

I-29 & I-435 TAX INCREMENT FINANCING PLAN

KANSAS CITY, MISSOURI

TIF COMMISSION APPROVAL:

DATE: **RESOLUTION No.**

CITY COUNCIL APPROVAL:

DATE: **ORDINANCE No.**

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I. SUMMARY

The I-29 & I-435 Tax Increment Financing Plan (the “Plan” or “Redevelopment Plan”) provides for the construction of a covered airport parking facility on approximately 30.5 acres with an accessory approximately 10,000 square-foot office building that shall include approximately 3,500 square feet of retail space and related parking improvements and an approximately 12,000 square-foot convenience store gas station / drive through restaurant and related parking lot improvements (the “Project Improvements”), together with public infrastructure improvements, including street improvements, highway roundabout improvements, site demolition, water, stormwater, sanitary sewer, other utilities and related improvements to support the Project Improvements (the “Public Improvements”). By virtue of subsequent amendments to the Plan and separate Ordinances passed by the City Council approving the same, the Plan may include the construction of 230,000 square feet for commercial uses, which may include office, retail or hospitality space, together with two hotels of approximately 155,000 square feet and that may contain approximately 200 rooms and four restaurants with drive throughs / retail uses (the “Potential Project Improvements”).

The proposed redevelopment area in which the Project Improvement and Public Improvements will be constructed is an area generally located south of interstate I-435, east of interstate I-29, north of NW Cookingham Drive, and west of Ambassador Drive, including adjacent right-of-way, but exclusive of the existing Ambassador Building and related site improvements, and totaling approximately 68 acres all in Kansas City, Platte County, Missouri (the “Redevelopment Area”). The Redevelopment Area will consist of two (2) Redevelopment Project Areas and, by virtue of subsequent amendments to the Plan and separate Ordinances passed by the City Council approving the same, may include an additional three (3) redevelopment project areas within the Redevelopment Area.

The estimated Redevelopment Project Costs to implement the Project Improvements and Public Improvements is \$55,858,613 of which \$16,012,656 relate to the Public Improvements and is eligible for reimbursement with TIF Revenue (as hereinafter defined) and CID Revenue (the “Reimbursable Project Costs”). Of such Reimbursable Project Costs, the City of Kansas City, Missouri (the “City”) shall be eligible for reimbursement, on a priority basis, of approximately \$5,515,044 related to the construction of two public roundabouts along NW Cookingham Drive. The Reimbursable Project Costs are identified on **Exhibit 5**, attached to this Plan.

The Redeveloper and its Affiliates, through a combination of equity and conventional debt, will finance approximately \$39,845,957 of the Redevelopment Project Costs to complete the Project Improvements and Public Improvements. The Plan provides that, upon the authorization of Tax Increment Financing, Economic Activity Taxes and Payments in Lieu of Taxes generated by the Redevelopment Project Areas will be made available to reimburse up to \$13,838,053 of Reimbursable Project Costs and CID Revenue will be made available to reimburse up to \$2,174,603 of Reimbursable Project Costs. The Redevelopment Project Costs, including those that are reimbursable, are identified on **Exhibit 5**, attached to this Plan.

According to current records at the Platte County Assessor's Office, the total initial equalized assessed valuation of the Redevelopment Area is approximately \$799,971. The combined ad valorem property tax levy for the 2023 tax year is \$7.8159 per \$100 assessed valuation. Following the completion of all Project Improvements and Public Improvements, it is estimated that the assessed value of the real property within the Redevelopment Area will increase to approximately \$7,300,553.

Pursuant to the Act, tax increment financing allows for the use of Economic Activity Taxes and Payments in Lieu of Taxes generated and collected within the Redevelopment Project Areas for a twenty-three (23) year period to pay Reimbursable Project Costs.

The Plan contemplates that fifty percent (50%) of the Payments in Lieu of Taxes generated and collected for period of ten (10) years from the date each Redevelopment Project Area is designated by an Ordinance (the "PILOTS Capture Period") shall be made available to pay Reimbursable Project Costs. The remaining fifty percent (50%) of the Payments in Lieu of Taxes generated and collected during the PILOTS Capture Period, together with all Payments in Lieu of Taxes generated and collected after the PILOTS Capture Period shall be declared surplus and shall be remitted to the affected Taxing Districts in accordance with the Act. The Payments in Lieu of Taxes estimated to be generated during the PILOTS Capture Period and available to pay Reimbursable Project Costs are \$2,837,837. The estimated Payments in Lieu of Taxes generated on an annual basis are shown on **Exhibit 6**, attached to this Plan. If and to the extent the Redeveloper seeks to further amend the Plan to add the Potential Redevelopment Project Areas, the resulting Payments in Lieu of Taxes generated and collected within such Potential Redevelopment Project Areas may be utilized to pay Reimbursable Project Costs.

The Plan also contemplates that Economic Activity Taxes generated and collected within each Redevelopment Project Area, upon annual appropriation or upon being budgeted and transferred by the City Council, shall be made available to pay Reimbursable Project Costs. The estimated Economic Activity Taxes generated within the Redevelopment Project Area is approximately \$4,720,831, all of which may be used to reimburse eligible Reimbursable Project Costs. Those Economic Activity Taxes, which are estimated to be generated on an annual basis, are shown on **Exhibit 6**, attached to this Plan and are limited to 50% of the net earnings taxes paid by businesses and employees, 50% of the net food & beverage taxes, 50% of the net utility taxes, and 50% of the City and County net sales taxes generated and collected. If and to the extent the Redeveloper seeks to further amend the Plan to add the Potential Redevelopment Project Areas, the resulting Economic Activity Taxes generated from such Potential Redevelopment Project Areas may be utilized to pay Reimbursable Project Costs.

Upon the reimbursement of all Reimbursable Project Costs (including Administrative Expenses), Tax Increment Financing will be terminated and any remaining Payments in Lieu of Taxes and Economic Activity Taxes, subject to Section 99.850 RSMo., shall be declared surplus and remitted to the affected Taxing Districts in accordance with the Act.

II. DEFINITIONS

As used in this Tax Increment Financing Plan, the following terms shall have the following meanings:

- A. “Act,” the Real Property Tax Increment Allocation Redevelopment Act, Section 99.800, et. seq., Revised Statutes of Missouri, as amended.
- B. “Affiliate,” as applied to any person or entity, any other person or entity who controls, is controlled by, or is under common control with, such person or entity. For purposes of this definition, “control” means the possession, directly or indirectly through one or more intermediaries, of the power to direct the management and policies of a person or entity, whether through the ownership of equity interests, by contract, or otherwise; provided, however, that (a) any person or entity which owns directly or indirectly a majority of the equity interests having ordinary voting power for the election of directors or other members of the governing body of a person or entity or a majority of the partnership or other ownership interests of a person or entity (other than as a limited partner of such person or entity) shall be deemed an Affiliate of such person or entity, and (b) each partnership in which a person or entity is a general partner shall be deemed an Affiliate of such person or entity.
- C. “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 (3) of Section 99.805 RSMo., and in which the governing body of the municipality finds that redevelopment will not be solely used for the development of commercial businesses which unfairly compete in the local economy and 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.
- D. “CID,” the Ambassador Building Community Improvement District established by the City of Kansas City, Missouri through the adoption of Ordinance No. 200460 on June 25, 2020.
- E. “CID Administrative Costs,” the overhead costs of the CID including without limitation the following: (1) reimbursement of the Board of Directors for actual expenditures incurred in the performance of authorized duties on behalf of CID, (2) costs related to any authorized indebtedness of the CID, including the issuance and repayment of obligations, and (3) any other costs or expenses incurred by the CID in the exercise of the powers granted under Sections 67.1401 to 67.1571, inclusive, of the Revised Statutes of Missouri, as amended, including accounting, auditing,

legal, insurance, and clerical support, as determined by the CID's Board of Directors, which is not expected to exceed 8% of the CID Sales Tax generated and collected per fiscal year

- F. "CID Revenue," a one percent (1%) sales and use tax levied by the CID (the "CID Sales Tax") and approved by the voters in the CID and a resolution of the Board of Directors of the CID and levied pursuant to Section 67.1545 of the Revised Statutes of Missouri, as amended, on all retail sales made within the CID that are subject to taxation pursuant to Section 144.010 to 144.525 of the Revised Statutes of Missouri, as amended, except sales of motor vehicles, trailers, boats or outboard motors, and sales to public utilities, 50% of the proceeds of which will be EATs and the other 50% of the proceeds (except for the CID Administrative Costs) shall be transferred, subject to annual appropriation of the Board of Directors of the CID, to the Commission to be used to pay a portion of the Reimbursable Project Costs, pursuant to the terms and conditions of a Cooperation Agreement between the Commission and the CID.
- G. "City," City of Kansas City, Missouri.
- H. "Commission," the Tax Increment Financing Commission of Kansas City, Missouri
- I. "Economic Activity Taxes," fifty percent (50%) of the total additional revenue from taxes which are imposed by the City and other Taxing Districts, and which are generated by economic activities within each Redevelopment Project Area, over the amount of such taxes generated by economic activities within such Ordinance designating such Redevelopment Project Area in the calendar year prior to the adoption of the Redevelopment Project by Ordinance, while tax increment financing remains in effect, but excluding personal property taxes, taxes imposed on sales or charges for sleeping rooms paid by transient guests of hotels and motels, taxes levied pursuant to Section 70.500 RSMo., taxes levied for the purpose of public transportation pursuant to Section 94.660 RSMo., taxes imposed on sales pursuant to subsection 2 of section 67.1712 for the purpose of operating and maintaining a metropolitan park and recreation district, licenses, fees or special assessments other than Payments In Lieu of taxes and penalties and interest thereon, any sales tax imposed by a county with a charter form of government and with more than six hundred thousand but fewer than seven hundred thousand inhabitants, for the purpose of sports stadium improvement or levied by such county under section 238.410 for the purpose of the county transit authority operating transportation facilities, taxes imposed on sales under and pursuant to section 67.700 or 650.399 for the purpose of emergency communication systems and such other taxes that may be excluded by State law from time to time, shall be allocated to, and paid by the local political subdivision collecting officer to the treasurer or other designated financial officer of the municipality, who shall deposit such funds in a separate segregated account within the special allocation fund; provided, however, if the voters in a Taxing District vote to approve an increase in such Taxing District's sales tax or use tax, other than the renewal of an expiring sales or use tax, any

additional revenues generated within an existing Redevelopment Project Area that are directly attributable to the newly voter-approved incremental increase in such taxing district's levy rate shall not be considered "Economic Activity Taxes", without the consent of such Taxing District. If a retail establishment relocates within one (1) year from one facility to another facility within the same county and the governing body of the municipality finds that the relocation is a direct beneficiary of tax increment financing, then for purposes of this definition the economic activity taxes generated by the retail establishment shall equal the total additional revenues from economic activity taxes which are imposed by a municipality or other taxing district over the amount of economic activity taxes generated by the retail establishment in the calendar year prior to its relocation to such redevelopment project area

- J. "Equity Investment," the total accumulated sums reflected as equity on the Redeveloper's financial statements (including, but not limited to its Balance Sheet) submitted in connection with the "Public Participation" provisions of the Redevelopment Agreement as being expended by the Redeveloper or any other non-governmental party that is an Affiliate of the Redeveloper in connection with any and all aspects of the Project Improvements and Public Improvements, including but not limited to any and all costs, including financing costs incurred by the Redeveloper, private loan interest, expenses or investments made by the Redeveloper or any such non-governmental Affiliate prior to or subsequent to the date of this Plan and incurred by Redeveloper or any such non-governmental party that is an Affiliate of the Redeveloper in connection with the acquisition of any property in the Redevelopment Area, due diligence, leasing, marketing, formation of entities, construction and implementation of the Project Improvements, including the principal amount of any subordinate Obligations so long as Redeveloper, or its Affiliates, is the owner or guarantor of such subordinate Obligations, commercial financing and any additional capital contributions made by Redeveloper or such non-governmental party that is an Affiliate of the Redeveloper.
- K. "Gambling Establishment," an excursion gambling boat as defined in section 313.800, RSMo., and any related business facility including any real property improvements which are directly and solely related to such business facility, whose sole purpose is to provide goods or services to an excursion gambling boat and whose majority ownership interest is held by a person licensed to conduct gambling games on an excursion gambling boat or licensed to operate an excursion gambling boat as provided in Sections 313.800 to 313.850, RSMo.
- L. "Obligations," bonds, loans, debentures, notes, special certificates, or other evidences of indebtedness issued by the City, Commission or by any other appropriate issuer, approved by the City and Commission, to pay or reimburse all or any portion of the Redevelopment Project Costs or to otherwise carry out a redevelopment project or to fund outstanding obligations.
- M. "Ordinance," an ordinance enacted by the governing body of the City.

- N. “Payment in Lieu of Taxes” or “PILOTS” those estimated revenues from real property taxes generated within the Redevelopment Project Area which are to be used to reimburse the Redevelopment Project Costs identified by the Plan, which Taxing Districts would have received had the City not adopted tax increment allocation financing, and which result from levies made after the time of the adoption of tax increment allocation financing within the Redevelopment Project Area that is approved by Ordinance (but excluding the blind pension fund tax levied under the authority of Article III, Section 38(b) of the Missouri Constitution and the merchant’s and manufacturer’s inventory replacement tax levied under the authority of subsection 2 of Section 6 of the Missouri Constitution) and during the time the current equalized value of real property in the Redevelopment Project Area exceeds the Total Initial Equalized Assessed Value of real property in the Redevelopment Project Area, until the designation is terminated pursuant to the Act, provided however, if the voters in a Taxing District vote to approve an increase in such Taxing District’s levy rate for ad valorem tax on real property, any additional revenues generated within the Redevelopment Project Area that are directly attributable to the newly voter-approved incremental increase in such Taxing District’s levy rate shall not be considered Payments in Lieu of Taxes without the consent of such Taxing District. Revenues will be considered directly attributable to the newly voter-approved incremental increase to the extent that they are generated from the difference between the taxing district’s actual levy rate currently imposed and the maximum voter-approved levy rate at the time that the Redevelopment Project was adopted.
- O. “PILOTS Capture Period” the period that begins ten (10) years from the date each Redevelopment Project Area is designated by an Ordinance.
- P. “Potential Project Improvements” upon subsequent amendments to the Plan and separate Ordinances passed by the City Council approving the same, the Plan may include the construction of 230,000 square feet for commercial uses, which may include office, retail or hospitality space, together with two hotels of approximately 155,000 square feet and that may contain approximately 200 rooms and four restaurants with drive throughs / retail uses.
- Q. “Project Improvements” a covered airport parking facility on approximately 30.5 acres with an accessory approximately 10,000 square-foot office building that shall include approximately 3,500 square feet of retail space and related parking improvements and an approximately 12,000 square-foot convenience store gas station / drive through restaurant and related parking lot improvements, which are described in Section IV.C of the Plan.
- R. “Public Improvements,” public infrastructure improvements, including street improvements, highway roundabout improvements, site demolition, water, stormwater, sanitary sewer, other utilities and related improvements to support to support the Project Improvements, which are described in Section IV.C of the Plan.

- S. “Redeveloper,” the business organization or other entity designated by the Commission, pursuant to a resolution, and to which the Commission enters a Redevelopment Agreement to implement the Redevelopment Plan or the Project Improvements or a portion thereof.
- T. “Redevelopment Agreement,” the agreement between the Commission, City, and Redeveloper for the implementation of the Redevelopment Plan or the Project Improvements and Public Improvements or a portion thereof.
- U. “Redevelopment Area,” the real property legally described on **Exhibit 1A**.
- V. “Redevelopment Plan” or “Plan,” the I-29 & I-435 Tax Increment Financing Plan, as it may be amended from time to time.
- W. “Redevelopment Projects,” the redevelopment projects located within the Redevelopment Area, described by Section IV.B. of the Plan, designated as such by Ordinance and intended for further the objections of the Redevelopment Plan.
- X. “Redevelopment Project Areas,” the areas selected for each Redevelopment Project that is described in Section IV.C. of the Plan and **Exhibit 1.B.**, and as may be modified from time to time by Ordinance passed by the City Council of the City.
- Y. “Redevelopment Project Costs” include the sum total of all reasonable or necessary costs incurred or estimated to be incurred, any such costs incidental to the Redevelopment Plan and/or a Redevelopment Project. Such costs are identified on **Exhibit 5** and may 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. Except the reasonable costs incurred by the commission established in section 99.820 for the administration of sections 99.800 to 99.865, such costs shall be allowed only as an initial expense which, to be recoverable, shall be included in the costs of the Redevelopment Plan or a Redevelopment Project;
 - 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. Cost of construction of public works or improvements;
 - 5. 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;

6. All or a portion of a taxing district's capital cost resulting from the Redevelopment Project necessarily incurred or to be incurred in furtherance of the objectives of the Redevelopment Plan and Redevelopment Project, to the extent the municipality by written agreement accepts and approves such costs;
 7. Relocation costs to the extent that the City determines that relocation costs shall be paid or are required to be paid by federal or state law; and
 8. Payments in lieu of taxes.
- Z. "Reimbursable Project Costs," Redevelopment Project Costs in an amount not to exceed Sixteen Million Twelve Six Thousand Six Hundred Fifty-Six Dollars (\$16,012,656), of which Ten Million Fifty-Seven Thousand Four Hundred Fifty-One Dollars (\$13,838,053) may be reimbursed with TIF Revenue and \$2,174,603 may be reimbursed with CID Revenue, as identified on **Exhibit 5** (under the column "TIF Reimbursable Costs").
- AA. "Special Allocation Fund," the fund maintained by the City or the Commission, as the case may be, which contains at least two (2) separate segregated accounts for the Redevelopment Project and any additional accounts deemed appropriate by the City and Commission, and maintained by the treasurer of the City or the treasurer of the Commission into which Payments in Lieu of Taxes, Economic Activity Taxes and other revenues are deposited.
- BB. "Tax Increment Financing," tax increment allocation financing as provided pursuant to Chapter 99.800, et seq. RSMo.
- CC. "Taxing Districts," any political subdivision of Missouri located wholly or partially within the Redevelopment Project Areas having the power to levy taxes.
- DD. "TIF Revenue," Payments in Lieu of Taxes generated and collected during the PILOTS Capture Period and the and Economic Activity Taxes.

III. TAX INCREMENT FINANCING

This Plan is adopted pursuant to the Act. The Act enables municipalities to finance Redevelopment Project Costs with the revenue generated from Payments in Lieu of Taxes and Economic Activity Taxes.

IV. GENERAL DESCRIPTION OF THE REDEVELOPMENT PROGRAM

- A. The Redevelopment Plan. The Redevelopment Plan provides for the construction of the Project Improvements and the Public Improvement within the Redevelopment Area in accordance with the Development Schedule set forth on

Exhibit 8, and for which a portion of the costs related thereto, in amount of Sixteen Million Twelve Six Thousand Six Hundred Fifty-Six Dollars (\$16,012,656), may be reimbursed from TIF Revenue and CID Revenue.

- B. **Redevelopment Area.** The Redevelopment Area described by the Plan is a contiguous area that is generally bound by interstate I-435 to the north, interstate I-29 to the west, NW Cookingham Drive to the south, and Ambassador Drive to the east, including adjacent right-of-way but exclusive of the existing Ambassador Building and related site improvements, in Kansas City, Platte County, Missouri, as legally described on **Exhibit 1A**.
- C. **The Project Improvements and Public Improvements.** The Project Improvements and Public Improvements contemplated by the Plan consist of a covered airport parking facility on approximately 30.5 acres with an accessory approximately 10,000 square-foot office building that shall include approximately 3,500 square feet of retail space and related parking improvements and an approximately 12,000 square-foot convenience store gas station / drive through restaurant and related parking lot improvements, together with public infrastructure improvements, including street improvements, highway roundabout improvements, site demolition, water, stormwater, sanitary sewer, other utilities and related improvements to support to support the Project Improvements. A Site Plan generally depicting the location of the Project Improvements and Public Improvements is attached as **Exhibit 2A**.
- E. **Redevelopment Projects Areas.** The descriptions for Redevelopment Project Area 1 and Redevelopment Project Area 2 are each set forth on **Exhibit 1B** and depicted on **Exhibit 2B** and each shall be approved by Ordinance as required by the Act. Estimated construction and employment information for the Project Improvements are set forth on **Exhibits 4A and 4B**.
- F. **Potential Project Improvements.** By virtue of subsequent amendments to the Plan and separate Ordinances passed by the City Council approving the same, the Plan may include the construction of 230,000 square feet for commercial uses, which may include office, retail, or hospitality space, together with two hotels of approximately 155,000 square feet and that may contain approximately 200 rooms and four restaurants with drive throughs / retail uses.
- G. **Potential Redevelopment Project Areas.** By virtue of subsequent amendments to the Plan and separate Ordinances passed by the City Council approving the same, the Plan may include the Potential Redevelopment Project Areas that are depicted on **Exhibit 2B**.
- I. **Estimated Date of Completion.** The estimated date for completion of the Project Improvements and Public Improvements located within the Redevelopment Area is set forth on **Exhibit 8**. The completion of the Project Improvements and Public Improvements located within the Redevelopment Area will occur no later than

twenty-three (23) years from the adoption of the ordinance approving and designating the Redevelopment Project Areas.

- J. Date to Adopt Redevelopment Project and to Acquire Property by Eminent Domain. In no event shall any ordinance approving a Redevelopment Project be adopted later than ten (10) years from the adoption of the Ordinance approving this Plan and no property for a Redevelopment Project Area shall be acquired by eminent domain later than five (5) years from the adoption of the Ordinance approving the designation of such Redevelopment Project Area.
- K. Redevelopment Plan Objectives. The specific objectives of the Plan are set forth in **Exhibit 3**.
- L. Gaming Status. The Plan does not include the initial development or redevelopment of any Gambling Establishment.

V. FINANCING

- A. Estimated Redevelopment Project Costs. The estimated Redevelopment Project Costs to implement the Project Improvements and Public Improvements is \$55,858,613, of which \$16,012,656 relate to the Public Improvements and is eligible for reimbursement with TIF Revenue and CID Revenue. Of such Reimbursable Project Costs, the City of Kansas City, Missouri (the “City”) shall be eligible for reimbursement, on a priority basis, of approximately \$5,515,044 related to the construction of two public roundabouts along NW Cookingham Drive. The Reimbursable Project Costs are identified on Exhibit 5, attached to this Plan. The Redeveloper and its Affiliates, through a combination of equity and conventional debt, will finance approximately \$39,845,957 of the Redevelopment Project Costs to complete the Project Improvements and Public Improvements. The Plan provides that, upon the authorization of Tax Increment Financing, TIF Revenue will be made available to reimburse up to \$13,838,053 of the Reimbursable Project Costs and CID Revenue will be made available to reimburse up to \$2,174,603 of Reimbursable Project Costs. The Redevelopment Project Costs, including those that are reimbursable, are identified on **Exhibit 5**, attached to this Plan.

The City has determined that certain planning and special services expenses of the Commission, which are not direct Redevelopment Project Costs, but are nonetheless reasonable, necessary and incidental Redevelopment Project Costs to the Plan. Such incidental costs will be recovered by the Commission or the City, as the case may be, from the Special Allocation Fund in an amount equal to 5% of the Economic Activity Taxes paid annually into the Special Allocation Fund.

- B. Anticipated Sources of Funds. The Redeveloper will acquire all necessary properties and construct the Project Improvements and Public Improvements through the use of private capital in the form of its Equity Investment, third party funds and/or debt financing, along with such additional public sources identified by this Plan and specifically detailed on Exhibit 7 attached hereto.

- C. Payments in Lieu of Taxes. The Plan contemplates that fifty percent (50%) of the Payments in Lieu of Taxes generated and collected during the PILOTS Capture Period shall be made available to pay Reimbursable Project Costs. The remaining fifty percent (50%) of the Payments in Lieu of Taxes generated and collected during the PILOTS Capture Period, together with all Payments in Lieu of Taxes generated and collected after the PILOTS Capture Period, shall be declared surplus and shall be remitted to the affected Taxing Districts in accordance with the Act. The Payments in Lieu of Taxes estimated to be generated during the PILOTS Capture Period and available to pay Reimbursable Project Costs are \$2,837,837. The estimated Payments in Lieu of Taxes generated on an annual basis are shown on Exhibit 6, attached to this Plan. If and to the extent the Redeveloper seeks to further amend the Plan to add the Potential Redevelopment Project Areas, fifty percent (50%) of any resulting Payments in Lieu of Taxes generated and collected within such Potential Redevelopment Project Areas may be utilized to pay Reimbursable Project Costs.

Projections for Payments in Lieu of Taxes are based on current and anticipated real property assessments and current and anticipated tax rates, both of which are subject to change due to many factors, including reassessment, the effects of real property classification for ad valorem assessment purposes, and the rollback of tax levies resulting from reassessment or classification.

