

Board Meeting Agenda

Tax Increment Financing Commission

City of Kansas City, Missouri

DATE: February 13, 2024
TIME: **9:30 am.**
PLACE: Economic Development Corporation Board Room, 4th Floor
300 Wyandotte
Kansas City, Missouri

Videoconference

<https://us06web.zoom.us/j/89120225749?pwd=cHc3OTlpMmFNK2pqZFIGdEROazlvdz09>

Meeting ID: 891 2022 5749

Passcode: 199445

By Telephone: +1 312 626 6799

PUBLIC HEARING AGENDA ITEMS

PLATTE COUNTY/PLATTE RIII-PARK HILL

PUBLIC HEARING – 9:35 AM

ROLL CALL

1. **Proposed I-29 & I-435 TIF Plan: Consideration of approval of the proposed I-29 & I-435 TIF Plan, and others matters related thereto. (David Leader) Exhibit 1**

Purpose: The purpose of this hearing is for the TIF Commission to consider recommending to the City Council of Kansas City, Missouri approval of the I-29 & I-435 Tax Increment Financing Plan (the “Redevelopment Plan” or “Plan”) and designation of the Redevelopment Project Areas described therein.

Redevelopment Plan Area: The Redevelopment Area described by the Plan is in 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.

Notices: Notices regarding the public hearing were sent to all affected taxing jurisdictions by certified mail on October 6, 2023. Notices were published in newspapers of general circulation of the proposed redevelopment, on October 20, 2023, and November 10, 2023.

Staff prepared and delivered notices by certified mail regarding the public hearing on October 27, 2023 to the person or persons in whose names the general taxes for the last preceding year were paid on each lot, block, tract or parcel of land located within the redevelopment project or plan area, which shall be subject to payments in lieu of taxes and economic activity taxes.

General Description of the I-29 & I-435 TIF Plan: The I-29 & I-435 Tax Increment Financing 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, 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. 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

Redevelopment Project Costs: The estimated Redevelopment Project Costs to implement the Project Improvements and Public Improvements is \$53,652,613, exclusive of TIF administrative costs, of which \$13,806,656 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 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.

Projections and Application of Payments in Lieu of Taxes and Economic Activity Taxes: 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 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.

Anticipated Sources of Funds and Evidence of Commitments to Finance: The proposed Developer of the Plan has submitted evidence of financing commitment from Bank Midwest.

Initial Equalized Assessed Value: 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

Statutory Findings: It is Staff's recommendation that the I-29 & I-435 Tax Increment Financing Plan meets each of the required statutory findings identified by the TIF Act Statute. Specifically,

- **Economic Development Area:** The Plan Redevelopment Area on the whole, based upon the report attached to the Plan, as Exhibit 11, "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.

- **But-For Analysis:** A But-For analysis was conducted by SB Friedman. The analysis concluded that “the project, as presented, appears to require the full amount of requested assistance to be financially viable and attract debt and equity investors.” 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.
- **Cost-Benefit Analysis:** Staff has prepared a Cost Benefit Analysis. It is attached to the plan and it shows the economic impact of the Plan on each taxing district, which is at least partially within the boundaries of the Redevelopment Area. The analysis shall show the impact on the economy if the project is not built, and is built pursuant to the Plan. The analysis shows a net benefit to all taxing jurisdictions should the project be built. The cost-benefit analysis shall include a fiscal impact study on every affected political subdivision, and sufficient information from the Developer to evaluate whether the Project Improvements and Public Improvements as proposed are financially feasible.
- **Finding the Area Conforms to the City’s Comprehensive Plan:** The Redevelopment Plan conforms to the City’s KC Spirit Playbook and the applicable Area Plan.
- **Redevelopment Schedule:** The Redevelopment Plan provides that the estimated date of completion of any redevelopment project described by the Plan and retirement of obligations incurred to finance redevelopment project costs identified by the Plan shall not occur later than twenty-three (23) years after such redevelopment project is approved by ordinance.
- **Relocation Plan:** The Redevelopment Plan contains a relocation assistance plan. The Plan does not contemplate the relocation of any businesses or residents.
- **Gambling Establishment:** The Redevelopment Plan does not include development or redevelopment of any gambling establishment.
- **Acquisition by Eminent Domain:** The Redevelopment Plan does not contemplate that any property located within a Redevelopment Project Area will be acquired by eminent domain later than five (5) years from the adoption of the Ordinance approving such Redevelopment Project.
- **Date to Adopt Redevelopment Project:** The Redevelopment Plan does not provide for the adoption of an Ordinance approving any Redevelopment Project later than ten (10) years from the adoption of the Plan.

Action recommended:

(1 OF 3) CLOSING THE PUBLIC HEARING.

(2 OF 3) APPROVAL OF THE I-29 & I-435 TAX INCREMENT FINANCING PLAN AND FORWARD THE RECOMMENDATIONS TO THE CITY COUNCIL FOR APPROVAL.

(3 OF 3) APPROVAL OF THE DESIGNATION OF THE REDEVELOPMENT AREA AND REDEVELOPMENT PROJECT AREAS AND FORWARD THE RECOMMENDATIONS TO THE CITY COUNCIL FOR APPROVAL.

JACKSON COUNTY/HICKMAN MILLS

PUBLIC HEARING – 9:40 AM

ROLL CALL

2. **Pioneer Plaza – 1st Amendment TIF Plan: Consideration of approval of the First Amendment of the Pioneer Plaza TIF Plan and other matters related thereto. (David Leader)**

Action recommended:

CONTINUING THE PUBLIC HEARING TO 9:30 AM MARCH 12, 2024.

