. The title company shall issue, at no expense to
Boatmen's, an ALTA Loan Policy(ies) Form 1987 (standard exceptions therein deleted), together with such insurance and such other endorsements as Boatmen's deems necessary, including but not limited to a pending disbursement endorsement satisfactory to Boatmen's. Such loan policy shall insure the ownership by Borrower of the fee to the Property and that there are no defects in or lien or encumbrance upon the fee title which have a priority over or otherwise affect or limit the fee interest and insuring the amount and priority of Boatmen's liens upon such fee interest.

d) Contractor's All Risk Insurance Policy, premiums prepaid, issued by company(ies) approved by Boatmen's in form and amounts satisfactory to Boatmen's, and comprehensive general liability insurance, casualty, and hazard insurance, and property damage insurance issued by company(ies) approved by Boatmen's in forms and amounts satisfactory to Boatmen's.

e) Detailed breakdown on all Project costs, including, but not limited to, a breakdown of the costs of construction from the general contractor listing overhead and profit as separate items, and a detailed development budget of all items, and a detailed construction schedule.

f) Secured premises shall comply with all applicable zoning ordinances, building and use restrictions, federal, state and local government regulations, and any requirements with respect to licenses, permits, and agreements necessary for the lawful use and operations of the secured premises, including but not limited to, final vacation of any streets because of the Project, completion of the replat of the Property, and final plan approval. Boatmen's may request copies of relevant permits, environmental impact statements and other documents relating to such compliance.

g) Copy of final building permits.

h) Evidence satisfactory to Boatmen's of availability of all utilities.

i) Soil report and a letter from Boatmen's architect or engineer certifying that such soil report has been reviewed and the solid conditions are satisfactory for the Project and the foundations of the improvements have been adequately designed considering soil conditions.
b) During the construction period, representatives of Boatmen’s shall have full and free access to the improved premises at all reasonable times for the purpose of inspecting the construction and Borrower, and its representatives and contractors, shall lend friendly assistance to such representatives.

c) At the option of Boatmen’s, Boatmen’s may require the retention of an independent architect or engineer whose duties shall include review of the plans and specifications and certification of each construction draw request as to work-in-place and materials-on-site, whether or not funded by Boatmen’s.

d) All loan advances shall be subject to and in accordance with the conditions, requirements and procedures set forth in the construction loan agreement and the disbursement agreement and, if requested by Boatmen’s, all advances shall be deposited into a disbursement account at Boatmen’s.

e) That at the time of the closing of the construction loan, and of each disbursement thereunder, and at the time of conversion of the construction loan to the term loan, Borrower is solvent and free from bankruptcy, reorganization or arrangement proceedings or a general assignment for the benefit of creditors and the loan will be in balance, i.e., unfunded proceeds are sufficient to complete the improvements.

EXPENSES:

Borrower shall pay all fees, costs, and expenses related to the loan which is the subject of this Commitment including, but not limited to:

a) Recording, filing fees, environmental reports, lender’s legal fees and expenses, appraisal fees, and independent architect’s or engineer’s fees and expenses, whether or not the loan closes.

b) Premium for title insurance.

c) All taxes due and payable at the time of closing, and all insurance premiums.
LEASES AND RENTS: Boatmen’s shall receive a conditional assignment of Borrower’s interest in all leases, rents, and profits of the Project. The form and term of all leases shall be subject to review and approval by Boatmen’s and Boatmen’s may require subordination of such leases to the deed of trust or an attornment agreement or other agreement with the lessee(s) as to any matters concerning the lease.

FINANCIAL REPORTING: Borrower and Developer shall provide to Boatmen’s the most current financial statements on Borrower, Developer, and the Project, including, but not limited to, Balance Sheet, Annual Profit and Loss Statement, and Projected Annual Profit and Loss Statement, and such other financial information as Boatmen’s may reasonably require. Such financial statements and other information shall be delivered at or prior to the closing, and within 60 days after the close of Borrower’s or Developer’s, as the case may be, fiscal year.

