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Debbie Siragusa Kansas City Public Library 14 West 10 th Street Kansas City, MO 64105	Everett "Jake" Jacobs Development Disability Services 8511 Hillcrest Rd, Ste 300 Kansas City, MO 64138
Ruth Peterson Blind Pension Fund 301 W. High Street, Rm. 330 Jefferson City, MO 65101	Caleb Clifford Jackson County Courthouse 415 E. 12 th St., 2 nd Floor Kansas City, MO 64106
Kerrie Tyndall City Hall, 29 th Floor 414 E. 12 th Street Kansas City, MO 64106	Linda Falk Kansas City Zoo 6800 Zoo Drive Kansas City, MO 64132

CERTIFIED MAIL

**NOTICE TO TAXING JURISDICTIONS
Trillium Industries No. 1, LLC**

On behalf of the City of Kansas City, Missouri ("City"), all affected taxing jurisdictions are invited to attend a meeting where a City Council committee will consider an ordinance to approve an Industrial Development Plan for Trillium Industries No. 1, LLC. The plan is scheduled to be introduced to City Council on Thursday, June 20, 2019 and assigned to the Planning Zoning and Economic Development Committee. The PZED meeting will be held on Wednesday, June 26, 2019 at 1:30 pm on the 26th Floor, City Hall, 414 East 12th Street, Kansas City, Missouri. The plan may be available for full approval by the City Council on Thursday, June 27, 2019.

The Project will convert the former 245 room Holiday Inn at 1 East 45th Street to a 275 room Kimpton branded hotel. The project will demolish and replace the existing two-story north wing

with a five-story tower. The Project will create 186 new jobs over the initial 5 years, with an average wage of approximately \$41,498 by the third year. Total investment will be approximately \$95.05 million with approximately \$53.65 million being hard construction costs including \$19,186,000 in construction materials. The Company is requesting a sales tax exemption on construction materials which is compliant with the City's Chapter 100 Policy.

The total cost of the Project is expected to be approximately \$95,049,000. The City has offered a maximum of \$55 million in a Chapter 100 bond issuance (the "Bonds") to fund the cost of construction of the Project, plus a reasonable contingency. The Project will be owned by the City and leased back to the Company pursuant to the Lease (defined below). The Bonds will be repaid solely by the Company under the terms of the Lease and do not reflect on the City's credit rating. Remaining costs of the Project will be funded by the Company.

The City will provide no real or personal property tax abatement for the Company or the Project pursuant to Chapter 100. During the term of the Lease, the Company will make payments in lieu of taxes in an amount equal to 100% of the estimated real property taxes that would be due on the Project during the term of the Lease. Personal property related to the Project consisting of furniture and fixtures will not be subject to the Lease and will continue to be owned by the Company. The issuance of the Bonds is designed to provide a sales tax exemption on construction materials for the Project. Staff estimates total sales tax exemption to be \$1,649,996 of which the City's portion is \$575,580. This is an estimate and not a guarantee. The project is also anticipated to utilize the Enhanced Enterprise Zone program in accordance with the requirements of Missouri Works.

The Company will be subject to operational/performance standards commensurate with the anticipated investment for the Project which will be incorporated into the Lease Agreement dated as of the date set forth therein (the "Lease"), between the City and the Company.

Taxing jurisdictions are invited to attend the hearing to provide oral testimony and/or submit written comments on the Industrial Development Plan for review and consideration by the Kansas City, Missouri City Council. All comments should be sent to dmoye@edckc.com or to the mailing address below. All comments of the taxing districts will be fairly and duly considered by the City.

Dated: May 31, 2019

Economic Development Corporation
Attention: Dan Moye
1100 Walnut, Suite 1700
Kansas City, Missouri 64106
(816) 691-2134

Chapter 100 Industrial Development Plan

Trillium Industrial No.1, LLC

This Chapter 100 Industrial Development Plan (the “Plan”) provides information required by Section 100.050 RSMo. and Committee Substitute for Resolution No. 041033. The Plan supports the issuance of Chapter 100 bonds the City of Kansas City, Missouri (the “City”), for Trillium Industrial No. 1, LLC an Illinois limited liability company (the “Company”), for the redevelopment of an existing hotel facility (the “Project”) in the City. This plan contemplates the issuance of Chapter 100 Taxable Industrial Revenue Bonds by the City in an amount not to exceed \$55,000,000 for the Project.

In addition, this plan provides information related to the value of partial tax abatement under the City’s Enhanced Enterprise Zone (“EEZ”) program, as further described herein.