JACKSON COUNTY/KCMO

PUBLIC HEARING – 10:00 AM

ROLL CALL

3. **Proposed 14th & Wyandotte TIF Plan: Consideration of approval of the proposed 14th & Wyandotte TIF Plan, and other matters related thereto. (David Leader)**

Action recommended:

CONTINUING THE PUBLIC HEARING TO 9:35 AM MARCH 12, 2024.

ADMINISTRATIVE TIF COMMISSION AGENDA ITEMS

MINUTES

4. **Consideration of acceptance of Minutes of the following Administrative and Counties/School Districts and other matters related thereto. (La'Sherry Banks) Exhibit 4**

Minutes of the January 9, 2024 meetings are included for the Commission's review prior to the meeting.

Action recommended:

ACCEPTANCE OF THE ADMINISTRATIVE COMMISSION AND RELATED COUNTIES/SCHOOL DISTRICTS MINUTES AS PRESENTED.

COST CONSENT ITEMS RELATED TO SPECIFIC TIF PLANS

5. Cost Consent Agenda: Consideration of approval of the Cost Consent Agenda and other matters related thereto. (Gloria Garrison) Exhibit 5, 5A, 5B, 5C

The Cost Consent Agenda items for February 2024 are included in the Commission’s Board Packets for review prior to the meeting. The following items are included:

- Cost Certifications (Exhibit 5)

Antioch Crossing TIF Plan: Consideration of certification of costs totaling \$2,052,789, and other matters related thereto. (Gloria Garrison)

Request from: Antioch Development Partners, LLC
 Total amount requested: \$2,052,789
 Use of funds: Interest, General Conditions, and Contingency
 Cost certifier: Hood & Associates CPAs PC
 Questioned or disallowed costs: None
 EATs reporting requirement: 39% compliant for the current reporting period (2nd Half 2023). 1st half reports due 1-31-2024. 90% Compliant for the last reporting period.

Notes: Draw #4; for costs related to general conditions, interest, and contingency

Recommendation: Approval of certification of costs totaling \$2,052,789. Reimbursement is subject to the issuance of a Certificate of Partial Completion.

KCI Corridor TIF Plan: Consideration of certification of costs totaling \$294,202 and other matters related thereto. (Gloria Garrison)

Request from: Hunt Midwest
 Total amount requested: \$294,202
 Use of funds: Project 20A
 Cost certifier: Ralph Johnson
 Questioned or disallowed costs: None
 EATs reporting requirement: 44% compliant for the current reporting period (2nd Half 2023). 1st half reports due 1-31-2024. 82% Compliant for the last reporting period

Notes: Certification Report 2021-26 for costs related project 20A. A portion of this request will be paid from a bond draw—see schedule below.

	Bond Draw Portion-		
	Project & Admin Fund	Pay As You Go Portion	Total Certification
KCI Corridor			
Hunt Midwest	\$ 294,202.00		\$ 294,202.00
	\$ 294,202.00	\$ -	\$ 294,202.00

Recommendation: Approval of certification of costs totaling \$294,202. Reimbursement is subject to the issuance of a Certificate of Partial Completion.

KCI Corridor TIF Plan: Consideration of certification of costs totaling \$322,167.34 and other matters related thereto. (Gloria Garrison)

Request from: MD Management
 Total amount requested: \$322,167.34
 Use of funds: Project 7D, 17, 21
 Cost certifier: Ralph Johnson
 Questioned or disallowed costs: None
 EATs reporting requirement: 44% compliant for the current reporting period (2nd Half 2023). 1st half reports due 1-31-2024. 82% Compliant for the last reporting period

Notes: Certification Report 2021-27 for costs related project 7D Construction and Engineering, Commission Legal Fees, Project 17 Soft Costs, Project 21 Soft Costs, Legal Fees and Construction Period Interest. A portion of this request will be paid from a bond draw—see schedule below.

	Bond Draw Portion- Project & Admin Fund	Pay As You Go Portion	Total Certification
KCI Corridor			
MDM Admin Fees	\$ 6,986.50		\$ 6,986.50
MDM Project 7D Construction	293,626.45		\$ 293,626.45
MDM Project 7D Engineering	19,790.15		\$ 19,790.15
MDM Project 17 Soft Costs	1,311.70	-	\$ 1,311.70
MDM Project 21 Soft Costs	32.27		\$ 32.27
MDM Legal & Interest Fees	420.27		\$ 420.27
	\$ 322,167.34	\$ -	\$ 322,167.34

Recommendation: Approval of certification of costs totaling \$322,167.34. Reimbursement is subject to the issuance of a Certificate of Partial Completion.

Parvin Road TIF Plan: Consideration of certification of costs totaling \$194,923 and other matters related thereto. (Gloria Garrison)

Request from: Hunt Midwest
 Total amount requested: \$194,923
 Use of funds: Projects 1, 3, 4
 Cost certifier: Novak Birks
 Questioned or disallowed costs: None
 EATs reporting requirement: 38% compliant for the current reporting period (2nd Half 2023). 1st half reports due 1-31-2024. 93% Compliant for the last reporting period

Notes: Certification Report #140 for costs related to projects 1, 3 and 4.

Recommendation: Approval of certification of costs totaling \$194,923. Reimbursement is subject to the issuance of a Certificate of Partial Completion.

Parvin Road TIF Plan: Consideration of certification of costs totaling \$841,640 and other matters related thereto. (Gloria Garrison)

Request from: Hunt Midwest
Total amount requested: \$841,640
Use of funds: Projects 1, 3, 4
Cost certifier: Novak Birks
Questioned or disallowed costs: None
EATs reporting requirement: 38% compliant for the current reporting period (2nd Half 2023). 1st half reports due 1-31-2024. 93% Compliant for the last reporting period

Notes: Certification Report #141 for costs related to projects 1, 3 and 4.