COMMITMENT ACCEPTANCE: This Commitment shall be accepted and returned to Boatmen’s by August 30, 1993, or the Commitment shall automatically become null and void.

COMMITMENT EXPIRATION: This Commitment, if accepted as provided herein, shall terminate on August 30, 1993, if the loan which is the subject of this Commitment has not closed by such date, unless this Commitment is extended by Boatmen’s, provided that Boatmen’s shall have no obligation or duty to extend this Commitment.

ORAL AGREEMENTS OR COMMITMENTS TO LOAN MONEY, EXTEND CREDIT, OR TO FOREBEAR FROM ENFORCING REPAYMENT OF A DEBT INCLUDING PROMISES TO EXTEND OR RENEW SUCH DEBT ARE NOT ENFORCEABLE. TO PROTECT YOU (BORROWER(S)) AND US (CREDITOR) FROM MISUNDERSTANDING OR DISAPPOINTMENT, ANY AGREEMENTS WE REACH COVERING SUCH MATTERS ARE CONTAINED IN THIS WRITING, WHICH IS THE COMPLETE AND EXCLUSIVE STATEMENT OF THE AGREEMENT BETWEEN US, EXCEPT AS WE MAY LATER AGREE IN WRITING TO MODIFY IT.
BOATMEN'S FIRST NATIONAL BANK OF KANSAS CITY
Roxsen E. Koch
Page 10
June 21, 1993

This Commitment supersedes all prior commitments issued by Boatmen’s. If this Commitment is satisfactory, please confirm your acceptance of these proposed terms and conditions by signing and returning one copy of this letter to the attention of the undersigned on or before the date provided above.

Sincerely,

BOATMEN'S FIRST NATIONAL BANK
OF KANSAS CITY

Dee J. Evans
Commercial Real Estate Officer

DJE:Id

cc: James H. Conley
    Mr. Ed Phillips, President

CONFIRMED AND ACCEPTED:

BORROWER: International Association of Fire Fighters Local Union No. 42

By: Edward R. Phillips

Printed Name: Edward R. Phillips

Title: President
<table>
<thead>
<tr>
<th></th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Year 4</th>
<th>Year 5</th>
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<td></td>
<td></td>
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<td></td>
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<tr>
<td>Rent</td>
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<td>$231,750</td>
<td>$262,530</td>
<td>$262,530</td>
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<td>$268,323</td>
<td>$268,323</td>
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<tr>
<td>C.A.M.</td>
<td>57,000</td>
<td>58,140</td>
<td>66,416</td>
<td>67,744</td>
<td>69,099</td>
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<td>71,891</td>
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<td>49,052</td>
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<td>56,083</td>
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<td>13,127</td>
<td>13,127</td>
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<td>13,416</td>
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<td>$350,530</td>
<td>$397,285</td>
<td>$399,091</td>
<td>$400,839</td>
<td>$408,303</td>
<td>$410,602</td>
<td>$412,040</td>
<td>$413,907</td>
<td>$415,403</td>
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<td></td>
<td></td>
<td></td>
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<tr>
<td>C.A.M. Expense</td>
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<td>$ 68,544</td>
<td>$ 69,915</td>
<td>$ 71,313</td>
<td>$ 72,739</td>
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<tr>
<td>Management Fee Expense</td>
<td>11,588</td>
<td>11,588</td>
<td>13,127</td>
<td>13,127</td>
<td>13,127</td>
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<td>13,416</td>
<td>13,416</td>
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<td>Reserve Fund</td>
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<td>$154,505</td>
<td>$156,113</td>
<td>$159,704</td>
<td>$161,885</td>
<td>$163,597</td>
<td>$165,636</td>
<td>$167,941</td>
<td>$169,766</td>
<td>$171,630</td>
<td>$173,533</td>
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### Operating Income and Income Taxes:

