

**FOURTH AMENDMENT
TO THE
UNION HILL
TAX INCREMENT FINANCING PLAN**

KANSAS CITY, MISSOURI

TIF COMMISSION APPROVAL:

DATE: **RESOLUTION No.**

CITY COUNCIL APPROVAL:

DATE: **ORDINANCE No.**

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I. Introduction

The Fourth Amendment (hereinafter the “Fourth Amendment”) to the Union Hill Tax Increment Financing Plan (hereinafter the “Plan”) shall amend the Plan, as approved by the City Council of Kansas City, Missouri by Ordinance No. 971698 (referred to herein as the “Plan”), and amended by Ordinance No. 081070 (referred to herein as the “First Amendment”), Ordinance No. 100772 (referred to herein as the “Second Amendment”), and Ordinance No. 1302393 (referred to herein as the “Third Amendment”).

The Fourth Amendment provides for (1) certain modifications to the description of the Redevelopment Area, (2) certain modifications to the Site Maps, (3) certain modifications to the description of Public Improvements, (4) certain modifications to the Redevelopment Schedule, (5) certain modifications to the Estimated Redevelopment Project Costs, (6) certain modifications to the Sources of Funds, (7) all PILOTs generated after April 30, 2025, to be declared surplus and distributed to the impacted Taxing Districts located within the Redevelopment Area in accordance with the Act, and (8) the inclusion of all conforming changes within the Exhibits to the Plan that are in furtherance of the foregoing modifications.

I. Specific Plan Text Amendments

The Plan shall be amended as follows:

Amendment No. 1: Delete certain definitions of certain terms set forth in Section I of the Plan, entitled, “DEFINITIONS”, and replace them with the following:

C. “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.

D. “Economic Activity Taxes” or “EATs,” 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.

- G. "Payment in Lieu of Taxes," 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.

- H. "Redevelopment Agreement," the agreement between the Commission and Redeveloper for the implementation of the Redevelopment Plan or the Project Improvements and Public Improvements or a portion thereof.

- J. "Redevelopment Area," an area designated by Ordinance of the City, in respect to which the City has made a finding that there exist conditions which cause the area to be classified as a conservation area and which area includes only those parcels of real property directly and substantially benefitted by the proposed Redevelopment Projects and which is legally described on Exhibit 1A and depicted on Exhibit 2A.

Amendment No. 2: Insert the following definitions in Section I of the Plan, entitled, "DEFINITIONS":

- T. "Public Improvements," the construction or reconstruction of public infrastructure improvements, including, but not limited to streetscape improvements, sidewalks, and any other required or desired infrastructure, that support and enhance the Project Improvements, as described by **Section III.F**.

- U. "Redeveloper," Union Hill Development Company, the City of Kansas City, Missouri, or such other 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 and Public Improvements or a portion thereof.

- V. "Reimbursable Project Costs," Redevelopment Project Costs in an amount not to exceed \$14,273,719, as identified on **Exhibit 6**.

Amendment No. 3: Delete **Section III.A** of the Plan, entitled, "The Plan", and replace it with the following:

A. TIF Plan. The Redevelopment Plan proposes to create a strong, stable, urban neighborhood by undertaking a comprehensive approach to residential and commercial redevelopment. The Plan provides for the redevelopment of portions of the Redevelopment Area, including construction of a 106 room motel on the southeast corner of East 30th and Main Streets, acquisition and removal of spot-zoned, dilapidated and obsolete apartment buildings and making available those sites for construction of single family detached homes, rehabilitation of existing single family homes, construction of market rate and affordable multi-family communities, creation of a Neighborhood Infrastructure Improvement Fund to make available loans and/or grants for existing owner-occupied homes and commercial property owners, together with all necessary utilities and street improvements, the construction or reconstruction of public infrastructure improvements, including, but not limited to streetscape improvements, sidewalks, and any other required or desired infrastructure, that support and enhance the Project Improvements

Amendment No.4: Delete **Section III.B** of the Plan, entitled, “Redevelopment Area”, and replace it with the following:

B. Redevelopment Area. The Redevelopment Area includes an irregularly shaped area generally bound by Union Cemetery on the north, Main Street on the west, E. 31st Street on the south and Forest Street on the east (the "Redevelopment Area") in Kansas City, Jackson County, Missouri (the "City") as described in Exhibit IA.