Recommendation: Approval of certification of costs totaling \$841,640. Reimbursement is subject to the issuance of a Certificate of Partial Completion.

Rivermarket TIF Plan: Consideration of certification of costs totaling \$194,137.57 and other matters related thereto. (Gloria Garrison)

Request from: River Market Community Improvement District
Total amount requested: \$205,654.05
Use of funds: Rivermarket Area Improvements
Cost certifier: Ralph Johnson
Questioned or disallowed costs: \$11,516.48
EATs reporting requirement: 25% compliant for the current reporting period (2nd Half 2023). 1st half reports due 1-31-2024. 100% Compliant for the last reporting period

Notes: Certification Report 2005-12 for costs related to Rivermarket area improvements. \$11,516.48 was disallowed for being over budget.

Recommendation: Approval of certification of costs totaling \$194,137.57.

Action recommended: APPROVAL OF THE COST CONSENT AGENDA AND AUTHORIZE AND DIRECT THE CHAIR, VICE-CHAIR, OR EXECUTIVE DIRECTOR TO EXECUTE A RESOLUTION APPROVING THE SAME.

6. Shoal Creek TIF Plan: Consideration of certification of costs totaling \$204,007.11 and a waiver of the 18-month rule to include questioned costs of \$12,881.12 for total certification of \$216,888.23. (Jennifer Brasher) Exhibit 6

Request from: Hunt Midwest
Total amount requested: \$216,888.23
Use of funds: Project V; N. Sherman Street Lights
Cost certifier: Hood & Associates CPAs PC
Questioned or disallowed costs: \$12,881.12
EATs reporting requirement: 35% compliant for the current reporting period (2nd Half 2023). 1st half reports due 1-31-2024. 87% Compliant for the last reporting period

Notes: Certification Report through December 14, 2023; Draw 1. Costs for Project X, Intersection at NE Cookingham Drive. Discussion was held on February 5, 2024, at the GF&A meeting with the Developer providing additional information regarding the timing of when costs were incurred versus the timing of when the costs were paid and the application of the current 18-month rule.

Recommendation: GF&A committee recommends approval of certification of costs totaling \$204,007.11 and a waiver of the 18-month rule to include costs of \$12,881.12 for total certification of \$216,888.23.

Action recommended: APPROVE GRANTING A WAIVER OF THE REQUIREMENT THAT COSTS BE SUBMITTED FOR REIMBURSEMENT WITHIN 18 MONTHS OF BEING INCURRED AND APPROVAL OF CERTIFICATION OF COSTS TOTALING \$216,888.23 FOR SHOAL CREEK TIF PLAN.

7. **87th & Hillcrest TIF Plan: Consideration of certification of a waiver of the 18-month rule for costs totaling \$143,307 and other matters related thereto. (Jennifer Brasher) Exhibit 7**

Request from:	Foley Industries Inc.
Total amount requested:	\$143,307
Use of funds:	Finance Charges (Permanent Loan)
Cost certifier:	Hood & Associates CPAs PC
Questioned or disallowed costs:	\$143,307
EATs reporting requirement:	100% compliant for the current reporting period (2 nd Half 2023). 1 st half reports due 1-31-2024. 100% Compliant for the last reporting period

Notes: Certification Report Draw #19 for finance charges related to the permanent loan. Discussion was held on February 5, 2024, at the GF&A meeting with the Developer providing additional information regarding the timing of when costs were incurred versus the timing of when the costs were paid and the application of the current 18-month rule.

Recommendation: GF&A committee recommends approval of the waiver of the 18-month rule and the certification of costs totaling \$143,307.

Action recommended: APPROVE GRANTING A WAIVER OF THE REQUIREMENT THAT COSTS BE SUBMITTED FOR REIMBURSEMENT WITHIN 18 MONTHS OF BEING INCURRED AND APPROVAL OF CERTIFICATION OF COSTS TOTALING \$143,307 FOR 87TH & HILLCREST TIF PLAN.

8. **87th & Hillcrest TIF Plan: Consideration of certification of a waiver of the 18-month rule for costs totaling \$19,611.79 and other matters related thereto. (Jennifer Brasher) Exhibit 8**

Request from:	Foley Industries Inc.
Total amount requested:	\$19,611.79
Use of funds:	Finance Charges (Permanent Loan)
Cost certifier:	Hood & Associates CPAs PC
Questioned or disallowed costs:	\$19,611.79
EATs reporting requirement:	100% compliant for the current reporting period (2 nd Half 2023). 1 st half reports due 1-31-2024. 100% Compliant for the last reporting period

Notes: Certification Report Draw #18 for finance charges related to the permanent loan.

The original certification for Draw #18 was approved in part during at the October TIFC meeting whereby the non-questioned costs were approved, and the questioned costs of \$48,339.68 related to interest would be revisited at a later date. Discussion was held on February 5, 2024 at the GF&A meeting regarding Draw 18 at which time the Developer was asked to provide additional information confirming that the interest requested did not include compounded interest. The developer has

confirmed that the interest request did not contain compounded interest. The developer has revised their request to exclude \$28,727.89 of interest that was incurred and paid outside the 18-month rule and requested that \$19,611.79 of interest be considered as due and was paid within the 18-month rule.

Recommendation: GF&A committee recommends approval of the waiver of the 18-month rule and the certification of costs totaling \$19,611.79.