- D. Economic Activity Taxes. The Plan also contemplates that Economic Activity Taxes generated and collected within each Redevelopment Project Area, upon annual appropriation or upon being budgeted and transferred by the City Council, shall be made available to pay Reimbursable Project Costs. The estimated Economic Activity Taxes generated within the Redevelopment Project Areas is approximately \$4,720,831, all of which may be used to reimburse eligible Reimbursable Project Costs. Those Economic Activity Taxes, which are estimated to be generated on an annual basis, are shown on Exhibit 6, attached to this Plan and are limited to 50% of the net earnings taxes paid by businesses and employees, 50% of the net food & beverage taxes, 50% of the net utility taxes, and 50% of the City and County net sales taxes generated and collected. If and to the extent the Redeveloper seeks to further amend the Plan to add the Potential Redevelopment Project Areas, the resulting Economic Activity Taxes generated from such Potential Redevelopment Project Areas may be utilized to pay Reimbursable Project Costs

All affected businesses and property owners located within the Redevelopment Project Areas, at the time the Redevelopment Project Areas is designated by an Ordinance passed by the City Council of the City, shall be identified by the Redeveloper and the Redeveloper shall provide or cause to be provided to the Commission such identifying documentation described by the Commission's Economic Activity Tax Documentation and Collection Policy (the "EATS Documentation"). The Commission shall provide the City with the EATS Documentation related to each business located within the Redevelopment Project Area. Based upon such EATS Documentation, the City shall determine the "base year" and the annual amount of the Economic Activity Taxes generated within the

Redevelopment Project Area and, subject to City Council approval, shall thereafter appropriate such funds into the Special Allocation Fund, no less frequently than semi-annually and no more frequently than quarterly, in accordance with the Act.

- E. CID Revenue. The CID Revenues that are estimated to be collected by the CID, as shown on Exhibit 6, which shall not include such portion that shall be captured as EATs, subject to appropriation by the CID, that shall be utilized to fund Redevelopment Project Costs is estimated to be approximately \$2,174,603.
- G. Evidence of Commitments to Finance. Commitments for any private financing of Redevelopment Project Costs necessary to complete the Project Improvements Public Improvements shall be approved by the Commission prior to the approval of the Ordinance approving the Redevelopment Project. A letter of interest for a construction loan is attached as Exhibit 12.

VI. MOST RECENT EQUALIZED ASSESSED VALUATION

The total initial equalized assessed valuation of the Redevelopment Area according to 2023 tax records at the Platte County Assessor's Office is approximately \$799,971. The current combined ad valorem property tax levy is projected to be \$8.088 per \$100 assessed valuation. Following the completion of all Project Improvements and Public Improvements, it is estimated that the assessed value of the real property within the Redevelopment Area will increase to approximately \$7,300,553.

The total initial equalized assessed valuation of the Redevelopment Area will be determined prior to the time the Redevelopment Project is approved by Ordinance.

VII. ESTIMATED EQUALIZED ASSESSED VALUATION AFTER REDEVELOPMENT

It is anticipated that when the Project Improvements and Public Improvements have been completed, the total assessed valuation of the Redevelopment Area will increase. The estimated increase in assessed valuation and the resulting Payments in Lieu of Taxes are shown in Exhibit 6.

VIII. GENERAL LAND USE

The Plan identifies properties to be developed for retail and commercial use. The Redevelopment Area is currently zoned B3-3, and any modifications to the existing B3-3 zoning classification will be made as the Plan is being considered. The Redevelopment Project shall be subject to the applicable provisions of the City's Zoning and Development Code, as well as other codes and ordinances, as may be amended from time to time.

IX. CONFORMANCE TO THE COMPREHENSIVE PLAN

The Plan conforms with the KC Spirit Playbook, City's comprehensive development plan, as well as the City's KCI Area Plan.

X. EXISTING CONDITIONS IN THE REDEVELOPMENT AREA

The Redevelopment Area qualifies as an Economic Development Area as defined by the Act, and such redevelopment is in the public interest because it will not be solely used for the development of commercial businesses which unfairly compete in the local economy and is in the public interest. An Economic Development Area Study undertaken by APD Urban Planning Management attached as Exhibit 11, and provides evidence that the development 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 within Section 99.805 RSMo. of the Act.

XI. “BUT FOR TIF”

The Redevelopment Area has not been subject to growth and development through investment by private enterprise as demonstrated, in part, by the Economic Development Area Study, attached as Exhibit 11, and would not reasonably be anticipated to be developed without the adoption of Tax Increment Financing due to the substantial costs of the Public Improvements.

Substantial public financing of the Public Improvements is identified within the Plan. This assistance is necessary to ensure successful redevelopment of the Redevelopment Area in order to serve the public purpose set forth herein. The purpose of affording public assistance is to accomplish the stated public purpose and not to subsidize otherwise economically viable Project Improvements and Public Improvements. In order to ensure that the public assistance being provided does not subsidize an unreasonable level of earnings, the Commission has required an internal rate of return analysis be completed and presented to the Commission prior to approval of the Redevelopment Plan. The analysis demonstrates that the Redevelopment Area has not been subject to growth and development by private enterprise and the Project Improvements and Public Improvements within the Redevelopment Area would not reasonably be anticipated to be developed without the adoption of Tax Increment Financing (the “But-For Test”).

Acceptable investment returns to real estate investors depend on a large number of external factors and the nature of the specific investment, including, the property sector of land use; the life cycle of the property; local market conditions such as new development, major employers and their plans, demographics and the like; the overall risk associated with the property; inflation expectations, and numerous other factors. One method of determining the need for assistance and the sizing of the Tax Increment Financing assistance is to study the developer’s internal rate of return (“IRR”). The internal rate of return takes into account both the annual income derived as cash flow as well as the potential return from a hypothetical sale of the private improvements at the end of the forecast period.

The Redevelopment Agreement shall contain provisions whereby the public may participate in the cumulative rate of return of the Equity Investment of the Redeveloper or any Affiliate of the Redeveloper that participates in the acquisition, financing or operation of the Project Improvements or the real property upon which the Project Improvements are

located that is in excess of a 8.5% unleveraged annual rate of return on a cumulative basis. The Redevelopment Agreement shall provide if at the end of any calendar year, after completion of all of the Project Improvements, the net cash flow exceeds the cash flow necessary to generate said cumulative 8.5% unleveraged annual return on the Equity Investment for the current and all previous calendar years, 71% of such excess shall be retained by the Redeveloper and the remaining 29% of such excess shall be contributed to the Commission (the “Commission Share”) which shall be used in accordance with the Act.

In the event that any Project Improvement is refinanced or sold, once all cost of the sale or refinancing have been paid, the private debt retired, the Redeveloper’s Equity Investment is returned, the Commission shall receive the Commission Share of such residual proceeds that are in excess of a 8.5% unleveraged annual rate of return on a cumulative basis of the Redeveloper and its Affiliates of the total amount of Redevelopment Project Costs.

The “But For” analysis prepared by SB Friedman Development Advisors (“SB Friedman”) and attached as **Exhibit 10** concludes that the Project Improvements contemplated by the TIF Plan may not be implemented without TIF assistance, as the Project Improvements achieve an unleveraged return of 3.6%, based upon the Redevelopment Project Costs set forth in Redeveloper’s budget. SB Friedman’s analysis provides a number of recommendations for consideration concerning certain costs and other elements of the Project, and based upon changes in costs, ultimately recommends undiscounted TIF assistance (inclusive of CID Revenue) of \$16,012,656 to achieve a return in the market range. With the Developer’s original request of approximately \$16,012,656 (inclusive of such costs reimbursed by the CID) in requested undiscounted TIF assistance, SB Friedman estimates the Project Improvements would achieve an unleveraged annual rate of return of approximately 8.3%. SB Friedman further suggests that the industry benchmark for the type of investment proposed by the Project Improvements should result in an unleveraged return between 8.0% and 9.0%. The calculations are based on developer assumptions or in certain instances alternative assumptions SB Friedman deems are appropriate.

SB Friedman has indicated that, if the Redevelopment Project Costs set forth in Redeveloper’s budget were used, then the Project Improvements would require the utilization of Economic Activity Taxes and Payments in Lieu of Taxes to achieve the stated returns.

The analysis prepared by SB Friedman and attached as **Exhibit 10** concluded the Project Improvements contemplated by the Plan meet the “But-For Test” and supports a finding that the Redevelopment Area has not been subject to growth and development through investment by private enterprise as demonstrated in part by the Developer Affidavit, attached as **Exhibit 14**, and would not reasonably be anticipated to be developed without the adoption of Tax Increment Financing due to the substantial costs of the Redevelopment Project. **Exhibit 10** provides evidence of the “But-For Test” analysis conducted for these Project Improvements.

XII. COST-BENEFIT ANALYSIS

A cost-benefit analysis has been prepared for the Plan that demonstrates the economic impact of the Plan on each Taxing District. This analysis and other evidence submitted to the Commission describe the impact on the economy if the Project Improvements are not built and is built pursuant to the Plan. The Cost-Benefit Analysis, attached as **Exhibit 9**, includes a fiscal impact study on every affected Taxing District and sufficient information from the Redeveloper for the Commission to evaluate whether the Project Improvements are financially feasible.

XIII. ACQUISITION AND DISPOSITION

The Commission, pursuant to Sections 99.810(3) and 99.820(3), RSMo, may acquire property by purchase, donation, lease or eminent domain in the manner provided for by corporations in Chapter 523, RSMo. The property acquired by the Commission 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. No property located within a Redevelopment Project Area shall be acquired by eminent domain later than five (5) years from adoption of the Ordinance designating such Redevelopment Project Area.

Currently, all land within the Plan area is owned by the Redeveloper, or the Redeveloper or City will acquire all property required to construct the Public Improvements.

XIV. RELOCATION ASSISTANCE PLAN

Relocation assistance will be available to all eligible displaced occupants in conformance with the Commission's Relocation Assistance Plan as shown in **Exhibit 13** or as may be required by other state or federal laws. Any relocation will be at the expense of the Redeveloper.

XV. ENHANCED ENTERPRISE ZONE

Pursuant to section 135.963(7), RSMo, the property tax abatement referred to in the Enhanced Enterprise Zone Act shall not relieve the assessor or other responsible official from ascertaining the amount of the equalized assessed value of all taxable property annually as required by section 99.855, RSMo, and shall not have the effect of reducing the Payments in Lieu of Taxes referred to in subdivision (2) of subsection 1 of section 99.845, RSMo, unless such reduction is set forth on the plan approved by the governing body of the municipality pursuant to subdivision (1) of subsection 1 of section 99.820, RSMo, section 99.942, RSMo, or section 99.1027, RSMo. By adoption of this Plan, Payments in Lieu of Taxes (if any) shall be reduced by the tax abatement referred to in the Enhanced Enterprise Zone Act, provided, however, such reduction shall not exceed fifty percent (50%) of the amount of Payments in Lieu of Taxes generated by each Redevelopment Project Area during any ten-year period, while Tax Increment Financing remains in effect.

XVI. PROVISION OF PUBLIC FACILITIES

Redeveloper will cause all necessary public facilities and utilities be provided to service the Redevelopment Area.

XVII. REDEVELOPMENT AGREEMENT

Upon approval of this Plan, the Commission and Redeveloper will enter into a Redevelopment Agreement, which will include, among other things, provisions relative to the following:

1. Implementation of the Plan;
2. Reporting of Economic Activity Taxes;
3. The Commission's Affirmative Action Policy and Work Force Policy;
4. The City's MBE/WBE Ordinance;
5. Design guideline review and approval process;
6. The Commission's Relocation Plan, if any;
7. Certification and approval by Commission of Redevelopment Project Costs;
8. Public participation in return on Equity Investment in excess of a 8.5% unleveraged IRR;
9. Certification of Costs and Reimbursement Policy;
10. Certificate of Completion and Compliance Policy;
11. Parameters for the issuance of Obligations;
12. Interest Policy;
13. Annual Progress Reporting;
14. Procedures for the Payment of Prevailing Wages; and
15. Environmental Policy.

XVIII. PROVISIONS FOR AMENDING THE PLAN

This Redevelopment Plan and Redevelopment Projects may be amended pursuant to the provisions of the Act, except in the event that there are minor inaccuracies contained within this Redevelopment Plan or any Exhibit attached hereto that do not arise to more than a scrivener's error, the City Council of the City authorizes the Commission to approve and correct such inaccuracies and to execute any required instruments and to make and

incorporate such amendment or change to this Redevelopment Plan or any Exhibit attached hereto.

EXHIBIT 1A
Redevelopment Area Legal Description

TIF Area 6 – Overall Redevelopment Area Boundary
Olsson No. 023-04686
August 21, 2023

Redevelopment Area Legal Description

A tract of land in the South Half of Section 14 Township 52 North, Range 34 West of the 5th Principal Meridian in Kansas City, Platte County, Missouri being bounded and described as follows: Commencing at the Northeast corner of the Southeast Quarter of said Section 14; thence North 89°59'22" West on the North line of said Southeast Quarter, 2,654.10 feet to the Northwest corner of said Southeast Quarter also being the Northeast corner of the Southwest Quarter of said Section 14 (center of section); thence South 00°13'20" West on the West line of said Southeast Quarter also being the East line of said Southwest Quarter, 582.23 feet to a point on the existing Southerly Right-of-Way line of Interstate Route No. 435 as now established, said point also being the Point of Beginning of the tract of land to be herein described; thence South 73°47'20" East on said existing Southerly Right-of-Way line, 469.90 feet; thence South 76°39'04" East on said existing Southerly Right-of-Way line, 200.25 feet; thence South 73°47'20" East on said existing Southerly Right-of-Way line, 304.12 feet; thence leaving said existing Southerly Right-of-Way line South 15°07'15" West, 28.20 feet; thence Southerly along a curve to the left having an initial tangent bearing of South 15°07'13" West with a radius of 414.24 feet, a central angle of 24°02'51" and an arc distance of 173.86 feet; thence South 79°29'38" West, a distance of 102.00 feet to a point on the existing Westerly Right-of-Way line of N. Ambassador Drive. as now established; thence Southerly on said existing Westerly Right-of-Way line, along a curve to the left having an initial tangent bearing of South 10°30'22" East with a radius of 550.00 feet, a central angle of 03°48'14" and an arc distance of 36.52 feet; thence Southwesterly on said existing Westerly Right-of-Way line, along a curve to the right having a common tangent with the last described course with a radius of 25.00 feet, a central angle of 87°19'44" and an arc distance of 38.10 feet to a point on the existing Northerly Right-of-Way line of NW 123rd Court; thence Westerly on said existing Northerly Right-of-Way line, along a curve to the right having a common tangent with the last described course with a radius of 470.00 feet, a central angle of 31°30'14" and an arc distance of 258.43 feet; thence Westerly on said existing Northerly Right-of-Way line, along a curve to the left having a common tangent with the last described course with a radius of 1,230.00 feet, a central angle of 08°44'15" and an arc distance of 187.57 feet to a point on the existing Westerly Right-of-Way line of said NW 123rd Court; thence South 05°47'08" West on said existing Westerly Right of Way line, a distance of 60.00 feet to a point on the existing Southerly Right-of-Way line of said NW 123rd Court; thence Easterly on said existing Southerly Right-of-Way line, along a curve to the right having an initial tangent bearing of South 84°12'54" East with a radius of 1,170.01 feet, a central angle of 08°44'15" and an arc distance of 178.43 feet; thence Easterly on said existing Southerly Right-of-Way line, along a curve to the left having a common tangent with the last described course with a radius of 530.00 feet, a central angle of 31°51'19" and an arc distance of 294.67 feet to a point on said existing Westerly Right-of-Way line of said N. Ambassador Drive; thence Southeasterly along a curve to the right having a common tangent with the last described course with a radius of 25.00 feet, a central angle of 82°03'42" and an arc distance of 35.81 feet;

thence Southeasterly on said existing Westerly Right-of-Way line of said N. Ambassador Drive. along a curve to the left having an initial tangent bearing of South 25°16'04" East with a radius of 552.00 feet, a central angle of 06°20'29" and an arc distance of 61.09 feet; thence South 31°36'41" East on said existing Westerly Right-of-Way line a distance of 117.27 feet; thence leaving said existing Westerly Right-of-Way line South 62°55'15" West, 742.65 feet; thence South 27°04'45" East, 72.61 feet; thence South 07°57'48" West, 65.93 feet; thence South 26°49'36" East, 121.66 feet; thence South 63°53'04" West, 98.82 feet; thence South 26°08'30" East, 431.52 feet; thence South 00°35'02" East, 148.01 feet to a point on the described Southerly line of the tract of land described in book 1113 at page 113 also described in book 2009 at page 014483, which is now the Northerly Right-of-Way line for Route 291 also known as NW Cookingham Drive which becomes the Northerly Right-of-Way line of Missouri Interstate Route No. 29; thence North 89°10'41" West on said Northerly lines, 295.14 feet; thence North 78°14'48" West on said Northerly lines, 73.16 feet; thence Northwesterly on said Northerly lines along a curve to the right having an initial tangent bearing of North 78°14'50" West with a radius of 550.00 feet, a central angle of 32°01'20" and an arc distance of 307.39 feet; thence North 46°13'28" West on said Northerly lines, a distance of 550.05 feet; thence Northwesterly on said Northerly lines along a curve to the right having an initial tangent bearing of North 46°13'27" West with a radius of 1,355.00 feet, a central angle of 14°48'58" and an arc distance of 350.39 feet; thence North 31°24'29" West on said Northerly lines, 494.31 feet; thence North 33°09'34" West on said Northerly lines, 167.47 feet; thence North 34°54'56" West on said Northerly lines, 210.59 feet; thence North 37°31'25" West on said Northerly lines, 579.37 feet; thence North 35°40'37" East on said Northerly lines, 265.58 feet to a point on said existing Southerly Right-of-Way line of said Interstate Route No. 435; thence North 77°32'06" East on said existing Southerly Right-of-Way line, 264.66 feet; thence South 73°47'20" East on said existing Southerly Right-of-Way line, 214.53 feet; thence South 60°40'17" East on said existing Southerly Right-of-Way line, 66.09 feet; thence South 80°42'00" East on said existing Southerly Right-of-Way line, 332.42 feet; thence South 73°47'20" East on said existing Southerly Right-of-Way line, 300.00 feet; thence South 67°08'04" East on said existing Southerly Right-of-Way line, 302.03 feet; thence South 73°47'20" East on said existing Southerly Right-of-Way line, 30.10 feet to the Point of Beginning. Containing 2,993,957 square feet or 68.73 acres, more or less.

EXHIBIT 1B

Project Areas Legal Description

Redevelopment Project Area 1

1 – Peachy Parking Lot
Olsson No. 023-04686
August 22, 2023

RPA 1 Legal Description

A tract of land in the South half of Section 14 Township 52 North, Range 34 West of the 5th Principal Meridian in Kansas City, Platte County, Missouri being bounded and described as a TIF Description, as follows: Commencing at the Northeast corner of the Southeast Quarter of said Section 14; thence North 89°59'22" West, on the North line of said Southeast Quarter, 2,654.10 feet to the Northwest corner of said Southeast Quarter (center of section); thence South 00°13'20" West, on the West line of said Southeast Quarter, 666.79 feet to a point on the proposed Southerly Right-of-Way also being the Point of Beginning of the tract of land to be herein described; thence, continuing on said proposed Southerly Right-of-Way line for the following five calls, South 73°47'20" East, 102.04 feet; thence Southeasterly along a curve to the right being tangent to the last described course with a radius of 310.00 feet, a central angle of 48°46'09" and an arc distance of 263.87 feet; thence South 25°01'10" East, 144.30 feet; thence Easterly along a curve to the left being tangent to the last described course with a radius of 390.00 feet, a central angle of 85°54'46" and an arc distance of 584.79 feet; thence North 69°04'04" East, 9.62 feet to a point on the existing Westerly Right-of-Way line of North Ambassador Drive as now established; thence, continuing on said Westerly Right-of-Way line for the following three calls, Southeasterly along a curve to the right having an initial tangent bearing of South 54°07'43" East with a radius of 25.00 feet, a central angle of 28°51'27" and an arc distance of 12.59 feet; thence Southeasterly along a curve to the left having an initial tangent bearing of South 25°16'04" East with a radius of 552.00 feet, a central angle of 06°20'29" and an arc distance of 61.09 feet; thence South 31°36'41" East, a distance of 117.27 feet; thence, leaving said Westerly Right-of-Way line, South 62°55'15" West, 742.65 feet; thence South 27°04'45" East, 72.61 feet; thence South 07°57'48" West, 65.93 feet; thence South 26°49'36" East, 121.66 feet to a point on the proposed Easterly Right-of-Way line; thence, continuing on said Easterly Right-of-Way line for the following seven calls, South 66°06'23" West, 146.97 feet; thence Westerly along a curve to the right being tangent to the last described course with a radius of 210.00 feet, a central angle of 64°22'00" and an arc distance of 235.92 feet; thence North 49°31'37" West, 359.12 feet; thence Northwesterly along a curve to the right being tangent to the last described course with a radius of 310.00 feet, a central angle of 22°26'52" and an arc distance of 121.45 feet; thence North 27°04'45" West, 567.13 feet; thence Northerly along a curve to the right being tangent to the last described course with a radius of 310.00 feet, a central angle of 63°54'12" and an arc distance of 345.75 feet; thence North 36°49'27"

{33879 / 70622; 1013018. }

I-29 & I-435 TIF Plan

East, 85.66 feet; thence, continuing onto the proposed Southerly Right-of-Way line for the following two calls, Easterly along a curve to the right being tangent to the last described course with a radius of 310.00 feet, a central angle of $69^{\circ}23'13''$ and an arc distance of 375.42 feet; thence South $73^{\circ}47'20''$ East, 184.12 feet to the Point of Beginning. Containing 1,187,368 square feet or 27.26 acres, more or less.

Redevelopment Project Area 2

TIF RPA 2 – Convenience Store Gas Station / Restaurant

Olsson No. 023-04686

August 21, 2023

RPA 2 Legal Description

A tract of land in the Southeast Quarter of Section 14, Township 52 North, Range 34 West of the 5th Principal Meridian in Kansas City, Platte County, Missouri being bounded and described, as follows: Commencing at the Northeast corner of said Southeast Quarter of Section 14; thence North 89°59'22" West, on the north line of said southeast quarter, a distance of 2,654.10 feet to the northwest corner of said southeast quarter (center of section); thence South 00°13'20" West, on the west line of said southeast quarter a distance of, 2,080.39 feet; thence leaving said west line, South 89°46'40" East, 110.89 feet to the Point of Beginning of the tract of land to be herein described: thence Easterly along a curve to the left having an initial tangent bearing of South 80°36'56" East with a radius of 290.00 feet, a central angle of 33°16'41" and an arc distance of 168.44 feet; thence North 66°06'23" East, 46.74 feet; thence South 26°39'00" East, 356.03 feet; thence South 00°35'02" East, 148.01 feet to a point on the described southerly line of the tract of land described in book 1113 at page 113- and book 2009 at page 014483, which is now the northerly right-of-way line for Route number 291 also known as NW Cookingham Drive; thence on said described line the following 3 calls, North 89°10'41" West, 295.14 feet; thence North 78°14'48" West, 73.16 feet; thence Westerly along a curve to the right having an initial tangent bearing of North 78°14'50" West with a radius of 550.00 feet, a central angle of 09°47'32" and an arc distance of 94.00 feet; thence leaving said described line, Northerly on a proposed right-of-way line, along a curve to the left having an initial tangent bearing of North 35°15'31" East with a radius of 161.50 feet, a central angle of 26°45'15" and an arc distance of 75.41 feet; thence North 08°30'16" East, 212.35 feet; thence Northerly along a curve to the right being tangent to the last described course with a radius of 282.50 feet, a central angle of 09°31'05" and an arc distance of 46.93 feet; thence North 18°01'21" East, 58.14 feet to the Point of Beginning. Containing 154,915 square feet or 3.56 acres, more or less.

