Economic Development and Finance
Standing Committee Meeting Agenda
Monday, June 5, 2023
5:00 PM

Location: HYBRID
We invite you to view the meeting in person in the 5th-floor conference room, Suite 515, Municipal Office Building, 701 N 7th Street, Kansas City, Kansas, or virtually via a Zoom webinar.

Please click the link below to join the webinar:
https://us02web.zoom.us/j/85018390765
Or One tap mobile:
+17193594580,85018390765# US
+12532050468,85018390765# US
Or Telephone:
Dial (for higher quality, dial a number based on your current location):
+1 719 359 4580 US; +1 253 205 0468 US; +1 253 215 8782 US (Tacoma)
+1 346 248 7799 US (Houston; +1 669 444 9171 US; +1 669 900 9128 US (San Jose)
+1 301 715 8592 US (Washington DC; +1 305 224 1968 US; +1 309 205 3325 US
+1 312 626 6799 US (Chicago); +1 360 209 5623 US; +1 386 347 5053 US
+1 507 473 4847 US; +1 564 217 2000 US; +1 646 558 8656 US (New York)
+1 646 931 3860 US; +1 689 278 1000 US; 888 475 4499 US Toll-Free
877 853 5257 US Toll-Free
Webinar ID: 850 1839 0765
International numbers available: https://us02web.zoom.us/u/kuoRwrjx

Name	Absent
Commissioner Tom Burroughs, Chair	☐
Commissioner Brian McKiernan	☐
Commissioner Chuck Stites	☐
Commissioner Gayle Townsend	☐
Commissioner Andrew Davis	☐
David Haley, BPU Member	☐

I. **Call to Order/Roll Call**

II. **Revisions to June 5, 2023, Agenda**

III. **Approval of standing committee minutes from (no minutes available)**

IV. **Committee Agenda**

Item No. 1 - REPORT: FIRST QUARTER 2023 INVESTMENT
Synopsis: Presentation of the First Quarter 2023 Investment Report, submitted by Andrea Vinyard, Deputy Treasurer.

For information only
Tracking #: 212385

Item No. 2 - APPROVAL: FIRST AMENDMENT TO ASSIGNMENT, ASSUMPTION, AND AMENDED AND RESTATED AGREEMENT (HOMEFIELD CID)
Synopsis: Approval of First Amendment to Assignment, Assumption, and Amended and Restated Agreement (Homefield CID), submitted by Patrick Waters, Acting Chief Legal Counsel.

*On May 8, 2023, the **Economic Development and Finance Standing Committee**, chaired by Commissioner Burroughs, voted unanimously to approve and forward to the full commission. Mayor requested this item be returned to the standing committee for further review.*
Tracking #: 212433

Item No. 3 - RESOLUTION: ADOPTION OF RESOLUTION OF INTENT TO ISSUE INDUSTRIAL REVENUE BONDS (MARGARITAVILLE/HOMEFIELD OUTDOOR PROJECT)
Synopsis: Adoption of a Resolution of Intent to issue industrial revenue bonds for the Margaritaville/Homefield Outdoor project, submitted by Patrick Waters, Acting Chief Legal Counsel.

*On May 8, 2023, the **Economic Development and Finance Standing Committee**, chaired by Commissioner Burroughs, voted unanimously to approve and forward to the full commission. Mayor requested this item be returned to the standing committee for further review.*
Tracking #: 212434

Item No. 4 - RESOLUTION: ADOPTION OF RESOLUTION OF INTENT TO ISSUE INDUSTRIAL REVENUE BONDS (HOMEFIELD BASEBALL AMENDMENT)
Synopsis: Adoption of a Resolution of Intent to issue industrial revenue bonds for the Homefield Baseball Amendment, submitted by Patrick Waters, Acting Chief Legal Counsel.

*On May 8, 2023, the **Economic Development and Finance Standing Committee**, chaired by Commissioner Burroughs, voted unanimously to approve and forward to the full commission. Mayor requested this item be returned to the standing committee for further review.*

Tracking #: 212434

Item No. 5 - RESOLUTION: AUTHORIZING THE FIRST AMENDMENT TO THE PERFORMANCE AGREEMENT BETWEEN THE UG AND CPC LAND ACQUISITION LLC (CRITERION DEVELOPMENT)

Synopsis: A resolution authorizing the first amendment to the performance agreement between the Unified Government and CPC Land Acquisition LLC (Criterion Development), extending the construction commencement and completion dates, submitted by Patrick Waters, Acting Chief Counsel.

Tracking #: 212496

Item No. 6 - ORDINANCE: AUTHORIZING THE CREATION OF A COMMUNITY IMPROVEMENT DISTRICT RELATED TO THE URBAN OUTFITTERS DISTRIBUTION CENTER

Synopsis: An ordinance authorizing the creation of a Community Improvement District related to the Urban Outfitters Distribution Center, submitted by Patrick Waters, Acting Chief Counsel.

Tracking #: 212499

Item No. 7 - ORDINANCE: AUTHORIZING THE UG TO LEVY SPECIAL ASSESSMENTS ON THE URBAN OUTFITTER DISTRIBUTION CENTER

Synopsis: An ordinance authorizing the Unified Government to levy special assessments on the Urban Outfitter Distribution Center, submitted by Patrick Waters, Acting Chief Counsel.

Tracking #: 212500

Item No. 8 - UPDATE: ROCK ISLAND BRIDGE BASE GRANT TRANSFER

Synopsis: Update regarding the Flying Truss transfer of funds to the UG to help pay for the public portions and infrastructure work associated with the Rock Island Bridge project, submitted by Patrick Waters, Acting Chief Counsel.

For Information Only

Tracking #: 212497

V. **Public Agenda**

VI. **Adjourn**

Staff Request for Commission Action

Tracking No. 212385

Full Commission Meeting Date:
Committee: Economic Development & Finance

Date of Standing Committee Action: (If none, please explain):

Publication Required: No

Date:	Contact Name:	Contact Phone:	Contact Email:	Department/Division:
04/03/2023	Andrea Vinyard	x8226	avinyard@wycokck.org	Finance

Item Description: First Quarter 2023 Investment Report
Action Requested:
Budget Impact: (if applicable) Amount: Source: Included In Budget: Other (explain):
Attachments List: 2023 Invstmt Report - Q1

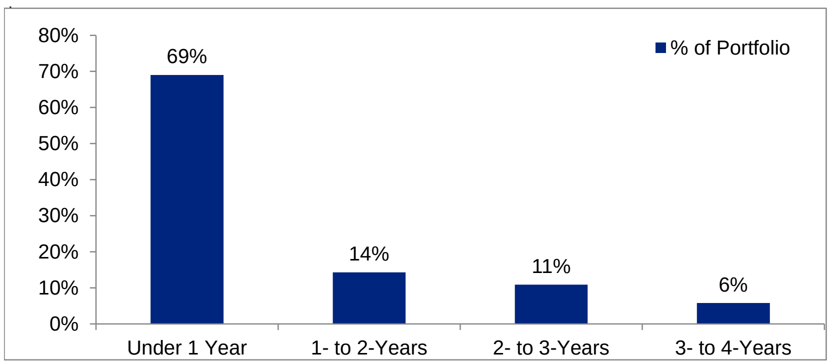
Unified Government of Wyandotte County and Kansas City, Kansas
Investment Portfolio Compliance Report
March 31, 2023

Investment Summary - Aggregate Portfolio By Type of Investment

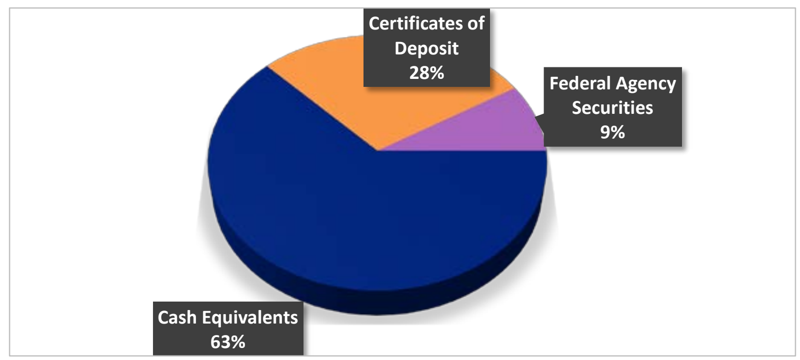
Security Type	Original Cost	Market Value[1]	Amortized Cost[2]	% of Portfolio	% Permitted by Policy	In Compliance	Weighted Days to Maturity[3]	Weighted Average Yield[3]
Property Tax Held for Entities[4]	**$1,496,750**	**$1,496,750**	**$1,496,750**	**na**		✓	**-**	**3.70%**
Cash Equivalents	$197,194,250	$197,194,250	$197,194,250	62%	100%	✓	-	3.70%
Total Liquidity	**$197,194,250**	**$197,194,250**	**$197,194,250**	**62%**			**-**	**3.70%**
Certificates of Deposit	$90,000,000	$90,000,000	$90,000,000	28%	100%	✓	612	2.10%
Federal Agency Securities	$30,000,000	$27,394,000	$30,000,000	9%	50%	✓	1,065	2.82%
Total Securities	**$120,000,000**	**$117,394,000**	**$120,000,000**	**38%**			**1,677**	**4.92%**
Total Portfolio	**$317,194,250**	**$314,588,250**	**$317,194,250**	**100%**			**274**	**3.16%**

1. Market values provided by UMB Bank, Third-Party Safekeeping Custodial Agent. Recorded at time of settlement to reflect holding investments to maturity.
2. Amortized cost is the original cost of the principal of the security adjusted for the amount of the periodic reduction of any discount or premium from the purchase date until the date of the report.
3. Averages shown are weighted averages calculated based on original cost. Average maturity is shown as days.
4. Property Tax collections temporarily held by the County on behalf of other governmental entities is not a part of the Unified Government's cash and investment value. The cash being held in trust is presented here for informational purposes.

Maturity Distribution



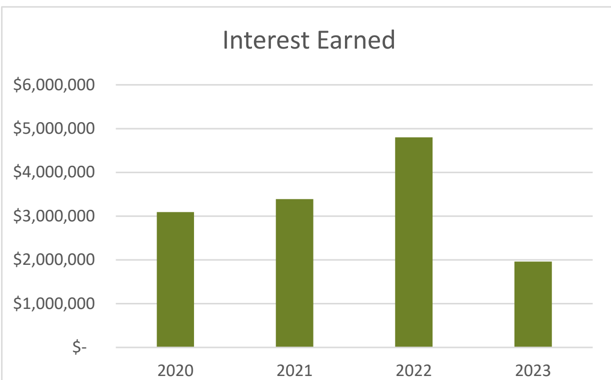
Sector Distribution



Unified Government of Wyandotte County and Kansas City, Kansas
Investment Portfolio Compliance Report
March 31, 2023