Action recommended: APPROVE GRANTING A WAIVER OF THE REQUIREMENT THAT COSTS BE SUBMITTED FOR REIMBURSEMENT WITHIN 18 MONTHS OF BEING INCURRED AND APPROVAL OF CERTIFICATION OF COSTS TOTALING \$19,611.79 FOR 87TH & HILLCREST TIF PLAN.

CERTIFICATES OF COMPLETION & COMPLIANCE RELATED TO SPECIFIC TIF PLANS

9. KCI Corridor TIF Plan: Consideration of Approval of a Certificate of Partial Completion and Compliance in Connection with Public Improvements within the KCI Corridor TIF Plan, and other matters related thereto. (Sandra L. Rayford) Exhibit 9

This Certificate of Partial Compliance is issued to Hunt Midwest Real Estate Development, Inc. (the “Redeveloper”) in accordance with Section 6 of the Agreement dated January 4, 2023, between the Tax Increment Financing Commission of Kansas City, Missouri (the “Commission”) and the Redeveloper (the ”Redevelopment Agreement”) for all such requirements and obligations in connection with the design of certain public infrastructure improvements (the “Partially Completed Public Improvements”) contemplated by the KCI Corridor Tax Increment Financing Plan, as amended (the “KCI Corridor TIF Plan”) and that are identified on Exhibit A and Exhibit C to the KCI Corridor TIF Plan – City of Kansas City, Missouri Schedule of Project Costs Submitted and Certified for Reimbursement through December 28, 2023 by Independent Accountant’s Report (the “Certification Report”) dated January 23, 2024 by Ralph C. Johnson & Company, P.C.

The KCI Corridor Tax Increment Financing Plan, which was approved by City Council on March 11, 1999 and which has been amended several times thereafter by a series of Ordinances passed by the City Council (the “TIF Plan”), provides for the design and construction of roadways and other public infrastructure within and adjacent to the Redevelopment Area, including the Partially Completed Public Improvements described on Exhibit A.

Redevelopment Project Costs

	Budget	Actual
Total Public Improvement 20A Design Costs	\$1,000,000	\$294,202
Total Public Improvement 20A Reimbursable Costs	\$ 600,000	\$294,202

The Redeveloper has complied with the Commission’s Certification of Costs and Reimbursement Policy and the Commission, pursuant to the Cost Certification Resolution, has certified all Project and Public Improvements Reimbursable Project Costs incurred that relate to Partially Completed Project and Infrastructure Improvements. Staff recommends approval of the Certificate of Partial Completion and Compliance.

Action recommended: APPROVAL OF THE CERTIFICATE OF PARTIAL COMPLETION AND COMPLIANCE TO HUNT MIDWEST REAL ESTATE DEVELOPMENT, INC FOR DESIGN COSTS RELATED TO PARTIALLY COMPLETED PROJECT AND PUBLIC IMPROVEMENTS AND DIRECT THE CHAIR, VICE-CHAIR, OR EXECUTIVE DIRECTOR TO EXECUTE.

10. Antioch Crossing TIF Plan: Consideration of Approval of a Certificate of Partial Completion and Compliance in Connection with Project and Public Improvements within the Antioch Crossing TIF Plan, and other matters related thereto. (Sandra L. Rayford) Exhibit 10

This Certificate of Partial Completion and Compliance is issued to Antioch Redevelopment Partners, LLC (the “Redeveloper”) in accordance with the Amended and Restated Agreement (the “Redevelopment Agreement”), dated February 1, 2013 (the “Redevelopment Agreement”), between the Tax Increment Financing Commission of Kansas City, Missouri (the “Commission”) and Antioch Redevelopment Partners, LLC (the “Redeveloper”) for the implementation of the Antioch Crossing Tax Increment Financing Plan, as amended (the “TIF Plan”).

This Certificate of Partial Completion and Compliance is issued to the Redeveloper in accordance with Section 18 of the Redevelopment Agreement for all such requirements and obligations in connection with the construction of Project Improvements and Infrastructure Improvements that are identified in the Antioch Crossing TIF Plan Schedule of Project Costs Submitted and Certified for Reimbursement, pursuant to an Independent Accountant’s Report, dated January 4, 2024, by Hood & Associates, CPAs, PC (the “Partially Completed Project and Infrastructure Improvements”) and Resolution No. 2-__-24 (the “Cost Certification Resolution”). (All capitalized terms not defined herein shall have the respective meanings ascribed to them in the Redevelopment Agreement).

The Antioch Crossing TIF Plan, which was approved by the City Council on April 12, 2022, by its passage of Ordinance No. 120083, and which has been amended several times thereafter by a series of Ordinance passed by the City Council, provides for the demolition of the existing Antioch Center Mall to construct a mixed-use development including approximately 91,285 square feet of new retail, approximately 96 units of senior housing and rehab 169,344 square feet of office and retail and construct necessary public improvements and infrastructure including parking, utilities and streetscapes (the “Plan Improvements”).

REDEVELOPMENT PROJECT COSTS:

	<u>Budget</u>	<u>Actual</u>
Total Cost of Project and Public Improvements	\$98,970,105	\$61,614,799
Redevelopment Costs Eligible for Reimbursement	\$58,025,075	\$33,296,364

The Redeveloper has complied with the Commission’s Certification of Costs and Reimbursement Policy, and the Commission, pursuant to the Cost Certification Resolution, has certified all Project and Public Improvements Reimbursable Project Costs incurred that relate to Partially Completed Project and Infrastructure Improvements. Staff recommends approval of the Certificate of Partial Completion and Compliance.