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<th>Year</th>
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<th>Year 3</th>
<th>Year 4</th>
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<th>Year 6</th>
<th>Year 7</th>
<th>Year 8</th>
<th>Year 9</th>
<th>Year 10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Income</td>
<td>$349,390</td>
<td>$350,530</td>
<td>$397,285</td>
<td>$399,091</td>
<td>$400,839</td>
<td>$408,303</td>
<td>$410,602</td>
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<tr>
<td>Total Operating Expense</td>
<td>$154,505</td>
<td>$156,113</td>
<td>$159,704</td>
<td>$161,885</td>
<td>$163,597</td>
<td>$165,636</td>
<td>$167,941</td>
<td>$169,766</td>
<td>$171,630</td>
</tr>
<tr>
<td>Taxable Income</td>
<td>(30,003)</td>
<td>(25,654)</td>
<td>22,737</td>
<td>28,033</td>
<td>34,222</td>
<td>23,484</td>
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<td>Federal and State Taxes</td>
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<td>$ 0</td>
<td>$ 9,094</td>
<td>$11,213</td>
<td>$13,689</td>
<td>$9,394</td>
<td>$12,661</td>
<td>$16,104</td>
<td>$20,062</td>
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### Net Income and Return on Investment

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<tr>
<th>Year</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Year 4</th>
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<th>Year 6</th>
<th>Year 7</th>
<th>Year 8</th>
<th>Year 9</th>
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<td>Debt Service</td>
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<td>(192,673)</td>
<td>(192,673)</td>
<td>(192,673)</td>
<td>(192,673)</td>
<td>(212,049)</td>
<td>(212,049)</td>
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<td>Income After Debt Service</td>
<td>$2,212</td>
<td>$1,744</td>
<td>$44,908</td>
<td>$44,533</td>
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<td>$13,689</td>
<td>$9,394</td>
<td>$12,661</td>
<td>$16,104</td>
<td>$20,062</td>
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<tr>
<td>Net Income</td>
<td>$2,212</td>
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<td>$35,814</td>
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<td>Return on Investment</td>
<td>.7%</td>
<td>.6%</td>
<td>11.9%</td>
<td>11.1%</td>
<td>10.3%</td>
<td>7.1%</td>
<td>6.0%</td>
<td>4.7%</td>
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Average Return on Investment = 5.77%
VISIONS BUILDING CORPORATION
OPERATING PRO FORMA

ASSUMPTIONS

1. Percentage of Leased Space: 85% years 1 and 2; 95% years 3 through 10

2. Rent:
   a. Beginning in year 1: 26,000 square feet at $8.00/square foot; 2,500 square feet at $9.50/square foot
   b. Beginning in year 3: additional 3,420 square feet at $9.00/square foot
   c. Beginning in year 6: rent on space leased in year 1 will increase by 2.25%

3. Common Area Maintenance (C.A.M.) Income:
   a. $2.00/square foot rented
   b. Growth rate: 2% /year

5. Insurance and Real Estate Property Tax Fee: Tenants will pay a proportionate share of property taxes (including special assessments) and insurance premiums.

6. The tenants will be charged a management fee in an amount equal to 5% of their rent.

7. Common Area Maintenance Expense:
   a. Expense in Year 1: $2.00/square foot
   b. Applicable Square Feet: 33,600
   c. Growth /Inflation Rate: 2% per year

8. Property Tax Expense:
   a. Amount due in year 1: $33,700
   b. Growth /Inflation Rate: 2% every other year

9. Management Fee Expense: 5% of Rent

10. Reserve Fund: $.25 /square foot

11. Administrative, Accounting and Legal Expense: 2.75% of Total Income

12. Debt Service:
   a. Conventional Loan of $1.6 Million amortized over 15 years at 8.5% payable in 5 years
   b. Principal to be refinanced in year 6: $1,265,000 plus costs of refinancing in the amount of $37,950 (3% of principal) at 10% for 10 years

13. Tax Deductions: Includes Interest Expense and Depreciation Expense (27 years / straight line)

14. Taxable Income: Net Operating Income less Tax Deductions

15. Federal and State Tax: 40% of Taxable Income
VOTING TRUST AGREEMENT

This Agreement is made this __________ day of __________, 1993, among the International Association of Fire Fighters, Local No. 42 of Kansas City, Missouri (the "Association") and Ed Phillips, Ken McFarlane, and Steve Young as trustees of the International Association of Fire Fighters Local No. 42 (the "Trustees").