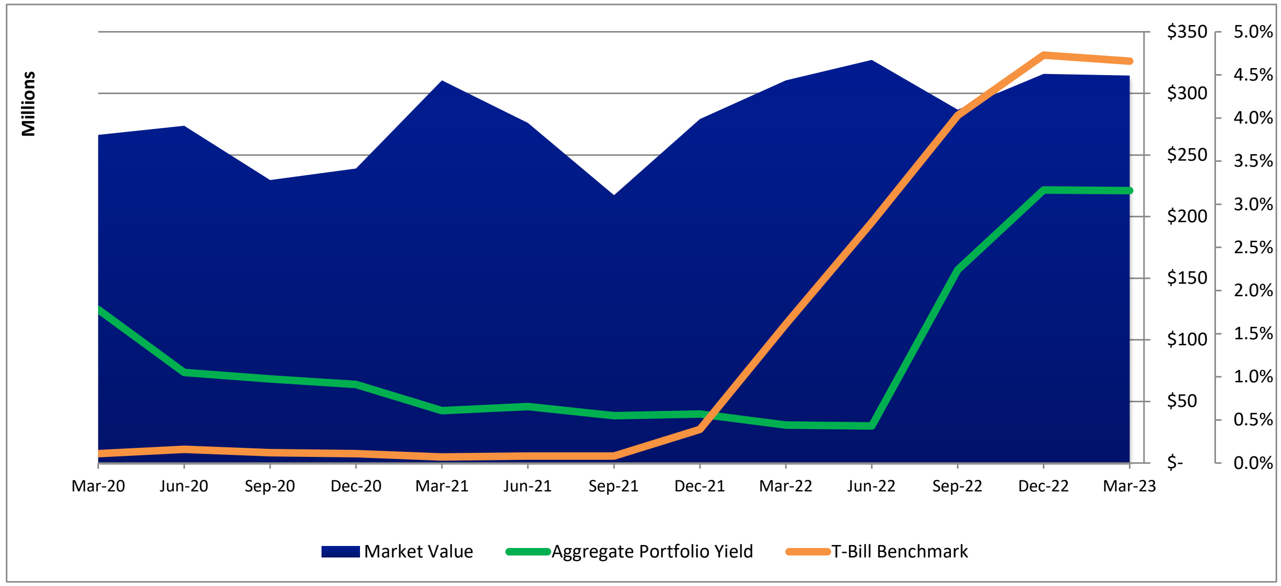
Compliance

	Yes	No
Liquidity	✓	
Permitted types of investments	✓	
Limits within investment categories	✓	
Limits within single agency/institution	✓	
Limits relating to maturity	✓	
The investment report herein shown along with ongoing income provides sufficient liquidity to meet estimated expenditures for next 6 months	✓	



Historic Portfolio Size

Aggregate Yield vs. US T-Bill Benchmark



Deborah Jonscher

March 31, 2023

Deborah Jonscher
Acting Chief Financial Officer

Date

Unified Government of Wyandotte County and Kansas City, Kansas
Investment Portfolio Compliance Report
March 31, 2023

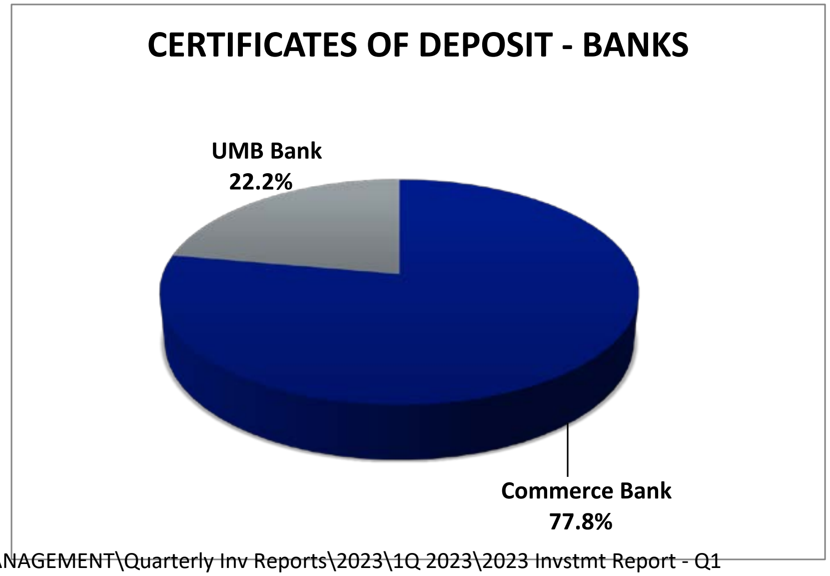
Issuer Detail - Aggregate Portfolio by Issuer

Issuer	Original Cost	Market Value[1]	% of Portfolio[3]	% Permitted by Issuer	In Compliance[3]	Weighted Average Maturity Days[2]	Weighted Average Yield[2]
Property Tax Held for Entities[3]	**1,496,750**	**1,496,750**	**na**	**See note 3**	✓	**0**	**3.70%**
UMB, Wyandotte Operating	191,132,250	191,132,250	61%	25%	✓	0	3.59%
UMB, Wyandotte Health	6,062,000	6,062,000	2%	25%	✓	0	0.11%
Cash Equivalents	**197,194,250**	**197,194,250**	**63%**		✓	**0**	**3.70%**
Commerce Bank	70,000,000	70,000,000	22%	25%	✓	482	1.15%
UMB Bank	20,000,000	20,000,000	6%	25%	✓	130	0.95%
Certificates of Deposit	**90,000,000**	**90,000,000**	**29%**		✓	**612**	**2.10%**
US Treasury	30,000,000	27,394,000	9%	*50% of total portfolio*	✓	0	0.00%
Federal Agency Securities	**30,000,000**	**27,394,000**	**9%**		✓	**1065**	**2.82%**
Grand Total	**317,194,250**	**314,588,250**	**100%**			**274**	**3.16%**

1. Market values provided by UMB Bank, Third-Party Safekeeping Custodial Agent.

2. Averages shown are weighted averages calculated based on original cost for the respective investment categories. Average maturity is shown as days.

3. Property Tax collections temporarily held by the County on behalf of other governmental entities is not a part of the Unified Government's cash and investment value for investment reporting purposes. The cash being held in trust is presented here for informational purposes.



Unified Government of Wyandotte County and Kansas City, Kansas
Investment Portfolio Compliance Report
1st Quarter 2032 - January 1, 2023 - March 31, 2023

Quarterly Transactions Detail - Aggregate Portfolio

Settlement Date	CUSIP	Issuer	Coupon	Maturity Date	Par	Original Cost
Thru Q1	NA	UMB, Wyandotte Operating	3.700%	3/31/2023	84,477,250	84,477,250
Thru Q1	NA	UMB, Wyandotte Health Reserve	3.700%	3/31/2023	2,047,000	2,047,000
Cash Equivalents					**86,524,250**	**86,524,250**
Purchases					**-**	**-**
3/22/2023	24350711020	UMB Bank	4.600%	3/22/2024	5,000,000	5,000,000
3/22/2023	24350981020	UMB Bank	4.350%	9/22/2024	5,000,000	5,000,000
3/22/2023	24351011020	UMB Bank	4.110%	3/22/2025	5,000,000	5,000,000
3/22/2023	24351281020	UMB Bank	4.110%	3/22/2025	5,000,000	5,000,000
Calls/Maturities					**20,000,000**	**20,000,000**
Total					**106,524,250**	**106,524,250**

Staff Request for Commission Action

Tracking No. 212433

Full Commission Meeting Date: 5/25/2023
Committee: Economic Development & Finance

Date of Standing Committee Action: 5/8/2023 (If none, please explain):

Publication Required: No

Date:	Contact Name:	Contact Phone:	Contact Email:	Department/Division:
05/10/2023	Patrick Waters	x5079	patrickwaters@wycokck.org	Legal

Item Description: Approval of First Amendment to Assignment, Assumption, and Amended and Restated Agreement (Homefield CID), submitted by Patrick Waters, Acting Chief Legal Counsel.
Action Requested: To approve the amended agreement.
Budget Impact: (if applicable) Amount: Source: Included In Budget: Other (explain):
Attachments List: 5_17_23 Executive Summary First Amendment to Assignment Assumption and 2nd Amended and Restated DA, Resolution Approving First Am. DA - Homefield (UG), CID Petition - Homefield (UG), Waiver of Assessment Proceedings - Homefield (UG)

5/17/2023 EXECUTIVE SUMMARY
FIRST AMENDMENT TO HOMEFIELD ASSIGNMENT, ASSUMPTION AND SECOND AMENDED AND RESTATED DEVELOPMENT AGREEMENT

1. **Parties**. The UG and HFS KCK, LLC, a single-purpose Kansas limited liability company formed for this project ("Developer"). Developer has previously purchased the Schlitterbahn waterpark and all of SVV's remaining land in the Vacation Village/Village East STAR Bond District and Developer assumed all of SVV's interests in the Development Agreement the UG had with SVV.

2. **History of the Schlitterbahn District and Agreement**. The UG originally formed the Vacation Village STAR Bond District and entered into a Development Agreement with SVV in 2005. Both the STAR Bond District and the Development Agreement have been amended multiple times. The STAR Bond District currently includes six distinct Project Areas. On November 19, 2020, the UG and Developer entered into an Assignment, Assumption and Amended and Restated Development Agreement with Developer for a demolition of Schlitterbahn and developing and financing a new Homefield Project (as generally described below), and on January 27, 2022, the UG and Developer entered into a Second Amended and Restated Development Agreement in which the UG agreed to issue STAR Bonds and Developer agreed to construct a new multi-sport Homefield development project with certain sports-focused assets, including:

(a) a $60M, 150,000 square-foot indoor multi-sport facility in Project Area 4 for a variety of indoor sports, along with food and beverage amenities, medical services, fitness and training facilities and other retail, office and entertainment spaces (the "Homefield Building");

(b) a $15M outdoor multi-sport venue in Project Area 1 with facilities for sports, adventure and entertainment programs for water and outdoor sports such as paddleboarding, kayaking, swimming, sand volleyball, pickleball, obstacles, climbing, and ropes ("Homefield Outdoor"), which may be designed and integrated into the Themed Hotel described below;

(c) a $40M youth baseball complex in Project Areas 4 and 5 to include at least 10 lighted turf fields and integrated state-of-the-art technology to enhance individual and team training as well as analytics and data capture and other amenities ("Homefield Baseball"). The 10 baseball fields would be reduced to 8 fields by this Amendment as described in Section 5 below; and

(d) an $85M Margaritaville hotel and resort project, with 250 rooms and which may also include amenities such as food and beverage options, pools and other water features, retail offerings, meeting space, and a spa (the "Themed Hotel"). The Themed Hotel is now expected to cost $145M and is approximately 230 rooms, which changes are reflected in the proposed Amendment.

Nearly all of the financing for the Homefield Project (not including the Themed Hotel) is expected to come from STAR Bond issues and the Agreement contemplated an Initial Issuance of STAR Bonds with a maximum of $130M of net proceeds available to the Developer and an Additional Issuance with a maximum of $20M of net proceeds available to the Developer – a total of $150M of net STAR Bond Proceeds. Last summer, the UG issued STAR Bonds that yielded approximately $115M of net STAR Bond Proceeds, and so a second issuance, after completion of the Homefield Project described above (including the Themed Hotel), is currently contemplated to be an additional $35M of STAR Bonds.

This Summary will outline the new proposed terms and conditions between the UG and Developer, including new project components, changes to the contemplated community improvement district ("CID") financing and changes to Homefield Baseball, among other things.

3. **New Project Components**. Developer has three new significant Project components that were not previously contemplated by our current Agreement. They are as follows:

(a) Big Shots Golf. Big Shots Golf would be added to Project Area 1 and would be a $20M golf-themed food, beverage and entertainment facility consisting of approximately 39,000 square feet with approximately 60 tee boxes for virtual games, practice sessions and competitions using Big Shots Golf's radar-based tracking system. Construction for Big Shots Golf would commence before July 1, 2024 and complete by May 1, 2025.

(b) Atlas 9. A new $26M museum called Atlas 9 would be added to Project Area 3. Atlas 9 would be an immersive art museum owned and operated by a joint venture between the principals of Developer and a local company called Dimensional Innovations. Atlas 9 would be an approximately 30,000 square foot immersive art museum with multiple installations, interactives and integrated live performances to create very unique experience. Atlas 9 is expected to be themed around a 'magically-transformed movie theater' and to include a themed concession stand, a gift shop and an auditorium for screenings, live events and performances. Construction for Atlas 9 would commence before July 1, 2024 and complete by July 1, 2025.