Action recommended: APPROVAL OF THE CERTIFICATE OF PARTIAL COMPLETION AND COMPLIANCE TO ANTIOCH REDEVELOPMENT PARTNERS, LLC FOR COSTS RELATED TO PARTIALLY COMPLETED PROJECT AND PUBLIC IMPROVEMENTS AND DIRECT THE CHAIR, VICE-CHAIR, OR EXECUTIVE DIRECTOR TO EXECUTE

11. Parvin Road Corridor TIF Plan: Consideration of Approval of a Certificate of Partial Completion and Compliance in Connection with Project and Public Improvements within the KCI Corridor TIF Plan, and other matters related thereto. (Sandra L. Rayford) Exhibit 11

This Certificate of Partial Completion and Compliance is issued to Hunt Midwest Real Estate Development, Inc. (the “Redeveloper”), in accordance with Section 19 of the Amended and Restated Redevelopment Agreement (the “Redevelopment Agreement”), dated June 8, 2013 and amended on March 16, 2018 , April 1, 2022 and October 17, 2022 between the Tax Increment Financing Commission of Kansas City, Missouri (the “Commission”) and the Redeveloper for the implementation of a portion of the Uncompleted Private Project Improvements and Uncompleted Public Improvements described on **Exhibit A**, attached hereto (the “Partially Completed Public Improvements”), and identified by the Parvin Road Corridor Tax Increment Financing Plan, as amended (the “TIF Plan”) and for which Redevelopment Project Costs were requested by the Redeveloper as of December 31, 2023 and thereafter submitted and certified, pursuant to the Novak Birks, P.C.’s Independent Accountant’s Report, dated January 24, 2024 (the “Cost Certifier Report”) and Commission Resolution No. 2-__-24 (the “Certification of Costs Resolution”).

The TIF Plan, which was approved by the City Council on December 14, 2000, and which has been amended several times thereafter by a series of Ordinances passed by the City Council, provides for design of, expansion, and improvement of the public infrastructure within the Redevelopment Area necessary to accommodate an expansion of the existing above-ground industrial park and the underground industrial and commercial complex known as the SubTropolis, together with all appurtenances necessary to adequately address the existing conditions qualifying the Redevelopment Area as an Economic Development Area. The proposed infrastructure improvements include constructing and/or improving roadways, curbing, traffic signals, storm sewers, water lines, utilities, and related items necessary to adequately serve the expansion of the development complex. Certain expenses have been incurred by the Redeveloper and certified by the Cost Certifier Report, in connection with the Partially Completed Public Improvements described on **Exhibit A**, attached hereto.

REDEVELOPMENT PROJECT COSTS:

	Budget	Actual
Total Public Improvements	\$92,304,980	\$48,895,376
Public Improvement Costs Eligible for Reimbursement	\$67,805,614	\$48,895,376

The Redeveloper has complied with the Commission’s Certification of Costs and Reimbursement Policy, and the Commission, pursuant to the Cost Certification Resolution, has certified all Project and Public Improvements Reimbursable Project Costs incurred that relate to Partially Completed Project and Infrastructure Improvements. Staff recommends approval of the Certificate of Partial Completion and Compliance.

Action recommended: APPROVAL OF THE CERTIFICATE OF PARTIAL COMPLETION AND COMPLIANCE TO HUNT MIDWEST REAL ESTATE DEVELOPMENT, INC. FOR COSTS RELATED TO PARTIALLY COMPLETED PROJECT AND PUBLIC IMPROVEMENTS AND DIRECT THE CHAIR, VICE-CHAIR, OR EXECUTIVE DIRECTOR TO EXECUTE

AGREEMENTS RELATED TO SPECIFIC TIF PLANS

12. **Historic Northeast TIF Plan: Consideration of a Tax Contribution and Disbursement Agreement among the TIF Commission, the City of Kansas City, Missouri, Historic Northeast Lofts, LLC and a Cost Certifier to be selected by the TIF Commission, in connection with the Historic Northeast TIF Plan and other matters related thereto. (Wesley Fields) Exhibit 12**

On December 27, 2023, the TIF Commission adopted Resolution No. 12-19-23 recommending that the City Council of Kansas City, Missouri (the “Council”) approve the Historic Northeast Tax Increment Financing Plan (the “TIF Plan”).

The TIF Plan provides for of (1) the construction approximately 389 multi-family residential units, of which 322 shall be reserved as “affordable housing” for tenants who earn less than 80% of the Kansas City, Missouri median household income, approximately 13,000 square feet of retail space, an approximately 30,000 square foot daycare center and after school program space, and approximately 500 parking spaces (the “Project Improvements”) and (2) the construction or reconstruction of public infrastructure improvements, including, but not limited to sanitary and storm sewer, utilities, sidewalks, and any other required or desired infrastructure, that support and enhance the Project Improvements (collectively, the “Public Improvements”) by August 2025 within an area generally bound by Parretta Drive on the north, Van Brunt Boulevard on the west, East 23rd Street on the south, and I-435 on the east, all in Kansas City, Jackson County, Missouri (the “Redevelopment Area”).

Historic Northeast Lofts, LLC (the “Redeveloper”) intends to enter into a Redevelopment Agreement (the “Redevelopment Agreement”) with the Commission, which shall provide that the Redeveloper shall implement the Project Improvements and Public Improvements contemplated by the TIF Plan, and the Commission, subject to the terms of the Redevelopment Agreement, shall reimburse the Redeveloper for certain certified costs related thereto.