EXHIBIT 2A

Map of Redevelopment Area and Redevelopment Project Areas (the "Site Plan")

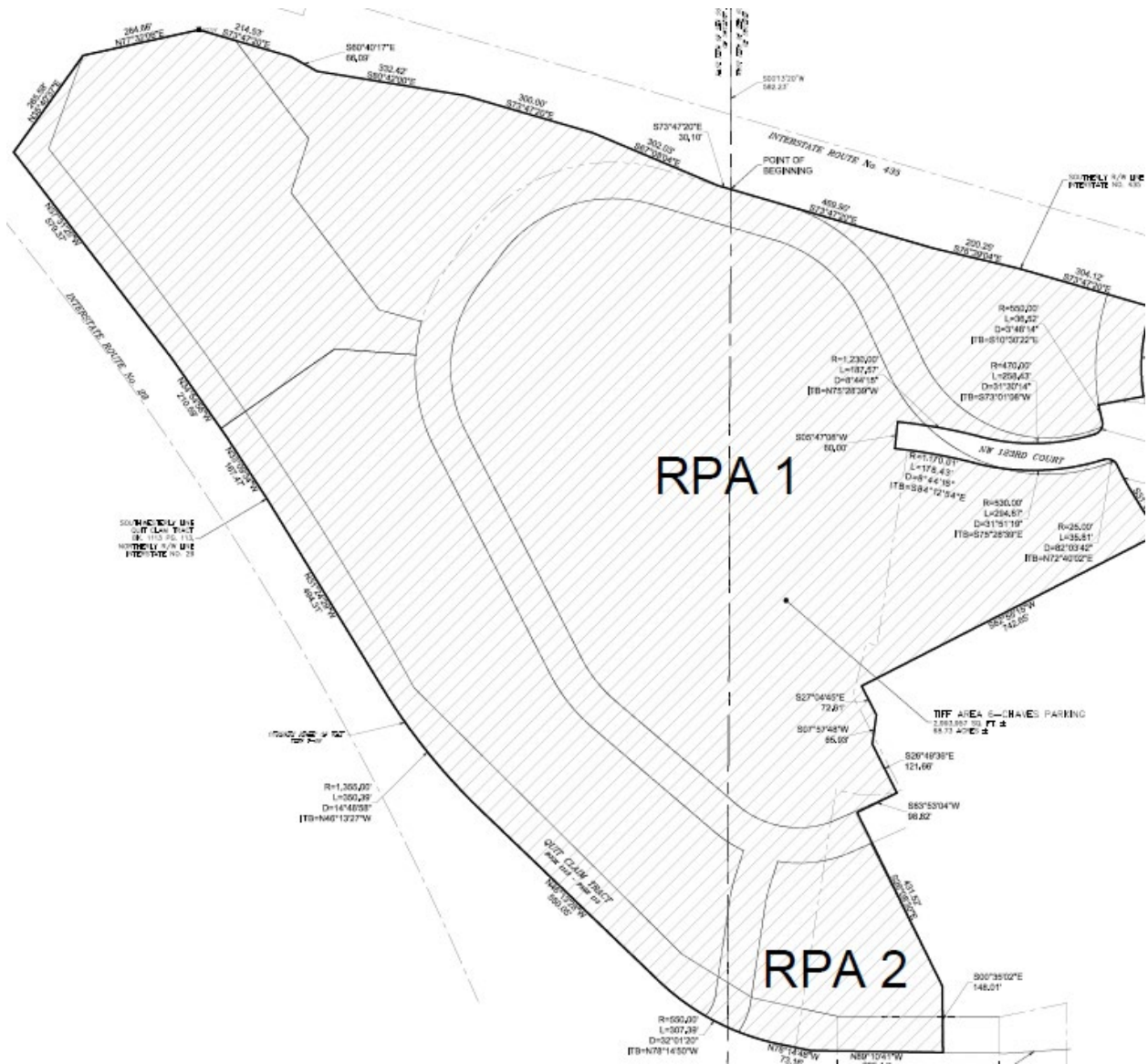


EXHIBIT 3

SPECIFIC OBJECTIVES

To encourage economic development in an area that has not been subject to growth and development through investment by private enterprise;

2. To enhance the tax base of the City and the other Taxing Districts, encourage private investment in the surrounding area;
3. To increase employment opportunities;
4. To stimulate construction and development and generate tax revenues, which would not occur without Tax Increment Financing assistance; and
5. To construct a covered airport parking facility on approximately 30.5 acres with an accessory approximately 10,000 square-foot office building that shall include approximately 3,500 square feet of retail space and related parking improvements and an approximately 12,000 square-foot convenience store gas station / drive through restaurant and related parking lot improvements, together with public infrastructure improvements, including street improvements, highway roundabout improvements, site demolition, water, stormwater, sanitary sewer, other utilities and related improvements to support to support the Project Improvements.

EXHIBIT 4A

CONSTRUCTION TOTALS BY PROJECT AREA

Redevelopment Project Area 1

	New Construction	Existing Structures to REMAIN	Existing Structures to be REHABBED	Total	Existing Structures to be DEMOLISHED
Office SF	10,000	0	0	10,000	0
Retail SF	3,500	0	0	3,500	0
Warehouse / Storage SF	0	0	0	0	0
Industrial / Manufacturing SF	0	0	0	0	0
Residential SF	0	0	0	0	0
Total Square Feet	13,500	0	0	13,500	0

Number of Dwelling Units	0	0	0	0	0
Number of Motel Rooms	0	0	0	0	0
Number of Parking Spaces	3,600	0	0	3,600	0

Redevelopment Project Area 2

	New Construction	Existing Structures to REMAIN	Existing Structures to be REHABBED	Total	Existing Structures to be DEMOLISHED
Office SF	0	0	0	0	0
Retail SF	12,000	0	0	12,000	0
Warehouse / Storage SF	0	0	0	0	0
Industrial / Manufacturing SF	0	0	0	0	0
Residential SF	0	0	0	0	0
Total Square Feet	12,000	0	0	12,000	0

Number of Dwelling Units	0	0	0	0	0
Number of Motel Rooms	0	0	0	0	0
Number of Parking Spaces	80	0	0	80	0

EXHIBIT 4B

EMPLOYMENT INFORMATION

Redevelopment Project Area 1

Permanent jobs to be CREATED IN Kansas City	10
Permanent jobs to be RELOCATED TO Kansas City	0
Permanent jobs to be RETAINED IN Kansas City	0
TOTAL	10
Anticipated Annual Payroll	\$500,000
Estimated number of construction workers to be hired during construction phase (FTE)	10
Estimated construction payroll in all construction phases	\$750,000

Redevelopment Project Area 2

Permanent jobs to be CREATED IN Kansas City	15
Permanent jobs to be RELOCATED TO Kansas City	0
Permanent jobs to be RETAINED IN Kansas City	0
TOTAL	15
Anticipated Annual Payroll	750,000
Estimated number of construction workers to be hired during construction phase (FTE)	10
Estimated construction payroll in all construction phases	750,000

EXHIBIT 5

ESTIMATED REDEVELOPMENT PROJECT COSTS

{33879 / 70622; 1013018. }

I-29 & I-435 TIF Plan

Construction Budget		Estimated Project Costs	TIF Reimbursable	CID Reimbursable	Private Debt / Equity	Total
Land Acquisition		4,500,000			4,500,000	4,500,000
Building Construction - 3rd Party		-				
Building Construction - Developer		28,717,139			28,717,139	28,717,139
	Subtotal:	33,217,139			33,217,139	32,217,139
Public Improvements						
	Public Streets (Loop)	5,483,005	4,258,402	1,224,603		5,483,005
	Demolition	276,072	276,072			276,072
	Detention Pond	383,190	383,190			383,190
	Signs and wayfinding	699,345	699,345			699,345
	Round-a-bouts	5,515,044	5,515,044			5,515,044
	Site Utilities	1,300,000	650,000	650,000		1,300,000
	Special Inspections	150,000	150,000			
	Subtotal: Public Inf.	13,806,656	11,932,053	1,874,603		13,806,656
Developer fee (4%)		1,890,485			1,890,485	1,890,485
Construction Mgmt Fee (3.5%)		1,488,333			1,488,333	1,488,333
Professional Service Costs		250,000			250,000	250,000
Permits		500,000			500,000	500,000
Contingency & Other (5.9%)		2,500,000			2,500,000	2,500,000
Subtotal Const. Costs		53,652,613	11,932,053	1,874,603	39,845,957	53,652,613
Administrative Costs & Interest						
Legal		150,000	150,000			150,000
Staff time		100,000	100,000			100,000
Developer Interest (est.)		1,656,000	1,656,000			1,656,000
Accounting, Insurance, Other Admin		300,000		300,000		300,000
Total Const. Costs & Admin.		55,858,613	13,838,053	2,174,603	39,845,957	55,858,613

EXHIBIT 6

Estimated Annual Increases in Assessed Value and Resulting Payments in Lieu of Taxes

Assistance Year	Calendar Year	Appraised Value	Assessed Value	Base Assessed Value	Incremental Assessed Value	PILOTs Captured	Total Incremental PILOTs
							75,788
1	2025	19,105,452	6,113,745	475,327	5,638,418	50%	213,662
2	2026	21,376,749	6,840,560	540,018	6,300,541	50%	238,753
3	2027	22,814,229	7,300,553	618,217	6,682,336	50%	253,220
4	2028	23,897,777	7,647,289	653,023	6,994,266	50%	265,041
5	2029	24,352,544	7,792,814	678,257	7,114,557	50%	269,599
6	2030	27,217,971	8,709,751	812,868	7,896,883	50%	299,244
7	2031	27,217,971	8,709,751	812,868	7,896,883	50%	299,244
8	2032	27,762,330	8,883,946	812,868	8,071,078	50%	305,845
9	2033	27,762,330	8,883,946	812,868	8,071,078	50%	305,845
10	2034	28,317,577	9,061,625	812,868	8,248,757	50%	312,578
11	2035	28,317,577	9,061,625	337,541	1,974,015	50%	74,803
Total							2,837,837

The above table includes only estimated PILOTs for Redevelopment Projects 1 & 2 with identified uses and completion dates and are expected to be activated in 2025 (RPA 1) and 2026 (RPA 2), which results in 10 years of PILOT capture for each of Redevelopment Projects 1 and 2. These estimates do not include potential PILOTs that could be generated from potential redevelopment project areas.

Estimated Annual Increases in Projected Economic Activity Taxes

ASSISTANCE YEAR	CALENDAR YEAR	TIF INCREMENTAL EATS				CID
		E-TAX & NET PROFITS	UTILITIES TAXES	SALES TAXES	TOTAL EATS	CID SALES TAXES
				2.8125%		0.5%
1	2025	-	-	42,295	42,295	7,519
2	2026	2,500	1,547	98,915	102,962	17,585
3	2027	6,250	2,562	114,932	123,745	20,432
4	2028	6,375	2,613	117,231	126,219	20,841
5	2029	6,503	2,666	174,149	183,318	30,960
6	2030	6,633	2,719	177,632	186,984	31,579
7	2031	6,765	2,773	181,185	190,724	32,211
8	2032	6,901	2,829	184,809	194,538	32,855
9	2033	7,039	2,885	188,505	198,429	33,512
10	2034	7,179	2,943	192,275	202,397	34,182
11	2035	7,323	3,002	202,370	212,695	34,866
12	2036	7,469	3,062	206,293	216,824	35,563
13	2037	7,619	3,123	210,294	221,036	36,274
14	2038	7,771	3,186	214,375	225,331	37,000
15	2039	7,927	3,249	218,537	229,713	37,740
16	2040	8,085	3,314	222,783	234,182	38,495
17	2041	8,247	3,381	227,113	238,741	39,265
18	2042	8,412	3,448	231,531	243,391	40,050
19	2043	8,580	3,517	236,036	248,134	40,851
20	2044	8,752	3,588	240,632	252,971	41,668
21	2045	8,927	3,659	245,320	257,906	42,501
22	2046	9,105	3,733	250,101	262,939	43,351
23	2047	9,287	3,807	254,978	268,073	44,218
24	2048	6,315	1,294	49,676	57,285	45,103
TOTAL		169,961	68,903	4,481,967	4,720,831	818,621

The above table includes only estimated EATs for Redevelopment Projects 1 & 2 with identified uses and completion dates and are expected to be activated in 2025 (RPA 1) and 2026 (RPA 2), which results in 23 years of EATs capture for each of Redevelopment Projects 1 and 2. These estimates do not include potential EATs that could be generated from potential redevelopment project areas.

EXHIBIT 7

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

1.	Amount of costs funded PILOTS and EATs	\$13,838,053*
2.	Amount of costs funded by equity	\$10,832,949
3.	Amount of costs funded by private debt	\$29,013,008
4.	Amount of costs funded by CID Revenue	\$2,174,603
	Total Sources	\$55,858,613

*The City of Kansas City, Missouri is expected to advance \$5,515,044 towards the cost of construction for the round-a-bout Public Improvements and will have a first priority right to full reimbursement from TIF Revenue. Once the City is fully reimbursed, the Redeveloper shall be entitled to reimbursement of its certified Redevelopment Project Costs.

EXHIBIT 8

Development Schedule

EVENT	YEAR
Design Completion	2024
City and Agency Approvals	2024
Financing Closing	2024-2026
RPA I Begin Construction	2024-2026
RPA I Complete Construction	2026-2030
RPA II Begin Construction	2024
RPA II Complete Construction	2025

EXHIBIT 9

Cost-Benefit Analysis

(SEE ATTACHED)

Cost-Benefit Analysis

Cost-Benefit Summary - 23-year analysis
Per-capita impacts calculated at 100% of total average revenues and costs.

Benefits	City of Kansas City	Platte County	Tri-County Mental Health	DDRB	Blind Pension Fund	Mid-Continent Public Library	* Kansas City Zoo District	Platte County R-3	Metro Community Colleges	State of Missouri
Sales Taxes:	\$ 1,589,645	\$ 711,912	--	--	--	--	\$ 79,101	--	--	\$ 2,859,527
Property Taxes:	\$ 10,457,626	\$ 4,375,992	\$ 730,090	\$ 448,903	\$ 187,043	\$ 3,157,905	--	\$ 30,923,781	\$ 1,437,112	\$ -
Income Taxes:	\$ 1,316,373	--	--	--	--	--	--	--	--	\$ 5,667,008
Other Revenues:	\$ 1,439,926	\$ 361,557	\$ 40,489	\$ 32,629	\$ 4,212	\$ 175,869	\$ 7,459	\$ 2,001,582	\$ 90,394	\$ 1,861,343
Total Revenues:	\$ 14,803,570	\$ 5,449,462	\$ 770,580	\$ 481,532	\$ 191,255	\$ 3,333,775	\$ 86,560	\$ 32,925,363	\$ 1,527,505	\$ 10,387,877
Costs										
Costs for Services:	\$ 1,418,508	\$ 225,327	\$ 3,607	\$ 7,182	\$ 1,058	\$ 9,193	\$ 10,973	\$ 1,032,336	\$ 14,798	\$ 2,413,466
Incentives:	\$ 1,722,991	\$ 540,001	\$ 90,167	\$ 55,440	\$ -	\$ 390,005	\$ -	\$ 3,819,123	\$ 177,485	\$ -
Total Costs:	\$ 3,141,499	\$ 765,328	\$ 93,774	\$ 62,622	\$ 1,058	\$ 399,198	\$ 10,973	\$ 4,851,459	\$ 192,283	\$ 2,413,466
Net Cost/Benefit										
Public Benefits:	\$ 14,803,570	\$ 5,449,462	\$ 770,580	\$ 481,532	\$ 191,255	\$ 3,333,775	\$ 86,560	\$ 32,925,363	\$ 1,527,505	\$ 10,387,877
Public Costs & Incentives:	\$ 3,141,499	\$ 765,328	\$ 93,774	\$ 62,622	\$ 1,058	\$ 399,198	\$ 10,973	\$ 4,851,459	\$ 192,283	\$ 2,413,466
Net Benefits (Costs):	\$ 11,662,071	\$ 4,684,133	\$ 676,806	\$ 418,910	\$ 190,197	\$ 2,934,577	\$ 75,587	\$ 28,073,903	\$ 1,335,223	\$ 7,974,411
Present Value of Public Benefits:	\$ 8,317,008	\$ 3,106,990	\$ 419,403	\$ 261,533	\$ 102,015	\$ 1,814,489	\$ 63,152	\$ 17,907,976	\$ 830,912	\$ 6,152,051
Present Value of Incentives:	\$ 1,138,910	\$ 387,169	\$ 64,644	\$ 39,746	\$ -	\$ 279,623	\$ -	\$ 2,738,262	\$ 127,250	\$ -

This analysis shows on the Net Benefits/Costs line the impact on each taxing jurisdiction within the boundaries of the redevelopment area if the project is built.
*Platte County does not impose Kansas City Zoo District tax on property in Kansas City, Platte County, Missouri. The cost-benefit for this is null. No funds are collected.

Cost-Benefit Summary - 23-year analysis
Per-capita impacts calculated at 100% of total average revenues and costs.

Benefits	City of Kansas City	Platte County	Tri-County Mental Health	DDRB	Blind Pension Fund	Mid-Continent Public Library	Kansas City Zoo District	Platte County R-3	Metro Community Colleges	State of Missouri
Sales Taxes:	\$ -	\$ -	--	--	--	--	\$ -	--	--	\$ -
Property Taxes:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	--	\$ -	\$ -	\$ -
Income Taxes:	\$ -	--	--	--	--	--	--	--	--	\$ -
Other Revenues:	<u>\$ 576,212</u>	<u>\$ 240,778</u>	<u>\$ 40,204</u>	<u>\$ 24,720</u>	<u>\$ -</u>	<u>\$ 173,897</u>	<u>\$ -</u>	<u>\$ 1,702,886</u>	<u>\$ 79,138</u>	<u>\$ -</u>
Total Revenues:	\$ 576,212	\$ 240,778	\$ 40,204	\$ 24,720	\$ -	\$ 173,897	\$ -	\$ 1,702,886	\$ 79,138	\$ -
Costs										
Costs for Services:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Incentives:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Costs:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Cost/Benefit										
Public Benefits:	\$ 576,212	\$ 240,778	\$ 40,204	\$ 24,720	\$ -	\$ 173,897	\$ -	\$ 1,702,886	\$ 79,138	\$ -
Public Costs & Incentives:	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net Benefits (Costs):	\$ 576,212	\$ 240,778	\$ 40,204	\$ 24,720	\$ -	\$ 173,897	\$ -	\$ 1,702,886	\$ 79,138	\$ -
Present Value of Public Benefits:	\$ 413,175	\$ 172,648	\$ 28,824	\$ 17,718	\$ -	\$ 124,689	\$ -	\$ 1,221,067	\$ 56,741	\$ -
Present Value of Incentives:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

This analysis shows on the Net Benefits/Costs line the impact on each taxing jurisdiction within the boundaries of the redevelopment area if the project is not built. Because the project is EATs only, there is no impact on the jurisdictions which have not imposed sales taxes or other types of economic activity taxes, if the project is not built.

EXHIBIT 10

Evidence of “But For”

(SEE ATTACHED)



I-29 & I-435 TIF Plan

Financial But-For Analysis

January 5, 2024

Image Source: Airport Parking, LLC

I-29 & I-435 TIF Plan | FINANCIAL BUT-FOR ANALYSIS
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Conclusions.....23

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Prepared by SB Friedman Development Advisors
January 5, 2024

EXECUTIVE SUMMARY

30.5-acre airport parking facility, 3,500 SF of restaurant/retail, and 9 development-ready pad sites

PROJECT ATTRIBUTES		FINDINGS
	LOCATION & CONTEXT	<ul style="list-style-type: none"> 68.7-acre undeveloped site located generally to the north of Cookingham Drive, west of North Ambassador Drive, east of I-29 and south of I-435 ("Site"). Site is located within 1 mile of Kansas City International Airport, and adjacent to the existing Ambassador Building, an approximately 300,000 SF Class A office building built in 2001. Site benefits from I-29 frontage and is currently only accessible via North Ambassador Drive.
	DEVELOPMENT PROGRAM	<ul style="list-style-type: none"> Development of a 30.5-acre airport parking facility (1,833 parking spaces) to be owned by the Kansas City Airport Parking, LLC ("Applicant") and operated by Peachy Airport Parking. Development of a 3,500 SF restaurant/retail space to be owned by the Applicant and leased to a to-be-determined tenant. Preparation of 9 pad sites ("For-Sale Pad Sites") to be sold to third-party developers/end users ("Pad Developers"). For-Sale Pad Sites are anticipated to be developed into a range of land uses, including office, retail, hotel, and restaurants.
	PROJECT BUDGET	<ul style="list-style-type: none"> \$57.7M in total development costs (TDC), net of any public assistance or reimbursements. Applicant purchased the majority of the Site from the City of Kansas City for \$3.8M and assembled adjacent parcels. Applicant is estimating \$13.8M in site preparation and public infrastructure costs, including costs associated with demolition, roundabouts, public streets, site utilities, stormwater detention, signs/wayfinding, and related inspections. Applicant is assuming \$31.2M for hard construction costs related to the construction of the private and covered parking (Peachy Airport Parking) on Pad 2 and the 3,500 SF restaurant/retail building on Pad 12. Applicant provided third-party documentation from Hoy Excavating outlining site preparation, public infrastructure, and hard construction costs. Applicant is assuming a 3.5% construction management fee and a 4% developer fee applied to costs incurred by both the Applicant and Pad Developers; SB Friedman adjusted both line items to account for the costs to be incurred by only the Applicant, and not the Pad Developers.
	FINANCING ASSUMPTIONS	<ul style="list-style-type: none"> Applicant anticipates financing the Project through a combination of conventional debt, cash equity, and \$5.5M in upfront City funding for construction of the two roundabouts. City would be repaid from the first several years of PILOTs and EATs, with the City having priority position until the \$5.5M in upfront funding is repaid.
	OPERATING ASSUMPTIONS	<ul style="list-style-type: none"> Airport parking facility is projected to charge \$10/space/day, increasing 5% annually. Applicant anticipates leasing the 3,500 SF restaurant/retail space for \$15/SF NNN. Applicant anticipates revenues from For-Sale Pad Sites beginning in 2025, averaging approximately \$6/SF of land.

EXECUTIVE SUMMARY

Project, as presented, appears to require the requested assistance to be financially viable

CONCLUSIONS

REQUESTED ASSISTANCE

- Payment in lieu of real property taxes (PILOTs) of 50% of taxes (above current predevelopment taxes) for 10 years.
- Reimbursement of Economic Activity Taxes (EATs) for up to 23 years: 50% of the City and County portion of sales taxes, 50% of the 1% Community Improvement District (CID) sales tax captured by the TIF, and 50% of the City Earnings Tax.
- Reimbursement of the remaining 50% of the CID sales tax for 23 years.
- Upfront City funding of \$5.5M for construction of the two roundabouts; to be repaid from the first several years of PILOTs and EATs.
- Applicant is requesting PILOTs, EATs, and CID from the parcels to be developed by the Applicant, as well as the parcels being sold and developed by Pad Developers.
- Applicant is also requesting that the PILOTs, EATs, and CID be activated on a parcel-by-parcel basis as the For-Sale Pad Sites are sold.
- Reimbursements from PILOTs and EATs would be capped at the estimated TIF-eligible expenses of \$13.8M.
- Given the Applicant's assumed 5-year absorption schedule for the For-Sale Pad Sites, PILOTs and EATs reimbursements on a parcel-by-parcel basis are assumed to phase in and out over a 15-year period, while CID reimbursements are assumed to phase in and out over a 27-year period.

BUT-FOR FINDINGS

	Unleveraged IRR	Total Assistance as a % of Total Costs	Benefit to Project of Reimbursed Property Taxes over 15 Years (Estimated)	Property Tax Revenues to Taxing Jurisdictions over 15 Years (Estimated)
No Assistance	3.6%			
Full Requested Assistance	8.3%	15.2%	\$8.1M	\$16.0M

DRIVERS OF NEED FOR PUBLIC ASSISTANCE

- Project, as presented, appears to require the full amount of requested assistance to be financially viable and attract debt and equity investors.
- Factors contributing to the Project's need for assistance include the need to construct the following extraordinary costs: a public street/loop road that provides access to the pad sites, two roundabouts to improve access to the Site, stormwater detention and wayfinding improvements.

RECOMMENDED STRUCTURING OPTIONS

- Project is multiphase and anticipated to be developed over 5 years; development on the For-Sale Pad Sites, which is anticipated to be undertaken by third-party Pad Developers, is preliminary and sales will be market-driven.
- Therefore, the end-uses and anticipated absorption of the For-Sale Pad Sites could vary from the Applicant's development program.
- Given the potential variation in development outcomes, relative to those assumed in the but-for analysis, EDCKC and the TIF Commission could consider check-ins at a determined schedule (e.g., every 5 years) to determine whether the Project is outperforming current assumptions.
- If there are material differences, the public assistance should be recalibrated.

INTRODUCTION

INTRODUCTION

Scope of the But-For Analysis

SB Friedman Development Advisors, LLC (SB Friedman) was engaged by the Economic Development Corporation of Kansas City (EDCKC) to conduct a preliminary financial review of a proposed development located generally to the north of Cookingham Drive, west of North Ambassador Drive, east of I-29 and south of I-435 in Kansas City, Missouri ("Site").

The project consists of site preparation and infrastructure construction to facilitate development of the 57.4-acre (net developable) Site. The horizontal land development will create 11 development-ready pads, two of which will be developed in the near-term as a 30.5-acre airport parking facility and a 3,500 SF restaurant/retail building. The horizontal land development and vertical development of the two pads (referred to collectively as the "Project") will be undertaken by Kansas City Airport Parking, LLC ("Applicant") and are anticipated to cost \$57.7M. The remaining nine development-ready pads ("For-Sale Pad Sites") will be sold to third-party developers and end users ("Pad Developers"). Vertical development costs associated with the For-Sale Pad Sites are estimated to total \$56.1M. These third-party costs are not included in the SB Friedman analysis.

The purpose of the analysis is to evaluate whether the Project as presented appears to need public financial assistance to generate sufficient returns for the Project to attract debt and equity investors. This financial "but-for" test is analytical in nature and is meant to inform a larger policy discussion regarding whether the Project meets desired public objectives.

Our review process is detailed further on the following page.



INTRODUCTION

Review Process

1. Review Project and Site Context

- Where is the project located?
- What is the development program and mix of land uses?

2. Evaluate Development Budget

- What are the project uses? (land, construction costs, etc.)
- Are project costs in line with industry benchmarks? If not, why?

3. Evaluate Financial Assumptions

- How does the Applicant intend to finance the project?
- Has the Applicant exhausted all potential funding sources before requesting public assistance?

4. Evaluate Operating Assumptions

- Are revenue (e.g., rents) and expense assumptions reasonable given target tenant profile, market context and industry benchmarks?