A. Plan requirements per Section 100.050 of the Revised Statutes of Missouri.

1) Project Description

The Company is a construction company experienced in large scale commercial construction and renovation. The project will revitalize an underutilized site adjacent to the Country Club Plaza shopping district and create 186 jobs upon completion.

The Project will convert the former 245 room Holiday Inn at 1 East 45th Street to a 275 room Kimpton branded hotel. The project will demolish and replace the existing two-story north wing with a five-story tower. The Project will create 186 new jobs over the initial 5 years, with an average wage of approximately \$41,498 by the third year. Total investment will be approximately \$95.05 million with approximately \$53.65 million being hard construction costs including \$19,186,000 in construction materials. The Company is requesting a sales tax exemption on construction materials which is compliant with the City’s Chapter 100 Policy.

The total cost of the Project is expected to be approximately \$95,049,000. The City has offered a maximum of \$55 million in a Chapter 100 bond issuance (the “Bonds”) to fund the cost of construction of the Project, plus a reasonable contingency. The Project will be owned by the City and leased back to the Company pursuant to the Lease (defined below). The Bonds will be repaid solely by the Company under the terms of the Lease and do not reflect on the City’s credit rating. Remaining costs of the Project will be funded by the Company.

The City will provide no real or personal property tax abatement for the Company or the Project pursuant to Chapter 100. During the term of the Lease, the Company will make payments in lieu of taxes in an amount equal to 100% of the estimated real property taxes that would be due on the Project during the term of the Lease. Personal property related to the Project consisting of furniture and fixtures will not be subject to the Lease and will continue to be owned by the Company. The issuance of the Bonds is designed to provide a sales tax exemption on construction materials for the Project. Staff estimates total sales tax exemption to be \$1,649,996 of which the City’s portion is \$575,580. This is an estimate and not a guarantee. The project is

also anticipated to utilize the Enhanced Enterprise Zone program in accordance with the requirements of Missouri Works.

The Company will be subject to operational/performance standards commensurate with the anticipated investment for the Project which will be incorporated into the Lease Agreement dated as of the date set forth therein (the "Lease"), between the City and the Company.

2) Cost Estimate

COST CATEGORIES	TOTAL AMOUNT	COSTS FINANCED WITH BOND PROCEEDS
Acquisition	\$15,050,000	\$0
Soft Costs	\$10,924,000	\$0
Construction/Renovation	\$52,000,000	\$52,000,000
Tenant Improvements	\$0	\$0
Furniture and Fixtures	\$12,120,000	\$0
Machinery and Equipment	\$0	\$0
Other (including interest)	\$2,355,000	\$0
Contingency	\$2,600,000	\$0
TOTAL PROJECT COSTS	\$95,049,000	\$52,000,000

See Attachment 1 for the annualized cost breakdown.

3) Sources of Funds

SOURCES	AMOUNT
Bond Proceeds	\$52,000,000
Other Financing	\$43,049,000
TOTAL	\$95,049,000

4) Lease/Disposal Terms

The Company will construct the Project in accordance with the Lease. The City shall be the sole, titular owner of the Project during the Lease term. While the Project is owned by the City and is subject to the Lease, the Company will be entitled to a sales tax exemption on construction materials related to the Project financed with proceeds of the Bonds. The Company will make PILOT payments equal to 100% of the real property taxes as described in Section 6. Following completion of construction of the Project, the Project shall be conveyed by the City to Company. Such conveyance will occur not later than December 31 of the year in which the second (2nd) anniversary of the issuance of the Bonds occurs (or sooner at the Company's option).

5) Affected Taxing Jurisdictions

The following taxing jurisdictions will be affected by the Project: Board of Disabled Services, City of Kansas City, Missouri, Jackson County, Kansas City Public Library, Kansas City School District, Mental Health Fund, Metro Junior College and State Blind Pension Fund.