Amendment No. 5: Delete Section III.E of the Plan, entitled, “Estimated Date of Completion”, and replace it with the following:

E. Estimated Date of Completion. As set forth in the Redevelopment Schedule attached as **Exhibit 5**, construction of all the Project Improvements are expected to be completed by the year 2013 and construction of the Public Improvements are estimated to be completed by December 2026. The completion of all redevelopment projects and retirement of Obligations incurred to finance Redevelopment Project Costs will occur no later than twenty-three (23) years from the adoption of each ordinance approving a Redevelopment Project, provided that no ordinance approving a Redevelopment Project shall be adopted later than ten (10) years from the adoption of the ordinance approving this Redevelopment Plan.

Amendment No. 6: Amend **Section III** of the Plan by incorporating a new **Section III.F**, entitled, “Public Improvements”, as follows:

F. Public Improvements. The Public Improvements shall consist of the construction or reconstruction of public infrastructure improvements, including, but not limited to streetscape improvements, sidewalks, and any other required or desired infrastructure, that support and enhance the Project Improvements.

Amendment No. 7: Delete the first sentence of the first paragraph of **Section IV.A.**, entitled, “Estimated Redevelopment Project Costs” and replace it with the following:

Redevelopment Project Costs are estimated to be \$ \$100,925,397 of which \$14,273,719 shall constitute Reimbursable Project Costs, as set forth on **Exhibit 6**, attached hereto.

Amendment No. 8: Delete the second paragraph of **Section IV.A.**, entitled, “Payments in Lieu of Taxes” and replace it with the following:

Ninety percent (90%) of the PILOTS generated and collected will be used to pay eligible Reimbursable Project Costs and the remaining ten percent (10%) shall be declared surplus by the City Council of the City and thereafter distributed to the impacted Taxing Districts located within the Redevelopment Area; provided, however, all PILOTS generated and collected after April 30, 2025, shall be declared surplus by the City Council of the City and thereafter distributed to the impacted Taxing Districts located within the Redevelopment Area in accordance with the Act.

The amount of PILOTS in excess of the funds needed to reimburse eligible Reimbursable Project Costs, if any, may be declared as surplus by the City. The declared surplus will be distributed to the affected Taxing Districts in the Redevelopment Project Area as provided for by the Act.

Amendment No. 9: Delete **Exhibit 1A**, entitled “Legal Description of the Redevelopment Area”, and replace with **Exhibit 1A**, entitled, “Legal Description of the Redevelopment Area” attached hereto.

Amendment No. 10: Delete **Exhibit 2**, entitled “Site Plan”, and replace with **Exhibit 2**, entitled “Site Plan,” attached hereto.

Amendment No. 11: Incorporate **Exhibit 4C**, attached hereto and entitled “Construction Totals for Streetscape Improvements”.

Amendment No. 12: Delete **Exhibit 5**, entitled “Redevelopment Schedule”, and replace with **Exhibit 5**, entitled “Redevelopment Schedule,” attached hereto.

Amendment No. 13: Delete **Exhibit 6**, entitled “Estimated Redevelopment Project Costs”, and replace with **Exhibit 6**, entitled “Estimated Redevelopment Project Costs,” attached hereto.

Amendment No. 14: Delete **Exhibit 7**, entitled “Sources of Funds”, and replace with **Exhibit 7**, entitled “Sources of Funds,” attached hereto.

Amendment No. 15: Incorporate **Exhibit 9A**, attached hereto and entitled “Evidence of “But For” – Streetscape Improvements”.

Amendment No. 16: Incorporate Exhibit **12A**, attached hereto and entitled “Supplement to Conservation Study”.