The TIF Plan further provides that the estimated Redevelopment Project Costs to implement the Project Improvements and Public Improvements is \$178,931,655, and it is anticipated that the Redevelopment Project Costs will be funded from the following sources: (A) Economic Activity Taxes and Additional City EATs generated and collected within the Redevelopment Area in the amount of \$46,433,000 (collectively “Tax Revenue”), (B) a monetary contribution from the Kansas City Affordable Housing Trust Fund in the amount of \$1,575,000 (“Housing Trust Funds” and together with the Tax Revenue, the “ Tax Contributions”), (C) a loan from Kansas City Brownfield Revolving loan fund of \$7,000,000, (D) energy rebates in the amount \$350,000, (E) private debt in the approximate amount of \$32,803,211, (G) tax credit equity in the amount of \$82,562,470, and (F) deferred fees in the approximate amount of \$8,207,874.

On accordance with the Redevelopment Agreement and the policies and procedures of the Commission, certain of Reimbursable Project Costs that are to be reimbursed with Tax Contributions, must be certified for payment or reimbursement by the Cost Certifier (on behalf of the Commission).

The Redeveloper desires to set forth their agreements regarding the utilization and disbursement procedures of the City's Tax Contributions for the payment of the certain certified Redevelopment Project Costs related to the implementation of the Project Improvements and Public Improvements Attached to the Board Packet is the form of a Tax Contribution and Disbursement Agreement, which provides, in part, for the procedure of the certification and payment or reimbursement of Reimbursable Cost that are to be funded with Tax Contributions.

To the extent the Commission finds the terms and conditions of the Tax Contribution and Disbursement Agreement to be acceptable, staff and legal counsel recommend its approval, subject to the City Council's approval of the Historic Northeast TIF Plan, as recommended by the Commission, pursuant to Resolution No. 12-9-23.

Action recommended:

APPROVAL OF THE TAX CONTRIBUTION AND DISBURSEMENT AGREEMENT AMONG THE TIF COMMISSION, THE CITY OF KANSAS CITY, MISSOURI, HISTORIC NORTHEAST LOFTS, LLC, AND A COST CERTIFIER TO BE DESIGNATED BY THE TIF COMMISSION, IN A FORM SUBSTANTIALLY SIMILAR TO EXHIBIT 12 ATTACHED TO THE COMMISSION BOARD PACKET, SUBJECT TO MODIFICATIONS APPROVED BY THE CHAIR, EXECUTIVE DIRECTOR AND LEGAL COUNSEL AND SUBJECT TO THE CITY COUNCIL'S APPROVAL OF THE HISTORIC NORTHEAST TIF PLAN, AS RECOMMENDED BY THE TIF COMMISSION

13. Historic Northeast TIF Plan: Consideration of support of and assistance to the Industrial Development Authority of the City of Kansas City, Missouri in connection with its issuance of Tax Increment Bond Anticipation Notes (Historic Northeast Redevelopment Project) Series 2024 (the "Series 2024 Bonds) in connection with the Historic Northeast TIF Plan, and other matters related thereto. (Wesley Fields) Exhibit 13

On December 27, 2023, the TIF Commission adopted Resolution No. 12-19-23 recommending that the City Council of Kansas City, Missouri (the "Council") approve the Historic Northeast Tax Increment Financing Plan (the "TIF Plan").

The TIF Plan provides for of (1) the construction approximately 389 multi-family residential units, of which 322 shall be reserved as "affordable housing" for tenants who earn less than 80% of the Kansas City, Missouri median household income, approximately 13,000 square feet of retail space, an approximately 30,000 square foot daycare center and after school program space, and approximately 500 parking spaces (the "Project Improvements") and (2) the construction or reconstruction of public infrastructure improvements, including, but not limited to sanitary and storm sewer, utilities, sidewalks, and any other required or desired infrastructure, that support and enhance the Project Improvements (collectively, the "Public Improvements and together with the Project Improvements, the "Project") by August 2025 within an area generally bound by Parretta Drive on the north, Van Brunt Boulevard on the west, East 23rd Street on the south, and I-435 on the east, all in Kansas City, Jackson County, Missouri (the "Redevelopment Area").

Historic Northeast Lofts, LLC (the "Redeveloper") intends to enter into a Redevelopment Agreement (the "Redevelopment Agreement") with the Commission, which shall provide that the Redeveloper shall implement the Project Improvements and Public Improvements contemplated by the TIF Plan, and the Commission, subject to the terms of the Redevelopment Agreement, shall reimburse the Redeveloper for certain certified costs related thereto.

The Redeveloper has requested the Commission declare its intent to support The Industrial Development Authority of the City of Kansas City, Missouri (the “Authority”) in issuing its Tax Increment Bond Anticipation Notes (Historic Northeast Redevelopment Project) Series 2024 (the “Series 2024 Bonds”) in an amount not to exceed \$_____, pursuant to an Indenture between the Authority and a national banking association selected by the Authority that shall serve as a trustee (the “Trustee”), to provide funds to (a) finance, refinance and reimburse certain redevelopment project costs related to the Project Improvements and the Public Improvements (collectively, the “Project”), (b) fund a debt service reserve fund and (c) pay associated costs of issuance of the Series 2024 Bonds.

Attached to the Commission Board Packet as **Exhibit 13** is a Resolution approving a form of a Cooperative Agreement among the Commission, the Authority and the Trustee, and such additional parties deemed necessary by legal counsel (the “Cooperative Agreement”) and authorizing the Commission to execute the Cooperative Agreement, along with any additional agreements, certificates or instruments necessary in connection with the Authority’s issuance of the Series 2024 Bonds.