(c) Live Nations Arena. A new $53M multi-sport Arena would be added to Project Area 5 and it would be an approximately 55,000 square foot indoor arena to be used for multiple sports (including e-sports) practices, games, tournaments, live music and other events, performances and community functions. Construction for the Arena would commence before July 1, 2024 and complete by May 1, 2025. The Amendment makes clear that Developer does not yet have a contractual commitment from Live Nations and so Developer reserves the right to remove the Arena from the CID bond structure discussed below, in which case Developer is not committed to deliver the Arena contemplated herein.

4. **CID Bonds**. The current version of the Agreement contemplates one or more CIDs for the Project (always subject to Commission approval), and the current Agreement says that such CIDs would generally be "pay-as-you-go" CIDs and not bonds issued by the UG. However, the Agreement did contemplate that the Developer could ask the UG for a bond issuance on a CID for the Themed Hotel only, and limited to 2% CID Sales Tax for the Themed Hotel (and only for the Themed Hotel). The current Agreement is NOT a commitment to issue CID Bonds for the Themed Hotel, it only says that any such request for bonding for the Themed Hotel would be subject to Commission consideration and approval. However, Developer is now specifically requesting CID Bonds for the Themed Hotel --- and more --- as described in detail below:

(a) Expanded Revenue Generators. The Amendment would include revenues generated by the Themed Hotel, plus the Homefield Building, Homefield Outdoor, Big Shots Golf, the Arena and Atlas 9. Developer anticipates that the Themed Hotel might generate revenues to support $26M in net CID Bond proceeds, and Developer further hopes that adding the other CID revenue-generating components described above will provide capacity to support up to $59M in net CID bond proceeds.

(b) Special Assessments. In addition to the 2% CID sales tax, Developer is also asking to collect and include in the CID ticket fees of $2.00 per ticket for the Arena and Atlas 9 and resort fees of $30.00 per room night for the Themed Hotel to provide additional bond capacity.

(c) Uses of CID Revenues. The uses of the $59M in proceeds from a CID Bond issue would be as shown on Exhibit 12.A to the Amendment and would include up to $29.4M for the Themed Hotel/Homefield Outdoor, $1M for Big Shots Golf, $15.3M for Atlas 9, and $8.5M for the Arena.

(d) Conditions for Issuance and Draws. The Amendment provides specific conditions about issuing the CID Bonds. Section 4.5(g)(vi) of the Agreement (included in Section 6 of the Amendment) includes several provisions with very specific conditions for issuance of CID Bonds, and then subsection (g)(ix) includes conditions for draws and disbursements from CID Bonds, including budgets, proof of financing, and guaranteed maximum price contracts (except in the case of Big Shots Golf).

5. **Changes to Homefield Baseball**. The Amendment would reduce the number of baseball fields from 10 to 8, and Section 7 of the Amendment would allow Developer change baseball operators from Perfect Game Baseball to Prep Baseball Report ("PBR"). One nuance related to PBR has to do with the Agreement's commitments to promote hotel room nights to teams coming to tournaments at Homefield Baseball. Though PBR does agree (like Perfect Game before them) to develop and use a program that prioritizes bookings: first in Developer's hotel (i.e., the Themed Hotel); second within this STAR Bond District; and thereafter to other hotels in Wyandotte County. However, PBR also operates the Creekside Baseball Park in Parkville, Missouri ("Creekside"); and when PBR sponsors a tournament at Creekside, it is contractually obligated to promote the "Creekside Hotel" (which has 92 rooms) to tournament guests. The UG consents to this arrangement with Creekside Hotel in the Amendment, but Developer will cause PBR to agree that its booking system shall not promote the Creekside Hotel to tournament guests of Homefield Baseball unless and only if PBR is hosting a tournament that is large enough to require use of both Homefield Baseball and Creekside Baseball Park, and for any such large tournaments requiring use of both facilities, PBR may not promote any non-Kansas hotels other than the Creekside Hotel.

6. **Industrial Revenue Bonds**. Section 4.11 of the original Agreement called for the use of IRB financing for the Homefield Project to abate sales taxes on construction materials as well as a "certainty IRB" for ad valorem property taxes on Homefield. A 10-year, payment-in-lieu of taxes ("PILOT") schedule for the Homefield Building and Homefield Baseball was attached as **Exhibit 18** to the original Agreement. The amended **Exhibit 18** attached to this Amendment reduces the PILOT for Homefield Baseball by 20% (due to the reduction from 10 fields to 8) and now also agrees to PILOTs for the Themed Hotel/Homefield Outdoor.

7. **Discounted Atlas 9 Tickets for Wyandotte County Residents**. In response to comments and requests from the ED&F Committee on May 8th, Developer has agreed to cause Atlas 9 to offer Wyandotte County residents a 25% discount on ticket prices (not including taxes and other fees).

RESOLUTION NO. R-___-23

A RESOLUTION ADOPTING THE FIRST AMENDMENT TO ASSIGNMENT, ASSUMPTION AND SECOND AMENDED AND RESTATED DEVELOPMENT AGREEMENT (HOMEFIELD PROJECT).

WHEREAS, the Unified Government of Wyandotte County/Kansas City, Kansas and SVV I, LLC, a Kansas limited liability company ("SVV"), entered into that certain Vacation Village Development Agreement dated December 20, 2005 (as subsequently amended and restated, the "Original Agreement") pertaining to the Vacation Village STAR Bond Project District (the "District");

WHEREAS, HFS KCK, LLC, a Kansas limited liability company ("Developer"), purchased from SVV all of the real property in the District which was then owned by SVV and took an assignment of all of SVV's right, title and interest in and to the Original Agreement pursuant to that certain Assignment, Assumption and Amended and Restated Development Agreement dated as of November 19, 2020 (the "Original Homefield Agreement") by and between the UG and Developer;

WHEREAS, pursuant to Resolution No. R-6-22 adopted on January 27, 2022, the Governing Body authorized execution of the Assignment, Assumption and Second Amended and Restated Development Agreement to amend and restate the Original Homefield Agreement in its entirety;

WHEREAS, the Governing Body has determined that it is advisable to enter into the First Amendment to Assignment, Assumption and Second Amended and Restated Development Agreement, attached hereto as **Exhibit A** (the "First Amendment"), to amend certain provisions of Original Homefield Agreement, as previously amended and supplemented.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS:

Section 1. That the Governing Body hereby approves the First Amendment in substantially the form attached hereto.

Section 2. That the Mayor is hereby authorized to execute in the name of the UG the First Amendment, and the County Administrator and other officials and representatives of the UG, including special counsel, are hereby further authorized and directed to take such actions and to execute any other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Resolution.

Section 3. This Resolution shall be effective upon adoption by the Governing Body.

[Remainder of page intentionally left blank; signature page follows.]

ADOPTED BY THE COMMISSION OF THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS ON MAY 25, 2023.

By:_________________________________
Tyrone A. Garner
Mayor/CEO of the Unified
Government of Wyandotte County/
Kansas City, Kansas

ATTEST:

By: ___________________________
Unified Government Clerk

Approved as to form:

By: ___________________________
Office of Chief Counsel

EXHIBIT A

PETITION
FOR THE CREATION OF A
COMMUNITY IMPROVEMENT DISTRICT

HOMEFIELD

UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS

___________, 2023

PETITION FOR THE CREATION OF A COMMUNITY IMPROVEMENT DISTRICT

TO: The Governing Body,
Unified Government of Wyandotte County/Kansas City, Kansas

The undersigned, being the owners of record, whether resident or not, of more than fifty-five percent (55%) of the land area, and more than fifty-five percent (55%) by assessed value of the land area, contained within the hereinafter described community improvement district hereby petition the Unified Government of Wyandotte County/Kansas City, Kansas (the "**UG**") to create a community improvement district and authorize the proposed projects hereinafter set forth, all in the manner provided by K.S.A 12-6a26 *et seq.* (the "**Act**"). In furtherance of such request, the petitioners state as follows:

1. **MAP AND LEGAL DESCRIPTION OF THE PROPOSED DISTRICT**

A map of the proposed community improvement district (the "**District**") is attached hereto as **EXHIBIT A**.

The legal description of the District is attached hereto as **EXHIBIT B**.

2. **GENERAL NATURE**

The general nature of the proposed projects (the "**Projects**") is as follows:

The development of a mixed-use commercial development located generally within the areas lying north of State Avenue, south of Parallel Parkway, west of N 86th Street, and east of Interstate 435 in Kansas City, Wyandotte County, Kansas. The Projects may be more particularly described as the construction, maintenance, and procurement of certain improvements, costs, and services within the District, including, but not limited to: infrastructure related items, sidewalks, parking lots, drainage improvements, buildings, tenant improvements, utilities, landscaping, lighting, signage, marketing and advertisement, cleaning and maintenance, security, soft costs of the Projects, and the UG and the petitioner's administrative costs in establishing and maintaining the District, and any other items permitted to be financed within the District under the Act.

3. **BUT FOR**

The petitioner certifies to the UG that but for the creation of the District and the anticipated reimbursement of the costs of the Projects with revenue from the CID Sales Tax and the Special Assessments (both defined below) the Projects would not occur.

4. **ESTIMATED COST**

The total estimated cost of the Projects is $340,606,118. The proceeds from the CID Sales Tax and Special Assessments shall be available to reimburse CID Project Costs but in no event shall exceed $59,089,000 (the **"CID Cap"**). The CID Cap shall, for all purposes set forth herein, operate as a cap on the use of CID Sales Tax and Special Assessments for reimbursement of any and all CID Project Costs (whether via pay-as-you-go financing or issuance of bonds), and such CID Cap shall not include and shall be net of financing costs, issuance-related fees, and applicable reserves. For purposes of this Petition, the term **"CID Project Costs"** means those costs eligible to be paid from District revenues for the Projects in accordance with K.S.A. 12-6a26 *et seq.* and the budget attached hereto as **EXHIBIT C**.

5. **PROPOSED METHOD OF FINANCING**

It is proposed that the Projects be financed through a combination of private equity, private debt and District financing (including the CID Sales Tax and the Special Assessments), either as pay-as-you-go financing or through the issuance of special obligation bonds, both as defined in the Act.

6. **PROPOSED METHOD AND AMOUNT OF ASSESSMENT**

It is proposed that the Projects be financed in part through the levy of special assessments on certain property within the boundaries of the District as set forth below and in **EXHIBIT D** (the "**Special Assessments"**), such "Areas" to be as described in **EXHIBITS A** and **B** hereof.

- Area A: $0.
- Area B: $0.
- Area C: The sum of (i) $30 per occupied hotel room night within such Area and (ii) $2 per admission ticket sold at the arena within such Area, with such per-night and per-ticket amounts in clause (ii) escalating at 2.00% annually, not to exceed $59,089,000 (plus bond financing costs, bond issuance-related fees, and applicable bond reserves).
- Area D: $2 per admission ticket sold at the museum space within such Area, with such per-ticket amount escalating at 2.00% annually, not to exceed $59,089,000 (plus bond financing costs, bond issuance-related fees, and applicable bond reserves).
- Area E: $0.

7. **PROPOSED AMOUNT OF SALES TAX**

It is being proposed that the Projects be financed in part through the levying of a 2.0% District sales tax as authorized by the Act, with such sales tax to commence on April 1, 2025 or such other date as shall be approved by ordinance of the UG, and to continue for a maximum term of twenty-two (22) years (the "**CID Sales Tax**").

8. **FINANCIAL ABILITY TO COMPLETE AND OPERATE**

The undersigned hereby state that they have the financial ability to complete and operate the Projects.

9. **NOTICE TO PETITION SIGNERS**

NAMES MAY NOT BE WITHDRAWN FROM THIS PETITION BY THE SIGNERS HEREOF AFTER THE UG COMMENCES CONSIDERATION OF THIS PETITION, OR LATER THAN SEVEN (7) DAYS AFTER THE FILING HEREOF WITH THE CITY CLERK, WHICHEVER OCCURS FIRST.