6) a) Most recent Equalized Assessed Valuation of Real Property/Personal Property in Project – Before Development

Real Property: \$2,952,640
 Personal Property: \$0

b) Estimated Equalized Assessed Valuation of Real and Personal Property in Project – 10 Years After Development

Real Property		
	Market Value	Assessed Value
2022	\$ 34,750,000	\$ 11,120,000
2023	\$ 34,750,000	\$ 11,120,000
2024	\$ 35,445,000	\$ 11,342,400
2025	\$ 35,445,000	\$ 11,342,400
2026	\$ 36,153,900	\$ 11,569,248
2027	\$ 36,153,900	\$ 11,569,248
2028	\$ 36,876,978	\$ 11,800,633
2029	\$ 36,876,978	\$ 11,800,633
2030	\$ 37,614,518	\$ 12,036,646
2031	\$ 37,614,518	\$ 12,036,646

Personal Property		
	Market Value	Assessed Value
2022	\$ 10,804,090	\$ 3,457,309
2023	\$ 8,489,360	\$ 2,716,595
2024	\$ 6,670,730	\$ 2,134,634
2025	\$ 5,188,480	\$ 1,660,314
2026	\$ 3,706,230	\$ 1,185,994
2027	\$ 2,223,980	\$ 711,674
2028	\$ 1,210,000	\$ 387,200
2029	\$ 13,287,668	\$ 4,252,054
2031	\$ 10,440,842	\$ 3,341,069
2032	\$ 8,204,156	\$ 2,625,330

10-Year Cost/Benefit Analysis (Amounts Below are Net Benefits/(Costs))

- a) **Kansas City: \$3,553,676**
- b) **Jackson County: \$1,188,113**
- c) **Mental Health Fund: \$68,811**
- d) **Developmental Disabilities Service: \$45,582**
- e) **Kansas City Public Library: \$331,613**
- f) **Kansas City School District: \$205,217**
- g) **MCC: \$150,406**
- h) **Blind Pension Fund: \$27,593**

See Attachment 2 for cost/benefit analysis. These estimates include partial abatement under EEZ.

8) Anticipated PILOTs and Disposition of Payments

<u>Year</u>	<u>Assessed Value</u>	<u>Full RP Taxes</u>	<u>RP Tax Savings</u>	<u>PILOT Payments</u>
2020	\$2,952,000	\$0	\$0	\$287,306
2021	\$2,952,000	\$0	\$0	\$287,306
2022	\$11,120,000	\$1,082,265	\$541,133	\$541,133
2023	\$11,120,000	\$1,082,265	\$541,133	\$541,133
2024	\$11,342,400	\$1,103,910	\$551,955	\$551,955
2025	\$11,342,400	\$1,103,910	\$551,955	\$551,955
2026	\$11,569,248	\$1,125,989	\$562,994	\$562,994
2027	\$11,569,248	\$1,125,989	\$562,994	\$562,994
2028	\$11,800,633	\$1,148,508	\$574,254	\$574,254
2029	\$11,800,633	\$1,148,508	\$574,254	\$574,254
2030	\$12,036,646	\$1,171,479	\$585,739	\$585,739
2031	\$12,036,646	\$1,171,479	\$585,739	\$585,739
Total		\$11,264,302	\$5,632,151	\$6,206,764

*Real Property tax savings reflect the use of the Enhanced Enterprise Zone program.

B. Community Impact Statement Requirements (Resolution No. 041033)

1) Project Integration with FOCUS

The Company will be locating in the Southwest Corridor Urbanized Area.

10-Year Cost/Benefit Analysis (Amounts Below are Net Benefits/(Costs), see Attachment 2)

- i) Kansas City: \$3,553,676**
- j) Jackson County: \$1,118,113**
- k) Mental Health Fund: \$68,811**
- l) Developmental Disabilities Service: \$45,582**
- m) Kansas City Public Library: \$331,613**
- n) Kansas City School District: \$205,217**
- o) MCC: \$150,406**
- p) Blind Pension Fund: \$27,593**

2) Project Compliance with City Affirmative Action Policies

The Company will comply, and will cause its contractors to comply, with the nondiscrimination and equal employment requirements of the City of Kansas City, Missouri, and with affirmative action in employment requirements as may be applicable to the Project, if any.

3) Other Evaluation Criteria

a) Number of New Jobs/Retained Jobs

This Project would result in the creation of 186 new jobs.

b) Total Amount of Projected Investment

Total investment is approximately \$95,049,000.

c) Average Wage

The average wage for the 186 new employees is estimated at \$41,498.

d) Capability to Attract sales from Outside KCMO

As a hotel, the project will draw considerable sales from outside of Kansas City, Missouri.

e) Financial Strength of the Business

The Company is reputable with an excellent company history and a solid financial position.

f) Additional Residents to the Area

It is difficult to determine exactly how many new residents will move to Kansas City. However, the Company anticipates that somewhere between 5-20 new residents could be added.

g) Potential for Future Expansion

There are no plans for future expansion at the 45th & Main site

h) Existing versus New Business to the City

The Company is new to Kansas City, Missouri.

i) General Environmental Impact on the Area

The Company is not aware of any detrimental environmental impact that will result from the proposed Project.

j) Use of Federal and State Incentives for the Project

The Company does not anticipate using any federal incentives.