Exhibit 1A
Legal Description of the Redevelopment Area

7. LEGAL DESCRIPTION OF THE REDEVELOPMENT AREA

Commencing at the intersection of the center line of Main Street as it now exists and the center line of Warwick Trafficway as it now exists; thence South along the center line of Main Street to the intersection with the center line of East 31st Street as it now exists; thence east along the center line of East 31st Street to the intersection with the westerly prolongation of the west lot line of Lot 20, ZAHL'S ADDITION, thence south along said westerly prolongation of and the west lot line of Lot 20, ZAHL'S ADDITION to the centerline of the east-west alley lying south and adjacent to Lot 20, ZAHL'S ADDITION, thence east along the center line of said east-west alley to the intersection with the center line of Grand Avenue, thence north along the center line of Grand Avenue to the intersection with the center line of East 31st Street as it now exists, thence east along the center line of East 31st Street to the intersection with the center line of Oak Street; thence South along the center line of Oak Street to the center line of the vacated east-west alley lying South and adjacent to Lot 4, SPRINGFIELD PARK ADDITION; thence East along the center line of said east-west alley to the center line of the vacated north-south alley lying west and adjacent to Lot 2, R & D, REALTY ADDITION, thence south along the center line of said north-south alley to the intersection with the westerly prolongation of the south lot line of Lot 2, R & D, REALTY ADDITION; thence east along said easterly prolongation of and the south lot line of Lot 2, R & D, REALTY ADDITION to the center line of Gillham Plaza as it now exists; thence north along the center line of Gillham Plaza to the center line of McGee Street Trafficway as it now exists; thence northwesterly along the center line of McGee Street Trafficway to the center line of East 29th Street as it now exists; thence west along the center line of East 29th Street to the southern line of Union Cemetery as it now exists; thence west along the southern line of Union Cemetery to the eastern line of Union Cemetery as it now exists, said point being on a north-south line adjacent to and parallel to the western lot line of Tract A, FOUNDERS AT UNION HILL – FIRST PLAT, thence south along said eastern line of Union Cemetery to the southern line of Union Cemetery; thence west along the southern line of Union Cemetery to the western line of Union Cemetery, said point being on the east line of Tract D, UNION HILL 4TH PLAT; thence north along the western line of Union Cemetery to the southern line of Union Cemetery, said point being on the north section line of the Southeast Quarter of the Northwest Quarter of Section 17, Township 49, Range 33; thence west along the southern line of Union Cemetery to the east right-of-way line of Grand Avenue and the western line of Union Cemetery to the north line of Tract 2, LAFAYETTE SQUARE; thence west along the north line of Tract 2, LAFAYETTE SQUARE to the center line of Warwick Trafficway; thence southerly and westerly along the center line of Warwick Trafficway to the Point of Beginning, all included in and a part of the City of Kansas City, Jackson County, Missouri.

AND

Commencing at the intersection of the center line of Gillham Road and the north right of way of East 31st Street; thence east along the north right-of-way line of East 31st Street to the to the eastern right-of-way line of Forest Avenue; then south to the south right-of-way line of East 31st Street; then west along the south right-of-way line of East 31st Street to the center line of Gillham Plaza; then north along the center lines of Gillham Plaza and Gillham Road to the Point of Beginning, all now included in and a part of the City of Kansas City, Jackson County, Missouri.

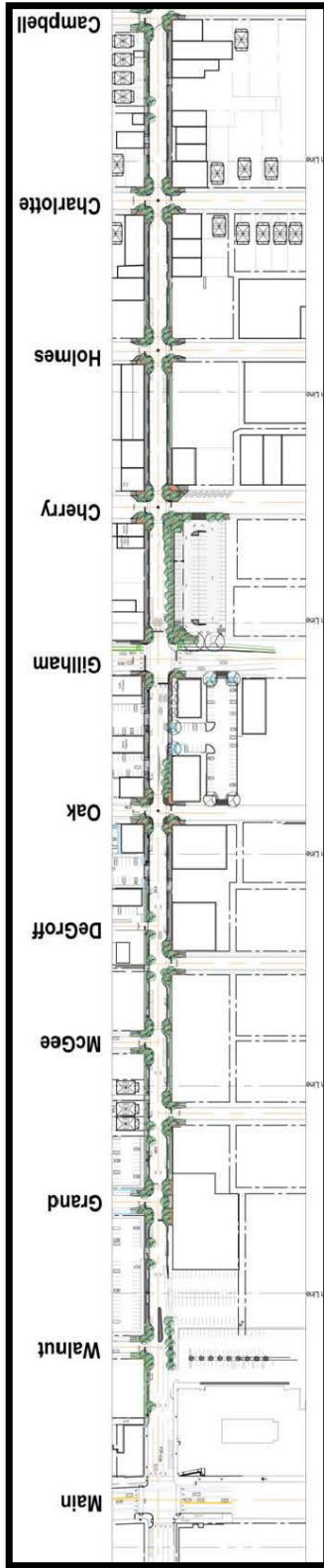


Exhibit 4C
Construction Totals for Streetscape Improvements

Estimated Number of Construction Workers during construction	25
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Exhibit 5
Redevelopment Schedule