THE SIGNER(S) HEREOF CONSENT TO ANY ASSESSMENTS TO THE EXTENT DESCRIBED HEREIN WITHOUT REGARD TO BENEFITS CONFERRED BY THE PROJECT.

[Balance of page intentionally left blank]

IN WITNESS WHEREOF, the undersigned petitioners have executed the above foregoing petition to create the District at the dates set forth opposite their respective signatures below:

Property owned within District:

Legal Description of parcel: Area B (See **Exhibit B** attached hereto)

Maximum Special Assessment Amount: $0

Legal Description of parcel: Area C (See **Exhibit B** attached hereto)

Maximum Special Assessment Amount: The sum of $45.47 per occupied hotel room night + $3.30 per arena admission ticket sold, not to exceed $59,089,000 (plus bond financing costs, bond issuance-related fees, and applicable bond reserves) (See **Exhibit D** attached hereto)

Legal Description of parcel: Area D (See **Exhibit B** attached hereto)

Maximum Special Assessment Amount: $3.30 per museum admission ticket sold, not to exceed $59,089,000 (plus bond financing costs, bond issuance-related fees, and applicable bond reserves) (See **Exhibit D** attached hereto)

HFS KCK, LLC
a Kansas limited liability company

By: ____
Greg Maday, Manager

ACKNOWLEDGMENT

STATE OF _________________)
) ss.
COUNTY OF _______________)

Be it remembered that on this __ day of _____________, 2023, before me, the undersigned, a Notary Public in and for the County and State aforesaid, came Greg Maday, to me personally known, who being by me duly sworn did say that he is the Manager of HFS KCK, LLC, a Kansas limited liability company, and that said instrument was signed and delivered on behalf of said company and that said person acknowledged said instrument to be the free act and deed of said company.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial Seal in the date herein last above written.

My Commission Expires:

____

____
Notary Public in and for said County and State
Print Name: ____________________________

IN WITNESS WHEREOF, the undersigned petitioner has executed the above foregoing petition to create the District at the dates set forth opposite its signature below:

Property owned within District:

Legal Description of parcel: Area A (See Exhibit B attached hereto)

Maximum Special Assessment Amount: $0

HFBB KCK, LLC,
a Kansas limited liability company

By: HFS KCK, LLC, Member

By: ___________________________________
Greg Maday, Manager

ACKNOWLEDGMENT

STATE OF __________________)
) ss.
COUNTY OF ________________)

Be it remembered that on this __ day of ______________, 2023, before me, the undersigned, a Notary Public in and for the County and State aforesaid, came Greg Maday, to me personally known, who being by me duly sworn did say that he is the Manager of HFS KCK, LLC, a Kansas limited liability company, the Member of HFBB KCK, LLC, a Kansas limited liability company, and that said instrument was signed and delivered on behalf of said company and that said person acknowledged said instrument to be the free act and deed of said company.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial Seal in the date herein last above written.

____
Notary Public in and for said County and State
Print Name: ____________________________

My Commission Expires:

____

EXHIBIT A

MAP OF DISTRICT

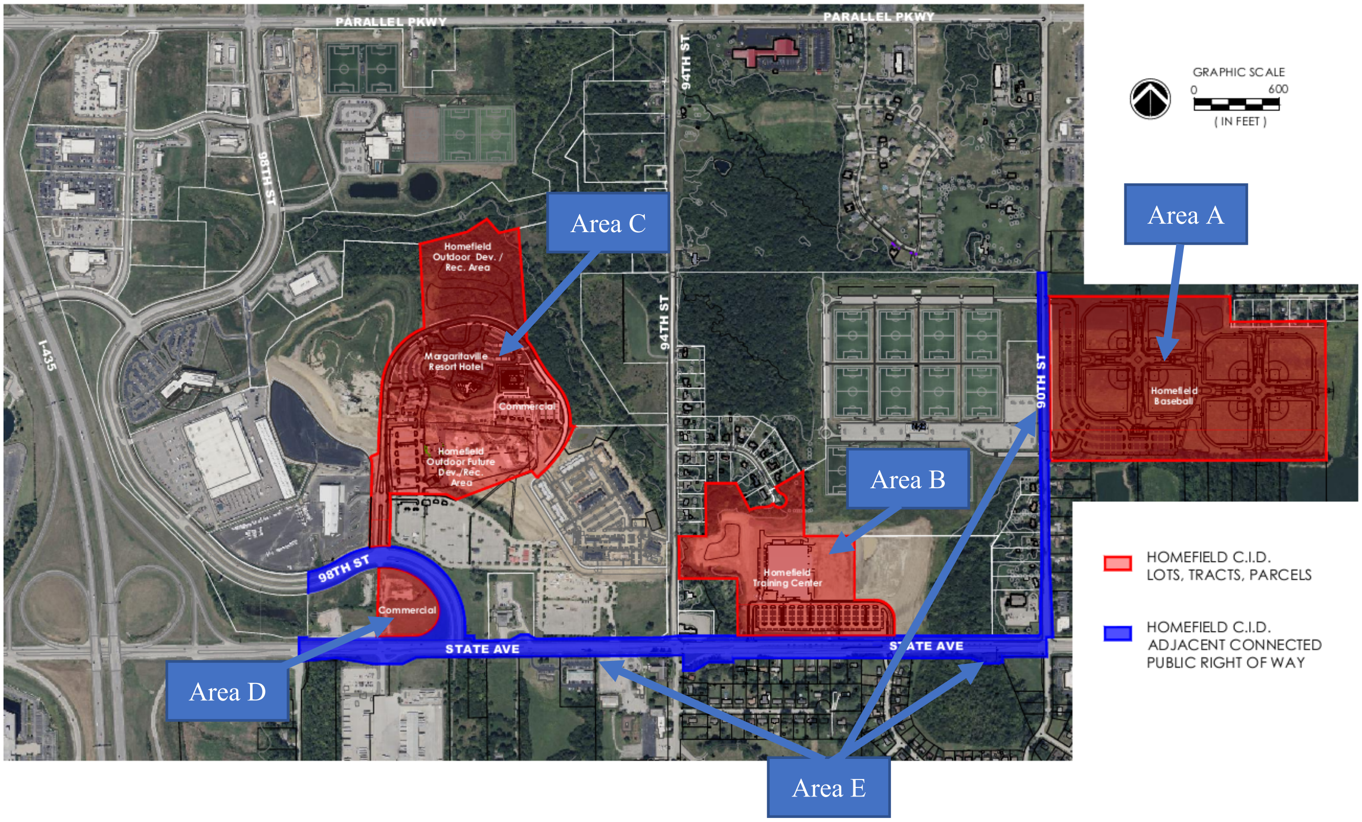


EXHIBIT B

LEGAL DESCRIPTION OF DISTRICT

AREA A:

Lot 1, Tract A, Tract B, Tract C, Tract D, Tract E, and Tract F Homefield Perfect Game, recorded as Document 2022R-10236, a subdivision of land in Kansas City, Wyandotte County, Kansas.

The above described tract contains 2,143,491 square feet, or 49.21 acres, more or less.

AND:

AREA B:

Lot 1, Homefield Sports Training, recorded as Document 2022R-10237, a subdivision of land in Kansas City, Wyandotte County, Kansas.

The above described tract contains 995,998 square feet, or 22.87 acres, more or less.

AND:

AREA C:

All that part of Lot 1, Schlitterbahn Vacation Village Second Plat, recorded as Document 2016R-09097, a subdivision of land in Kansas City, Wyandotte County, Kansas, being more particularly described as follows:

Commencing at the Southeast Corner of the Southeast Quarter of said Section 1; The basis of bearing for the description is the Kansas Regional Coordinate System;

thence S 89°27'24" W with the South line of said Southeast Quarter Section 1, a distance of 100.50 feet;

thence N 00°32'36" W, perpendicular to the last described course, a distance of 70.00 feet to the Southeast corner of said Lot 1, Schlitterbahn Vacation Village Second Plat;

thence with the Southerly line of said Lot 1, S 89°27'24" W (S 87°42'57" W plat), a distance of 881.99 feet;

thence continuing with said Southerly line of Lot 1, N 63°07'50" W (N 64°52'17" W plat), a distance of 13.73 feet;

thence continuing with said Southerly line of Lot 1, N 00°36'14" W (N 02°20'41" W plat), a distance of 459.27 feet;

thence continuing with said Southerly line of Lot 1, S 89°27'24" W (S 87°42'57" W plat), a distance of 320.02 feet;

thence S 00°37'01" E, no longer with said Southerly line of Lot 1, a distance of 474.75 feet to a point in the Northerly right-of-way line of State Avenue, as now established;

thence S 89°25'10" W with said Northerly right-of-way line of State Avenue, a distance of 105.00 feet;

thence N 00°37'01" W (N 02°20'41" W plat) with the southerly prolongation of the Southerly course of said Southerly line of Lot 1, a distance of 34.23 feet to said Southerly line of Lot 1;

thence S 89°27'24" W (S 87°42'57" W plat) with said Southerly line of Lot 1, a distance of 61.85 feet (61.74 feet plat) to a point on the Northerly right-of-way line of N. 98th Street, as now established;

thence N 00°34'50" W (N 02°19'17" W plat) with the Northerly right-of-way line of N. 98th Street and said Southerly line of Lot 1, a distance of 65.73 feet (65.74 feet plat);

thence continuing with the Northerly right-of-way line of N. 98th Street and the Southwesterly line of said Lot 1, Northerly, Northwesterly and Westerly on a curve to the left, tangent to the last described course, having a radius of 575.00 feet, a central angle of 99°37'9", an arc distance of 999.75 feet to the Southeast corner of said Lot 1, Homefield Camping World - Second Plat and the Point of Beginning;

thence N 01°46'30" E with the Easterly line of said Lot 1, Homefield Camping World - Second Plat, a distance of 532.21 feet;

thence N 01°18'58" E, continuing with said Easterly line of Lot 1, a distance of 47.88 feet;

thence Northerly, Northwesterly and Westerly on a curve to the left, continuing with said Easterly line of Lot 1, tangent to the last described course, having a radius of 137.00 feet, a central angle of 27°16'31", and an arc distance of 65.22 feet;

thence N 65°06’49” E, no longer with said Easterly line of Lot 1, a distance of 61.38 feet;

thence N 01°44’28” E, a distance of 128.37 feet;

thence Northerly on a curve to the right, tangent to the last described course, having a radius of 2030.00 feet, a central angle of 01°52’15”, and an arc distance of 66.28 feet;

thence N 03°36’43” E, a distance of 277.96 feet;

thence Northeasterly along a curve to the right, tangent to the last described course, having a radius of 483.00 feet, a central angle of 61°50’04”, and an arc distance of 521.26 feet to a point of compound curvature;

thence Northeasterly along a curve to the right, tangent to the last described curve, having a radius of 1253.00 feet, a central angle of 01°00’30”, and an arc distance of 22.05 feet;

thence N 02°54’16” W, a distance of 595.78 feet to a point on the Northerly line of said Lot 1, Schlitterbahn Vacation Village Second Plat;

thence N 75°36'18" E (N 73°51'51" E plat), with the Northerly line of Lot 1, a distance of 344.51 feet;

thence N 57°08'29" E (N 55°24'02" E plat), continuing with said Northerly line of Lot 1, a distance of 167.33 feet;

thence, S 41°04'52" E (S 42°49'19" E plat), continuing with said Northerly line of Lot 1, a distance of 129.95 feet;

thence N 76°56'14" E (N 75°11'47" E plat), continuing with said Northerly line of Lot 1, a distance of 141.97 feet;