The Company may pursue the Missouri Works Program.

k) Evidence of the Need for Chapter 100 Bonds

The availability of Chapter 100 sales tax exemption will allow the company to construct hotel rooms at a cost level that can be supported by the current market projections

l) Evidence of Support by Affected Taxing Jurisdictions

All taxing jurisdictions will be notified in accordance with Missouri State Statute 100.059. In addition, EDC staff and the applicant will respond to questions regarding the Project with the taxing jurisdictions in advance of the City Council hearing.

m) Estimated Impact to Proximate Businesses/Competition in KCMO

The Company will replace a blighted hotel with a top of market hotel that will push competition amongst Kansas City's higher end hotel group.

ATTACHMENT 1:

**ANNUALIZED
ESTIMATED COST BREAKDOWN**

Year	Investment
	\$
2019	15,050,000
2020	\$52,799,340
2021	\$27,199,660
	\$95,049,000

ATTACHMENT 2:

COST/BENEFIT ANALYSIS

Cost-Benefit Analysis

Kimpton Cost-Benefit Summary - 10-year analysis
 Per-capita impacts calculated at 100% of total average revenues and costs.

	City of Kansas City	Jackson County	Mental Health Fund	EITAS	Blind Pension Fund	Kansas City Public Library	Kansas Zoo District	Kansas City Public Schools	Metro Community Colleges	State of Missouri
Benefits										
Sales Taxes:	\$ 2,516,020	\$ 1,110,637	\$ --	\$ --	\$ --	\$ --	\$ 123,404	\$ --	\$ --	\$ 4,390,758
Property Taxes:	\$ 2,018,127	\$ 915,918	\$ 140,811	\$ 86,579	\$ 36,010	\$ 609,058	\$ --	\$ 5,964,196	\$ 277,172	\$ --
Income Taxes:	\$ 2,331,319	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 8,858,974
Other Revenues:	\$ 2,056,836	\$ 284,207	\$ 733	\$ 20,306	\$ 10,833	\$ 7,609	\$ 25,376	\$ 881,422	\$ 51,898	\$ 4,710,457
Total Revenues:	\$ 8,922,303	\$ 2,310,762	\$ 141,544	\$ 106,885	\$ 46,844	\$ 616,667	\$ 148,780	\$ 6,845,618	\$ 329,071	\$ 17,960,189
Costs										
Costs for Services:	\$ 3,858,128	\$ 587,980	\$ 16,629	\$ 26,537	\$ 4,878	\$ 42,386	\$ 40,807	\$ 3,046,322	\$ 68,230	\$ 6,785,572
Incentives:	\$ 1,510,499	\$ 534,669	\$ 56,103	\$ 34,496	\$ 14,373	\$ 242,668	\$ 33,112	\$ 2,376,324	\$ 110,434	\$ 1,200,242
Total Costs:	\$ 5,368,627	\$ 1,122,649	\$ 72,733	\$ 61,033	\$ 19,251	\$ 285,054	\$ 73,919	\$ 5,422,646	\$ 178,664	\$ 7,985,815
Net Cost/Benefit										
Public Benefits:	\$ 8,922,303	\$ 2,310,762	\$ 141,544	\$ 106,885	\$ 46,844	\$ 616,667	\$ 148,780	\$ 6,845,618	\$ 329,071	\$ 17,960,189
Public Costs & Incentives:	\$ 5,368,627	\$ 1,122,649	\$ 72,733	\$ 61,033	\$ 19,251	\$ 285,054	\$ 73,919	\$ 5,422,646	\$ 178,664	\$ 7,985,815
Net Benefits (Costs):	\$ 3,553,676	\$ 1,188,113	\$ 68,811	\$ 45,852	\$ 27,593	\$ 331,613	\$ 74,861	\$ 1,422,973	\$ 150,406	\$ 9,974,375
Present Value of Public Benefits:	\$ 6,815,198	\$ 1,801,809	\$ 104,115	\$ 78,423	\$ 34,351	\$ 453,569	\$ 119,764	\$ 5,027,159	\$ 241,554	\$ 13,753,700
Present Value of Incentives:	\$ 1,298,222	\$ 445,962	\$ 41,288	\$ 25,385	\$ 10,573	\$ 176,601	\$ 33,112	\$ 1,748,991	\$ 81,276	\$ 1,200,242