RE C I TA L S

A. The Association is an unincorporated Association organized in the State of Missouri by employees of the Kansas City, Missouri Fire Department.

B. The Association desires to take title to 100 shares of common stock (the "Stock") of Visions Building Corporation (the "Corporation"), a Missouri corporation, in the name of its officers, as trustees of the Association, for the purpose of holding title to and exercising the voting rights of the Stock for the benefit of the Association.

C. The Trustees shall consist of the President, Vice President, Secretary and Treasurer of the Association.

D. The Association deems it in the best interest of the Association to act with the Trustees and are willing to enter into this Agreement to effectuate the voting of the Stock.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and promises contained herein, the parties agree as follows:

1. Delivery of Stock in Trust. The Association and the Trustees agree that the Trustees shall take title to the Stock for the benefit of the Association. The Trustees shall issue and deliver to the Association a voting trust certificate (the "Voting Certificate") representing beneficial ownership of the Stock. A form of the Voting Certificate is attached as Exhibit A.

2. Powers of Trustee, Compensation. During the term of this Agreement, the Trustees shall be entitled, in their discretion, to exercise all voting rights, as Trustees, of the Stock, provided that the Trustees must vote the Stock as directed by the Association with respect to the following matters:

a. liquidation or dissolution of the Corporation;

b. consolidation or merger of the Corporation with or into any other corporation;
c. the sale, lease, exchange, encumbrance upon or other transfer of all or substantially all of the assets of the Corporation;

d. increase in the authorized capital stock of the Corporation or the classification or reclassification of the capital stock of the Corporation;

e. amendment to the Articles of Incorporation or Bylaws of the Corporation (i) to reduce the number of directors, or (ii) to impose restrictions upon or otherwise to reduce or limit the powers, rights or privileges with respect to the Stock; and

f. the election of the officers or directors of the Corporation.

Such right to vote may be exercised by the Trustees in person, by proxy or by written consent, for any and every purpose and with regard to any corporate act of the Corporation. The Trustees shall report each such vote to the Association. All notices, reports, statements and other communications directed to the Trustees from the Corporation shall be forwarded immediately to the Association.

3. Beneficial Ownership. The Stock may not be used as collateral. The Trustees shall have no beneficial interest in the Stock and the Stock shall not be subject to the claims of the Trustees' creditors or heirs.

4. Acquisition of Additional Shares. In the event additional shares of stock of the Corporation are issued, such shares shall be subject to this Agreement and shall be deposited in trust hereunder in exchange for a Voting Certificate, provided that such additional shares shall automatically become subject to this Agreement whether or not such deposit is actually made.

5. Liability. In voting shares of stock subject to this Agreement, the Voting Trustees will exercise their best judgment; but the Trustees shall not incur liability or responsibility by reason of any error of judgment or mistake of law or fact, or for any act or omission of any agent or attorney or for any consent, vote or action made, taken or omitted under this Agreement, provided the Trustees act in good faith in a manner they reasonably believe to be in or not opposed to the best interests of the Corporation.

6. Duration. The term of this Agreement shall be ten (10) years, commencing on the date of this Agreement. This Agreement may be extended for additional ten (10) year periods if authorized by the Association.

7. Removal and Vacancies. Each Trustee shall serve in his capacity as Trustee under this Agreement for so long as he holds his respective office with the Association. Upon the loss of a Trustee's office such Trustee shall be replaced by the successor to
his office. A Trustee may be removed for misconduct as determined by the vote of the members of the Association or a court of competent jurisdiction. A successor to a removed Trustee will be selected by a vote of the individual members of the Association.