5. Calculate Project Financial Returns

- Is the project achieving a level of financial returns that would allow it to attract the required debt and equity investment?

6. Identify Financial Gap

- Is there a demonstrable financial gap that requires public assistance to make the project successful?

7. Identify Drivers of Need for Assistance

- What project components are driving the financial gap?
- Do these drivers align with larger policy goals?

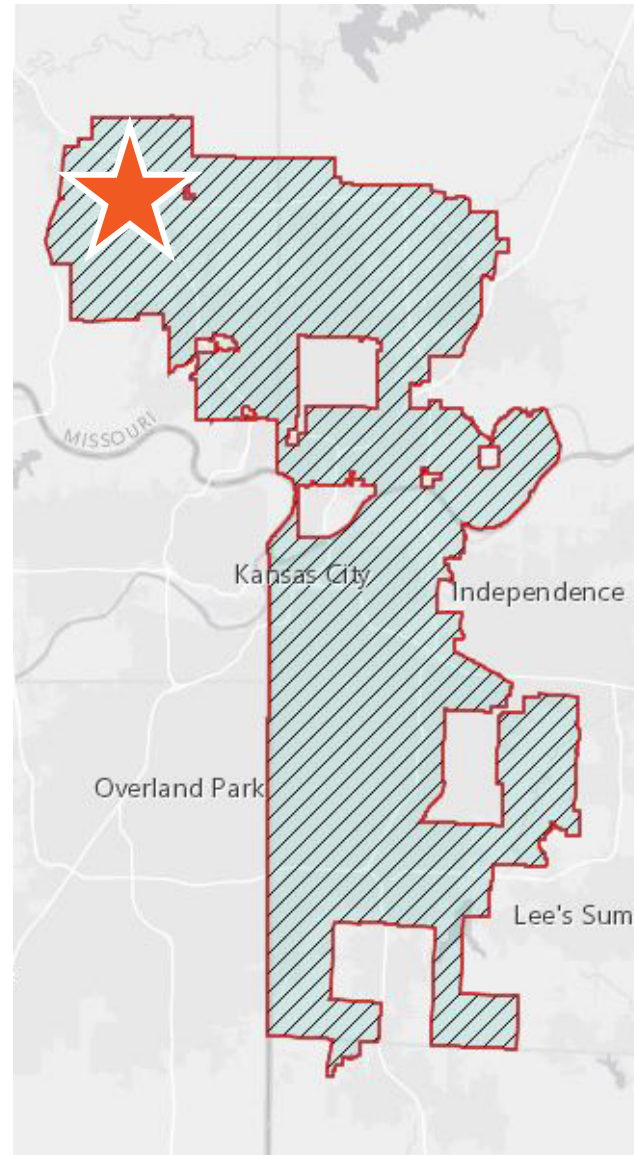
PROJECT OVERVIEW

PROJECT OVERVIEW

Location

The Project is located in the Northland area of Kansas City, approximately 1 mile from Kansas City International Airport ("KCI"), which is currently undergoing an approximately \$1.5B expansion. According to the Northland Regional Chamber of Commerce, the Northland area is one of the fastest-growing areas in Missouri, and the largest area of growth for the Kansas City metro.

Growth in Northland area of Kansas City includes the nearby Hunt Midwest Logistics Park which, according to the Applicant, has the potential to attract 8,000+ jobs and attract nearly \$1.3B in capital investment over the next ten years. Additionally, Meta, Facebook's parent company, has recently completed construction on the first phase of their nearby data center campus.



NEIGHBORHOOD:

Northland

WARD:

1

EXISTING INCENTIVE DISTRICT(S):

- Ambassador Building Community Improvement District

OTHER LOCATION ATTRIBUTES:

- Less than 1 mile from Kansas City International Airport

Source: City of Kansas City, Esri, SB Friedman

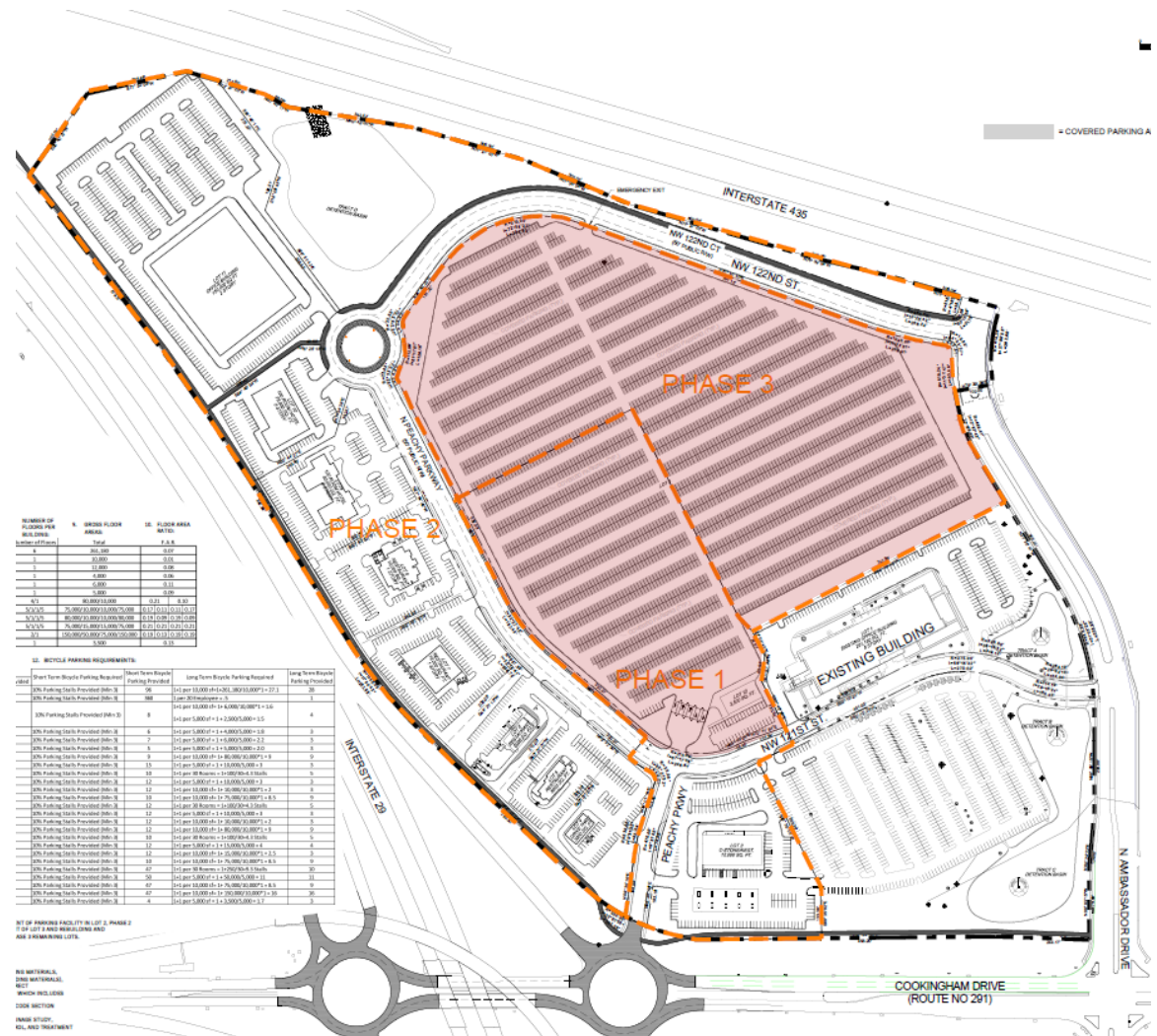
Renderings & Site Plan

The Project is located on 68.7 acres of undeveloped land (57.4 acres net developable) located at the northeast corner of I-29 and Cookingham Drive.

The Site was initially entitled and zoned for an office building as well as retail uses fronting I-29. The office component was developed into the Ambassador Building in 2001 and is the only Class A office building in the KCI corridor. The Ambassador Building is nearly 100% leased.

The Site benefits from visibility from both I-29 to the west and I-435 to the north. According to the Applicant, the City of Kansas City ("City") requested retail development fronting I-29. The Applicant also stated that access improvements, including two new roundabouts and a public access road, are required for the commercial sites to be accessible and attractive to commercial brokers and pad developers. Approximately \$11M in costs are associated with construction of the roundabouts and public streets, with an additional \$1.3M in costs associated with site utilities. The proposed Site plan is presented to the right.

The vertical development to be undertaken by the Applicant is highlighted in red.



Source: Chaves Development

PROJECT OVERVIEW

Development Program

The Project's vertical development program is presented to the right. The Applicant is proposing to construct:

- 30.5-acre airport parking facility, to be operated as Peachy Airport Parking and consisting of approximately 1,833 parking stalls
- 3,500 SF restaurant/retail building, which will be leased to a to-be-identified tenant

The Applicant anticipates phased construction of the airport parking facility, with the first 1,000 stalls completed in 2025 and the remaining 833 stalls completed in 2026. The construction of the Applicant-owned 3,500 SF restaurant/retail building is anticipated to be completed in 2026.

The remaining 9 For-Sale Pad Sites will be sold to Pad Developers and are anticipated to be developed into a range of uses including a gas station, drive-thru retail, offices, and hospitality. Per the Applicant, development on the For-Sale Pad Sites will be market driven; therefore, the end-uses and anticipated absorption could vary from the Applicant's development program.

DEVELOPMENT PROGRAM

Pad Lot Number	Proposed Land Use [1]	Estimated SF / Keys / Parking Spaces	Pad Acreage
To be developed by the Applicant:			
2	Peachy Airport Parking	1,833 spaces	30.5
12	Restaurant / Retail	3,500 SF	0.15
Projected to be developed by third-party Pad Developers:			
3	Gas Station/ Drive Thru	12,000 SF	3.6
4	Drive Thru / Retail	4,000 SF	1.6
5	Drive Thru / Retail	6,000 SF	2.8
6	Drive Thru / Retail	5,000 SF	1.3
7	Office / Pet Hotel	80,000 SF	2.2
8	Restaurant	10,000 SF	2.0
9	Hotel / Restaurant / Office	80,000 SF/100 keys	2.4
10	Hotel / Restaurant / Office	75,000 SF/100 keys	1.75
11	Office	150,000 SF	9.1

Source: Chaves Development, Kansas City Parking, LLC

[1] Proposed land uses are market-driven and may change at the time of pad sale.

PROJECT OVERVIEW

Development Team & Schedule

The horizontal land development and vertical development of the two pads will be undertaken by the Applicant (Kansas City Airport Parking, LLC). The Applicant is an airport parking operator, who will retain ownership and oversee operations of the airport parking facility on Pad 2. It is our understanding that the airport parking facility will operate under the Peachy Airport Parking brand.

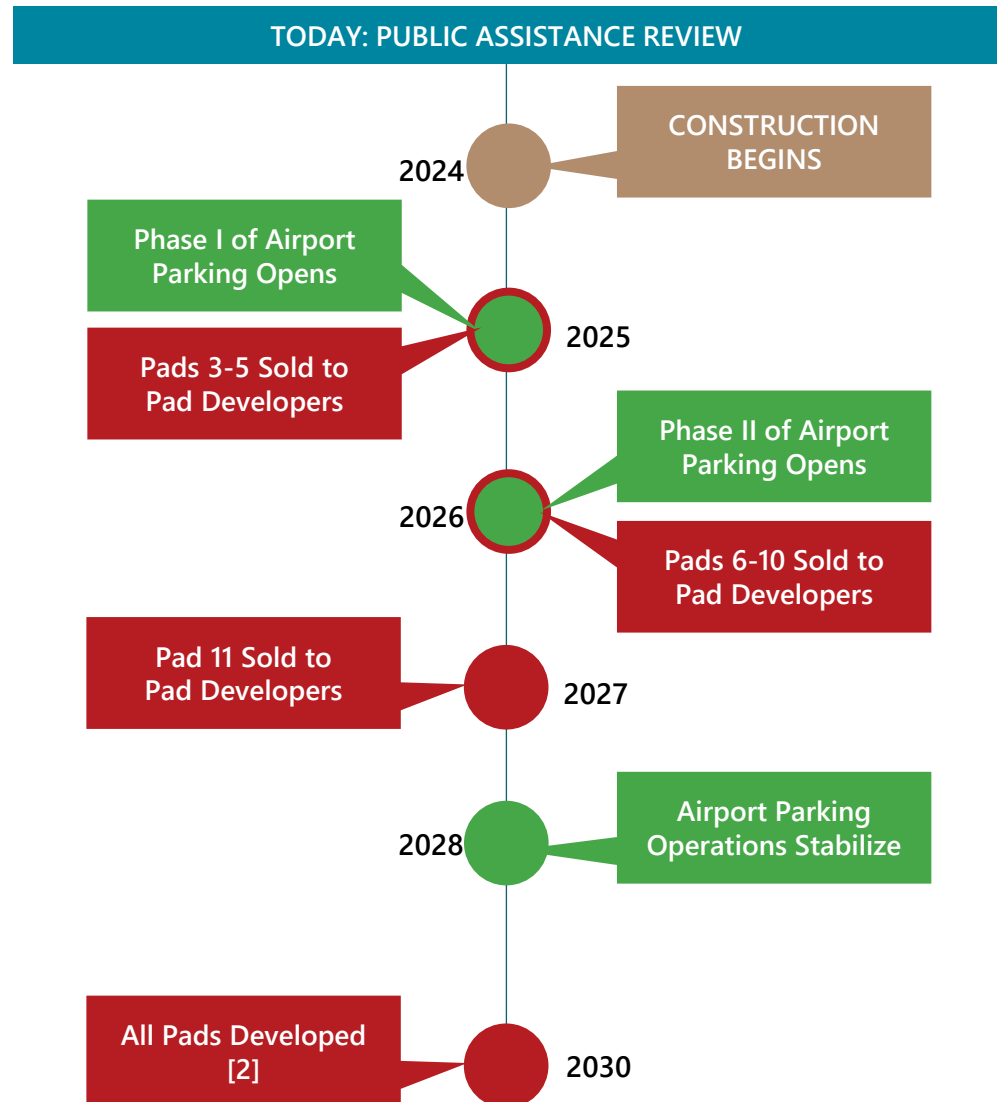
The Applicant will also develop a 3,500 SF restaurant/retail building to be constructed on Pad 12. At this time, the Applicant intends to lease the building to a restaurant user; however, conversations with the Applicant suggest it may alternatively be developed as a museum.

Conversations with potential Pad Developers remain preliminary. The Applicant has provided assumptions related to the pace of pad sales and construction timing. Actual pad sales will be market-driven and may differ from the schedule provided by the Applicant. The Applicant anticipates selling the For-Sale Pad Sites as follows:

- Pads 3-5 in 2025
- Pads 6-10 in 2026
- Pad 11 in 2027

The Applicant is assuming that the For-Sale Pad Sites will begin generating tax revenues 1-3 years after the sale.

TENTATIVE DEVELOPMENT SCHEDULE [1]



[1] Phasing as presented by Applicant; schedule is subject to change.

[2] Applicant indicated For-Sale Pad Sites will likely be developed within three years of sale.

Source: Kansas City Airport Parking LLC

PROJECT OVERVIEW

Applicant Request for Assistance

REQUESTED ASSISTANCE

1. Payment in lieu of real property taxes (PILOTs) of 50% of taxes (above current predevelopment taxes) for 10 years ^[1]
2. Reimbursement of Economic Activity Taxes (EATs) for up to 23 years:
 - 50% of the City and County portion of sales taxes
 - 50% of the 1% Community Improvement District (CID) sales tax captured by the TIF
 - 50% of the City Earnings Tax
3. Reimbursement of the remaining 50% of the CID sales tax for 23 years
4. Upfront City funding of \$5.5M for construction of the two roundabouts to be repaid from the first several years of PILOTs and EATs

[1] Real property taxes captured by the TIF include those levied by Platte County R-3 Schools, City of Kansas City, Mid-Continent Public Library, Platte County, Platte County Special Road, Mental Health, Health Department, Senior Citizens Levy; and not those levied by the Board of Disabled Services and the State Blind Pension Fund.

ESTIMATED TOTAL VALUE OF ASSISTANCE (AS REQUESTED)

\$16.1 million in PILOTs, EATs and CIDs reimbursements and City upfront funding of roundabouts (undiscounted)

ESTIMATED TOTAL PROPERTY TAX COLLECTIONS TO TAXING JURISDICTIONS (AS REQUESTED)

\$16.0 million over 15 years (undiscounted)

The Applicant indicated that Project feasibility is challenged by costs associated with construction of:

- A public street/loop road that provides access to the pad sites
- Two roundabouts to improve access to the Site (the Applicant has indicated that both roundabouts have been approved by MODOT and the FHA)
- Stormwater detention and wayfinding improvements

Therefore, the Applicant is requesting public assistance through EDCKC and the Tax Increment Finance (TIF) Commission, as outlined to the left.

The Applicant is requesting PILOTs, EATs, and CID from the parcels to be developed by the Applicant, as well as the parcels being sold and developed by Pad Developers.

The Applicant is also requesting that the PILOTs, EATs, and CID be activated on a parcel-by-parcel basis as the For-Sale Pad Sites are sold.

It is our understanding that reimbursements from PILOTs and EATs would be capped at the estimated TIF-eligible expenses of \$13.8M.

Source: EDCKC, Kansas City Airport Parking LLC, SB Friedman

PROJECT ANALYSIS

- Development Budget
- Project Financing
- Operating Assumptions
- Projected Financial Returns
- Policy-Related Sensitivity Analyses

DEVELOPMENT BUDGET

Key Budget Line Items

The Applicant provided the following information for our review:

- Chaves TIF Plan Incentives Analysis Model
- Peachy Kansas City Airport Parking Development Model
- Hoy Excavating Budget Proposal dated August 24th, 2023

The Applicant is assuming a Project budget of \$57.7 million, Key budget line items are discussed further below.

- **Land Acquisition.** The Applicant purchased the majority of the Site from the City for approximately \$3.8M and assembled adjacent parcels, resulting in total acquisition costs of \$4.5M or approximately \$1.50/SF of land. An as-is appraisal was not available for our review. SB Friedman reviewed recent land sale transactions (2022-2023) for large development sites (25+ acres) in the Northland area of Kansas City and found that sales range from \$0.48-\$2.39/SF of land (median of \$1.07/SF and weighted average of \$1.01/SF). The Project is at the high end of identified range; however, this is likely attributable to the location and visibility of the Site. Therefore, the Applicant's land acquisition costs appears reasonable.
- **Site Preparation and Public Infrastructure Costs / TIF-Eligible Costs.** The Applicant is assuming site preparation and public infrastructure costs totaling \$13.8M. This includes costs associated with demolition, roundabouts, public streets, site utilities, stormwater detention, signs/wayfinding, and related inspections. These costs are difficult to benchmark due to varying site conditions; however, the Applicant provided third-party documentation from Hoy Excavating (dated August 24, 2023) which outlines these costs. Therefore, SB Friedman accepted these costs for the purposes of this analysis.

KEY LINE ITEMS	Applicant Presented Total	SBF Adjusted Total	% of TDC
Land Acquisition	\$4,500,000	\$4,500,000	8.4%
Site Preparation and Public Infrastructure Costs	\$13,806,656	\$13,806,656	25.7%
Hard Costs - Airport Parking and Restaurant/Retail	\$31,217,129	\$31,217,129	58.2%
Soft Costs	\$750,000	\$750,000	1.4%
Developer Fees	\$3,945,952	\$1,890,485	3.5%
Construction Management Fees	\$3,452,708	\$1,488,333	2.8%
TOTAL	\$57,672,455	\$53,652,613	

Source: Kansas City Airport Parking, LLC, SB Friedman

DEVELOPMENT BUDGET

Key Budget Line Items | Continued

- **Hard Construction Costs.** The Applicant is assuming approximately \$31.2M for hard construction costs related to the construction of the airport parking facility (Peachy Airport Parking) on Pad 2 and the 3,500 SF restaurant/retail building on Pad 12. This includes a \$2.5M contingency. Costs associated with Peachy Airport Parking total \$27.8M, or approximately \$15,000/space. These costs are difficult to benchmark due to the unique nature of the Project; however, the Applicant provided third-party documentation from Hoy Excavating which outlines these costs. Costs associated with 3,500 SF restaurant/retail building total \$962,500, or approximately \$275/SF. The retail costs are within the range of comparable retail projects reviewed by SB Friedman when considering interior buildout. Therefore, SB Friedman accepted these costs for the purposes of this analysis.
- **Development Contingency.** The Applicant is assuming a hard cost contingency of \$2.5M, or 5.9% of site preparation and hard construction costs. A 5.9% construction contingency appears reasonable for a project of this type.
- **Soft and Financing Costs.** The Applicant is assuming \$750,000 in soft and financing costs equal to 1.4% of TDC. These costs include professional service costs and permits. These costs as a percentage of TDC are below typical ranges observed by SB Friedman.
- **Developer Fee.** The Applicant is assuming a developer fee totaling 4% of TDC, net of acquisition. The percentage of TDC assumption is in-line with recent projects reviewed by SB Friedman in Kansas City; however, the 4% metric is applied to both Project costs and the estimated vertical construction costs to be incurred by the Pad Developers. For the purposes of this analysis, SB Friedman adjusted the developer fee to 4% of TDC applied only the costs to be incurred by the Applicant, and not the Pad Developers This results in a reduction of the developer fee from \$3.9M to \$1.9M.
- **Construction Management Fee.** The Applicant is assuming a construction management fee totaling 3.5% of site preparation and public infrastructure costs, as well as hard construction costs incurred by both the Applicant and the Pad Developers. For the purposes of this analysis, SB Friedman adjusted the construction management fee to 3.5% of site preparation, public infrastructure costs, and hard construction costs incurred only by the Applicant (and not the Pad Developers). This results in a reduction of the construction management fee from \$3.5M to \$1.5M.

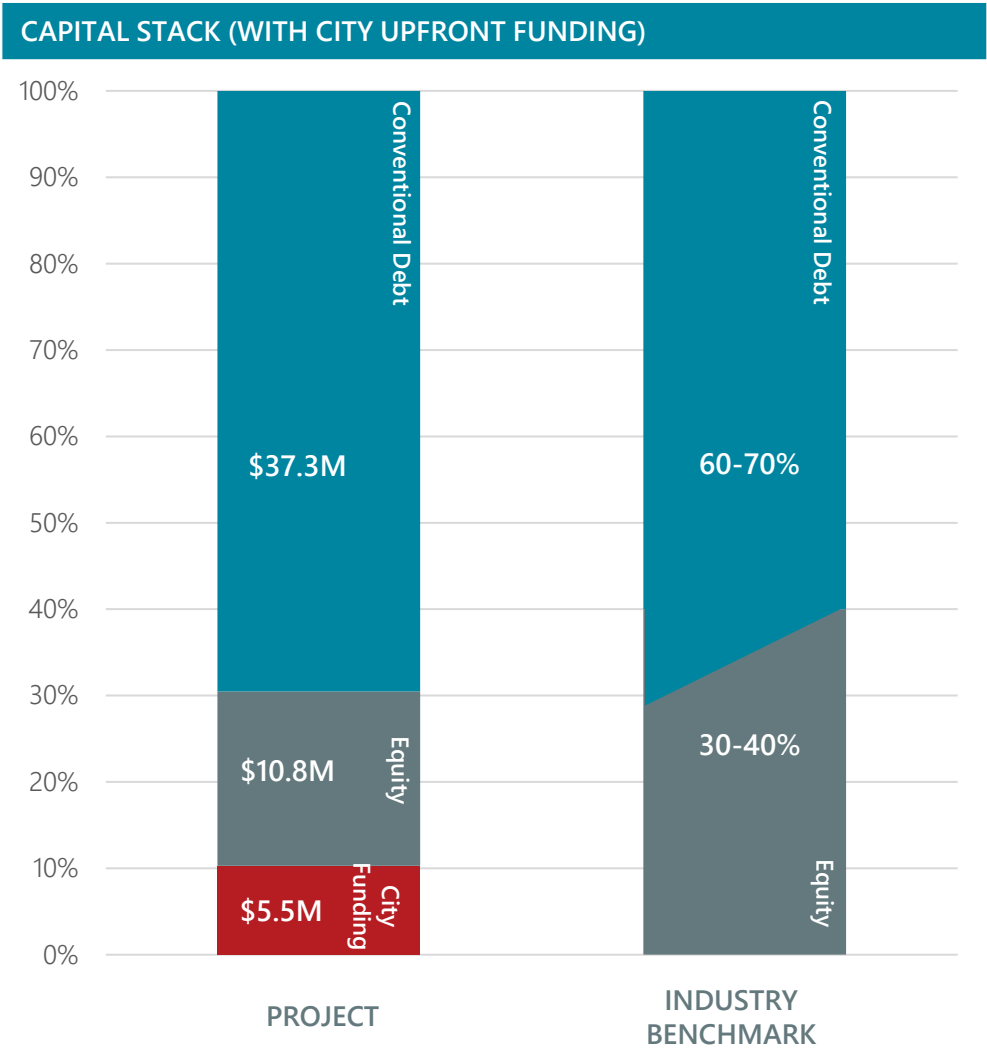
The remaining cost assumptions are in line with comparable projects in Kansas City and industry sources.