thence S 04°17’54” E, no longer with said Northerly line of Lot 1, a distance of 795.57 feet;

thence Southeasterly along a curve to the right, having an initial tangent bearing of S 40°09’04” E, a radius of 498.00 feet, a central angle of 13°31’44”, and an arc distance of 117.59 feet to a point of reverse curvature;

thence Southeasterly along a curve to the left, tangent to the last described curve, having a radius of 942.00 feet, a central angle of 15°22’10”, and an arc distance of 252.69 feet to a point of reverse curvature;

thence Southerly along a curve to the right, tangent to the last described curve, having a radius of 397.00 feet, a central angle of 47°07’40”, and an arc distance of 326.55 feet;

thence N 89°29’55” E, a distance of 28.85’ to the northwest corner of Tract A, Homefield Multifamily Plat;

thence Southerly on a curve to the right, with the Northwesterly line of said Tract A and Lot 1, Homefield Multifamily Plat, having an initial tangent bearing of S 21°18'14" W, a radius of 924.50 feet, a central angle of 14°53'27" and an arc distance of 240.27 feet to a point of compound curvature;

thence Southwesterly on a curve to the right, with the Northwesterly line of said Lot 1, no longer with the Northwesterly line of said Tract A, tangent to the last described curve, having a radius of 830.00 feet, a central angle of 14°57'10" and an arc distance of 216.61 feet;

thence N 40°36’13” W, no longer with the Northwesterly line of said Lot 1, a distance of 60.01 feet;

thence S 69°13’04” W, a distance of 569.59 feet;

thence N 62°55’08” W, a distance of 79.78 feet;

thence N 89°10’51” W, a distance of 399.68 feet;

thence S 04°31’41” E, a distance of 80.36 feet;

thence S 01°46’30” W, a distance of 295.55 to a point on the Southerly line of said Lot 1, Schlitterbahn Vacation Village Second Plat, said point also being on the Northerly right-of-way of N. 98th Street, as now established;

thence along a curve to the left, with the Southerly line of said Lot 1, Schlitterbahn Vacation Village Second Plat and Northerly right-of-way of N. 98th Street, having a radius of 575.00 feet, a central angle of 14°02’17”, and an arc distance of 140.88 feet to the Point of Beginning.

The above described tract contains 1,904,619 square feet, or 43.72 acres, more or less.

AND:

<u>AREA D:</u>

All that part of Lot 3, Schlitterbahn Vacation Village Second Plat, recorded as Document 2016R-09097, a subdivision of land in Kansas City, Wyandotte County, Kansas, being more particularly described as follows:

Commencing at the Southwest Corner of said Lot 3; the basis of bearing for the description is the Kansas Regional Coordinate System;

thence N 89°27’24” E (N 87°42’57” W plat) with the Southerly line of Lot 3, Schlitterbahn Vacation Village Second Plat and also being the Northerly right-of-way of State Avenue, as now established, a distance of 490.38 feet to the Point of Beginning;

thence continuing with said Southerly line of Lot 3 and Northerly right-of-way of State Avenue, N 89°27’24” E (N 87°42’57” W plat), a distance of 265.17 feet;

thence Northeasterly along a curve to the left, tangent to the last described course and with the Southeasterly line of said Lot 3 having a radius of 182.00 feet, a central angle of 118°41’07”, and an arc distance of 377.00 feet to a point of compound curvature;

thence Northwesterly along a curve to the left, tangent to the last described curve, with the Northerly line of said Lot 3 and the Southerly right-of-way of N. 98th Street, as now established, having a radius of 425.00 feet; a central angle of 65°39’30”, an arc distance of 487.03 feet;

thence S 01°46’30” W, no longer with the Northerly line of said Lot 3, a distance of 489.54 feet to the Point of Beginning.

The above described tract contains 177,934 square feet, or 4.08 acres, more or less.

AND:

<u>AREA E:</u>

All that part of public right of way for N. 98th Street lying in Section 1, Township 11 South, Range 23 East adjacent to Lot 3, Schlitterbahn Vacation Village, Second Plat.

Also,

All that part of public right of way for State Avenue lying in Section 1, Township 11 South, Range 23 East and Section 12, Township 11 South, Range 23 East and Section 6, Township 11 South, Range 24 East and Section 7, Township 11 South, Range 24 East from the West line of the Southeast Quarter of Section 1, Township 11 South, Range 23 East to the East line of the Northwest Quarter of Section 7, Township 11 South, Range 24 East.

Also,

All that part of public right of way for N. 90th Street lying in the South Half of Section 6, Township 11 South, Range 24 East

The above described tract contains approximately 28.38 acres.

EXHIBIT C

ESTIMATED COST

		Total Est. Cost	Use of CID Revenues*
Themed Hotel/Homefield Outdoor	Area C	$ 145,000,000	$ 29,461,000
Homefield Indoor Training Facility	Area B	$ 60,000,000	$ 4,648,000
Homefield Outdoor/Big Shots	Area C	$ 20,000,000	$ 1,034,000
Atlas 9	Area D	$ 26,700,000	$ 15,388,000
Arena	Area C	$ 53,000,000	$ 8,558,000
Homefield Baseball	Area A	$ 40,000,000	$ 0
	Total:	**$ 344,700,000**	**$ 59,089,000**

*Reimbursable line item amounts are estimates and may be reallocated by HFS KCK, LLC ("Developer"), subject to the CID Cap and the Development Agreement entered into between Developer and the UG, as amended from time to time.

EXHIBIT D
SPECIAL ASSESSMENTS

The aggregate amount of Special Assessments to be levied against the properties within the District shall be as set forth in the tables below. Areas C and D shall be assessed the amounts set forth below, with assessments on each of Area C and Area D not to exceed $59,089,000 (plus bond financing costs, bond issuance-related fees, and applicable bond reserves), pursuant to Paragraph 6 of the Petition.

CID Year	Year**	Collection Period	Area A^^	Area B^^	Area C^^ - Assessment #1*	Area C^^ - Assessment #2^	Area D^^	Area E^^
			N/A	*N/A*	*Resort Fee*	*Ticket Fee*	*Ticket Fee*	*N/A*
1	2025	July 1, 2024 - June 30, 2025			$30.00	$2.00	$2.00	
2	2026	July 1, 2025 - June 30, 2026			30.60	2.04	2.04	
3	2027	July 1, 2026 - June 30, 2027			31.21	2.08	2.08	
4	2028	July 1, 2027 - June 30, 2028			31.84	2.12	2.12	
5	2029	July 1, 2028 - June 30, 2029			32.47	2.16	2.16	
6	2030	July 1, 2029 - June 30, 2030			33.12	2.21	2.21	
7	2031	July 1, 2030 - June 30, 2031			33.78	2.25	2.25	
8	2032	July 1, 2031 - June 30, 2032			34.46	2.30	2.30	
9	2033	July 1, 2032 - June 30, 2033			35.15	2.34	2.34	
10	2034	July 1, 2033 - June 30, 2034			35.85	2.39	2.39	
11	2035	July 1, 2034 - June 30, 2035			36.57	2.44	2.44	
12	2036	July 1, 2035 - June 30, 2036			37.30	2.49	2.49	
13	2037	July 1, 2036 - June 30, 2037			38.05	2.54	2.54	
14	2038	July 1, 2037 - June 30, 2038			38.81	2.59	2.59	
15	2039	July 1, 2038 - June 30, 2039			39.58	2.64	2.64	
16	2040	July 1, 2039 - June 30, 2040			40.38	2.69	2.69	
17	2041	July 1, 2040 - June 30, 2041			41.18	2.75	2.75	
18	2042	July 1, 2041 - June 30, 2042			42.01	2.80	2.80	
19	2043	July 1, 2042 - June 30, 2043			42.85	2.86	2.86	
20	2044	July 1, 2043 - June 30, 2044			43.70	2.91	2.91	

	MGV	LN	A9

*Per occupied hotel room night during collection period

^Per museum and arena admission ticket sold during collection period

Annual escalation: 2.0%

** “Year” refers to tax year. E.g., Special Assessments for “2025” will be on the tax bill received by the property owner(s) in November 2025.

^^ Refer to the parcels identified in Exhibits A and B of this Petition; see signature pages to Petition for corresponding legal descriptions.

[space above reserved for recording]

WAIVER OF ASSESSMENT PROCEEDINGS

TO THE GOVERNING BODY OF THE CITY OF THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS:

The undersigneds (collectively, the "Owner") are the record titled owners of 100% of the real estate situated in the Unified Government of Wyandotte County/Kansas City, Kansas (the "UG") legally described as set forth in **Exhibit A** and depicted in the map in **Exhibit B** (the "Property"), excluding the public right-of-way included as a part thereof. Pursuant to a petition filed with the Clerk on _____________, 2023 (the "Petition") for the creation of a community improvement district (the "District"), the Owner has requested that special assessments be levied on portions of the Property over a term of twenty (20) years in the amounts set forth in **Exhibit C** (the "Special Assessments") for the costs of certain of the following described improvements and costs:

> The development of a mixed-use commercial development located generally within the areas lying north of State Avenue, south of Parallel Parkway, west of N 86th Street, and east of Interstate 435 in Kansas City, Wyandotte County, Kansas. The Projects may be more particularly described as the construction, maintenance, and procurement of certain improvements, costs, and services within the District, including, but not limited to: infrastructure related items, sidewalks, parking lots, drainage improvements, buildings, tenant improvements, utilities, landscaping, lighting, signage, marketing and advertisement, cleaning and maintenance, security, soft costs of the Projects, and the UG and the petitioner's administrative costs in establishing and maintaining the District, and any other items permitted to be financed within the District under the Act.

(collectively, the "Project").

After being advised of the Owner's rights to a public hearing and other matters related to the Special Assessments related to the Project, the Owner hereby agrees to the following:

1. Waiver of formal notice of and the holding of a public hearing by the governing body of the UG for the purpose of considering levying the Special Assessments described herein against the Property;

2. Consent to the levy of the Special Assessments against the Property to be assessed in the manner set forth in the Petition and as described in **Exhibit C** hereto, with such Special Assessments commencing with the tax bill to be distributed November 2025;

3. Waiver of the thirty (30) day period after publication of the ordinance of the UG levying the Special Assessments to contest the levy of the Special Assessments;

4. Waiver of any period allowing for the prepayment of the Special Assessments; and

5. Consent that the UG may immediately proceed to issue its special obligation community improvement district bonds to finance costs of the Project in accordance with K.S.A. 12-6a26 *et seq*.

[Balance of page intentionally left blank]

IN WITNESS WHEREOF, the undersigned has executed the above foregoing Waiver at the date set forth opposite the signature below:

Property owned within District:

Legal Description of parcel: Area B (See **Exhibit A** attached hereto)

Maximum Special Assessment Amount: $0

Legal Description of parcel: Area C (See **Exhibit A** attached hereto)

Maximum Special Assessment Amount: The sum of $45.47 per occupied hotel room night + $3.30 per arena admission ticket sold, not to exceed $59,089,000 (plus bond financing costs, bond issuance-related fees, and applicable bond reserves) (See **Exhibit C** attached hereto)

Legal Description of parcel: Area D (See **Exhibit A** attached hereto)

Maximum Special Assessment Amount: $3.30 per museum admission ticket sold, not to exceed $59,089,000 (plus bond financing costs, bond issuance-related fees, and applicable bond reserves) (See **Exhibit C** attached hereto)

HFS KCK, LLC
a Kansas limited liability company

By: ____
Greg Maday, Manager

ACKNOWLEDGMENT

STATE OF __________________)
) ss.
COUNTY OF ________________)

Be it remembered that on this __ day of ______________, 2023, before me, the undersigned, a Notary Public in and for the County and State aforesaid, came Greg Maday, to me personally known, who being by me duly sworn did say that he is the Manager of HFS KCK, LLC, a Kansas limited liability company, and that said instrument was signed and delivered on behalf of said company and that said person acknowledged said instrument to be the free act and deed of said company.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial Seal in the date herein last above written.