To the extent the Commission desires to support the Authority in connection with its issuance of the Series 2024 Bonds in the principal amount not to exceed \$_____, staff and legal counsel recommend that the Commission agree (1) to assist and support the Authority in its issuance of the Series 2024 Bonds for the purpose of (a) financing, refinancing and reimbursing certain redevelopment project costs related to the Project, (b) fund a debt service reserve fund and (c) pay associated costs of issuance of the Series 2024 Bonds and (2) to approve the form of the Cooperative Agreement, attached as **Exhibit 13** to the Commission’s Board Packet, and (3) to authorize the execution of Cooperative Agreement, along with any additional agreements, certificates and instruments related to the Authority’s issuance of the Series 2024 Bonds, which are approved by the Chair and legal counsel.

Action recommended:

APPROVAL OF A RESOLUTION TO ASSIST AND SUPPORT THE INDUSTRIAL DEVELOPMENT AUTHORITY OF KANSAS CITY, MISSOURI IN THE ISSUANCE OF TAX INCREMENT FINANCING ANTICIPATION NOTES (HISTORIC NORTHEAST REDEVELOPMENT PROJECT) SERIES 2024 AND APPROVE AND AUTHORIZE THE EXECUTION OF A COOPERATIVE AGREEMENT AND SUCH OTHER AGREEMENTS, CERTIFICATES AND INSTRUMENTS APPROVED BY LEGAL COUNSEL AND THE CHAIR FOR THE HISTORIC NORTHEAST TIF PLAN.

14. Southpointe TIF Plan: Consideration of a Joint Redevelopment Agreement by and among the TIF Commission, The Planned Industrial Expansion Authority of Kansas City, Missouri and UA KC Southpointe, LLC, in connection with the Southpointe TIF Plan, and other matters related thereto. (Wesley Fields) Exhibit 14

On May 19, 2022, the City Council of the City of Kansas City, Missouri (the “City”), by Ordinance No. 220403, approved the Southpointe Tax Increment Financing Plan, (the “Original Plan”) and designated the area described therein as a redevelopment area (the TIF “Redevelopment Area”).

On July 13, 2023, the City Council of the City, by Ordinance No. 230550, approved the First Amendment to the Original Plan (the “First Amendment”, together with the Original Plan shall hereafter be referred to as the “TIF Plan”).

On August 19, 2021, the City Council, by Ordinance No. 210647, made all requisite findings for compliance with Section 100.300-100.620, RSMo., approved the 63rd and Prospect PIEA General Development Plan (the “PIEA Plan”) and determined that area described therein (the “PIEA Area”) to be blighted and in need of industrial development as defined in Section 100.310, RSMo and as contemplated by the PIEA Plan.

Each of TIF Plan and PIEA Plan provides for the construction of an approximately 76,200 square foot hotel, with approximately 114 rooms and 114 surface parking spaces, approximately 308,100 gross square feet of residential space and an approximately 391 space surface parking lot to support the same (the “Project Improvements”), together with the construction or reconstruction of such other public infrastructure improvements such as signage, signaling, sidewalks, storm drainage facilities, utility relocation and upgrades, curbs, and such other related public infrastructure improvements that support and enhance the Project Improvements (collectively, the “Public Improvements”). Each of the PIEA Area and the TIF Redevelopment Area is generally bounded 59th Street on the north, 63rd Street on the south, Bruce R. Watkins Highway on the east and Brooklyn Avenue on the west, all in Jackson County, Kansas City, Missouri.

Because each of the TIF Plan and the PIEA Plan provide for the implementation of the Project Improvements and Public Improvements, the Redeveloper desires to enter into a single Redevelopment Agreement with the Commission and PIEA (the “Joint Redevelopment Agreement”) , which shall provide that (1) the Redeveloper shall implement the Project and Public Improvements described by each of the TIF Plan and PIEA Plan, in accordance with the terms and conditions set forth in the Joint Redevelopment Agreement, attached to the Board Packet as **Exhibit 14** and for (2) the Commission, subject to the terms and conditions of the Joint Redevelopment, shall provide the Redeveloper with the TIF Plan Incentives, which shall include to the reimbursement to the Redeveloper for certain costs related to the Project Improvements and Public Improvements in an amount not to exceed \$10,333,966 from Economic Activity Taxes, Additional City EATS and PIAC Sales Taxes on deposit in the Special Allocation Fund established in connection with the Redevelopment Project described by the TIF Plan and (3) PIEA, subject to the terms and conditions of the Joint Redevelopment, shall provide the Redeveloper with the PIEA Plan Incentives, which shall include (1)(A) the delivery to the Redeveloper of a real property tax exemption certificate and (B) the issuance of industrial revenue bonds (“IRBs”) to finance costs of the Project Improvements and the Public Improvements for the purposes of obtaining an exemption from state and local sales tax on construction material costs of the Project Improvements and the Public Improvements and (2) to grant for the Redevelopment Project Area twenty-five (25) year ad valorem tax abatement.

The Joint Redevelopment Agreement, attached as **Exhibit 14** to the Commission Board Packet, has been prepared by legal counsel and reviewed by staff and, except as otherwise noted in the Redevelopment Agreement, contains the Commission’s most recent policies and procedures.

To the extent the Commission finds acceptable the terms of the Joint Redevelopment Agreement, as described in this agenda item, and as more particularly set forth on **Exhibit 14**, staff and legal counsel recommend approval, subject to modifications accepted by the Chair, the Executive Director and legal counsel.

