

# THIRD AMENDMENT TO THE BANNISTER & WORNALL TAX INCREMENT FINANCING PLAN

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KANSAS CITY, MISSOURI

**TIF COMMISSION APPROVAL:**

\_\_\_\_\_  
**DATE:**                      **RESOLUTION NO.**

**CITY COUNCIL APPROVAL:**

\_\_\_\_\_  
**DATE:**                      **ORDINANCE NO.**

**THIRD AMENDMENT**  
**TO THE**  
**BANNISTER AND WORNALL TAX INCREMENT FINANCING PLAN**

**I. Introduction**

The Third Amendment to the Bannister and Wornall Tax Increment Financing Plan (the “Third Amendment”) shall amend the Bannister and Wornall Tax Increment Financing Plan, as approved by Ordinance No. 140372, and as subsequently amended by the First Amendment, as approved by Ordinance No. 180019 and the Second Amendment, as approved by Ordinance No. 229068 to the (collectively, referred to herein as the “Plan”).

The Third Amendment to the Plan modifies the (a) Estimated Budget of Redevelopment Projects, (b) Sources of Funds described by the Plan and (c) exhibits to the Plan with such other conforming changes that are in furtherance of the forgoing modifications.

**II. Specific Amendments**

The Bannister and Wornall Plan shall be amended as follows:

**Amendment No. 1:** Section I of the Plan, entitled “Introduction and Summary of Plan,” shall be deleted in its entirety and replaced with the following:

**I. INTRODUCTION AND SUMMARY OF PLAN**

The Bannister & Wornall Tax Increment Financing Plan (the “Plan”) contemplates the construction of an office campus to be completed in two phases within an area generally bounded by Ward Parkway on the north, Wornall Road on the east, Bannister Road (95th Street) on the south, and the Ward Parkway Office Park South subdivision on the west in Kansas City, Jackson County, Missouri.

The development contemplated by the Plan will include the demolition of an approximately 75,000 square foot existing structure located at 9400 Wornall Road, construction of approximately 471,467 square feet of office space, to be undertaken in two phases, along with approximately 340 surface parking spaces, an approximately 1,583 space parking garage, and all necessary infrastructure to support such improvements, including site preparation, utility construction and relocation, curbs, sidewalks, aesthetic improvements, landscaping and other improvements.

The development within and around the Redevelopment Area anticipated under this Plan is in the public interest because it will result in increased employment within the City and will enhance the tax base of the City. The Redevelopment Area is marked by a variety of physical and economic deficiencies, including aging and deteriorating improvements, functionally obsolete improvements, various safety concerns and excessive vacancy and economic underutilization, which contribute to the area’s position today as an economic and social liability. The Blight Study attached as Exhibit 10 to this Plan documents the blighting factors and conditions within the Redevelopment Area and confirms that the Redevelopment Area is a Blighted Area as defined in the Act. With the

demolition of the existing structures and the development that will be achieved through the construction of the Project Improvements and Public Improvements, the Redevelopment Area will be developed to its highest and best use and blight can be eliminated.

The estimated Redevelopment Project Costs to implement the Plan are approximately \$232,648,159 which include approximately \$42,734,678 in Reimbursable Project Costs to be reimbursed from TIF Revenue (as hereafter defined). The Reimbursable Project Costs consist of costs related to land acquisition, site improvements, parking and tenant improvements and are more particularly identified on Exhibit 5A, attached to this Plan. The Plan contemplates reimbursement of Reimbursable Project Costs on a “pay as you go” basis to ensure that no risk is assumed by any Taxing District.

The total initial equalized assessed valuation of the Redevelopment Area according to current records at the Jackson County Assessor’s Office is approximately \$2,645,558. The current combined ad valorem property tax levy is projected to be \$11.1765 per \$100 assessed valuation. The 2013 annual ad valorem tax revenue from the Redevelopment Area is approximately \$505, which is a boulevard tax, as the property was tax exempt since it was a religious facility. Following the completion of all Project Improvements (as hereafter defined), it is estimated that the assessed value of the property will increase to approximately \$18,833,884.

Pursuant to the Act, tax increment financing allows for the use of fifty percent (50%) of Economic Activity Taxes and one hundred percent (100%) of Payment in Lieu of Taxes generated and collected within the Redevelopment Project Area for a twenty-three (23) year period to pay Reimbursable Project Costs. The estimated total Economic Activity Taxes generated within the Redevelopment Project Area and available to pay Reimbursable Project Costs is approximately \$43,498,962. It is anticipated the Redevelopment will receive Missouri Chapter 100 benefits in the form of 100% real property tax abatement for 15 years and 50% tax abatement for 10 years; therefore, no Payment in Lieu of Taxes will be redirected to pay for any Reimbursable Project Costs. Upon completion of the Plan and payment of all reimbursable Project Costs, TIF Revenue will be paid to the Taxing District in accordance with the Act.

**Amendment No. 2:** The following term defined under the Section entitled “Definitions” in Section I. of the Plan is hereby deleted in its entirety and replaced with the following:

Y. “Reimbursable Project Costs,” Forty-Two Million Seven Hundred Thirty-Four Thousand Six Hundred Seventy-Eight and no/100 Dollars (\$42,734,678) of the Redevelopment Project Costs, as specifically identified on Exhibit 5A, attached hereto.”

**Amendment No. 3:** Section IV.A. of the Plan, entitled “Estimated Redevelopment Project Costs,” shall be deleted in its entirety and replaced with the following paragraph:

A. Estimated Redevelopment Project Costs. The total cost to the Redeveloper to implement the Project Improvements and Public Improvements, which is described by Section IV.C. and IV.D, is estimated to be \$232,648,159, which is provided in detail on Exhibit 5A, attached hereto. The Redeveloper and third parties engaged by either the Redeveloper or the Commission will finance

\$189,913,481 (approximately 82% of the total cost) through a combination of equity or debt financing. For the remaining \$42,734,678 (approximately 18% of the total cost) of Reimbursable Project Costs, the Redeveloper is seeking financing through Obligations secured, at least in part, by Tax Increment Financing. The Reimbursable Project Costs are identified on Exhibit 5A, attached hereto.

The Commission has determined that certain planning and special services expenses of the Commission (“Administrative Expenses”), which are not direct Redevelopment Project Costs, are nonetheless reasonable and necessary for the operation of the Commission and are incidental costs to the Plan. The incidental costs will be recovered by the Commission from the Special Allocation Fund in an amount not to exceed 5% of the Payments in Lieu of Taxes and Economic Activity Taxes paid annually into the Special Allocation Fund”

**Amendment No. 4:** Delete Exhibit 5.A of the Plan entitled “Estimated Redevelopment Costs” in its entirety and replace it with Exhibit 5.A “Estimated Redevelopment Costs,” attached hereto.

**Amendment No. 5:** Delete Exhibit 7 of the Plan entitled “Sources of Funds” in its entirety and replace it with Exhibit 7 “Sources of Funds,” attached hereto.

**Amendment No. 4**

**Exhibit 5.A**

**Estimated Redevelopment Project Costs**

**Amendment No. 5**

**Exhibit 7**