ATTACHMENT 3:
PILOT SCHEDULE

Real Property PILOT Schedule (Including EEZ abatement)

	Market Value	Assessed Value	Kansas City	Jackson County	Mental Health	Handicap Workshop	Kansas City Public Library	Kansas City Public School District	Metro Community Colleges	Blind Pension	Replacement Tax	PILOT Total (50% years 3-12)
2020	\$ 9,225,000	\$ 2,952,000	\$ 49,543	\$ 20,702	\$ 3,457	\$ 2,125	\$ 14,952	\$ 146,416	\$ 6,804	\$ 886	\$ 42,420	\$ 287,306
2021	\$ 9,225,000	\$ 2,952,000	\$ 49,543	\$ 20,702	\$ 3,457	\$ 2,125	\$ 14,952	\$ 146,416	\$ 6,804	\$ 886	\$ 42,420	\$ 287,306
2022	\$ 34,750,000	\$ 11,120,000	\$ 93,313	\$ 38,992	\$ 6,511	\$ 4,003	\$ 28,161	\$ 275,770	\$ 12,816	\$ 1,668	\$ 79,897	\$ 541,133
2023	\$ 34,750,000	\$ 11,120,000	\$ 93,313	\$ 38,992	\$ 6,511	\$ 4,003	\$ 28,161	\$ 275,770	\$ 12,816	\$ 1,668	\$ 79,897	\$ 541,133
2024	\$ 35,445,000	\$ 11,342,400	\$ 95,180	\$ 39,772	\$ 6,641	\$ 4,083	\$ 28,725	\$ 281,286	\$ 13,072	\$ 1,701	\$ 81,495	\$ 551,955
2025	\$ 35,445,000	\$ 11,342,400	\$ 95,180	\$ 39,772	\$ 6,641	\$ 4,083	\$ 28,725	\$ 281,286	\$ 13,072	\$ 1,701	\$ 81,495	\$ 551,955
2026	\$ 36,153,900	\$ 11,569,248	\$ 97,083	\$ 40,568	\$ 6,774	\$ 4,165	\$ 29,299	\$ 286,912	\$ 13,334	\$ 1,735	\$ 83,125	\$ 562,994
2027	\$ 36,153,900	\$ 11,569,248	\$ 97,083	\$ 40,568	\$ 6,774	\$ 4,165	\$ 29,299	\$ 286,912	\$ 13,334	\$ 1,735	\$ 83,125	\$ 562,994
2028	\$ 36,876,978	\$ 11,800,633	\$ 99,025	\$ 41,379	\$ 6,909	\$ 4,248	\$ 29,885	\$ 292,650	\$ 13,600	\$ 1,770	\$ 84,788	\$ 574,254
2029	\$ 36,876,978	\$ 11,800,633	\$ 99,025	\$ 41,379	\$ 6,909	\$ 4,248	\$ 29,885	\$ 292,650	\$ 13,600	\$ 1,770	\$ 84,788	\$ 574,254
2030	\$ 37,614,518	\$ 12,036,646	\$ 101,006	\$ 42,206	\$ 7,047	\$ 4,333	\$ 30,483	\$ 298,503	\$ 13,872	\$ 1,805	\$ 86,483	\$ 585,739
2031	\$ 37,614,518	\$ 12,036,646	\$ 101,006	\$ 42,206	\$ 7,047	\$ 4,333	\$ 30,483	\$ 298,503	\$ 13,872	\$ 1,805	\$ 86,483	\$ 585,739
		Totals	\$ 1,070,301	\$ 447,240	\$ 74,678	\$ 45,917	\$ 323,010	\$ 3,163,073	\$ 146,997	\$ 19,132	\$ 916,417	\$ 6,206,764

ATTACHMENT 4:

AdvanceKC Analysis (Ordinance No. 140031)