Public Infrastructure: Sidewalks – Main to Campbell

Event	Date
Construction Completion	December 2026

EXHIBIT V - REVISED ESTIMATED REDEVELOPMENT PROJECT COSTS - 4TH AMENDMENT

	Estimated Project Costs	TIF Reimbursable Project Costs	Developer Equity or Private Financing
ESTIMATED REDEVELOPMENT COSTS			
A. COMMISSION EXPENSES			
1. Estimated Reimbursable Costs for Plan Implementation/Cost of Bond Issuance	129,787	129,787	
2. Plan and Project Administration and Developer/Consultant/TIF Commission Expenses (including expenses for affirmative action administration) (1)	250,000	250,000	-
3. Plan and Project preparation expenses incurred by Developer (2)	231,345	244,822	-
4. Plan Amendment preparation expenses incurred by Developer	111,731	111,731	-
TOTAL COMMISSION EXPENSES	722,863	736,339	-
B. NEIGHBORHOOD IMPROVEMENT PROJECTS			
1. Acquisition & Blight Removal (5)	5,231,944	5,231,944	-
Administrative Costs (3)	241,321	241,321	-
2. Infrastructure Improvements	50,742	50,742	-
Sidewalk/Streetscape: Main to Campbell	7,700,000	7,700,000	-
3. Residential Loan/Grant Program	68,373	68,373	-
4. Commercial Loan/Grant Program	245,000	245,000	-
5. Community Center	-	-	-
TOTAL NEIGHBORHOOD PROJECTS	13,537,380	13,537,380	-
B. REDEVELOPMENT COSTS			
1. Land Acquisition (including title work)	6,748,969	-	6,748,969
2. Non-Profit	15,800,000	-	15,800,000
3. Retail/Restaurant Construction/Rehabilitation	7,565,109	-	7,565,109
4. Residential Construction	50,537,599	-	50,537,599
5. Industrial (4)	-	-	-
6. Hotel	6,000,000	-	6,000,000
TOTAL REDEVELOPMENT COSTS	86,651,677	-	86,651,677
Contingency			
TOTAL EXPENSE AND COSTS	100,911,920	14,273,719	86,651,677

(1) Refers to costs incurred by the Commission and its staff for purposes of plan administration and direct expenses.

(2) The amount requested as initial certifiable expenses is not to exceed \$231,345.

(3) TIF will not reimburse developer administrative costs in excess of 5% of the Neighborhood Improvement Projects unless prior approval is granted by the TIF Commission.

(4) Estimates for Sub-Developer Projects are not included.

* Developer requests that all statutory PILOTS and EATS be committed and used to retire TIF reimbursable project costs.

All project budgets and reimbursable will be approved by the TIF Commission on an individual project basis.

(5) Acquisition & Blight Removal - Specifics:

Acquisition	4,212,043	
Carry (Insurance & Taxes)	400,000	
Demolition - - -	-	
Loan Fees - - -	-	
Interest Carry	800,000	Acquisition and Blight
Property Management Expense to		Removal shall include all
Maintain & Prepare for Demolition	164,000	costs associated with the
Maintenance Expenses	40,000	acquisition, carry, and
Environmental Remediation - - -	-	demolition. Such costs
Grading - - -	-	shall include, but are not
Landscaping - - -	-	limited to, loan fees,
Legal Expense	25,000	
Contingency	272,696	
TOTAL	5,913,739	

Exhibit 6
Estimated Redevelopment Project Costs

Exhibit 7

Sources of Funds

SOURCES		
Estimated amount of PILOTS and EATS to reimburse Redevelopment Project Costs		\$14,273,719
Estimated Developer Debt and Equity and Other Sources to fund Redevelopment Project Costs		\$86,651,677
TOTAL		\$100,925,396

Exhibit 6

Evidence of “But For” – Streetscape Improvements

Exhibit 12A

Supplement to Conservation Study