8. Acceptance of Trust. The Trustees accept the trusts hereunder and agree to perform the same upon the terms and conditions hereof.

9. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which, when taken together, shall constitute one and the same instrument.

10. Entire Agreement. This constitutes the entire Agreement of the parties with regard to the subject matter hereof and may not be modified, altered or amended except in writing and signed by the Trustees and the Association. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective designees and successors.

11. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Missouri.

12. Severability. The invalidity of any provision of this Agreement shall not affect the validity of any other provision hereof, and this Agreement shall be construed as if the invalid provision were not contained herein.

13. Notices. All notices, consents, requests, demands and other communications hereunder shall be in writing and shall be deemed to have been duly given or delivered if delivered personally or mailed registered or certified mail, return receipt requested, with first class postage prepaid, or if sent by facsimile transmission, with receipt acknowledged:

If to the Voting Trustees: Ed Phillips
Ken McFarlane
Steve Young
6528 Stadium Drive
Kansas City, MO 64129

If to the Association: International Association of
Fire Fighters Local No. 42
6528 Stadium Drive
Kansas City, MO 64129
Attention: President

or at such other address or facsimile number as any party shall give the others notice of in writing.
IN WITNESS WHEREOF, the parties hereby have set their hands as of the day and year first above written.

ATTEST:                                                            By: _______________________  By: _______________________
                                                                  International Association of Firefighters Local No. 42
                                                                  Ed Phillips, President

Trustees for the International Association of Fire Fighters Local No. 42

By: _______________________  By: _______________________
   Ed Phillips, Trustee

By: _______________________  By: _______________________
   Ken McFarlane, Trustee

By: _______________________  By: _______________________
   Steve Young, Trustee
EXHIBIT A

FORM OF VOTING TRUST CERTIFICATE

__________________________, 1993

THIS IS TO CERTIFY that on the ___ day of ______________________, 1993, the International Association of Fire Fighters, Local No. 42 of Kansas City, Missouri (the "Association") and Ed Phillips, Ken McFarlane and Steve Young, as Trustees of the Association (collectively the "Trustees") entered into a Voting Trust Agreement (the "Agreement") to hold title to and exercise certain voting rights of the stock (the "Stock") of Visions Building Corporation (the "Corporation"). This Certificate is issued under and pursuant to, and the rights of the Association are subject to and are limited by, the terms and conditions of the Agreement. The Association reserves the right to vote under certain circumstances as set forth in the Agreement. In addition, all beneficial ownership interest, of the Stock, are retained by the Association.

The Trustees do not have any beneficial ownership interest in the Stock.
VISIONS BUILDING CORPORATION

WINCHESTER CENTER TAX INCREMENT FINANCING PLAN
(63rd Street Trafficway & Manchester Avenue Project)

ESTIMATED PROJECT COSTS

<table>
<thead>
<tr>
<th>LAND ACQUISITION:</th>
<th>Total Estimates</th>
<th>Reimbursable Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchase Price North Lot</td>
<td>$ 80,000</td>
<td></td>
</tr>
<tr>
<td>Purchase Price South Lot</td>
<td>93,000</td>
<td></td>
</tr>
<tr>
<td>Environmental Audits</td>
<td>3,000</td>
<td></td>
</tr>
<tr>
<td>Legal Fees</td>
<td>5,000</td>
<td></td>
</tr>
<tr>
<td>Miscellaneous Closing Costs</td>
<td>7,000</td>
<td></td>
</tr>
<tr>
<td><strong>Subtotal, Land Acquisition</strong></td>
<td><strong>$ 188,000</strong></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>PRECONSTRUCTION EXPENSES:</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>• TIF Legal Expenses</td>
<td><strong>$ 21,000</strong></td>
<td>$ 21,000</td>
</tr>
<tr>
<td>Rezoning/plan approval legal expenses</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Architectural work</td>
<td>9,000</td>
<td></td>
</tr>
<tr>
<td>Construction Documents (including storm water, struct., mechan. &amp; Elect. eng and survey)</td>
<td>50,000</td>
<td></td>
</tr>
<tr>
<td>Architect construction administration</td>
<td>20,000</td>
<td></td>
</tr>
<tr>
<td>City required special inspections ($5-10,000)</td>
<td>10,000</td>
<td></td>
</tr>
<tr>
<td>Project coordination</td>
<td>6,000</td>
<td></td>
</tr>
<tr>
<td>Building permit</td>
<td>7,500</td>
<td></td>
</tr>
<tr>
<td><strong>Subtotal, Preconstruction Expenses</strong></td>
<td><strong>$ 133,500</strong></td>
<td></td>
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</table>