PROJECT FINANCING

Financing Sources

Due to the preliminary nature of the financing, SB Friedman reviewed the Project’s returns from an unleveraged perspective which evaluates overall Project feasibility and ability to secure financing rather than returns to specific investors. Key financing assumptions are provided below:

- **Conventional Debt.** The Applicant is assuming \$37.3M in conventional debt, with an 8.5% interest rate and 30-year amortization. With the budget adjustments outlined on the prior pages, this results in a 70% loan-to-cost (LTC). SB Friedman typically observes conventional debt of 60-70% LTC in the Kansas City market, while Realty Rates reported the following national average for Special Purpose – All Types conventional debt in its 4th Quarter 2023 Investor Survey: 9.2% interest rate and 23-year amortization. Therefore, the Applicant’s financing assumptions appear favorable relative to recent projects and industry data.
- **City Upfront Funding of Roundabouts.** The Applicant is in negotiations with the City for \$5.5M in upfront funding for construction of the two roundabouts. The City would be repaid from the first several years of PILOTs and EATs, with the City having priority position until the \$5.5M in upfront funding is repaid. The City upfront funding would finance 10% of TDC.
- **Cash Equity.** Cash equity is estimated to finance 20% of Project costs (with the budget adjustments outlined on the prior pages). Per the Applicant, equity is anticipated to be provided by the Applicant and outside investors. If City upfront funding is not available, additional cash equity would likely be required.



Source: Kansas City Airport Parking, LLC, Realty Rates Q42023 Investor Survey

OPERATING ASSUMPTIONS

Airport Parking Revenue and Expense Assumptions

Key operating assumptions are discussed further below:

- **Airport Parking Revenues.** The Applicant is assuming daily rate of \$10/vehicle (2025\$). In addition to the daily rate per vehicle, there is a recovery fee of \$1.50/vehicle. The revenues escalate 5%/year. While the Applicant did not provide backup information related to estimated parking revenues, SB Friedman benchmarked nearby airport parking rates and found the Applicant's assumption to be reasonable.
- **Airport Parking Operating Expenses.** The Applicant is assuming operating expenses equivalent to approximately 60% of parking revenues in 2030, or the year of full Project build-out. Major expenses cited in the Applicant's assumptions include bus transportation, payroll, marketing, and utilities. The operating expenses inflate 3%/year. These costs are difficult to benchmark due to the unique nature of the Project; however, the Applicant operates similar facilities, and the operating expenses are based on their experience elsewhere. The Applicant's assumed inflation rate appears reasonable relative to increases in operating expenses assumed by other developers in Kansas City.
- **Airport Parking Real Estate Taxes.** The Applicant is assuming an assessed value (AV) of \$5M for the airport parking facility, with 2% biennial increases in valuation. EDCKC reviewed the Applicant's AV, tax rate, and biennial inflation assumptions and determined that the Applicant's assumptions appeared reasonable.

PARKING FACILITY	DAILY RATE [1] (2025\$)	AMENITIES
Peachy Airport Parking	\$10	Covered, 24/7 Operating Hours, 24/7 Airport Shuttle, Online Reservations, Complimentary Water
Park Air Express	\$9.92	Outdoor Surface Parking, Valet, 24/7 Shuttle, EV Charging, Car Wash Service.
Park Air Express	\$16.54	Indoor Covered Parking, Valet, 24/7 Shuttle, EV Charging, Car Wash Service.
TrueParkings	\$6.34	Self Park Uncovered, 24/7 Shuttle Service, Restrooms, Free Wifi
Orangewood Inn	\$6.62	Outdoor Surface Parking, Open 24/7, Shuttle Service.
Holiday Inn Airport Parking (SP+)	\$8.82	Outdoor Surface Self-Parking, Free Shuttle (Restricted Hours)

Source: Airport Parking Reservations.com, SB Friedman

[1] Inflated to 2025 based on Applicant's 5% annual growth assumption.

OPERATING ASSUMPTIONS

Other Assumptions

- **Retail/Restaurant Rent Assumptions.** The Applicant is assuming rent of \$15/RSF for the 3,500 SF restaurant/retail building on Pad 12. Per conversations with the Applicant, the lease is intended to be triple net (NNN), therefore the majority of operating expenses will be passed-through to the tenant. These rents appear to be in line with similarly sized retail properties in the market.

The Applicant has indicated that although the 3,500 SF space is currently being contemplated for a restaurant tenant, it may alternatively be developed as a museum. Any changes to the development program or anticipated tenancy of the space may impact achievable rents and, therefore, the Project's financial performance.

- **Retail/Restaurant Rent Escalation.** The Applicant is assuming rent escalation of 1.5%/year, which is below the typical range observed by SB Friedman for retail spaces in Kansas City (2-3%). Increasing the rent escalation to 2-3% does not materially impact Project returns due to the retail/restaurant space accounting for less than 1% of annual Project revenues.
- **Pad Sale Revenue Assumptions.** The Applicant intends to sell the For-Sale Pad Sites to Pad Developers for \$6/SF of land. Sales are anticipated to occur over 5 years. SB Friedman benchmarked the Applicant's assumption against recent transactions of similarly sized commercial pads and found that comparable properties sold for a weighted average of \$6.20/SF of land. Therefore, the Applicant's assumption appears reasonable.

- **Terminal Cap Rate.** The Applicant is assuming a terminal cap rate of 8.5%, which is at the high end of the range for traditional retail uses, as reported by RERC and PwC in Quarters 3 and 4, 2023 (7.5-8.5%). However, the Project is atypical in that revenue from the airport parking facility is likely to be highly variable, with the only long-term lease commitment being that of the restaurant/retail space. Therefore, the Project presents a higher degree of risk to the Applicant and Project investors. Because of this, a terminal cap rate at the high end of the identified range appears reasonable.

PROJECTED FINANCIAL RETURNS

Property, Sales and Earnings Tax Assumptions

The Applicant is requesting PILOTs, EATs, and CID reimbursements from the parcels to be developed by the Applicant, as well as the parcels being sold and developed by third-party Pad Developers. The Applicant is also requesting that the PILOTs, EATs, and CID be activated on a parcel-by-parcel basis as For-Sale Pad Sites are sold to the Pad Developers.

Given the Applicant's assumed 5-year absorption schedule for the For-Sale Pad Sites, PILOTs and EATs reimbursements on a parcel-by-parcel basis are assumed to phase in and out over a 15-year period, while CID reimbursements are assumed to phase in and out over a 27-year period.

Property, sales, and earnings tax assumptions were provided to the EDCKC for review. These assumptions form the basis for the PILOTs, EATs, and CID reimbursements reflected in the Project returns analysis. The Applicant's key assumptions are outlined below:

- **Property Tax Assumptions.** The Applicant is assuming \$23M in total AV at completion of both the Project and for the For-Sale Pad Sites. EDCKC reviewed the Applicant's AV, tax rate, and biennial inflation assumptions and determined that the Applicant's assumptions appeared reasonable.
- **Sales Tax Assumptions.** The Applicant is assuming a range of taxable sales per SF based on the anticipated programming for the Project and the For-Sale Pad Sites. Taxable sales range from \$250/SF to \$400/SF with 2% annual escalation. EDCKC reviewed the Applicant's sales per SF, tax rate, and annual inflation assumptions and determined that the Applicant's assumptions appeared reasonable.

LAND USE	Lot	Applicant Assumption	
		AV of Improvements / SF [1]	Taxable Sales / SF
Peachy Airport Parking	2	\$3 [2]	N/A
Gas Station / Drive Thru	3	\$64	\$250
Drive Thru / Retail	4-6	\$64	\$400
Office / Pet Hotel	7	\$27	N/A
Restaurant	8	\$64	\$300
Hotel / Restaurant / Office	9-10	\$40	N/A
Office	11	\$27	N/A
Restaurant / Bar	12	\$64	\$300

[1] Improved value per building SF, net of land value, rounded to the nearest dollar.

[2] Improved value per land SF, net of land value, rounded to the nearest dollar.

Source: Kansas City Airport Parking, LLC

- **Employee Generation.** The Applicant is assuming that the Project will generate 200 employees upon completion in 2031, with average earnings of \$75,000/employee. EDCKC reviewed the Applicant's average salary, tax rate, and annual inflation assumptions and requested a reduction of the average earnings to \$50,000/employee.

PROJECTED FINANCIAL RETURNS

Pro Forma Adjustments for But-For Analysis

For the purposes of evaluating a project's need for public financial assistance, SB Friedman at times adjusts a project's budget, financing and operating assumptions when the Applicant's assumptions are outside of market and industry benchmarks. This approach:

- Allows SB Friedman to evaluate the need for assistance based on market parameters
- Introduces consistency in underwriting and evaluating requests for assistance
- Guards against over-subsidizing for project-specific assumptions that do not align with the market

For this Project, SB Friedman made the adjustments outlined to the right.

Given that Project financing is preliminary, SB Friedman evaluated the Project's need for assistance using unleveraged return metrics, specifically unleveraged internal rate of return (IRR), due to the mix of revenues generated from rental income (airport parking facility and retail/restaurant space) and sale income (For-Sale Pad Sites). Unleveraged return metrics evaluate overall Project feasibility rather than returns to specific investors.

ASSUMPTION	Applicant Assumption	SBF Adjustment	Rationale
Construction Management Fee	\$3,945,952	\$1,890,485	Applied fee to only costs incurred by Applicant and not third-party Pad Developers
Developer Fee	\$3,452,708	\$1,488,333	Applied fee to only costs incurred by Applicant and not third-party Pad Developers
Earnings Tax – Average Salary Assumption	\$75,000	\$50,000	Adjusted at the direction of EDCKC

PROJECTED FINANCIAL RETURNS

But For Analysis & Impact to Taxing Jurisdictions

The results of the unleveraged IRR analysis are illustrated to the right. SB Friedman established hurdle rates of return, based on industry benchmarks. Without assistance, the Project generates an unleveraged IRR of 3.6%. To be a viable, a Project of this type would typically be expected to achieve an unleveraged IRR between 8.0-9.0%.

With the full amount of requested assistance, the unleveraged IRR increases to 8.2%, which is at the low end of the identified benchmark range. Detailed return calculations are included in the Appendix.

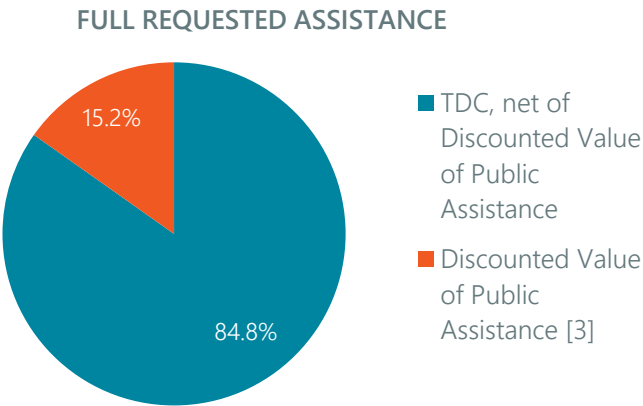
Total Estimated Property Taxes Generated By The Project [1]	
\$24.0M	
Benefit to Project of Reimbursed Property Taxes over 15 Years (Estimated)	Property Tax Revenues to Taxing Jurisdictions over 15 Years (Estimated)
\$8.1M	\$16.0M

[1] EDCKC reviewed the Applicant’s AV, tax rate, and biennial inflation assumptions and determined that the Applicant’s assumptions appeared reasonable.

The Applicant is requesting PILOTs, EATs, and CID reimbursements from the parcels to be developed by the Applicant, as well as the parcels being sold and developed by third-party Pad Developers. The Applicant is also requesting that the PILOTs, EATs, and CID be activated on a parcel-by-parcel basis as For-Sale Pad Sites are sold to the Pad Developers. Therefore, given the Applicant’s assumed 5-year absorption schedule for the For-Sale Pad Sites, PILOTs reimbursements on a parcel-by-parcel basis are assumed to phase in and out over a 15-year period. Additional detail is included in the Appendix.

UNLEVERAGED IRR	No Assistance	Full Assistance	Benchmark Range
Unleveraged IRR	3.6%	8.3%	8.0-9.0%

ASSISTANCE AS A PERCENT OF TOTAL COSTS [2,3]



[2] Assistance over a 27-year period is discounted at 8.5% to 2024 dollars. The discounted value of assistance accounts for the time value of money. Given the Applicant’s assumed 5-year absorption schedule for the For-Sale Pad Sites, PILOTs and EATs reimbursements on a parcel-by-parcel basis are assumed to phase in and out over a 15-year period, while CID reimbursements are assumed to phase in and out over a 27-year period. Additional detail is included in the Appendix.

[3] Discounted value of assistance includes all requested sources: PILOTs, EATs, and CID reimbursements, and upfront City funding of roundabouts.

CONCLUSIONS

CONCLUSIONS

But For Analysis

The Applicant is requesting public assistance through EDCKC and the TIF Commission, as outlined below:

- PILOTs of 50% of taxes (above current predevelopment taxes) for 10 years
- Reimbursement of EATs for up to 23 years:
 - 50% of City and County portion of sales taxes
 - 50% of the 1% Community Improvement District (CID) sales tax captured by the TIF
 - 50% of the City Earnings Tax
- Reimbursement of the remaining 50% of the CID sales tax for 23 years
- Upfront City funding of \$5.5M for construction of the two roundabouts to be repaid from the first several years of PILOTs and EATs

It is our understanding that reimbursements from PILOTs and EATs would be capped at the estimated TIF-eligible expenses of \$13.8M.

The but-for analysis indicates that the Project, as presented, appears to require the full amount of requested assistance to be financially viable and attract debt and equity investors. The factors contributing to the Project's need for assistance include the need to construct the following extraordinary costs:

- A public street/loop road that provides access to the pad sites
- Two roundabouts to improve access to the Site
- Stormwater detention and wayfinding improvements

RECOMMENDED STRUCTURING OPTIONS

The Project is multiphase and anticipated to be developed over 5 years. Furthermore, development on the For-Sale Pad Sites, which is anticipated to be undertaken by third-party Pad Developers, is preliminary and sales will be market-driven. Therefore, the end-uses and anticipated absorption of the For-Sale Pad Sites could vary, potentially materially, from the Applicant's development program.

Given the potential variation in development outcomes, relative to those assumed in the but-for analysis, EDCKC and the TIF Commission could consider check-ins at a determined schedule (e.g., every 5 years) to determine whether the Project is outperforming current assumptions. If there are material differences, the public assistance could be recalibrated.

APPENDIX

- Limitations of Our Engagement
- Detailed Development Budget
- Pro Forma without Assistance
- Pro Forma with Full Requested Assistance
- Pro Forma with Adjusted Level of Assistance
- Estimated Value of Abatement

LIMITATIONS OF OUR ENGAGEMENT

Our deliverable is based on estimates, assumptions and other information developed from research of the market, knowledge of the industry, and meetings/teleconferences with the Economic Development Corporation of Kansas City and the Applicant during which we obtained certain information. The sources of information and bases of the estimates and assumptions are stated in the deliverable. Some assumptions inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, actual results achieved during the period covered by our analysis will necessarily vary from those described in our deliverable, and the variations may be material.

The terms of this engagement are such that we have no obligation to revise analyses or the deliverable to reflect events or conditions that occur subsequent to the date of the deliverable. These events or conditions include, without limitation, economic growth trends, governmental actions, changes in state statute, additional competitive developments, interest rates, and other market factors. However, we will be available to discuss the necessity for revision in view of changes in the economic or market factors affecting the proposed Project.

Our deliverable is intended solely for your information, for purposes of reviewing a request for financial assistance, and is not a recommendation to issue bonds or other securities. The deliverable should not be relied upon by any other person, firm or corporation, or for any other purposes. Neither the deliverable nor its contents, nor any reference to our Firm, may be included or quoted in any offering circular or registration statement, appraisal, sales brochure, prospectus, loan, or other agreement or document intended for use in obtaining funds from individual investors without our prior written consent.

We acknowledge that upon submission to EDCKC, the deliverable may become a public document within the meaning of the Missouri Sunshine Law. Nothing in these limitations is intended to block the disclosure of the documents under such Act.

METHODOLOGY

Development Budget & Financing Assumptions

Each budget component is benchmarked against a set of industry estimates and local comparables to determine if costs are reasonable relative to projects of similar scale and level of finish. If budget line items are identified to be outside of benchmark ranges, SB Friedman adjusts costs such that the project's request for assistance can be evaluated and sized appropriately.

SB Friedman uses two primary cost metrics that allow for comparison of the development budget to comparable projects:

- Costs per gross square foot (SF)
- Costs as a percentage of total development costs (TDC)

Similarly, financing assumptions are benchmarked against industry data sources and local comparables to determine if the assumptions align with current financing markets.

COMPONENT	Description	Benchmarking
Acquisition Costs	<ul style="list-style-type: none"> Land purchase price 	<ul style="list-style-type: none"> Recent local land sales
Site Preparation Costs	<ul style="list-style-type: none"> Earthwork and grading Remediation costs Infrastructure and utilities 	<ul style="list-style-type: none"> Industry benchmarks, adjusted based on site conditions
Hard Construction Costs	<ul style="list-style-type: none"> Costs of vertical construction, including materials, labor, finishes, etc. 	<ul style="list-style-type: none"> Local comparables, construction cost estimates
Parking Construction Costs	<ul style="list-style-type: none"> Parking type and costs (surface, structured, underground) per space 	<ul style="list-style-type: none"> Local comparables, construction cost estimates
Soft Construction Costs	<ul style="list-style-type: none"> Third party fees (architect, engineers, legal, etc.) Permits 	<ul style="list-style-type: none"> Industry benchmarks, local comparables
Financing Costs	<ul style="list-style-type: none"> Loan origination fees 	<ul style="list-style-type: none"> Industry benchmarks, local comparables
Developer Fees	<ul style="list-style-type: none"> Compensation to Project developer team 	<ul style="list-style-type: none"> Industry benchmarks, local comparables
Reserves and Other Costs	<ul style="list-style-type: none"> Capital reserves Carrying costs 	<ul style="list-style-type: none"> Industry benchmarks, local comparables
Financing Assumptions	<ul style="list-style-type: none"> Loan amount Amortization, interest rate, term 	<ul style="list-style-type: none"> Industry benchmarks, local comparables

METHODOLOGY

Operating Assumptions

SB Friedman evaluates developers' cash flow assumptions relative to market comparables, recent projects in Kansas City, and, when available, third-party market studies submitted by the developers.

Key operating assumptions are benchmarked against a set of industry estimates and local comparables to determine if assumptions are reasonable relative to current market conditions and projects of similar scale and level of finish. If operating assumptions are identified to be outside of benchmark ranges, SB Friedman adjusts the assumptions such that the project's request for assistance can be evaluated and sized appropriately.

ASSUMPTION	Description	Benchmarking
Project Rents	<ul style="list-style-type: none"> • Multifamily rents (per unit and per SF) • Retail rents (per SF) • Office rents (per SF) 	<ul style="list-style-type: none"> • Local market comparables
Parking Revenues	<ul style="list-style-type: none"> • Parking revenues (per space per month) 	<ul style="list-style-type: none"> • Local market comparables
Other Revenues	<ul style="list-style-type: none"> • Administrative fees, application fees, etc. 	<ul style="list-style-type: none"> • Local market comparables
Vacancy and Credit Loss	<ul style="list-style-type: none"> • Stabilized occupancy rate and rent collections loss 	<ul style="list-style-type: none"> • Local market conditions
Absorption Rate	<ul style="list-style-type: none"> • Pace at which units/SF is leased up 	<ul style="list-style-type: none"> • Local market conditions
Revenue Escalation Rate	<ul style="list-style-type: none"> • Annual revenue increase 	<ul style="list-style-type: none"> • Industry benchmarks, local comparables
Operating Expenses	<ul style="list-style-type: none"> • Maintenance, management, utilities, etc. 	<ul style="list-style-type: none"> • Industry benchmarks, local comparables
Real Estate Taxes	<ul style="list-style-type: none"> • Annual property tax revenues 	<ul style="list-style-type: none"> • Local comparables
Expense Escalation Rate	<ul style="list-style-type: none"> • Annual expense cost increase 	<ul style="list-style-type: none"> • Industry benchmarks, local comparables
Terminal Capitalization Rate	<ul style="list-style-type: none"> • Rate used to value the project at the assumed reversion (end of the analysis period) 	<ul style="list-style-type: none"> • Industry benchmarks, local comparables
Cost of Sale	<ul style="list-style-type: none"> • Costs associated with disposition at the assumed reversion (end of the analysis period) 	<ul style="list-style-type: none"> • Industry benchmarks, local comparables

METHODOLOGY

Financial Returns Analysis

SB Friedman prepares independent projections of Project financial returns. Returns are evaluated with and without requested public assistance and are compared to market-appropriate, risk-adjusted rates of return to evaluate the Project’s need for assistance.

Benchmark return ranges are based on industry sources, information obtained from active developers and equity providers, and SB Friedman’s past experience.

For projects with multiple land uses, SB Friedman establishes a range of market-appropriate, risk-adjusted rates of return by land use, which are then weighted in aggregate to each land use’s percentage of stabilized net operating income.

UNLEVERAGED RETURNS		LEVERAGED RETURNS	
UNLEVERAGED INTERNAL RATE OF RETURN (IRR)	STABILIZED YIELD ON COST	LEVERAGED INTERNAL RATE OF RETURN (IRR)	STABILIZED CASH ON CASH RETURN
<p>This is the rate of return or discount rate for a Project, accounting for initial expenditures to construct the Project (total Project costs) and ongoing cash inflows (annual net operating income [NOI] before debt service), as well as a hypothetical sale of the Project at the end of the analysis period.</p>	<p>This metric is calculated by dividing NOI before debt service in the first year of stabilized operations by total Project costs and is an indicator of the annual overall return on investment for the Project’s financing structure.</p> <p>Stabilized yield on cost calculations include only investment properties, and therefore excludes any for-sale product.</p>	<p>This is the annualized rate of return the Project’s equity investors would be Projected to realize over their full investment period, including an assumed hypothetical sale of the Project at the end of the analysis period.</p>	<p>This metric indicates the annual cash return to equity investors once the Project reaches stabilization and is calculated by dividing net cash flow (after debt service) in the first year of stabilized operations by the total initial equity investment.</p> <p>Stabilized cash-on-cash calculations only include investment properties, excluding for-sale residential.</p>

DETAILED USES

Development Budget

Uses/Development Costs	Developer Budget	SBF Adjusted Budget		
		\$	% of TDC	\$/Land SF
Acquisition Costs				
Land Acquisition	\$4,500,000	\$4,500,000	8.4%	
Total Acquisition Costs	\$4,500,000	\$4,500,000	8.4%	\$1.50
Site Preparation Costs and Public Infrastructure Costs				
Public Streets (Loop)	\$5,483,005	\$5,483,005	10.2%	
Demolition	\$276,072	\$276,072	0.5%	
Detention Pond	\$383,190	\$383,190	0.7%	
Signs and wayfinding	\$699,345	\$699,345	1.3%	
Round-a-bouts	\$5,515,044	\$5,515,044	10.3%	
Site Utilities	\$1,300,000	\$1,300,000	2.4%	
Special Inspections	\$150,000	\$150,000	0.3%	
Total Site Preparation Costs	\$13,806,656	\$13,806,656	25.7%	\$5
Hard Construction Costs				
Building Construction - Parking	\$28,717,139	\$27,754,639	51.7%	
Building Construction 3500 SF Restaurant		\$962,500	1.8%	
Contingency	\$2,500,000	\$2,500,000	4.7%	
Total Hard Construction Costs	\$31,217,139	\$31,217,139	58.2%	
Soft Costs				
Professional Service Costs	\$250,000	\$250,000	0.5%	
Permits	\$500,000	\$500,000	0.9%	
Total Soft Costs	\$750,000	\$750,000	1.4%	
Construction Management Fee				
Construction Management Fee (Developer)	\$3,452,708			
Construction Management Fee (SBF - Hard Costs)		\$1,005,100	1.9%	
Construction Management Fee (SBF - Site Prep)		\$483,233	0.9%	
Total Construction Management Fees	\$3,452,708	\$1,488,333	2.8%	
Developer Fees				
Developer Fee	\$3,945,952	\$1,890,485	3.5%	
Total Developer Fees	\$3,945,952	\$1,890,485	3.5%	
TOTAL DEVELOPMENT COSTS	\$57,672,455	\$53,652,613	100.0%	\$18