Action recommended:

APPROVAL OF THE JOINT REDEVELOPMENT AGREEMENT AMONG THE TAX INCREMENT FINANCING COMMISSION OF KANSAS CITY, MISSOURI, THE PLANNED INDUSTRIAL EXPANSION AUTHORITY OF KANSAS CITY, MISSOURI AND UA KC SOUTHPOINTE, LLC RELATED TO THE IMPLEMENTATION OF THE SOUTHPOINTE TAX INCREMENT FINANCING PLAN, AND SUCH JOINT REDEVELOPMENT AGREEMENT SHALL BE SUBJECT TO MODIFICATIONS ACCEPTED BY THE CHAIR, EXECUTIVE DIRECTOR AND LEGAL COUNSEL

15. Southpointe TIF Plan: Consideration of a Third Amendment to a Development Agreement by and among the TIF Commission, the City of Kansas City, Missouri and UA KC Southpointe, LLC, in connection with the Southpointe TIF Plan, and other matters related thereto. (Wesley Fields) (Exhibit 15)

On February 4, 2022, the City, the Commission and UA KC Southpointe, LLC (the “Developer”) entered into a Development Agreement, which provides, in part, that the Commission shall transfer certain property (the “Project Property”) located within the Redevelopment Area described by the Southpointe Tax Increment Financing Plan, as approved by the Council on May 19, 2022, pursuant to Ordinance No. 220403, in six separate phases or “Subdivisions” to the Developer, upon the Developer’s exercise of six separate options, with each option being subject to the satisfaction of certain conditions, including the completion of certain predevelopment due diligence, such as producing a general development plan, a proposed land use plan, proposed zoning changes, a development schedule, a market study and a financing plan; and

On July 31, 2023, the City, Commission and the Developer entered into a First Amendment to the Development Agreement, which (1) modified the description of Subdivision 1 and Subdivision 2 of the Project Property, (2) modified the description of certain documentation required to be submitted by the Developer to the City prior to the transfer of any Project Properties and the dates that such documentation shall be provided and (3) modified the dates when the options must be exercised; and

On December 21, 2023, the Developer entered into a Second amendment to the Development Agreement (1) to extend the date for the completion of the improvements contemplated by Subdivision 1-A and 1-B to thirty (30) months after the Developer acquires title to the same and (2) to modify the time frame (A) for when construction of the improvements in Subdivision 1-A must commence to sixty (60) days after acquiring title to Subdivision 1-A and (B) for when construction of the improvements in Subdivision 1-B must commence to thirty (30) days after acquiring title to Subdivision 1-B.

The Developer now desires to further amend the Development Agreement to provide that unless agreed to by the parties to the Development Agreement, (i) the option to purchase Subdivision 1-A may be exercised at any time that would enable a closing on Subdivision 1-A to occur on or before December 31, 2023 and (ii) the option to purchase Subdivision 1-B may be exercised at any time that would enable a closing on Subdivision 1-B to occur on or before March 29, 2024 (the “Third Amendment Modifications”).

Attached to the Board Packet as **Exhibit 15** is a Third Amendment to the Development Agreement that contains the Third Amendment Modifications. To the extent the Commission finds acceptable the terms of the Third Amendment to the Development Agreement, as described in this agenda item and as more particularly set forth on **Exhibit 15**, staff and legal counsel recommend approval, subject to modifications accepted by the Chair, the Executive Director and legal counsel.

Action recommended: APPROVAL OF THE THIRD AMENDMENT TO THE DEVELOPMENT AGREEMENT AMONG THE TAX INCREMENT FINANCING COMMISSION OF KANSAS CITY, MISSOURI, THE CITY OF KANSAS CITY, MISSOURI AND UA KC SOUTHPONTE, LLC RELATED TO THE IMPLEMENTATION OF THE SOUTHPONTE TAX INCREMENT FINANCING PLAN, AND SUCH THIRD AMENDMENT TO DEVELOPMENT AGREEMENT SHALL BE SUBJECT TO MODIFICATIONS ACCEPTED BY THE CHAIR, EXECUTIVE DIRECTOR AND LEGAL COUNSEL

ADMINISTRATIVE MATTERS NOT RELATED TO SPECIFIC PLANS

16. Economic Activity Taxes: Consideration of the Economic Activity Taxes Report, and other matters related thereto. Exhibit 16

Action recommended: NONE; INFORMATION ONLY.

17. Affirmative Action and Contract Compliance Subcommittee Reports: Consideration of acceptance of the Affirmative Action Reports and Contract Compliance Reports and other matters related thereto. (Sandra L. Rayford) Exhibit 17 & 17A

The Affirmative Action/Contract Compliance Committee did not meet during the month of January 2024. Enclosed with the board packet is a copy of the MBE/WBE report for January 2024 for your review.

Action recommended: NONE; INFORMATION ONLY.

18. Governance, Finance, and Audit Subcommittee: Consideration of Governance, Finance and Audit Reports and other matters related thereto. Exhibit 18

The Governance, Finance, and Audit Subcommittee did not meet in January to consider the following items:

- Monthly Financial as prepared by Hood & Associates
(Michael Keenan of Hood & Associates)

Action recommended: ACCEPTANCE OF THE FINANCIAL REPORT.

19. Neighborhood & Housing Subcommittee Report: Consideration of the Neighborhood & Housing Report and other matters related thereto. (Ryana Parks-Shaw) Exhibit 19

Action recommended: NONE; INFORMATION ONLY.

20. Chair's Report: Consideration of the Chair's Report and other matters related thereto.

Action recommended: NONE; INFORMATION ONLY.

21. **Administrative:** Consideration of the Executive Director's Report and other matters related thereto.

Action recommended: NONE; INFORMATION ONLY.

EXECUTIVE SESSION

22. Consideration of legal matters, real estate matters, sealed bids or proposals, or confidential communications between the Commission pursuant to Section 610.021(1), (2), (12), or (17), RSMo, respectively. (*Chair Canady*)

RESUME BUSINESS SESSION

23. **Adjournment**

**high-performance work system
technology
organizational structure
people
processes
all work together**