<table>
<thead>
<tr>
<th>CONSTRUCTION:</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Bldg. and Offices, Oi</td>
<td>$1,285,000</td>
<td></td>
</tr>
<tr>
<td>* Public Meeting Space</td>
<td>370,000</td>
<td></td>
</tr>
<tr>
<td><strong>Added site costs:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Excess Parking</td>
<td></td>
<td></td>
</tr>
<tr>
<td>City sidewalks</td>
<td>30,000</td>
<td>30,000</td>
</tr>
<tr>
<td>4,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Paving and cur</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Utilities, storm</td>
<td>19,000</td>
<td></td>
</tr>
<tr>
<td>Landscaping, fc</td>
<td>25,000</td>
<td></td>
</tr>
<tr>
<td>Screening, fence</td>
<td>15,000</td>
<td></td>
</tr>
<tr>
<td>7,500</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Rock excavation</td>
<td>75,000</td>
<td>75,000</td>
</tr>
<tr>
<td>Real estate fees</td>
<td>35,000</td>
<td></td>
</tr>
<tr>
<td>• Off site: 64th St. 305'</td>
<td>48,800</td>
<td>48,800</td>
</tr>
<tr>
<td><strong>Subtotal, Construction exp</strong></td>
<td><strong>$1,914,300</strong></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>CONTINGENCIES</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>* FINANCING COSTS</td>
<td><strong>$ 100,000</strong></td>
<td>$ 25,000</td>
</tr>
</tbody>
</table>

TOTAL PROJECT COSTS

**$2,400,000**

* Expense items which are reimbursable out of the Special Allocation Fund. In addition, all other fees paid by Visions Building Corporation or its affiliates to the TIF Commission will be reimbursable out of the Special Allocation Fund.
D. TO:

FROM: J. 1993
RE: Vis. 1993

SENDER: 231-0189
DOCUMENT: E.

Please call me.

TIME:

THIS TRANSMISSION SHEET. IF THERE ARE SPECIAL INSTRUCTIONS:
message is attorney intended only for the use. If the reader of this message is an employee or agent responsible to recipient, you are hereby prohibited. If you have received this message, please immediately notify us by message to us at the above address. Thank you.
DATE: September 3, 1993

TO: Laura Whitener (221-0189)
    Bob Mayer (391-1821)

FROM: Roxsen E. Koch

RE: Visions Building Corporation

SENDER: Ellen K. Cugno

DOCUMENT: Estimated Project Costs

Please call me if you have any comments.

THIS TRANSMISSION CONSISTS OF 2 PAGE(S), INCLUDING THIS COVER SHEET. IF THERE ARE ANY QUESTIONS REGARDING THIS TRANSMISSION, PLEASE CONTACT THE SENDER AT 816/753-6666.

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EXHIBIT 11

ROSTER OF DISPLACED OCCUPANTS AND BUSINESSES

Residential Properties:

<table>
<thead>
<tr>
<th>Name of Property Owner</th>
<th>Occupancy Address</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bruce Anthony Miller</td>
<td>6534 Bennington</td>
<td>Rental</td>
</tr>
</tbody>
</table>

Commercial Properties:

None