Source: Kansas City Airport Parking LLC, SB Friedman

RETURNS WITHOUT ASSISTANCE

Assumes Applicant receives no public assistance

	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
NO ASSISTANCE	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Development Sources											
Conventional Debt		-\$32,114,748	-\$10,704,916								
Cash Equity	-\$10,832,949										
Net Operating Income		-\$671,160	\$950,480	\$1,393,217	\$983,265	\$1,324,347	\$1,711,421	\$2,155,189	\$2,642,113	\$3,195,871	\$3,803,291
Pad Sales (Gross Revenues)		\$2,090,880	\$2,519,510	\$2,378,376							
Pad Sales (Commission Loss)		-\$125,453	-\$151,171	-\$142,703							
Reversion Proceeds (Year 10)											\$45,583,526
TOTAL		-\$30,820,481	-\$7,386,096	\$3,628,891	\$983,265	\$1,324,347	\$1,711,421	\$2,155,189	\$2,642,113	\$3,195,871	\$49,386,817
Unleveraged Cash Flow - No Assistance											
Total Project Costs	-\$10,832,949	-\$32,114,748	-\$10,704,916								
Net Operating Income		-\$671,160	\$950,480	\$1,393,217	\$983,265	\$1,324,347	\$1,711,421	\$2,155,189	\$2,642,113	\$3,195,871	\$3,803,291
Pad Sales (Gross Revenues)		\$2,090,880	\$2,519,510	\$2,378,376							
Pad Sales (Commission Loss)		-\$125,453	-\$151,171	-\$142,703							
Reversion Proceeds (Year 10)											\$45,583,526
TOTAL	-\$10,832,949	-\$30,820,481	-\$7,386,096	\$3,628,891	\$983,265	\$1,324,347	\$1,711,421	\$2,155,189	\$2,642,113	\$3,195,871	\$49,386,817
Annual Yield on Cost		-1.6%	1.8%	2.6%	1.8%	2.5%	3.2%	4.0%	4.9%	6.0%	7.1%
Unleveraged IRR	3.6%										

Source: Kansas City Airport Parking LLC, SB Friedman

RETURNS WITH FULL REQUESTED ASSISTANCE

Assumes Applicant receives full requested assistance [1]

	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
FULL ASSISTANCE	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Development Sources											
Conventional Debt		-\$27,978,465	-\$9,326,155								
Cash Equity	-\$5,317,905	-\$5,515,044									
City Upfront Funding of Roundabouts	-\$5,515,044										
Net Operating Income		-\$671,160	\$950,480	\$1,393,217	\$983,265	\$1,324,347	\$1,711,421	\$2,155,189	\$2,642,113	\$3,195,871	\$3,803,291
Pad Sales		\$2,090,880	\$2,519,510	\$2,378,376							
Pad Sales (Commission Loss)		-\$125,453	-\$151,171	-\$142,703							
Savings from Property Tax Assistance		\$213,662	\$263,005	\$396,308	\$532,251	\$650,491	\$842,362	\$842,362	\$859,825	\$859,825	\$877,638
TIF EATs Reimbursement		\$31,258	\$79,235	\$221,247	\$337,132	\$478,361	\$530,198	\$546,177	\$556,100	\$566,222	\$576,547
CID Reimbursement		\$2,668	\$10,308	\$34,888	\$54,379	\$78,375	\$86,480	\$88,209	\$89,973	\$91,773	\$93,608
Priority Net City Reimbursement for Improvements		-\$244,920	-\$342,239	-\$617,555	-\$869,383	-\$1,128,853	-\$1,372,560	-\$939,534			
Reversion Proceeds (Year 10)											\$45,583,526
PV of Remaining Public Assistance (Year 11+)											\$3,908,707
TOTAL		-\$32,196,573	-\$5,997,027	\$3,663,779	\$1,037,643	\$1,402,722	\$1,797,901	\$2,692,402	\$4,148,012	\$4,713,692	\$54,843,317
Unleveraged Cash Flow - Full Assistance											
Total Project Costs	-\$10,832,949	-\$33,493,509	-\$9,326,155								
Less City Upfront Funding of Roundabouts	\$5,515,044										
Net Operating Income		-\$671,160	\$950,480	\$1,393,217	\$983,265	\$1,324,347	\$1,711,421	\$2,155,189	\$2,642,113	\$3,195,871	\$3,803,291
Pad Sales (Gross Revenues)		\$2,090,880	\$2,519,510	\$2,378,376							
Pad Sales (Commission Loss)		-\$125,453	-\$151,171	-\$142,703							
Savings from Property Tax Assistance		\$213,662	\$263,005	\$396,308	\$532,251	\$650,491	\$842,362	\$842,362	\$859,825	\$859,825	\$877,638
TIF EATs Reimbursement		\$31,258	\$79,235	\$221,247	\$337,132	\$478,361	\$530,198	\$546,177	\$556,100	\$566,222	\$576,547
CID Reimbursement		\$2,668	\$10,308	\$34,888	\$54,379	\$78,375	\$86,480	\$88,209	\$89,973	\$91,773	\$93,608
Reversion Proceeds (Year 10)											\$45,583,526
PV of Remaining Public Assistance (Year 11+)											\$3,908,707
TOTAL	-\$5,317,905	-\$31,951,653	-\$5,654,787	\$4,281,334	\$1,907,026	\$2,531,575	\$3,170,461	\$3,631,937	\$4,148,012	\$4,713,692	\$54,843,317
Annual Yield on Cost		4.0%	7.6%	8.9%	4.0%	5.3%	6.6%	7.5%	8.6%	9.8%	11.1%
Unleveraged IRR	8.3%										

Source: Kansas City Airport Parking LLC, SB Friedman

[1] Full Assistance include PILOTs equaling 50% of taxes for 10 years, EATS reimbursement for 23 Years including 50% of city and County Portion of sales taxes, 50% of CID sales taxes captured by the TIF, and 50% of City Earnings Tax. Full Assistance also includes the reimbursement of the remaining 50% of CID sales tax for 23 years, and upfront City funding of \$5.5M for the construction of two roundabouts, reimbursed from first several years of PILOTs and EATs.

ESTIMATED VALUE OF FULL REQUESTED ASSISTANCE

Assumes Applicant receives full requested assistance [1]

Assistance Year	Calendar Year	Property Taxes Before Abatement	Taxes with Base & PILOT	Benefit to Project of PILOTs	Property Tax Revenues to Taxing Jurisdictions	Benefit to Project of EATs	Benefit to Project of CID	Total Benefit to Project
1	2025	\$494,480	\$280,817	\$213,662	\$280,817	\$31,258	\$2,668	\$247,588
2	2026	\$605,028	\$342,023	\$263,005	\$342,023	\$79,235	\$10,308	\$352,548
3	2027	\$895,872	\$499,563	\$396,308	\$499,563	\$221,247	\$34,888	\$652,444
4	2028	\$1,188,840	\$656,589	\$532,251	\$656,589	\$337,132	\$54,379	\$923,761
5	2029	\$1,443,250	\$792,758	\$650,491	\$792,758	\$478,361	\$78,375	\$1,207,228
6	2030	\$1,863,661	\$1,021,299	\$842,362	\$1,021,299	\$530,198	\$86,480	\$1,459,039
7	2031	\$1,863,661	\$1,021,299	\$842,362	\$1,021,299	\$546,177	\$88,209	\$1,476,748
8	2032	\$1,900,935	\$1,041,109	\$859,825	\$1,041,109	\$556,100	\$89,973	\$1,505,899
9	2033	\$1,900,935	\$1,041,109	\$859,825	\$1,041,109	\$566,222	\$91,773	\$1,517,820
10	2034	\$1,938,953	\$1,061,315	\$877,638	\$1,061,315	\$576,547	\$93,608	\$1,547,793
11	2035	\$1,938,953	\$1,299,090	\$639,863	\$1,299,090	\$587,078	\$95,480	\$1,322,421
12	2036	\$1,977,732	\$1,374,434	\$603,298	\$1,374,434	\$597,819	\$97,390	\$1,298,508
13	2037	\$1,977,732	\$1,521,920	\$455,812	\$1,521,920	\$608,775	\$99,338	\$1,163,926
14	2038	\$2,017,287	\$1,693,172	\$18,472	\$1,998,815	\$35,332	\$101,325	\$155,128
15	2039	\$2,017,287	\$1,823,818	\$0	\$2,017,287	\$0	\$103,351	\$103,351
16	2040	\$0	\$0	\$0	\$0	\$0	\$105,418	\$105,418
17	2041	\$0	\$0	\$0	\$0	\$0	\$107,527	\$107,527
18	2042	\$0	\$0	\$0	\$0	\$0	\$109,677	\$109,677
19	2043	\$0	\$0	\$0	\$0	\$0	\$111,871	\$111,871
20	2044	\$0	\$0	\$0	\$0	\$0	\$114,108	\$114,108
21	2045	\$0	\$0	\$0	\$0	\$0	\$116,390	\$116,390
22	2046	\$0	\$0	\$0	\$0	\$0	\$118,718	\$118,718
23	2047	\$0	\$0	\$0	\$0	\$0	\$121,092	\$121,092
24	2048	\$0	\$0	\$0	\$0	\$0	\$112,380	\$112,380
25	2049	\$0	\$0	\$0	\$0	\$0	\$76,755	\$76,755
26	2050	\$0	\$0	\$0	\$0	\$0	\$40,042	\$40,042
27	2051	\$0	\$0	\$0	\$0	\$0	\$20,219	\$20,219
Total, Undiscounted		\$24,024,605	\$15,470,316	\$8,055,176	\$15,969,429	\$5,751,480	\$2,281,744	\$16,088,400

Source: Kansas City Airport Parking LLC, SB Friedman

[1] The Applicant is requesting PILOTs, EATs, and CID from the parcels to be developed by the Applicant, as well as the parcels being sold and developed by third-party Pad Developers. The Applicant is also requesting that the PILOTs, EATs, and CID be activated on a parcel-by-parcel basis as For-Sale Pad Sites are sold to the Pad Developers. Given the Applicant's assumed 5-year absorption schedule for the For-Sale Pad Sites, PILOTs and EATs reimbursements on a parcel-by-parcel basis are assumed to phase in and out over a 15-year period, while CID reimbursements are assumed to phase in and out over a 27-year period.

EXHIBIT 11

Economic Development Area Study

(SEE ATTACHED)

I-29 and I-435 Redevelopment Area

Economic Development Area Study

Tax Increment Financing Commission of Kansas City, Missouri

November 5, 2023



260 Peachtree St NW, Suite 1800 • Atlanta GA 30303
Ph: 404-418-7844 • Fax: 678-705-1944 • www.apdurban.com

I-29 and I-435 Redevelopment Area

Economic Development Area Study

Tax Increment Financing Commission of Kansas City, Missouri
November 5, 2023

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Introduction

The following report, the I-29 and I-435 Redevelopment Area – Economic Development Area Study, was completed in November 2023. The proposed redevelopment area is in Kansas City, Platte County, Missouri and includes one property/tax parcel generally bound by Interstate 435 on the north, 12101 and 12200 N. Ambassador Drive on the east, and a property/tax parcel where NW Roanridge Road will be constructed in the future on the south and west.

The purpose of this analysis is to determine if the proposed I-29 and I-435 Redevelopment Area (the “Study Area”) in Kansas City, Missouri evidences an “economic development area” as defined in the Real Property Tax Increment Allocation Redevelopment Act – Sections 99.800 to 99.865 R.S.Mo. (the “Act”).

The consultant visited the proposed redevelopment site in November 2023. The effective date of this Study is November 5, 2023, the day of inspection.

According to GIS mapping and records of Platte County, the proposed redevelopment area encompasses one property/tax parcel and approximately 57.39 acres of property. Public right of way does not exist in the Study Area.

Definitions

Tax Increment Financing

Tax Increment Financing (“TIF”) is a financing/development tool that allows for new increments of tax revenues resulting from a specified redevelopment above past taxes on the property (payments in lieu of taxes, or “PILOTS”) to be used to pay for approved project-related costs, infrastructure and capital improvements. Projects using TIF must have plans approved by both the Tax Increment Financing Commission (“TIFC”) of the City of Kansas City, Missouri, and the City of Kansas City, Missouri, City Council (“City”). The TIF Act requires that TIF projects be only redevelopment projects which would not reasonably be expected to be developed without the assistance of TIF (often referred to as “but for”).

In order for the City to implement a TIF plan pursuant to the TIF Act, the City must determine by ordinance that the redevelopment area described by the applicable TIF redevelopment plan (the “TIF Plan”) qualifies under the TIF Act as: 1) a blighted area; 2) a conservation area; or 3) an economic development area; and that such redevelopment 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 TIF.

RSMo. 99.805 provides the following definitions for a blighted area, conservation area, or economic development area:

“Blighted area,” an area which, by reason of the predominance of insanitary or unsafe conditions, deterioration of site improvements, 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, or welfare in its present condition and use (RSMo. 99.805(1)).

“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, 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. A conservation area shall meet at least three of the factors provided in this subdivision for projects approved on or after December 23, 1997. For all redevelopment plans and projects approved on or after January 1, 2022, in retail areas, a conservation area shall meet the dilapidation factor as one of the three factors required under this subdivision (RSMo. 99.805(3)).

“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 (3) of this section, and in which the governing body of the municipality finds that redevelopment will not be solely used for development of commercial businesses which unfairly compete in the local economy and 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 (RSMo. 99.805(5)).*

The Economic Development Area Study presents an overview of factors within the Study Area including a review of physical and economic conditions sufficient to determine if the Study Area qualifies as an economic development area. The “Summary of Findings” provides conclusions regarding the analysis; however, the City of Kansas City, Missouri City Council will make a final determination of an economic development area for the entire study area based on the extent to which qualifying conditions exist within the Study Area.

Methodology

The purpose of this work was to analyze conditions located within the proposed I-29 and I-435 Redevelopment Area to determine if the Study Area qualifies as an economic development area as defined within the Act.

The Economic Development Area Study includes a detailed analysis of site, building, and public improvements, including an analysis to determine if the Study Area qualifies as a “blighted area” or as a “conservation area.” Qualifying conditions throughout the Study Area were identified and analyzed to produce charts showing a summary of “blighted area” conditions and a summary of “conservation area” conditions present in the Study Area. Field investigations were conducted to document physical conditions within the categories of blight set out in the state statute. Pertinent Geographic Information Systems (GIS) data was obtained through the City and Platte County and analyzed. Additional supplemental and updated information was obtained through various reports and studies prepared or commissioned by the City of Kansas City and the proposed redeveloper.

The consultant visited the Study Area on November 5, 2023. The effective date of the study is November 5, 2023, the date of inspection.

Previous Findings and Determinations

Proposed Redevelopment Area

The proposed I-29 and I-435 Redevelopment Area does not contain an existing incentive area. The City of Kansas City has not previously been requested to make a finding of blight, conservation area, or economic development area for the property contained within the proposed I-29 and I-435 Redevelopment Area.

The Study Area is included in the Ambassador Building Community Improvement District. A request to make a finding of blight for the Ambassador Building Community Improvement District was not made of the City Council. The Ambassador Building Community Improvement District was approved by the City Council of Kansas City, Missouri by Ordinance No. 200460 on June 25, 2020.

Adjoining Areas

Few development incentives have been used in the vicinity of the proposed I-29 and I-435 Redevelopment Area. The nearest redevelopment incentive plan is the Air World PIEA Planning Area located approximately 1.4 miles south and east of the Study Area, which was approved by the City Council of Kansas City in January 2017 with a finding of blight.

Located about 575 feet west of the Study Area is the KCI Airport Community Improvement District. A request to make a finding of blight for the KCI Airport Community Improvement District was not made of the City Council. The KCI Airport Community Improvement District was approved by the City Council of Kansas City, Missouri by Ordinance No. 050203 on March 20, 2005.

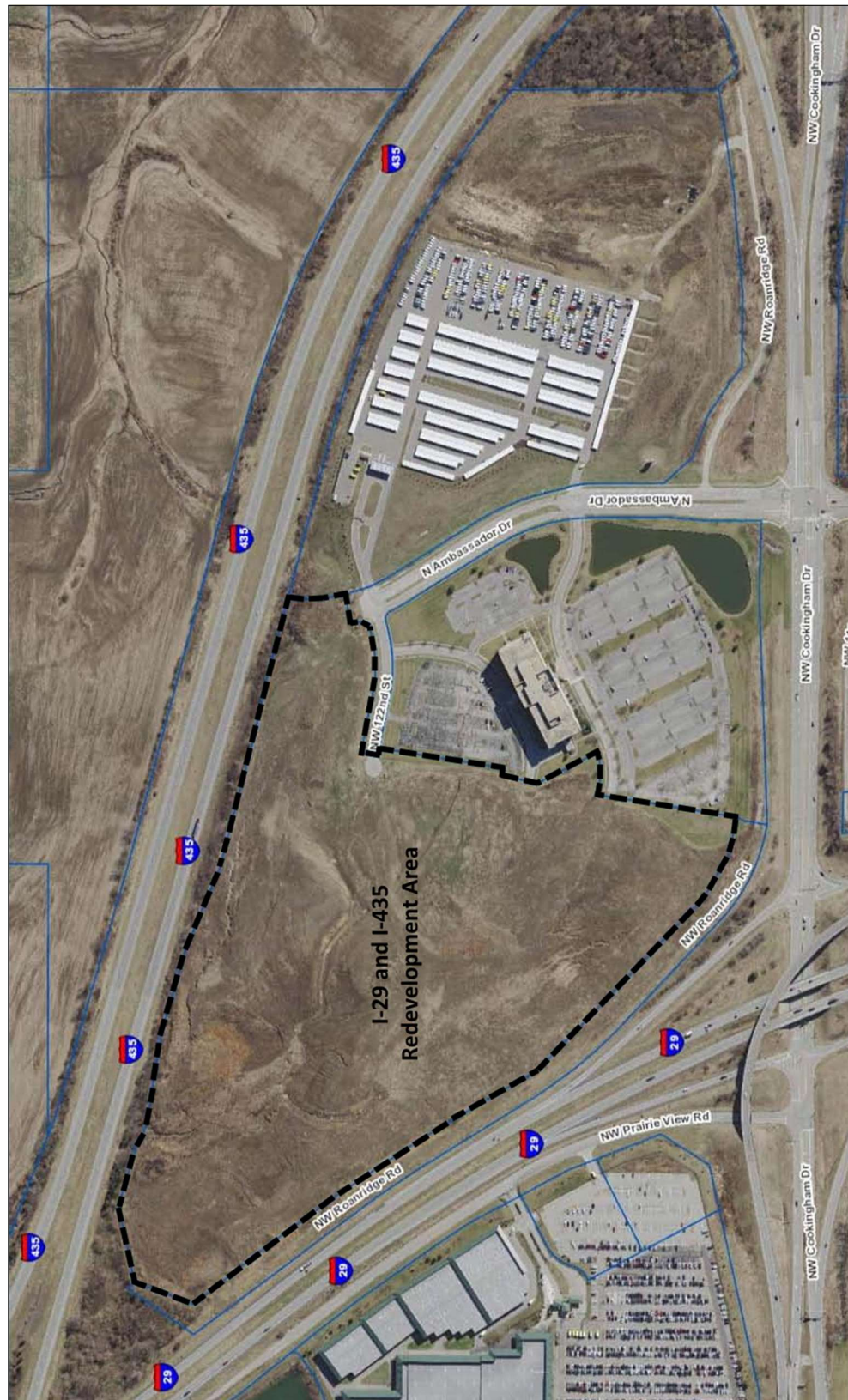
Legal Description

The Study Area consists of one property/tax parcel. A legal description of the property/tax parcel in the Study Area is included in Appendix A – Property Ownership & Legal Descriptions.

Ownership

The Study Area contains one property/tax parcel, which is identified by the Platte County Assessor's office. A complete listing of the tax parcel identified by the Platte County Assessor in the Study Area is included in Appendix A.

Boundary Map



PROPERTY DATA

Location & Access

The Study Area encompasses approximately 57.39 acres and consists of one property/tax parcel in Kansas City, Platte County, Missouri.

General regional access to the Study Area is excellent. The eastern edge of the Study Area is easily accessed from Interstate 29, currently located about 0.72 miles to the west and accessed via NW 122nd Street, N. Ambassador Drive, and west on NW Cookingham Drive. The eastern edge of the Study Area is also easily accessed from Interstate 435, currently located about 0.93 miles to the east and accessed via NW 122nd Street, N. Ambassador Drive, and east on NW Cookingham Drive. The new single terminal at Kansas City International Airport is easily accessed about 2.70 miles to the west via NW Cookingham Drive.

Direct local access to the Study Area is currently from NW 122nd Street via N. Ambassador Drive. N. Ambassador Drive is a major north-south thoroughfare of four lanes (two lanes in each direction) that is only about 540 feet east of the Study Area. The northern terminus of N. Ambassador is the northeast corner of the Study Area, and terminates to the south at NW Tiffany Springs Parkway. The nearest east-west major thoroughfare is NW Cookingham Drive, which terminates to the west at Kansas City International Airport and to the east at the City of Liberty. East of Interstate 435 (north/south) E. Cookingham Drive is also Missouri Highway 291 and turns southeast to Interstate 35 and beyond through Liberty and River Bend before turning due south at Sugar Creek.

Biking and hiking trails do not exist within or in the vicinity of the Study Area, and none are currently proposed to be constructed in the future. Future trails are proposed for Interstate 29 and Interstate 435, and future bicycle facilities are proposed for NW Cookingham Drive. A signed bike route/shared road route exists on N. Ambassador Drive south of NW Cookingham Drive to NW Tiffany Springs Parkway. Pedestrian access is nonexistent since no development has previously taken place and sidewalks have not been required.

Public transit does not serve the Study Area directly, although Route 229 (Boardwalk – KCI) does operate nearby on Cookingham Drive and N. Ambassador Drive, with bus stops located near NW Plaza Circle and NW 119th Street which are about 0.4 miles south and east of the Study Area. Route 229 connects Downtown Kansas City with KCI Airport.

Land Area

According to information from Platte County GIS maps, the Study Area contains a total of approximately 57.39 acres of fee simple property.

Topography

The Study Area slopes downward to the north and west. According to the City's GIS mapping, the highest point in the Planning Area is near the southern point of the Study Area at an elevation

of approximately 1016.8. The lowest point is near the northwest corner of the Study Area in a valley at an elevation of approximately 942.46.

According to FEMA (Federal Emergency Management Agency) map panels 29095C0030G, 29095C0035G and 29095C0041G, each effective January 20, 2017, the Study Area lies within an “Area of Minimal Flood Hazard” (Zone X) and is not located within a 100-year or a 500-year flood plain. The Study Area is located within the Todd Creek watershed.

Easements

Sterrett Urban was not provided with title reports or a survey that encompasses any part of the Study Area. No overall evaluation can be developed regarding easements or other restrictions which may be in effect within the Study Area.

Utilities

Utilities are available to the subject properties within the Study Area including water, natural gas, and power. Sewers, both storm and sanitary, will be required as a part of any new development, and utilities will need to be extended to new development sites.

Zoning

The existing zoning in the Planning Area is B3-3 (Community Business district (dash 3)). Below is a chart summarizing the zoning classification within the Study Area followed by a map indicating the zoning district within the Study Area::

Zoning Classification	Purpose*
B3-3 Community Business (dash 3)	<p>B3-3, Community Business</p> <p>The primary purpose of the B3, Community Business district is to accommodate a broad range of retail and service uses, often in the physical form of shopping centers or larger buildings than found in the B1 and B2 districts. In addition to accommodating development with a different physical form than typically found in B1 and B2 districts, the B3 district is also intended to accommodate some types of destination-oriented commercial uses that draw from a larger trade area than the types of neighborhood-serving uses found in B1 and B2 districts. The B3 district is primarily intended to be applied to large sites that have primary access to major streets. It may also be used along smaller streets to accommodate retail and service</p>

use types that are not allowed in B1 and B2 districts.

The dash and numeral following the initial letter-numeral combination (dash 3), is an intensity designator, which establishes the allowable intensity of development and applicable lot and building standards.

*Kansas City Zoning & Development Code



Environmental

The consultant is unaware of any environmental contamination within the Study Area.

Real Estate Taxes

A five-year history of the assessed values within the Study Area is included in the appendix.

The data in Appendix B is the Assessor's opinion of market value and the resulting assessed value for each of the properties within the Study Area. All property is supposed to be re-assessed in odd-numbered years, except that new construction (including remodeling) can be assessed in any year.

To determine assessed value the assessment ratio for commercial properties is 32%. The real estate levy for 2022 in the Study Area is \$7.7280 per \$100 of assessed valuation. An additional \$0.3600 per \$100 of assessed valuation is assessed on commercial and industrial property only. The real estate tax levy for the Study Area in 2023 is \$7.4919 per \$100 of assessed valuation and the commercial surcharge remains the same.

In 2022, the Study Area generated \$799,971 in taxable assessed value, generating a total of \$64,701.66 in real estate taxes. The taxable assessed value remains the same for 2023, resulting in a tax due by the end of 2023 of \$62,812.93. There are no delinquent tax payments within the Study Area.

Existing Improvements

As evidenced by the photographs below, the Study Area is being graded in preparation for a planned development, with drainage swales and other erosion control measures being installed. No buildings exist on the property.

As noted above the Study Area is accessible only to equipment and vehicles related to the excavating and grading of the site and installation of drainage improvements, most of which are temporary until from public right of way on the eastern edge of the property from NW 122nd Street. The right of way for N. Ambassador Drive terminates at the eastern boundary of the Study Area in the northeast portion of the Study Area, although the terminus has visibly been used as an entrance to the Study Area. Several gravel entrances have been constructed on the western boundary of the neighboring property to the east – 12200 N. Ambassador Drive – to provide access to the Study Area for excavating/grading equipment. NW 122nd Street is a two-lane road in good condition that terminates in a cul-de-sac that is located within the Study Area. No other street improvements exist within the Study Area. NW Roanridge Road right of way has been platted along the southern and western boundary but the street has not been constructed.