A. Jobs-Based Project Priorities:

Compete for Quality Jobs

- 1) **Retained jobs are as valuable as new jobs**
New Jobs = 186. # Retained Jobs = 0
- 2) **Focus on AdvanceKC Target Sectors**
N/A
- 3) **Focus jobs in growth sectors**
The Project will add 186 jobs into the hospitality industry which is known to have upward mobility.
- 4) **Focus on companies that provide competitive wages for their industry**
At approximately \$41,498 a year, wages are competitive compared to the industry average.
- 5) **Promote comprehensive opportunities for education, skill development and lifelong learning to preserve and enhance Kansas City's workforce**
Fortune Magazine has put Kimpton on its "Best Companies to Work for" list ten times and Glassdoor has honored Kimpton as a "Best Place to Work." The company has scored a perfect 100 on the Human Rights Campaign Foundation's Corporate Equality Index year over year. Kimpton has a thriving company culture, numerous hospitality career tracks, and rich benefits and perks also make it one of the best places to work. Kimpton takes care of all of employees with great benefits, like paid time off; medical, dental, and vision plans; life, short-term, and long-term disability insurance; 401(k) with employer matching; back-up child and elder care; robust professional and personal development through their own Kimpton University; and employee discounts at the 65+ hotels nationwide. Plus, the company throws in some extra Kimpton-style perks, like wellness programs and, of course, pet insurance.

B. Site-Based Project Priorities:

- 1) **Provide incentives for real estate projects to encourage economic, social, and environmental sustainability**

This Project will cure a blighted site, boost the overall hotel stock of the Plaza market, and provide a substantial capital investment along the Main Street corridor.

2) Maintain and develop quality and workforce housing opportunities consistent with market needs of existing and prospective residents

N/A

3) Support projects that benefit surrounding neighborhoods

The Company's intends to add art exhibits along the 45th Street corridor to create an arts corridor on the approach to the Nelson Atkins and Kansas City Art Institute.

4) Support projects that are consistent with City Area Plans and the City's Consolidated Plan

This Project is consistent with the City's Area Midtown/Plaza Area Plan.

5) Support early risk takers, especially in City Council priority development areas

The project will be developing a top of market hotel project which is likely to push Average Daily Rates across the top end of the Kansas City market.

6) Target areas of historic underinvestment

a. Focus on areas of long term declining property values

Facility is within a non-distressed census tract.

b. Encourage geographic equity of development patterns

This facility is located within Council District 4.

7) Support projects that increase density in the urban core with a greater emphasis within the streetcar corridors

The project will add more hotel rooms to an existing hotel site and is along the streetcar expansion route.

C. Fiscal Responsibility Policies:

1) Promote good stewardship of the City's resources

A 10-year cost benefit analysis of the Project shows the City generating total revenues of \$8,922,303 while granting incentives and incurring costs valued at \$5,368,627 resulting in net new revenues to the City of \$3,553,676 over that period.

2) Provide incentives for real estate projects only as necessary to fill the financial gap

Use of Sales Tax Exemption allows the city to leverage substantial investment from the state to help make the project viable.

- 3) **Support pay-as-you-go projects and discourage the use of City debt**
Chapter 100 bonds are conduit debt and do not involve any guarantees or obligations of the City.
- 4) **Super TIF should be used with great discretion and requires the support of a super majority (two-thirds) of the City Council, except when needed to access incentives from other public jurisdictions or to promote quality residential development**
TIF is not being used on the site.
- 5) **Encourage retail projects that result in capture of net new consumer spending versus substitution of spending from other markets within KCMO**
The project will add net new hotel rooms to the Kansas City market allowing for the capture of new revenues.
- 6) **Limit the use of incentives to reasonable and appropriate project expenses which have a public benefit and are essential to the successful completion of projects**
The bond issuance is being used solely for the exemption of construction material purchases. Exemption of such materials add an immediate boost to the project and minimize any necessary subsidy over time.
- 7) **All projects should meet the “but for” test, either financially or competitively or should address the City Council’s strategic priorities.**
The Company has indicated that the Chapter 100 program is essential to financing the project as proposed.
- 8) **Promote a positive fiscal impact on taxing jurisdictions in the use of incentives**
In the first 10 years, the affected local taxing jurisdictions will receive around \$5,646,141 of new revenues because of this Project.
- 9) **Direct earnings tax incentives are prohibited**
No earnings taxes are used as an incentive in this Project.
- 10) **The City’s incentives should be used to maximize private investment**
The Chapter 100 exemption for this Project will only be used for construction materials and will minimize the need for debt/ongoing subsidy.
- 11) **Business types ineligible for incentives include: the sale of package liquor* or firearms*, pawn shops, short term loan establishments, gambling, blood/plasma centers, “adult-oriented” businesses, cigarette*/smoke shops and hookah lounges, scrap metal operations, tattoo/piercing parlors, and used car lots**

*** These business types are only ineligible when the indicated (*) product comprises more than 30% of retail sales or the sales display area (Example: A liquor store would be ineligible but a grocery store that sells liquor would be eligible)**

Hotels are an eligible business type for the use of this incentive.