My Commission Expires:

____

____
Notary Public in and for said County and State
Print Name: ____________________________

IN WITNESS WHEREOF, the undersigned petitioner has executed the above foregoing petition to create the District at the dates set forth opposite its signature below:

<u>Property owned within District:</u>

Legal Description of parcel: Area A (See Exhibit B attached hereto)

<u>Maximum Special Assessment Amount:</u> $0

HFBB KCK, LLC,
a Kansas limited liability company

By: HFS KCK, LLC, Member

By: ________________________________
Greg Maday, Manager

<u>ACKNOWLEDGMENT</u>

STATE OF __________________)
) ss.
COUNTY OF ________________)

Be it remembered that on this __ day of ______________, 2023, before me, the undersigned, a Notary Public in and for the County and State aforesaid, came Greg Maday, to me personally known, who being by me duly sworn did say that he is the Manager of HFS KCK, LLC, a Kansas limited liability company, the Member of HFBB KCK, LLC, a Kansas limited liability company, and that said instrument was signed and delivered on behalf of said company and that said person acknowledged said instrument to be the free act and deed of said company.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial Seal in the date herein last above written.

My Commission Expires:

____

____
Notary Public in and for said County and State
Print Name: ____________________________

EXHIBIT A

LEGAL DESCRIPTION

AREA A:

Lot 1, Tract A, Tract B, Tract C, Tract D, Tract E, and Tract F Homefield Perfect Game, recorded as Document 2022R-10236, a subdivision of land in Kansas City, Wyandotte County, Kansas.

The above described tract contains 2,143,491 square feet, or 49.21 acres, more or less.

AND:

AREA B:
Lot 1, Homefield Sports Training, recorded as Document 2022R-10237, a subdivision of land in Kansas City, Wyandotte County, Kansas.

The above described tract contains 995,998 square feet, or 22.87 acres, more or less.

AND:

AREA C:

All that part of Lot 1, Schlitterbahn Vacation Village Second Plat, recorded as Document 2016R-09097, a subdivision of land in Kansas City, Wyandotte County, Kansas, being more particularly described as follows:

Commencing at the Southeast Corner of the Southeast Quarter of said Section 1; The basis of bearing for the description is the Kansas Regional Coordinate System;

thence S 89°27'24" W with the South line of said Southeast Quarter Section 1, a distance of 100.50 feet;

thence N 00°32'36" W, perpendicular to the last described course, a distance of 70.00 feet to the Southeast corner of said Lot 1, Schlitterbahn Vacation Village Second Plat;

thence with the Southerly line of said Lot 1, S 89°27'24" W (S 87°42'57" W plat), a distance of 881.99 feet;

thence continuing with said Southerly line of Lot 1, N 63°07'50" W (N 64°52'17" W plat), a distance of 13.73 feet;

thence continuing with said Southerly line of Lot 1, N 00°36'14" W (N 02°20'41" W plat), a distance of 459.27 feet;

thence continuing with said Southerly line of Lot 1, S 89°27'24" W (S 87°42'57" W plat), a distance of 320.02 feet;

thence S 00°37'01" E, no longer with said Southerly line of Lot 1, a distance of 474.75 feet to a point in the Northerly right-of-way line of State Avenue, as now established;

thence S 89°25'10" W with said Northerly right-of-way line of State Avenue, a distance of 105.00 feet;

thence N 00°37'01" W (N 02°20'41" W plat) with the southerly prolongation of the Southerly course of said Southerly line of Lot 1, a distance of 34.23 feet to said Southerly line of Lot 1;

thence S 89°27'24" W (S 87°42'57" W plat) with said Southerly line of Lot 1, a distance of 61.85 feet (61.74 feet plat) to a point on the Northerly right-of-way line of N. 98th Street, as now established;

thence N 00°34'50" W (N 02°19'17" W plat) with the Northerly right-of-way line of N. 98th Street and said Southerly line of Lot 1, a distance of 65.73 feet (65.74 feet plat);

thence continuing with the Northerly right-of-way line of N. 98th Street and the Southwesterly line of said Lot 1, Northerly, Northwesterly and Westerly on a curve to the left, tangent to the last described course, having a radius of 575.00 feet, a central angle of 99°37'9", an arc distance of 999.75 feet to the Southeast corner of said Lot 1, Homefield Camping World - Second Plat and the Point of Beginning;

thence N 01°46'30" E with the Easterly line of said Lot 1, Homefield Camping World - Second Plat, a distance of 532.21 feet;

thence N 01°18'58" E, continuing with said Easterly line of Lot 1, a distance of 47.88 feet;

thence Northerly, Northwesterly and Westerly on a curve to the left, continuing with said Easterly line of Lot 1, tangent to the last described course, having a radius of 137.00 feet, a central angle of 27°16'31", and an arc distance of 65.22 feet;

thence N 65°06’49” E, no longer with said Easterly line of Lot 1, a distance of 61.38 feet;

thence N 01°44’28” E, a distance of 128.37 feet;

thence Northerly on a curve to the right, tangent to the last described course, having a radius of 2030.00 feet, a central angle of 01°52’15”, and an arc distance of 66.28 feet;

thence N 03°36’43” E, a distance of 277.96 feet;

thence Northeasterly along a curve to the right, tangent to the last described course, having a radius of 483.00 feet, a central angle of 61°50’04”, and an arc distance of 521.26 feet to a point of compound curvature;

thence Northeasterly along a curve to the right, tangent to the last described curve, having a radius of 1253.00 feet, a central angle of 01°00’30”, and an arc distance of 22.05 feet;

thence N 02°54’16” W, a distance of 595.78 feet to a point on the Northerly line of said Lot 1, Schlitterbahn Vacation Village Second Plat;

thence N 75°36'18" E (N 73°51'51" E plat), with the Northerly line of Lot 1, a distance of 344.51 feet;

thence N 57°08'29" E (N 55°24'02" E plat), continuing with said Northerly line of Lot 1, a distance of 167.33 feet;
thence, S 41°04'52" E (S 42°49'19" E plat), continuing with said Northerly line of Lot 1, a distance of 129.95 feet;

thence N 76°56'14" E (N 75°11'47" E plat), continuing with said Northerly line of Lot 1, a distance of 141.97 feet;

thence S 04°17’54” E, no longer with said Northerly line of Lot 1, a distance of 795.57 feet;

thence Southeasterly along a curve to the right, having an initial tangent bearing of S 40°09’04” E, a radius of 498.00 feet, a central angle of 13°31’44”, and an arc distance of 117.59 feet to a point of reverse curvature;

thence Southeasterly along a curve to the left, tangent to the last described curve, having a radius of 942.00 feet, a central angle of 15°22’10”, and an arc distance of 252.69 feet to a point of reverse curvature;

thence Southerly along a curve to the right, tangent to the last described curve, having a radius of 397.00 feet, a central angle of 47°07’40”, and an arc distance of 326.55 feet;

thence N 89°29’55” E, a distance of 28.85’ to the northwest corner of Tract A, Homefield Multifamily Plat;

thence Southerly on a curve to the right, with the Northwesterly line of said Tract A and Lot 1, Homefield Multifamily Plat, having an initial tangent bearing of S 21°18'14" W, a radius of 924.50 feet, a central angle of 14°53'27" and an arc distance of 240.27 feet to a point of compound curvature;

thence Southwesterly on a curve to the right, with the Northwesterly line of said Lot 1, no longer with the Northwesterly line of said Tract A, tangent to the last described curve, having a radius of 830.00 feet, a central angle of 14°57'10" and an arc distance of 216.61 feet;

thence N 40°36’13” W, no longer with the Northwesterly line of said Lot 1, a distance of 60.01 feet;

thence S 69°13’04” W, a distance of 569.59 feet;

thence N 62°55’08” W, a distance of 79.78 feet;

thence N 89°10’51” W, a distance of 399.68 feet;

thence S 04°31’41” E, a distance of 80.36 feet;

thence S 01°46’30” W, a distance of 295.55 to a point on the Southerly line of said Lot 1, Schlitterbahn Vacation Village Second Plat, said point also being on the Northerly right-of-way of N. 98th Street, as now established;

thence along a curve to the left, with the Southerly line of said Lot 1, Schlitterbahn Vacation Village Second Plat and Northerly right-of-way of N. 98th Street, having a radius of 575.00 feet, a central angle of 14°02’17”, and an arc distance of 140.88 feet to the Point of Beginning.

The above described tract contains 1,904,619 square feet, or 43.72 acres, more or less.

AND:

<u>AREA D:</u>

All that part of Lot 3, Schlitterbahn Vacation Village Second Plat, recorded as Document 2016R-09097, a subdivision of land in Kansas City, Wyandotte County, Kansas, being more particularly described as follows:

Commencing at the Southwest Corner of said Lot 3; the basis of bearing for the description is the Kansas Regional Coordinate System;

thence N 89°27’24” E (N 87°42’57” W plat) with the Southerly line of Lot 3, Schlitterbahn Vacation Village Second Plat and also being the Northerly right-of-way of State Avenue, as now established, a distance of 490.38 feet to the Point of Beginning;

thence continuing with said Southerly line of Lot 3 and Northerly right-of-way of State Avenue, N 89°27’24” E (N 87°42’57” W plat), a distance of 265.17 feet;

thence Northeasterly along a curve to the left, tangent to the last described course and with the Southeasterly line of said Lot 3 having a radius of 182.00 feet, a central angle of 118°41’07”, and an arc distance of 377.00 feet to a point of compound curvature;

thence Northwesterly along a curve to the left, tangent to the last described curve, with the Northerly line of said Lot 3 and the Southerly right-of-way of N. 98th Street, as now established, having a radius of 425.00 feet; a central angle of 65°39’30”, an arc distance of 487.03 feet;

thence S 01°46’30” W, no longer with the Northerly line of said Lot 3, a distance of 489.54 feet to the Point of Beginning.

The above described tract contains 177,934 square feet, or 4.08 acres, more or less.