Looking west from NW 122nd Street cul-de-sac



Looking south at northern terminus of N. Ambassador Dr.



Looking northwest along north boundary of Study Area, Interstate 435



Looking southwest toward KCI Airport



Looking west toward KCI Airport



Looking northwest



Looking southeast toward Ambassador Building



Looking southeast along west boundary of Study Area, Interstate 29 toward Ambassador Building



Looking east toward Ambassador Building



Looking northeast toward Interstate 435, Ambassador Building



Looking north toward Interstate 435



Looking northwest toward Interstate 29 and Interstate 435



Looking northwest toward Interstate 29 and Interstate 435

KCI & 2nd Creek Neighborhood

Neighborhood Demographics

Population & Median Household Income

The following provides population and income trends within a one-, three-, and five-mile radius of the proximate middle of the Study Area at 12101 NW Roanridge Rd., Kansas City, Missouri 64163.

12101 NW Roanridge Rd. Radius	Population			
	Historic		Forecast	
	2010	2020	2023	2028
One-Mile chg. (1 mile) chg. from '10 (1 mile)	300	387 +29.0% +29.0%	430 +11.1% +43.3%	486 +13.0% +62.0%
Three-Mile chg. (3 mile) chg. from '10 (3 mile)	1,332	2,376 +78.4% +78.4%	2,609 +9.8% +95.9%	2,998 +14.9% +125.1%
Five-Mile chg. (5 mile) chg. from '10 (5 mile)	19,226	25,230 +31.2% +31.2%	26,850 +6.4% +39.7%	29,183 +8.7% +51.8%
Kansas City, MO chg. (annual) chg. (cumulative)	460,473	508,090 +10.3% +10.3%	519,615 +2.3% +12.8%	531,228 +2.2% +15.4%

Source: ESRI; Sterrett Urban, LLC

Median Household Income		
12101 NW Roanridge Rd. Radius	Forecast	
	2023	2028
One-Mile	41,331	48,039
Three-Mile	67,655	76,846
Five-Mile	87,080	95,765
Kansas City, MO	63,804	74,486

Source: ESRI

The population figures indicate very high rates of population growth in proximity to the Study Area within the five-mile radius over the past thirteen years. The growth in population between 2010 and 2020 was between 29.0% and 78.4%, whereas the population for Kansas City, Missouri grew at 10.3% over the same period. The ESRI forecasts for 2023 and 2028 suggests continued population growth within five miles of the Study Area, albeit at a slower rate, but the rate of growth is still three times that of the city at a minimum.

The median household income within three and five miles of the Study Area in 2023 is estimated to be higher than the median household income for the city of Kansas City, Missouri (\$63,804). The median household income within one mile of the Study Area, however, is estimated to be significantly lower (\$41,331) – more than 35% lower – than the median household income for the city, and more than 52% lower than median household incomes within five miles of the Study Area.

Unemployment

The most recent unemployment data for the Study Area is for that part of the City of Kansas City in Platte County, Missouri. The following data was provided by the Missouri Economic Research and Information Center (MERIC):

Civilian Labor Force – Kansas City, Missouri (Platte County part)
September 2023 (not seasonally adjusted)

Labor Force	Labor Force Employed	Labor Force Unemployed	Percentage Unemployed
30,153	29,460	693	2.3%

Source: Missouri Economic Research and Information Center

According to the Bureau of Labor Statistics, the preliminary unemployment rate for the Kansas City, KS/MO metropolitan area in September 2023 was 2.7%.

According to the Federal Reserve, an unemployment rate of 5.0% - 5.2% can generally be considered “full employment.”

Section II

Economic Development Area Analysis

Economic Development Area Defined

As presented in Section I, an economic development area is defined as follows:

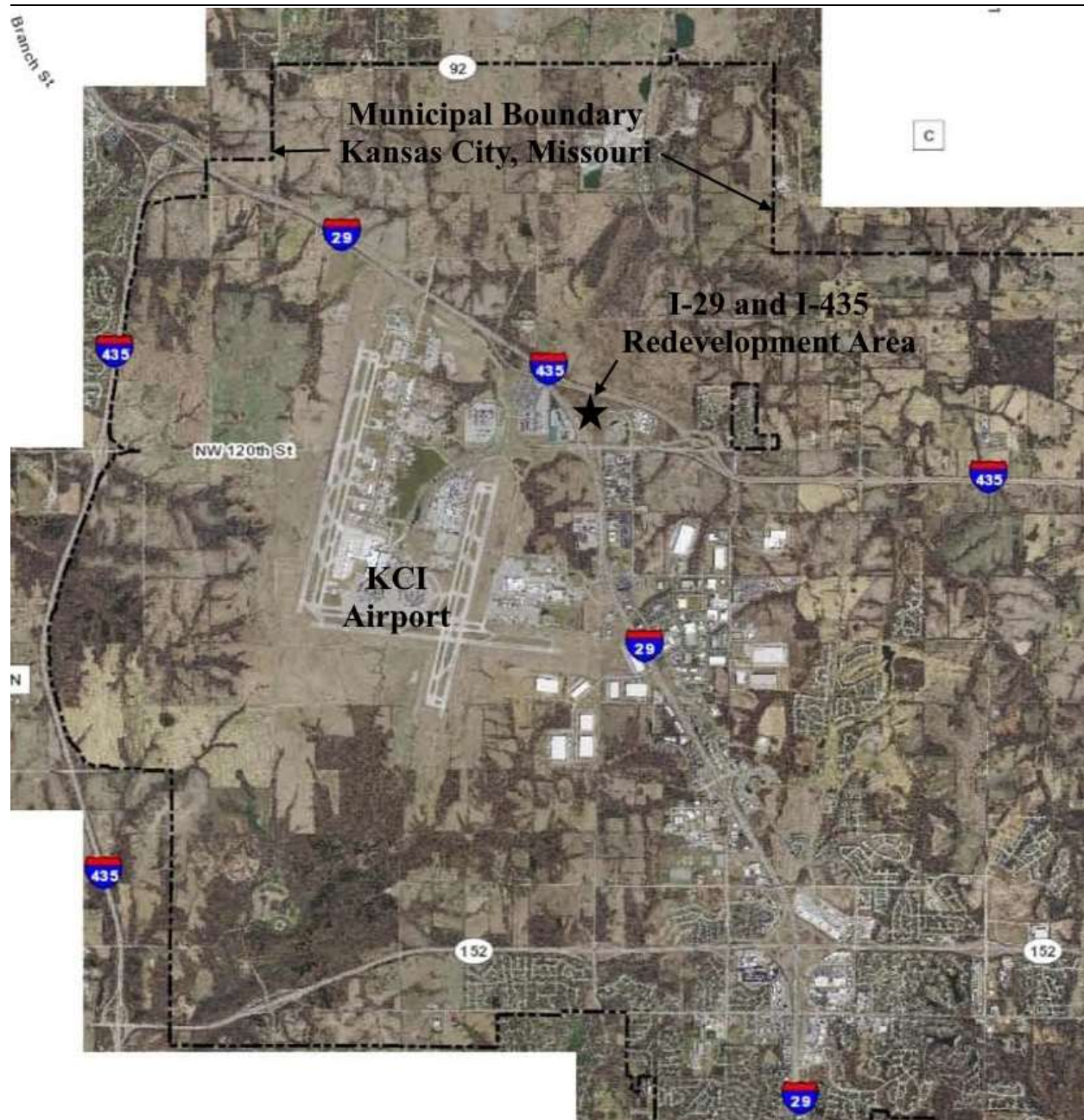
“Economic development area”, any area or portion of an area located within the territorial limits of a municipality, which does not meet the requirements of subdivisions (1) and (3) of this section, and in which the governing body of the municipality finds that redevelopment will not be solely used for development of commercial businesses which unfairly compete in the local economy and 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; (RSMo. Ch. 99.805(5)).*

The following analysis addresses the various components of the definition of an economic development area as stated above and its application to the Study Area.

Component 1: Boundary

As stated within the definition an economic development area is “any area or portion of an area located within the territorial limits of a municipality...” As expressed several times within this Study, the Study Area consists of one property that is located within the city limits of Kansas City, Missouri, as illustrated in the map below. As such the Study Area satisfies this component of the statutory definition of an economic development area.



Component 2: Qualification as Blighted Area or Conservation Area

To qualify as an economic development area the proposed redevelopment area cannot qualify as a blighted area or as a conservation area. As presented in Section I, a blighted area is defined as follows:

“Blighted area,” an area which, by reason of the predominance of insanitary or unsafe conditions, deterioration of site improvements, 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, or welfare in its present condition and use (RSMo. 99.805(1)).

Several court cases provide additional direction in the consideration of blight:

- The courts have determined that it is not necessary for an area to be what commonly would be considered a “slum” in order to be blighted. *Parking Systems, Inc. v. Kansas City Downtown Redevelopment Corporation*, 518 S.W.2d 11, 15 (Mo. 1974)
- An otherwise viable use of a property may be considered blighted if it is an economic underutilization of the property. *Crestwood Commons Redevelopment Corporation v. 66 Drive-In, Inc.*, 812 S.W.2d 903, 910 (MO.App.E.D. 1991).
- It is not necessary for every property within an area designated as blighted to conform to the blight definition. A preponderance of blight conditions is adequate to designate an area for redevelopment. *Maryland Plaza Redevelopment Corporation v. Greenberg*, 594 S.W.2d 284, 288 (MO.App.E.D. 1979).
- The courts have determined that in order to make a finding of blight for a defined redevelopment area, the total square footage of the area is to be considered and not a preponderance of the individual parcels. *Allright Properties, Inc. v. Tax Increment Financing Commission of Kansas City*, 240 S.W.3d 777 (MO.App.W.D. 2007).

Blight Component 1: Insanitary or Unsafe Conditions

Very few instances of unsafe conditions exist in the Study Area, and the only unsafe condition that does exist is debris. There are a few piles consisting of cleared vegetation and chain link fence; crushed concrete and asphalt from a nearby demolished parking lot has been placed to serve as a road base for future streets, eliminating the need to haul it to a landfill; other larger chunks of concrete were found near the northwest corner of the Study Area; and some wood pallets were found near the southeast corner of the Study Area. The Study Area is currently being prepared for development, and the small amount of debris that does exist should be considered temporary and in the process of being removed.

No separate environmental assessments were done for this study with respect to the Study Area.

On-site investigations and field surveys, and review of public records suggest these conditions rarely exist in the Study Area and any contribution to blight is negligible.



Looking northwest along north boundary of Study Area, Interstate 435 – crushed concrete as road base



Looking northwest – pile of vegetative debris and chain link fence



Looking west – pile of vegetative debris

Blight Component 2: Deterioration of Site Improvements

The condition of deterioration of site improvements was primarily established through field survey work and observation of exterior conditions among the nine (9) whole parcels and one partial parcel within the Study Area. Building deterioration rating criteria considered included the following: primary structure (roof, walls, foundation); secondary structure (fascia/soffits, gutters/downspouts, exterior finishes, windows and doors, stairways/fire escapes); and exterior structure (mechanical equipment, loading areas, fences/walls/gates, other structures).

Buildings do not exist within the Study Area, and as such structural deterioration does not exist.

One condition typically related to the presence of blight was observed within the Study Area and included damage of non-primary improvements, namely a few locations where sections of the chain link fence along the northern boundary needed to be removed to facilitate drainage and erosion control improvements. Some damage to the pavement in the cul-de-sac at the western terminus of NW 122nd Street was also observed.

Like the presence of debris in the Study Area, these are conditions that are temporary and will be resolved upon development of the property. These instances are extremely rare and their contribution to blight is negligible.



Looking west – damaged chain link fence



Looking west – damage to pavement in cul-de-sac at terminus of NW 122nd Street

Blight Component 3: Existence of Conditions which Endanger Life or Property by Fire and Other Causes

There is no record of fire or crime incidents within the Study Area over the past twelve months.

As noted previously, the Consultant is unaware of the presence of environmental liabilities in the Study Area, or any other conditions which endanger life or property.

Summary of Blighting Factors

The following table summarizes the three blighting factors analyzed during inspections of property within the Study Area.

I-29 & I-435 Redevelopment Area

Summary of Blighted Area Factors

Study Area	Parcels	Pct.	Area (acres)	Pct.
Total	1	100%	57.39	100%
<u>Blighting Factors</u>				
Insanitary or unsafe conditions	1	100.0%	57.39	100.0%
Deterioration of site improvements	1	100.0%	57.39	100.0%
Existence of conditions which endanger life or property by fire and other causes	0	0.0%	0	0.0%
Parcels with a Preponderance of Blighting Factors	0	0.0%	0	0.0%

As evidenced from the table above, the Study Area exhibits two blighting factors but not to an extent that the Study Area exhibits a preponderance of blight.

As such the Study Area, as of November 5, 2023, in its respective present condition and use, does not satisfy the definition of a “blighted area” according to the definition provided in Missouri’s Real Property Tax Increment Allocation Redevelopment Act statutes (RSMo 99.800 et seq.).

As presented in Section I, a conservation area is defined as follows:

“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. A conservation area shall meet at least three of the factors provided in this subdivision for projects approved on or after December 23, 1997; (RSMo. Ch. 99.805(3)).

Conservation Component 1: Improved Area within Boundaries of Redevelopment Area

All improvements within the Study Area – a cul-de-sac forming the western terminus of NW 122nd Street and the grading and drainage improvements that are in the process of being constructed – are incomplete or are considered temporary.

The definition of an “improved area” within the Revised Statutes of Missouri is not consistently defined, but clearly does not have to include buildings nor do the improvements have to be permanent. At the least the improvements must have a life of at least two years. Regardless of the schedule for redevelopment of the Study Area, it is highly conceivable that the life of the existing improvements and those currently being installed could last at least two years, and thus the Study Area satisfies this condition.

Conservation Component 2: Located within Territorial Limits of Municipality

As noted earlier the Study Area is entirely contained within the city limits of Kansas City, Missouri. As such it may qualify as a conservation area.

Conservation Component 3: Age of Structures

As stated in the definition above, to qualify as a “conservation area” at least fifty percent of the structures in the redevelopment area must have an age of thirty-five years or more. As noted previously a cul-de-sac currently exists at the western end of NW 122nd Street within the Study Area and was constructed as part of the development of the Ambassador Building at 12200 N. Ambassador Drive. A permit for site grading was issued in September 1999 and for major infrastructure in November 1999. At best improvements would be twenty-four years old today.

The current site grading and drainage improvements in the Study Area were permitted in mid-2023.

According to city permits and historic aerial photographs, improvements have never existed in the Study Area before 1999 at the earliest. As such the Study Area, as of November 5, 2023, in its present condition and use, does not satisfy the definition of a “conservation area” according to the definition provided in Missouri’s Real Property Tax Increment Allocation Redevelopment Act statutes (RSMo 99.800(3)).

Summary of Conservation Area Factors

The following table summarizes the five conservation area factors analyzed within the Study Area that are part of the statutory definition of a “conservation area.” The remaining two factors, although not discussed in this study, were also not satisfied by the Study Area in its present condition and use. In its present condition and use, the Study Area is not detrimental to public

health, safety, morals, or welfare. And none of the factors included below could cause blight in the future.

<i>I-29 and I-435 Redevelopment Area</i>		
<i>Conservation Area Factors</i>	<i>Yes</i>	<i>No</i>
<i>RSMo. Ch. 99.805(3) requires satisfaction of the following factors for a finding of Conservation Area:</i>		
<i>1. Improved area within boundaries of redevelopment area</i>	X	
<i>2. Located within territorial limits of municipality</i>	X	
<i>3. Fifty percent (50%) or more of structures in area have an age of thirty-five (35) years or more</i>		X
<i>4. Not yet a blighted area but is detrimental to public health, safety, morals, or welfare</i>		X
<i>5. May become a blighted area because of one or more of the following factors (a conservation area shall meet at least three of the factors for if approved on or after December 23, 1997)</i>		
<i>a) Dilapidation</i>		X
<i>b) Obsolescence</i>		X
<i>c) Deterioration</i>		X
<i>d) Illegal use of individual structures</i>		X
<i>e) Presence of structures below minimum code standards</i>		X
<i>f) Abandonment</i>		X
<i>g) Excessive vacancies</i>		X
<i>h) Overcrowding of structures and community facilities</i>		X
<i>i) Lack of ventilation, light or sanitary facilities</i>		X
<i>j) Inadequate utilities</i>		X
<i>k) Excessive land coverage</i>		X
<i>l) Deleterious land use or layout</i>		X
<i>m) Depreciation of physical maintenance</i>		X
<i>n) Lack of community planning</i>		X

As evidenced above, the Study Area is neither a blighted area nor a conservation area and thus may satisfy the statutory definition of an economic development area.

Component 3: Commercial Business & Unfair Competition

The third component of the definition of an “economic development area” is as follows:

“...and in which the governing body of the municipality finds that redevelopment will not be solely used for development of commercial businesses which unfairly compete in the local economy...”

A developer has proposed a tax increment financing plan for the Study Area (the I-29 and I-435 Redevelopment Plan) to assist with financing improvements in support of a commercial development. The proposed development includes office space, fast food restaurants, a convenience store, hotels, and a large off-site parking lot to serve the airport.

According to the Legal Information Institute, unfair competition is mainly governed by state common law, but federal laws may apply to false advertising, copyrights, and trademarks. Some of the most common types of unfair competition include:

- Trademark infringement;
- Unfair advertising;
- Deceptive pricing;
- Misappropriation of trade secrets;
- Misrepresentation of products; and
- Below-cost selling, or predatory pricing.

As is the case with any tax increment financing plan that has been approved with a finding of Economic Development Area, a finding is required that the development would not take place “but for” the public expenditure or subsidy, and incremental tax revenues in an Economic Development Area are restricted to paying for or reimbursing the costs of infrastructure projects.

The “but for” analysis conducted by an independent expert will determine the amount of incremental tax revenues necessary for the proposed redevelopment to be financially feasible. The Tax Increment Financing Commission of Kansas City, Missouri will enter a redevelopment agreement with the developer that will not guarantee a return on investment, and will require “public participation” of any return exceeding what is deemed reasonable relative to the risk undertaken by the developer. Incremental tax revenues will not flow to the individual businesses operating in the Study Area

The proposed I-29 and I-435 Redevelopment Area is in proximity to existing and future large employment centers, including Meta’s \$800 million data center to the east, Hunt Midwest’s 3,300-acre KCI 29 Logistics Park to the north, and of course the new \$2.5 billion Kansas City International Airport Terminal to the west. The proposed redevelopment of the Study Area will provide uses that are supportive to these major developments and an option to travelers that cannot be provided on-site at KCI Airport. The proposed redevelopment, as part of a growing itinerary of activities near the airport, stands to broaden and enhance the city’s opportunity to attract commerce and strengthen the appeal of flying to and from Kansas City.

The businesses operating in the Study Area will most certainly compete within the local economy. But if any of those businesses undertake any practices associated with unfair competition as outlined in the examples above, it will be by their own volition and not because of the use of public assistance to assist with the feasibility of the redevelopment.

Providing the opportunity for the developer to offer competitive rates for development sites and space will not give the businesses it seeks to attract an unfair advantage within the local economy. Rather, it prevents the continued disadvantage that the lack of infrastructure and access causes within the Redevelopment Area.

Component 4: Redevelopment is in Public Interest

The final component of the definition of an economic development area is:

“...and 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.*

The redevelopment of the area is expected to increase employment, enhance the local tax base, and encourage businesses to locate in Kansas City, Missouri instead of nearby municipalities. Per the plan proponent’s website, redevelopment of the Study Area will include 300,000 square feet of new office space, a Class A convenience store, fast food restaurants, hotels, and a 4,000-space airport parking facility. Such uses will compliment and protect nearby developments including most notably the city’s \$2.5 billion investment in the new KCI Airport Terminal and related improvements, and Hund Midwest’s 3,300-acre KCI 29 Logistics Park. That said, there is no guarantee that the proposed redevelopment of the Study Area will serve to discourage commerce, industry or manufacturing from moving their operations to another state.

The development will enhance the tax base through retail sales, the purchase of personal property, increased utility usage, and an increase in the real property assessed value and earnings/income. The current assessed valuation for the proposed I-29 and I-435 Redevelopment Area is \$799,971 and the 2022 annual ad valorem tax revenue from the Study Area was approximately \$64,702. As indicated in the tax increment financing plan for the proposed I-29 and I-435 Redevelopment Area, the assessed value is expected to increase substantially upon completion of the improvements.

The proposed redevelopment is in the public interest because it will increase employment, enhance the tax base of Kansas City and other taxing jurisdictions, and help protect the recent investment made in the new KCI Airport Terminal and related improvements.

Conclusion

The following table summarizes the results of the analysis of the Study Area and if it meets the statutory requirements of an “economic development area.”

<i>I-29 and I-435 Redevelopment Area</i>			
<i>Economic Development Area Factors</i>		<i>Yes</i>	<i>No</i>
<i>RSMo. Ch. 99.805(5) requires satisfaction of the following factors for a finding of Economic Development Area:</i>			
<i>1. Located within the territorial limits of a municipality</i>		X	
<i>2. Does not meet the requirements of a “blighted area”</i>		X	
<i>3. Does not meet the requirements of a “conservation area”</i>		X	
<i>4. Governing body of municipality finds that redevelopment:</i>			
<i>o) Will not be solely used for development of commercial businesses which unfairly compete in the local economy</i>		X	
<i>p) Is in the public interest because it will:</i>			
• <i>Discourage commerce, industry or manufacturing from moving their operations to another state; or</i>			X
• <i>Result in increased employment in the municipality; or</i>		X	
• <i>Result in preservation or enhancement of the tax base of the municipality.</i>		X	

*RSMo. Ch. 99.805(5)

The evidence presented in this study and by the developer of the proposed I-29 and I-435 Redevelopment Area is sufficient upon which the Commission and the City may rely to find that the proposed redevelopment area, as of November 5, 2023, qualifies as an “economic development area” under Section 99.805 (5), RSMo, because the proposed redevelopment of the I-29 and I-435 Redevelopment Area does not meet the requirements of a “blighted area” nor a “conservation area,” and will not be used solely for development of commercial businesses which unfairly compete in the local economy and it is in the public interest as it will increase employment in and enhance the tax base of the City.

Appendix A

Property Ownership & Legal Descriptions

No.	Site Address	Parcel ID No.	Owner	Legal Description
1	12101 NW ROANRIDGE RD	17-6.0-14-000-000-010.000	KANSAS CITY AIRPORT PARKING LLC	A TRACT OF LAND IN THE S 1/2 SEC 14 T52 R34 LYING S OF I-435 NE OF I-29 AND NORTH AND WEST OF FARMLAND INDUSTRIES CORPORATE HEADQUARTERS SUBDIVISION EXCEPT THAT PART CONVEYED BY DEED BK 1113 PG 113

Appendix B

Property Valuation & Taxes

No.	Parcel ID Number	Assessed Value					Taxes	
		2019	2020	2021	2022	2023	2022	Delinquent
1	17-6.0-14-000-000-010.000	799,971	799,971	799,971	799,971	799,971	64,701.66	0.00
Total		799,971	799,971	799,971	799,971	799,971	64,701.66	0.00
Annual Change %			0.0%	0.0%	0.0%	0.0%		
Cumulative Change %			0.0%	0.0%	0.0%	0.0%		

Appendix C

Certification / Assumptions & Limiting Conditions / Qualifications

Certification

We certify that, to the best of our knowledge and belief...

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, unbiased professional analyses, opinions, and conclusions.
3. We have no present or prospective interest in the property that is the subject of this report, and we have no personal interest with respect to the parties involved.
4. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. Our compensation is not contingent on an action or event resulting from the analyses, opinions, or conclusions in, or the use of, this report.
6. Patrick Sterrett has made a personal inspection of the property that is the subject of this report November 5, 2023.
7. This study is not based on a requested result or a specific conclusion.
8. We have not relied on unsupported conclusions relating to characteristics such as race, color, religion, national origin, gender, marital status, familial status, age, receipt of public assistance income, handicap, or an unsupported conclusion that homogeneity of such characteristics is necessary to maximize value.



Bridget Wiles
Chief Operations Officer
APD Urban Planning & Management, LLC



Patrick Sterrett
Principal
Sterrett Urban, LLC

Assumptions & Limiting Conditions

This Economic Development Area Study is subject to the following limiting conditions and assumptions:

1. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are APD Urban Planning & Management's and Sterrett Urban's unbiased professional analyses, opinions, and conclusions.
2. Information provided and utilized by various secondary sources is assumed to be accurate. APD Urban Planning & Management and Sterrett Urban cannot guarantee information obtained from secondary sources.
3. The nature of real estate development is unpredictable and often tumultuous. In particular, the natural course of development is difficult to predict and forecast. APD Urban Planning & Management and Sterrett Urban deem our projections as reasonable considering the current and obtained information.
4. APD Urban Planning & Management & Sterrett Urban have considered and analyzed the existing conditions concerning the subject property within the redevelopment area. We have considered these existing conditions when forming our analysis and conclusions. However, it should be understood that conditions are subject to change without warning, and potential changes could substantially affect our recommendations.
5. Our analyses, opinions and conclusions were prepared in conformance with the Code of Professional Ethics and Standards of the American Institute of Certified Planners.