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EXHIBIT B

MAP

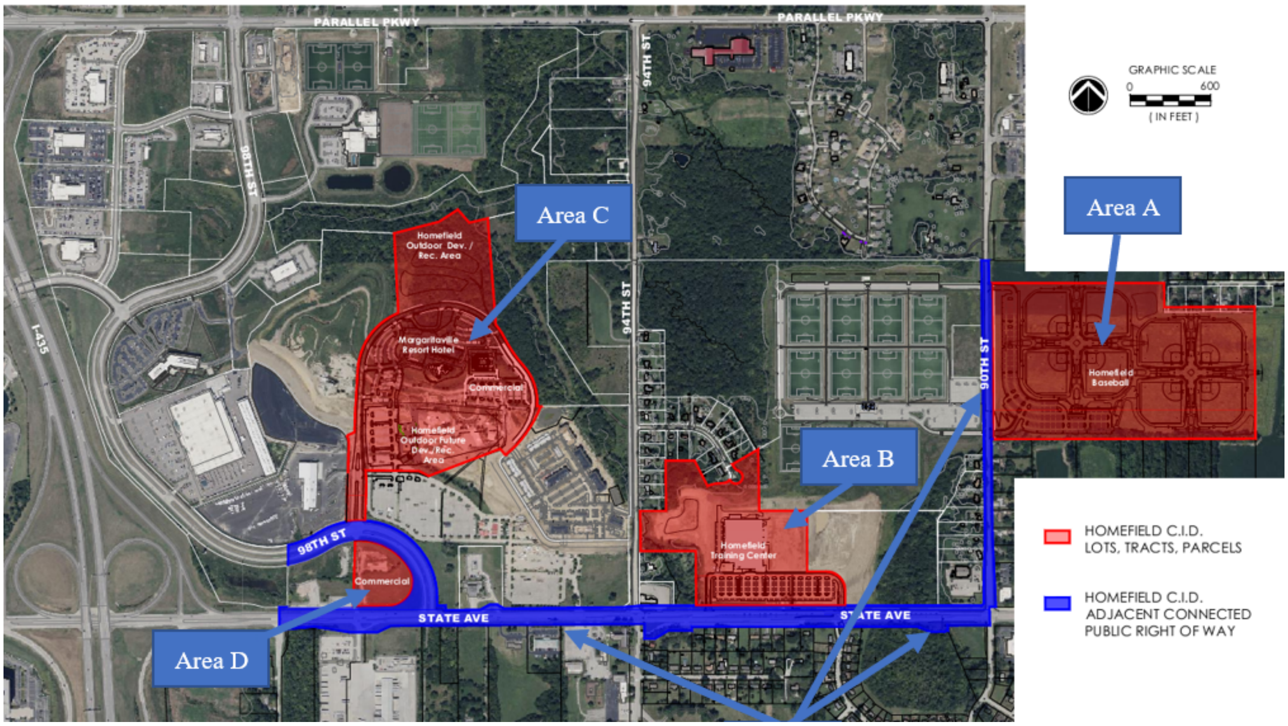

EXHIBIT C
SPECIAL ASSESSMENTS

The aggregate amount of Special Assessments to be levied against the properties within the District shall be as set forth in the tables below. Areas C and D shall be assessed the amounts set forth below, with assessments on each of Area C and Area D not to exceed $59,089,000 (plus bond financing costs, bond issuance-related fees, and applicable bond reserves), pursuant to the Petition.

CID Year	Year**	Collection Period	Area A^^	Area B^^	Area C^^ - Assessment #1*	Area C^^ - Assessment #2^	Area D^^	Area E^^
			N/A	*N/A*	*Resort Fee*	*Ticket Fee*	*Ticket Fee*	*N/A*
1	2025	July 1, 2024 - June 30, 2025			$30.00	$2.00	$2.00	
2	2026	July 1, 2025 - June 30, 2026			30.60	2.04	2.04	
3	2027	July 1, 2026 - June 30, 2027			31.21	2.08	2.08	
4	2028	July 1, 2027 - June 30, 2028			31.84	2.12	2.12	
5	2029	July 1, 2028 - June 30, 2029			32.47	2.16	2.16	
6	2030	July 1, 2029 - June 30, 2030			33.12	2.21	2.21	
7	2031	July 1, 2030 - June 30, 2031			33.78	2.25	2.25	
8	2032	July 1, 2031 - June 30, 2032			34.46	2.30	2.30	
9	2033	July 1, 2032 - June 30, 2033			35.15	2.34	2.34	
10	2034	July 1, 2033 - June 30, 2034			35.85	2.39	2.39	
11	2035	July 1, 2034 - June 30, 2035			36.57	2.44	2.44	
12	2036	July 1, 2035 - June 30, 2036			37.30	2.49	2.49	
13	2037	July 1, 2036 - June 30, 2037			38.05	2.54	2.54	
14	2038	July 1, 2037 - June 30, 2038			38.81	2.59	2.59	
15	2039	July 1, 2038 - June 30, 2039			39.58	2.64	2.64	
16	2040	July 1, 2039 - June 30, 2040			40.38	2.69	2.69	
17	2041	July 1, 2040 - June 30, 2041			41.18	2.75	2.75	
18	2042	July 1, 2041 - June 30, 2042			42.01	2.80	2.80	
19	2043	July 1, 2042 - June 30, 2043			42.85	2.86	2.86	
20	2044	July 1, 2043 - June 30, 2044			43.70	2.91	2.91	

MGV	LN	A9

*Per occupied hotel room night during collection period

^Per museum and arena admission ticket sold during collection period

Annual escalation: 2.0%

** “Year” refers to tax year. E.g., Special Assessments for “2025” will be on the tax bill received by the property owner(s) in November 2025.

^^ Refer to the parcels identified in Exhibits A and B of this Petition; see signature pages to Petition for corresponding legal descriptions.

Staff Request for Commission Action

Tracking No. 212434

Full Commission Meeting Date: 5/25/23
Committee: Economic Development & Finance

Date of Standing Committee Action: 5/8/23 (If none, please explain): 5/8/23

Publication Required: No

Date:	Contact Name:	Contact Phone:	Contact Email:	Department/Division:
05/10/2023	Patrick Waters	x5079	patrickwaters@wycokck.org	Legal

Item Description: Adoption of a Resolution of Intent to issue industrial revenue bonds for the Margaritaville/Homefield Outdoor project, submitted by Patrick Waters, Acting Chief Legal Counsel.
Action Requested: Adopt the resolution
Budget Impact: (if applicable) Amount: Source: Included In Budget: Other (explain):
Attachments List: Resolution of Intent - Margaritaville + HFO (UG), CBA_Margaritaville_05082023 (002)

RESOLUTION NO. R-____-23

RESOLUTION DETERMINING THE INTENT OF THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS, TO ISSUE ITS INDUSTRIAL REVENUE BONDS IN THE PRINCIPAL AMOUNT NOT TO EXCEED $135,000,000 TO FINANCE THE COSTS OF ACQUIRING, CONSTRUCTING, IMPROVING AND EQUIPPING COMMERCIAL FACILITIES AND MULTI-USE RECREATIONAL FACILITIES FOR THE BENEFIT OF HFMGV KCK, LLC, AND ITS SUCCESSORS AND ASSIGNS (MARGARITAVILLE AND HF OUTDOOR)

WHEREAS, the Unified Government of Wyandotte County/Kansas City, Kansas (the "Unified Government"), desires to promote, stimulate and develop the general welfare and economic prosperity of the Unified Government and its inhabitants and thereby to further promote, stimulate and develop the general welfare and economic prosperity of the State of Kansas; and

WHEREAS, the Unified Government is authorized and empowered under the provisions of K.S.A. 12-1740 to 12-1749d, inclusive (the "Act"), to issue revenue bonds to pay the cost of certain facilities (as defined in the Act) for the purposes set forth in the Act, and to lease such facilities to private persons, firms or corporations; and

WHEREAS, HFMGV KCK, LLC, a Kansas limited liability company (together with successors or assigns, the "Company"), has submitted to the Unified Government an Application for the Issuance of Industrial Revenue Bonds (the "Application") requesting that the Unified Government finance the cost of acquiring, constructing, improving and equipping an approximately 229-room Margaritaville-themed hotel and an outdoor multi-use recreational venue and all related improvements, more fully described in the Application and referred to as the "Themed Hotel" and "Homefield Outdoor," respectively, in the Development Agreement (defined herein), located approximately to the northwest of State Avenue and N. 94th Street in Kansas City, Kansas (collectively, the "Project") through the issuance of its revenue bonds in the principal amount not to exceed $135,000,000 (collectively, the "Bonds"), and to lease the Project to the Company or its successors and assigns in accordance with the Act; and

WHEREAS, it is hereby found and determined to be advisable and in the interest and for the welfare of the Unified Government and its inhabitants that the Unified Government finance the costs of the Project by the issuance of Bonds in the principal amount not to exceed $135,000,000, said Bonds to be payable solely out of rentals, revenues and receipts derived from the lease of the Project by the Unified Government to the Company or its successors and assigns.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS, AS FOLLOWS:

Section 1. Approval of Project. The governing body of the Unified Government hereby finds and determines that the acquiring, constructing, improving and equipping of the Project will promote the general welfare and economic prosperity of the Unified Government, and the issuance of the Unified Government's revenue bonds to pay such costs will be in furtherance of the public purposes set forth in the Act.

Section 2. Intent to Issue Bonds. The governing body of the Unified Government hereby determines and declares the intent of the Unified Government to acquire, construct, improve and equip the Project out of the proceeds of the Bonds in the principal amount of not to exceed $135,000,000 to be issued pursuant to the Act.

Section 3. Provision for the Bonds. Subject to the conditions of this Resolution, the Unified Government hereby expresses its intent to (i) issue its Bonds in one or more series to pay the costs of acquiring, constructing, improving and equipping the Project, with such maturities, interest rates, redemption terms and other provisions as may be determined by ordinance of the Unified Government; (ii) provide for the lease (with an option to purchase) of each Project to the Company; and (iii) to effect the foregoing, adopt such resolutions and ordinances and authorize the execution and delivery of such instruments and the taking of such action as may be necessary or advisable for the authorization and issuance of each series of Bonds by the Unified Government and take or cause to be taken such other action as may be required to implement the aforesaid.

Section 4. Conditions to Issuance. The issuance of each series of Bonds and the execution and delivery of any documents related to each series of Bonds are subject to (i) obtaining any necessary governmental approvals, including passage and publication of an ordinance authorizing each series of Bonds; (ii) agreement by the Unified Government, the Company and the purchaser of each series of Bonds upon (a) mutually acceptable terms for the Bonds and for the sale and delivery thereof and (b) mutually acceptable terms and conditions of any documents related to the issuance of the Bonds and the Project; (iii) the Company's compliance with the Unified Government's policies relating to the issuance of revenue bonds and ad valorem tax abatement; and (iv) Company's payment of all of the costs of issuance related to the issuance of the Bonds.

Section 5. Sale of the Bonds. The sale of each series of Bonds shall be the responsibility of the Company; provided, however, arrangements for the sale of each series of Bonds shall be acceptable to the Unified Government.

Section 6. Limited Obligations of the Unified Government. Each series of Bonds and the interest thereon shall be special, limited obligations of the Unified Government payable solely out of the amounts derived by the Unified Government under a Lease Agreement and as provided herein and are secured by a transfer, pledge and assignment of and a grant of a security interest in the Trust Estate to the Trustee and in favor of the owners of each series of Bonds, as provided in the respective Indenture. Each series of Bonds shall not constitute a general obligation of the Unified Government, the State or of any other political subdivision thereof within the meaning of any State constitutional provision or statutory limitation and shall not constitute a pledge of the full faith and credit of the Unified Government, the State or of any other political subdivision thereof and shall not be payable in any manner by taxation, but shall be payable solely from the funds provided for as provided in the respective Indenture. The issuance of each series of Bonds shall not, directly, indirectly or contingently, obligate the Unified Government, the State or any other political subdivision thereof to levy any form of taxation therefor or to make any appropriation for their payment.

Section 7. Ad Valorem Tax Abatement. Subject to the conditions in **Section 4** and the Development Agreement, in consideration of the Company's decision to acquire, construct and equip the Project, the Unified Government hereby agrees to take all appropriate action to request the Kansas Board of Tax Appeals to approve a 100% ad valorem property tax abatement (not including special assessments and taxes that may not be abated by the Unified Government under Kansas law) for all property (including real property and building improvements) financed with the proceeds of each series of Bonds.

In consideration of the City's agreement to request such 100% abatement, the Company will agree to make payments in lieu of tax for the Project as set forth below, subject to adjustment in accordance with the Development Agreement:

(1)Year	(2)PILOT
1	$801,500
2	809,515
3	817,610
4	825,786
5	834,044
6	842,385
7	850,808
8	859,316
9	867,910
10	876,589

(1) PILOTs will commence the calendar year after the Bonds are issued to finance the Project and will continue for up to 10 years thereafter, subject to the terms of the Development Agreement.
(2) Excludes the school district capital outlay mills, as provided by Kansas law.

The Project financed with the proceeds of the Bonds shall be entitled to a maximum 10-year tax abatement, with the first year of the abatement being the year beginning on the January 1 following the year such Bonds are issued by the Unified Government.