Patrick Sterrett, AICP

Principal



Urban Planning & Development Services

Sterrett Urban LLC is an urban planning and real estate development advisory firm which counsels an array of public and institutional clients, as well as private investors and developers, interested in bringing development projects and revitalization efforts to fruition. **Sterrett Urban LLC** has unmatched experience and expertise providing redevelopment, community planning, and economic development strategies and implementation services for a wide variety of product types and settings.

The firm, founded in 2006, is led by Patrick Sterrett, a certified urban planner who has more than twenty-five years of experience forging partnerships, managing complex real estate development projects, and creating vibrant, sustainable urban plans and designs. Current and recent work includes creating a development program and financing strategies for a \$20 million mixed-use project on Troost Avenue; developing a strategy to unwind the original financing framework Mr. Sterrett helped originate for the LAMP nonprofit campus that involves tax abatement, New Markets tax credits, and Historic Preservation tax credits; land use planner for the redevelopment of the three million square foot former Bannister Federal Complex; continued management of two community improvement districts originally formed by Mr. Sterrett for others; and the development of financing strategies for a \$20 million charter school in Kansas City, Missouri and a \$5.5 million social service center and health clinic in Kansas City, Kansas, both of which may include the use of tax credits and tax abatement.

Prior to forming **Sterrett Urban LLC** in 2006, Mr. Sterrett spent eleven years at the Economic Development Corporation of Kansas City, Missouri (EDC) and initiated and/or managed for the public sector some of the largest pioneering redevelopment projects in recent memory in Kansas City and in the country. During his tenure at the EDC, Mr. Sterrett provided staffing to each of the redevelopment agencies and also served as Executive Director of the Port Authority, where he managed land development, the negotiation of redevelopment agreements and creation of mixed-use development programs for the Kansas City Riverfront, former Richards-Gebaur Airport as an intermodal hub, a mixed-use village within the Columbus Park Neighborhood, and creation/implementation of a redevelopment strategy for the Crossroads Arts District.

Mr. Sterrett's work has been featured in local and national publications, and his work in the Crossroads Arts District and the Power & Light District in Kansas City has been recognized by the International Economic Development Council as exemplary of the most advanced redevelopment methods to revitalize distressed areas, including brownfields.

Mr. Sterrett earned a Bachelor Architecture and a Master of Urban Planning with a concentration in housing and community development from the University of Kansas.

Patrick Sterrett, AICP

Principal



Urban Planning & Development Services

Select Professional Experience

Sterrett Urban LLC

2006 – Current

Owner/Principal

REDEVELOPMENT PLANNING/BUILDING CONDITION STUDIES

Blight Study

Independence Marketplace (TIF); WNQE Independence VI, LLC; Independence, MO

Blight Study

11828 NW Plaza Circle Community Improvement District; Yashoda Hotels, LLC; Kansas City, MO

Blight Study

7611 NW 97th Terrace Community Improvement District; BVM PLATT CITY, LLC; Kansas City, MO

*Blight Study

Ten Main Urban Renewal Area (LCRA); LCRA of Kansas City, MO; Kansas City, MO

Blight Study

Brookfield Building (Chapter 353); Brookfield Hotel Investment, LLC; Kansas City, MO

*Blight Study

Kansas City Convention Center Headquarters Hotel (TIF); TIF Commission of Kansas City, MO; Kansas City, MO

*Blight Study

Mt. Cleveland Urban Renewal Area (LCRA); LCRA of Kansas City, MO; Kansas City, MO

*Blight Study

63rd & Holmes Urban Renewal Area (LCRA); LCRA of Kansas City, MO; Kansas City, MO

Blight Study

23rd & Sterling Community Improvement District; McKeever Enterprises, Inc.; Independence, MO

General Development Plan and Qualifications Analysis (Blight)

17th & Madison (PIEA); PIEA of Kansas City, MO; Kansas City, MO

General Development Plan and Qualifications Analysis (Blight)

63rd Street Corridor (PIEA); PIEA of Kansas City, MO; Kansas City, MO

*In conjunction with APD Urban Planning & Management, LLC

Patrick Sterrett, AICP

Principal



Urban Planning & Development Services

REDEVELOPMENT PLANNING / BUILDING CONDITION STUDIES (CONTINUED)

General Development Plan and Qualifications Analysis (Blight)
Green Village (PIEA); PIEA of Kansas City, MO; Kansas City, MO

Blight Study

32nd Street Place (TIF); Woodsonia Joplin, LLC; Joplin, MO

Blight Study

32nd Street Place Community Improvement District; Woodsonia Joplin, LLC; Joplin, MO

*Blight Study

Linwood/Prospect (TIF); TIF Commission of Kansas City, MO; Kansas City, MO

*Blight Study

Oak Park Urban Renewal Area (LCRA); LCRA of Kansas City, MO; Kansas City, MO

Blight Study

16 Main Street (Chapter 353); PC Homes, LLC; Parkville, MO

Blight Study

NE 58th Street & N. Oak Trafficway (Chapter 353); North Eagle Properties, LLC; Gladstone, MO

Blight Study

Twin Creeks Center Community Improvement District; White Goss, Attorneys at Law; Kansas City, MO

Blight Study

325 E. 31st Street Community Improvement District; Syndicate Property Holdings 1, LLC; Kansas City, MO

Blight Study

612 W. 47th Street Community Improvement District; JH Investors, LLC; Kansas City, MO

Blight Study

801 Westport Road Community Improvement District; GLI Hospitality & ADMJM WP1, LLC; Kansas City, MO

Development Plan & Blight Study

1411 Quebec (Chapter 353); MetroPark Warehouses, Inc.; North Kansas City, MO

Urban Renewal Plan & Blight Study

3200 Gillham Road Urban Renewal Area (LCRA); Exact Acme, LLC; Kansas City, MO

*In conjunction with APD Urban Planning & Management, LLC

Patrick Sterrett, AICP

Principal



Urban Planning & Development Services

REDEVELOPMENT PLANNING/BUILDING CONDITION STUDIES (CONTINUED)

*Blight Study

40 Highway & Noland Road (TIF); TIF Commission of Kansas City, MO; Kansas City, MO

Blight Study

89th & State Line Community Improvement District; State Line Corner, LLC; Kansas City, MO

Blight Study

Boomtown Central (TIF); Denali Summit, LLC; Joplin, MO

Blight Study – Court Testimony

Armour/Gillham Corridor (PIEA); PIEA of Kansas City, MO; Kansas City, MO

Economic Development Area

Aviara (TIF); City of Liberty, MO; Liberty, MO

Blight Study

4080 W. State Highway 76 (TIF); Fee/Hedrick Family Entertainment; Branson, MO

Blight Study

Creekside (TIF & CID); Parkville Development 38, LLC, Parkville Development 140, LLC, Parkville Development 50, LLC, Parkville Development VV1, LLC; Parkville, MO

Blight Study

Johnson Drive & Renner Road (TIF); Kingdom Real Estate, LLC & Paru, LLC; Shawnee, KS

Blight Study

Merriam Corners (TIF); Merriam Corners, LLC et al.; Merriam, KS

Urban Renewal Plan & Blight Study

Midtown Infill Multifamily Housing Urban Renewal Area (LCRA); FFV Development, LLC; Kansas City, MO

Blight Study

NW 112th Street & I-29 Community Improvement District; Bank of Weston & WB Seventeen, LLC; Kansas City, MO

Blight Study

NW Prairie View Road & NW 72nd Street (TIF & CID); North K I-29 2004, LLC; Kansas City, MO

*Blight Study

3800 Block of Prospect Ave Urban Renewal Area (LCRA); LCRA of Kansas City, MO; Kansas City, MO

*In conjunction with APD Urban Planning & Management, LLC

Patrick Sterrett, AICP

Principal



Urban Planning & Development Services

REDEVELOPMENT PLANNING / BUILDING CONDITION STUDIES (CONTINUED)

Blight Study

Riverside Red X Community Improvement District; Riverside Red X, Inc.; Riverside, MO

Conservation Area Study

Stag's Spring (TIF); Stag's Spring, LLC; Shawnee, KS

Blight Study

8th & Grand Boulevard (TIF, CID, LCRA, PIEA, Ch. 353); New Generation Construction; Kansas City, MO

Blight Study

Turner Vista (TIF); College Park Developers, LLC; Kansas City, KS

Blight Study

Villa West (TIF); 29th Street Partners, LLC; Topeka, KS

Blight Study

Vivion Point Community Improvement District; Lockard Kansas City Holdings, LLC; Kansas City, MO

Blight Study

Ward Parkway Plaza Community Improvement District; Greensboro Property Company, LLC; Kansas City, MO

Blight Study

Tiffany Landing Community Improvement District; Tiffany Landing, LLC; Kansas City, MO

General Development Plan and Qualifications Analysis (Undeveloped Industrial Area)

Frontage at Executive Park (PIEA), PIEA of Kansas City, MO; Kansas City, MO

General Development Plan and Qualifications Analysis (Blight)

22nd / 23rd Street Connector (PIEA); PIEA of Kansas City, MO; Kansas City, MO

General Development Plan and Qualifications Analysis (Blight)

2nd Amended Ellison/Knickerbocker (PIEA), PIEA of Kansas City, MO; Kansas City, MO

*Blight Study

Second & Delaware Development Plan (Chapter 353); Chapter 353 Advisory Board of Kansas City, MO; Kansas City, MO

*Blight Study

Commerce Tower Urban Renewal Area (LCRA); LCRA of Kansas City, MO; Kansas City, MO

*In conjunction with APD Urban Planning & Management, LLC

Patrick Sterrett, AICP

Principal



Urban Planning & Development Services

REDEVELOPMENT PLANNING / BUILDING CONDITION STUDIES (CONTINUED)

*Blight Study

Key Coalition Neighborhood Urban Renewal Area (LCRA); LCRA of Kansas City, MO; Kansas City, MO

General Development Plan and Qualifications Analysis (Insanitary Area)

Victory Court (PIEA); PIEA of Kansas City, MO; Kansas City, MO

General Development Plan and Qualifications Analysis (Blight)

I-35 & W. 13th Street (PIEA); PIEA of Kansas City, MO; Kansas City, MO

General Development Plan and Qualifications Analysis (Blight)

Troost Bannister (PIEA); PIEA of Kansas City, MO; Kansas City, MO

General Development Plan and Qualifications Analysis (Insanitary Area)

Seven301 (PIEA); PIEA of Kansas City, MO; Kansas City, MO

General Development Plan and Qualifications Analysis (Blight)

Oxford on the Blue (PIEA); PIEA of Kansas City, MO; Kansas City, MO

General Development Plan and Qualifications Analysis (Blight)

1st Amended Ellison/Knickerbocker (PIEA); PIEA of Kansas City, MO; Kansas City, MO

*Blight Study

Bannister & I-435 (TIF); TIF Commission of Kansas City, MO; Kansas City, MO

General Development Plan and Qualifications Analysis (Blight)

1st Amended Armour/Gillham Corridor (PIEA); PIEA of Kansas City, MO; Kansas City, MO

Blight Study Addendum (Social Liabilities)

Armour/Gillham Corridor (PIEA); PIEA of Kansas City, MO; Kansas City, MO

Blight Study

Liberty Commons (TIF); City of Liberty, MO; Liberty, MO

Blight Study

Hospital Hill III Urban Renewal Area (LCRA); LCRA of Kansas City, MO; Kansas City, MO

General Development Plan and Qualifications Analysis (Insanitary Area)

Hawthorne Road (PIEA); PIEA of Kansas City, MO; Kansas City, MO

*In conjunction with APD Urban Planning & Management, LLC

Patrick Sterrett, AICP

Principal



Urban Planning & Development Services

REDEVELOPMENT PLANNING / BUILDING CONDITION STUDIES (CONTINUED)

General Development Plan

Amended/Restated Folgers Coffee Company (PIEA); PIEA of Kansas City, MO; Kansas City, MO

Blight Study

Inter-State Building Development Plan (Chapter 353); Abbot Properties; Kansas City, MO

General Development Plan & Blight Study

39th Terrace (PIEA), PIEA of Kansas City, MO; Kansas City, MO

Blight Study

Truman-Hardesty (TIF); TIF Commission of Kansas City, MO; Kansas City, MO

Blight Study

Oak Barry Community Improvement District; MD Management; Kansas City, MO

General Development Plan & Blight Study

Metro North Mall (PIEA); PIEA of Kansas City, MO; Kansas City, MO

Blight Study

Metro North Square Community Improvement District; MD Management; Kansas City, MO

General Development Plan & Blight Study

155th & Kensington (PIEA); PIEA of Kansas City, MO; Kansas City, MO

Blight Study

Hospital Hill III Urban Renewal Area (LCRA); LCRA of Kansas City, MO; Kansas City, MO

Blight Study Update

Columbus Park Urban Renewal Area (LCRA); LCRA of Kansas City, MO; Kansas City, MO

General Development Plan & Blight Study

Troost-Rockhill (PIEA); PIEA of Kansas City, MO; Kansas City, MO

Blight Feasibility & Redevelopment Boundary Analysis

Northwest Briarcliff Road Corridor, City of Kansas City, MO

General Development Plan & Blight Study

Valentine-Broadway (PIEA); PIEA of Kansas City, MO; Kansas City, MO

*In conjunction with APD Urban Planning & Management, LLC

Patrick Sterrett, AICP

Principal



Urban Planning & Development Services

REDEVELOPMENT PLANNING / BUILDING CONDITION STUDIES (CONTINUED)

General Development Plan & Blight Study

Westport–Main (PIEA); PIEA of Kansas City, MO; Kansas City, MO

Blight Study

Indiana Corridor Urban Renewal Area (LCRA); LCRA of Kansas City, MO; Kansas City, MO

Blight Study

Troost/Paseo Urban Renewal Area (LCRA); LCRA of Kansas City, MO; Kansas City, MO

General Development Plan & Blight Study

Blue Valley (PIEA); PIEA of Kansas City, MO; Kansas City, MO

Blight Study

Martin City Corridor Urban Renewal Area (LCRA); LCRA of Kansas City, MO; Kansas City, MO

Blight Study

Longfellow–Dutch Hill Urban Renewal Area (LCRA); LCRA of Kansas City, MO; Kansas City, MO

General Development Plan & Blight Study

Stuart Hall/HD Lee (PIEA); PIEA of Kansas City, MO; Kansas City, MO

Blight Study & Urban Renewal Plan

Columbus Park Urban Renewal Area (LCRA); LCRA of Kansas City, MO; Kansas City, MO

*In conjunction with APD Urban Planning & Management, LLC

Economic Development Corporation of Kansas City, Missouri

1995 – 2006

Executive Director, Port Authority of Kansas City, Missouri

Planner / Senior Planner

Author of the following plans and studies:

Riverfront TIF Plan / Blight Study

74th & Wornall TIF Plan / Blight Study (plan not approved)

19th Terrace TIF Plan / Conservation Study

22nd & Main St. TIF Plan / Conservation Study

47th & Roanoke TIF Plan

Prospect North TIF Plan

Jazz District TIF Plan

Pershing Road TIF Plan

Eastwood Urban Renewal Plan / Blight Study

South 31st Street Urban Renewal Plan / Blight Study

Longfellow–Dutch Hill Urban Renewal Plan

EXHIBIT 12

Evidence of Financing Interest

(SEE ATTACHED)

February 13, 2024

Mr. Richard Chaves
Peachy Parking
Via email: richard.chaves@parkpca.com

**RE: Peachy Parking Application for Tax Incentive Financing – 12200 N Ambassador
Kansas City, MO**

Dear Mr. Chaves:

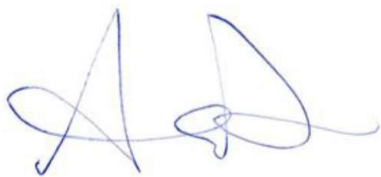
We have reviewed the preliminary information regarding the \$29,013,008 financing request that you have furnished and we are excited about being involved with your project at 12200 N Ambassador in Kansas City, MO.

The purpose of this letter is to indicate our interest in providing funds to finance this proposed project. This loan will be subject to the Bank's satisfactory review of all conditions outlined below, as well as customary due diligence, final underwriting, loan committee approval, and agreement to the Bank's proposed terms.

Any Bank financing is contingent upon the proposed project receives all of the necessary City approvals for planning and economic development incentive programs. We look forward to working with you by providing necessary financing for the improvements your development team is looking to complete before bond funding becomes available.

We recognize that this letter will be submitted to the City of Kansas City, Missouri for reviewing the potential financing arrangements under consideration. Please do not hesitate to contact me if additional information is required.

Sincerely,



Andrew Perkins
Senior Vice President & Market Manager
Bank Midwest, a division of NBH Bank
Andrew.Perkins@nbhbank.com
Office: 816-298-2352
Cell: 573-239-3435



Confidential

EXHIBIT 13

Relocation Assistance

Policy Name: Relocation Assistance Policy

Date Approved: May 26, 1988

Resolution Number: 88-09

Policy Statement: Every person approved by the Commission as a developer of property subject to be acquired by the Tax Increment Financing Commission if furtherance of a Tax Increment Financing plan shall submit to the Commission a relocation plan as part of the developer's redevelopment plan.

- (a) The following terms, whenever used or referred to herein, shall have the following meanings:
- (i) Designated Occupants. "Designated Occupants" shall mean handicapped displaced occupants and those displaced occupants 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 standards established by the Department of Housing and Community Development of Kansas City, Missouri.
 - (ii) Displaced Business. "Displaced Business" shall mean any business that moves from real property within the development area as a result of the acquisition of such property, or as a result of written notice to vacate such property, or in conjunction with the demolition, alteration or repair of said property, by the Tax Increment Financing Commission pursuant to RSMo. 99.800 et. seq., as amended.
 - (iii) Displaced Occupant. "Displaced Occupant" shall mean any occupant who moves from real property within the development area as a result of the acquisition of such property, or as a result of written notice to vacate such property, or in connection with the demolition, alteration or repair of said property, by the Tax Increment Financing Commission pursuant to RSMo. 99.800 et. seq., as amended.
 - (iv) Handicapped Occupant. "Handicapped Occupant" shall mean any occupant who is deaf, legally blind, or orthopedically disabled to the extent that acquisition of other residence presents a greater burden than other occupants would encounter or that modification to the residence would be necessary.
 - (v) Occupant. "Occupant" shall mean a residential occupant of a building having lawful possession thereof, and further shall include any person in lawful possession, whether related by blood or marriage to any other occupant.

- (vi) Person. “Person” shall mean any individual, firm, partnership, joint venture, association, corporation and any life insurance company, organized under the laws of, or admitted to do business in the State of Missouri, undertaking a redevelopment project in a urban renewal area, whether organized for profit or not, estate, trust, business trust, receiver or trustee appointed by any state or federal court, syndicate, or any other group or combination acting as a unit, and shall include the male as well as the female gender and the plural as well as the singular number.
- (b) Plan Requirement. Every person approved by the Commission as a developer of property subject to be acquired by the Tax Increment Financing Commission if furtherance of a Tax Increment Financing plan shall submit to the Commission a relocation plan as part of the developer's redevelopment plan.
- (c) Contents of Plan. The relocation plan shall provide for the following:
 - (i) Payments to all displaced occupants and displaced businesses in occupancy at least ninety (90) days prior to the date said displaced occupant or said displaced business is required to vacate the premises by the developer, its assigns or any person seeking acquisition powers under the Tax Increment Financing plan pursuant to RSMo. 99.800 et. seq., as amended; and
 - (ii) Program for identifying needs of displaced occupants and displaced businesses with special consideration given to income, age, size of family, nature of business, availability of suitable replacement facilities, and vacancy rates of affordable facilities; and
 - (iii) Program for referrals of displaced occupants and displaced businesses with provisions for a minimum of three (3) suitable referral sites, a minimum of ninety (90) days notice of referral sites for handicapped displaced occupants and sixty (60) days notice of referral sites for all other displaced occupants and displaced businesses, prior to the date such displaced occupant or displaced business is required to vacate the premises; and arrangements for transportation to inspect referral sites to be provided to designated occupants.
 - (iv) Every displaced occupant and every displaced business shall be given a ninety (90) day notice to vacate; provided, however, that the developer may elect to reduce the notice time to sixty (60) days if the developer extends the relocation payments and benefits set forth in subsections (d), (e) and (f) below to any displaced occupant or displaced business affected by said reduction in time.
- (d) Payments to Occupants. All displaced occupants eligible for payments under subsection (c)(i) hereof shall be provided with relocation payments based upon one of the following, at the option of the occupant:
 - (i) A \$500.00 payment to be paid at least thirty (30) days prior to the date the occupant is required to vacate the premises; or

- (ii) Actual reasonable costs of relocation including actual moving costs, utility deposits, key deposits, storage or 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.
- (e) Handicapped Displaced Occupant Allowance. In addition to the payments provided in subsection (d) hereof, an additional relocation payment shall be provided to handicapped displaced occupants 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).
- (f) Payment to Businesses. All displaced businesses eligible for payments under subsection (c)(i) hereof shall be provided with relocation payments based upon the following, at the option of the business:
 - (i) A \$1,500.00 payment to be paid at least thirty (30) days prior to the date the business is required to vacate the premises; or
 - (ii) Actual costs of moving including costs for packing, crating, disconnecting, dismantling, reassembling and installing all personal equipment and costs for relettering signs and replacement stationery.
- (g) Waiver of Payments. Any occupant who is also the owner of premises and any business may waive their relocation payments set out above as part of the negotiations for acquisition of the interest held by said occupant or business. Said waiver shall be in writing and filed with the Commission.
- (h) Notice of Relocation Benefits. All occupants and businesses eligible for relocation benefits hereunder shall be notified in writing of the availability of such relocation payments and assistance, such notice to be given concurrent with the notice of referral sites required by subsection (c)(iii) hereof.
- (i) Persons Bound by the Plan. Any developer, its assigns or transferees, provided assistance in land acquisition by the Tax Increment Financing Commission, is required to comply with the Executive Director of the Commission. Such certification shall include, among other things, the addresses of all occupied residential buildings and structures within the redevelopment plan area and the names and addresses of occupants and businesses displaced by the developer and specific relocation benefits provided to each occupant and business, as well as a sample notice provided each occupant and business.
- (j) Minimum Requirements. The requirements set out herein shall be considered minimum standards. In reviewing any proposed redevelopment plan, the Commission shall determine the adequacy of the proposal and may require additional elements to be provided therein.

EXHIBIT 14

Redeveloper Affidavit

(SEE ATTACHED)

Redeveloper Affidavit

STATE OF Missouri)
) ss
COUNTY OF Platte)

I, Richard Chaves, Jr., Chief Executive Officer of Kansas City Airport Parking, LLC, a Missouri limited liability company (the "Redeveloper"), having been first duly sworn, state and depose upon oath as follows:

1. The information contained in the application filed by Kansas City Airport Parking, LLC to the Tax Increment Financing Commission of Kansas City, Missouri on September 26, 2023, as modified by subsequent information furnished to the Commission, is true and the financial information presented therein represents true and accurate assessments to the best of my knowledge, information and belief, and the assumptions therein stated are reasonable.

2. The Redevelopment Area, upon which the Redeveloper intends to (1) construct a covered airport parking facility on approximately 30.5 acres with an accessory 10,000 square foot office building and 3,500 square foot retail space and related improvements, and (2) construct a 12,000 square foot convenience store gas station / drive-through restaurant and related site improvements, and (3) together with such related public infrastructure to support the project improvements (collectively, the "Project Improvements"), is legally described on Exhibit 1A of the I-29 & I-435 Tax Increment Financing Plan (the "TIF Plan").

3. The Redevelopment Area has not been subject to growth and development through investment by private enterprise and, in my opinion, redevelopment of the Plan Improvements, in accordance with the TIF Plan, is not economically feasible and cannot be done without the adoption of tax increment financing and additional public incentives described by the TIF Plan.

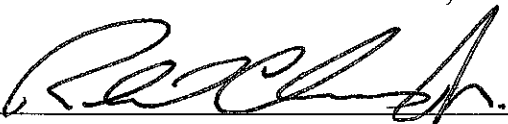
4. Based on the above factors, the Development Area Study, attached to the TIF Plan as Exhibit 11, and Evidence of "But For", attached to the TIF Plan as Exhibit 10, it is my opinion that the Redevelopment Area, on the whole, qualifies as a Economic Development Area, has not been subject to growth and development through investment by private enterprise, the cost of curing the existing conditions is not economically viable if fully borne by private developers, and

will not be reasonably anticipated to be developed without the adoption of tax increment financing and additional public incentives described by the TIF Plan.

5. Redeveloper will not proceed with the improvements described by the TIF Plan without the assistance of tax increment financing and the additional public incentives described by the TIF Plan.

FURTHER AFFIANT SAYETH NAUGHT.

KANSAS CITY AIRPORT PARKING, LLC

By: 

Richard Chaves, Jr., Chief Executive Officer

Subscribed and sworn to before me, a Notary Public, this 8 day of February, 2024.

My Commission Expires:

07-24-2027


Notary Public

Brigitte Chambers
Printed Name