Section 8. Required Disclosure. Any disclosure document prepared in connection with the placement or offering of any series of Bonds shall contain substantially the following disclaimer:

> NONE OF THE INFORMATION IN THIS OFFICIAL STATEMENT, OTHER THAN WITH RESPECT TO INFORMATION CONCERNING THE UNIFIED GOVERNMENT CONTAINED UNDER THE CAPTIONS "THE UNIFIED GOVERNMENT" AND "LITIGATION -- THE UNIFIED GOVERNMENT" HEREIN, HAS BEEN SUPPLIED OR VERIFIED BY THE UNIFIED GOVERNMENT, AND THE UNIFIED GOVERNMENT MAKES NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION.

Section 9. Termination. This Resolution shall terminate upon the earlier of (a) five years after the 2022 Effective Date as defined in the Development Agreement (which is also the last date on which Bonds may be issued pursuant to this Resolution), or (b) any date when the Company's (or its affiliate's) rights hereunder are earlier terminated pursuant to that certain Assignment, Assumption and Second Amended and Restated Development Agreement, as may be amended and supplemented, between the Unified Government and HFS KCK, LLC, a Kansas limited liability company (the "Development Agreement").

Section 10. No Reliance on Resolution. Kansas law provides that the Unified Government may only issue the Bonds by passage of an Ordinance and compliance with other state law requirements. The Unified Government has not yet passed an Ordinance for a series of Bonds. This Resolution only evidences the intent of the current governing body to issue the Bonds for the Project. The Company should not construe the adoption of this Resolution as a promise or guarantee that the Ordinance for the Bonds will be passed or that the Project will be approved.

Section 11. Benefit of Resolution. This Resolution will inure to the benefit of the Unified Government and the Company. The Unified Government may, at the request of the Company, assign all or a portion of the Company's interest in this Resolution to another entity, and such assignee will be entitled to the benefits of the portion of this Resolution assigned and the proceedings related hereto.

Section 12. Further Action. Counsel to the Unified Government and Gilmore & Bell, P.C., Bond Counsel for the Unified Government, together with the officers and employees of the Unified Government, are hereby authorized to work with the purchaser of each series of Bonds, the Company, their respective counsel and others, to prepare for submission to and final action by the Unified Government all documents necessary to effect the authorization, issuance and sale of the Bonds and other actions contemplated hereunder.

Section 13. Effective Date. This Resolution shall take effect and be in full force immediately after its adoption by the governing body of the Unified Government.

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ADOPTED BY THE COMMISSION OF THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS THIS 25TH DAY OF MAY, 2023.

By:_________________________________
Mayor/CEO

[SEAL]

ATTEST:

By ___________________________
Unified Government Clerk

Approved as to Form:

By: ______________________________
Office of Chief Counsel

A Tax Abatement Cost-Benefit Analysis of HFMGV KCK, LLC (Margaritaville & HF Outdoor) for the Unified Government of Kansas City/Wyandotte County

Completed by

Municipal Consulting, LLC

5/8/2023

CONTENTS:

ABOUT THIS REPORT:

This report uses data that was collected from the firm involved and budget reports from each of the taxing entities where the project is to be located. This data is summarized on pages 4 and 5. In addition, various calculations were applied to the data using rates and information gathered from the current economic and financial conditions.

DEFINITIONS USED:

- **Rate of Return**: Incentives and tax abatements granted by the taxing entities are equivalent to a public investment in the firm. Comparing these investments to the various benefits received over the 10-year project period by the public entity produces an average annual rate of return for the period. Generally, a rate of return that exceeds the entity's cost of capital would be considered a favorable investment.

- **Net Present Value:** This is the amount that a future series of payments is worth today, given an assumed discount rate. The only way to accurately compare payments to be made or received in the future to the dollar value at present is with Net Present Value. Generally a positive net present value represents an acceptable investment opportunity.
- **Benefit - Cost Ratio**: Typically referred to as the "Cost-Benefit Ratio," this is the ratio of the public entity benefits received over the 10-year project life to the public costs incurred over the same period. If the ratio is above 1.0, then the benefits exceed the costs, and if it is less than 1.0, the costs exceed the benefits. Generally, a public entity would like to have a Benefit-to-Cost ratio of 1.3 or better in order to grant a tax abatement and/or other incentives. However, the governing body may take into account the other economic benefits of the project in making that decision.

DISCLAIMER:

This report is prepared using a variety of assumptions regarding discount rate, inflation rate, and other economic variables. It also uses information submitted by the firm based on its best estimates of what they expect to occur in the next decade. Future business results and economic factors are not and cannot be guaranteed. Therefore, we provide no guarantee on the future performance of the firm, or that conditions within the taxing entities will remain as they are today. The governing body should make its decision on the best information presented, while fully recognizing that future performance could be substantially different.

COMMENTS SPECIFIC TO THIS PROJECT:

The overall costs and benefits for each taxing entity are:

Taxing Entity	Benefit to Cost Ratio	Average Return on Investment
City of Kansas City	1.61	6%
Wyandotte County	2.82	18%
Kansas City USD 500	14.80	138%
KC Community College	11.59	106%
State of Kansas	1.94	9%

Each of the taxing entities has a positive benefit-to-cost ratio in excess of the desired 1.3. This report assumes that the Unified Government will approve a proposed agreement regarding STAR bond issues. A PILOT payment has been considered in this analysis but no tax abatement is requested. This report assumes that the existing sales tax rates for the city, county and state will remain the same. The proposed average salary of the new jobs is below the county average wage and we adjusted retail spending estimates accordingly.

The PILOT payment schedule used in this analysis is according to the terms of the development agreement which provides for the PILOT to be in place of any property tax payment except for the school capital outlay amount.

If you have any questions or comments, you may reach me with the contact information below.

R. Steven Robb Digitally signed by R. Steven Robb
Date: 2023.05.08 16:08:03 -05'00'

R. Steven Robb
Sole Owner
Municipal Consulting, LLC
Cell: 620-704-6495 E-Mail: steverobb@ckt.net
2207 N. Free King Hwy, Pittsburg, KS 66762-8418

COST-BENEFIT ANALYSIS PROJECT SUMMARY			
PROJECT NAME:	**HFMGV KCK, LLC (Margaritaville & HF Outdoor)**		
DATE:	5/8/2023		

GOVERNMENTAL ENTITIES INVOLVED:			
CITY:		**City of Kansas City**	
COUNTY:		**Wyandotte County**	
SCHOOL DISTRICT:		**Kansas City USD 500**	
SPECIAL TAXING DISTRICT #1		**KC Community College**	
STATE:		**State of Kansas**	
INFLATION RATE:	2.60%	Discount Rate:	7.50%

This project will acquire, construct, improve and equip a 229-room Margaritaville-themed hotel and an outdoor multi-use recreational venue. The project is expected to create about 286 new jobs.

Although the number of jobs is important, the main benefits from this project will be the visitors to the area and their associated retail spending.

The assumption of the inflation rate is based on the latest 5-year moving average. Current inflation is much higher but not likely to remain so for an extended time.

HFMGV KCK, LLC (Margaritaville & HF Outdoor)

Community Data Inputs:

	City of Kansas City	Wyandotte County	Kansas City USD 500	KC Community College	State
Mill Levy	38.476593	37.328383	60.829259	27.375176	1.500
Sales Tax	1.625%	1.000%	n/a	n/a	6.50%
Transient Guest Tax	8.00%	0.00%	n/a	n/a	n/a
Utility Revenue/HsHld	$499.74	n/a	n/a	n/a	n/a
Franchise Fees/HsHld	$110.38	n/a	n/a	n/a	n/a
Other Revenues/Res.	$95.21	$59.24	n/a	$106.40	$1,511.19
Marg. Cost/Res./Student	$101.65	$37.66	$1,602.43	$54.87	$654.19
Other Revenues/Worker	$91.63	$57.01	n/a	$102.40	$1,296.05
Marginal Cost/New Worker	$97.83	$36.25	n/a	$52.80	$561.06
State Funding/Pupil	n/a	n/a	$11,887.38	n/a	$10,173
Federal Funding/Pupil	n/a	n/a	$4,136.89	n/a	$1,022
Visitor Daily Spending	$60.00	$60.00			$75.00
Average Hotel Room Rate	$319	$319	Total Mill Levy:	165.509411	n/a
Retail Pull Factor	0.94	0.96			n/a
Percent of County Share	90.90%	100.00%			n/a
Ann. Local Per Capita Sales Tax	$211	$184			n/a
Ann. State Per Capita Sales Tax	$1,051	$1,075			$1,078
Annual Per Capita Retail Sales	$16,176	$16,535			$16,581
Average Household Size	2.68	2.67			2.49
Avg. Wage-All Occupations	$53,726	$53,726			$48,609

HFMGV KCK, LLC (Margaritaville & HF Outdoor)

Firm Data Inputs:		First Expansion- Year 1											
		Land	Improvements	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total
Investment in Land & Building		$0	$115,500,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$115,500,000
Investment in Fixtures, etc.			$13,500,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$13,500,000
Other project soft costs			$6,000,000										
Total project costs			$135,000,000										
Value of city sales tax exemption:		$281,731	Value of county sales tax exemption		$173,373			Value of state sales tax exemption:	$4,005,537				$4,460,642
	Growth	**Const. Per.**	**Yr. 1**	**Yr. 2**	**Yr. 3**	**Yr. 4**	**Yr. 5**	**Yr. 6**	**Yr. 7**	**Yr. 8**	**Yr. 9**	**Yr. 10**	**Total**
Sales	0.00%		$26,661,169	$27,354,359	$28,065,573	$28,795,278	$29,543,955	$30,312,098	$31,100,212	$31,908,818	$32,738,447	$33,589,647	$300,069,555
Purchases	0.00%		$6,132,069	$6,291,503	$6,455,082	$6,622,914	$6,795,110	$6,971,782	$7,153,049	$7,339,028	$7,529,843	$7,725,619	$69,015,998
Net Utility Revenue-Firm	2.60%	$21,000	$849,425	$871,510	$894,169	$917,418	$941,270	$965,743	$990,853	$1,016,615	$1,043,047	$1,070,166	$9,581,216
Franchise Fees-Firm	2.60%	$0	$94,381	$96,834	$99,352	$101,935	$104,586	$107,305	$110,095	$112,957	$115,894	$118,907	$1,062,246
Net Utility Revenue-Emp.	2.60%	$0	$42,916	$44,031	$45,176	$46,351	$47,556	$48,792	$50,061	$51,363	$52,698	$54,068	$483,012
Franchise Fees-Employees	2.60%	$0	$9,479	$9,726	$9,979	$10,238	$10,504	$10,777	$11,058	$11,345	$11,640	$11,943	$106,688
PILOT- City		$0	$186,328	$188,191	$190,073	$191,974	$193,893	$195,832	$197,791	$199,768	$201,766	$203,784	$1,949,400
PILOT - County		$0	$180,767	$182,575	$184,401	$186,245	$188,107	$189,988	$191,888	$193,807	$195,745	$197,703	$1,891,226
PILOT - State		$0	$7,264	$7,337	$7,410	$7,484	$7,559	$7,634	$7,711	$7,788	$7,866	$7,944	$75,997
PILOT - School		$0	$294,573	$297,519	$300,494	$303,499	$306,534	$309,600	$312,695	$315,822	$318,981	$322,171	$3,081,888
PILOT - Comm. Coll.		$0	$132,568	$133,893	$135,232	$136,585	$137,950	$139,330	$140,723	$142,130	$143,552	$144,987	$1,386,951
New Employees			286	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	286
New to the City		30%	86	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	86
New to the County		50%	143	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	144
New to the State		5.00%	11.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	11
New students in K-12		50%	43	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	43
New employee average salary			$33,530	$34,402	$35,296	$36,214	$37,156	$38,122	$39,113	$40,130	$41,173	$42,244	N/A
Tax Abatement-Land			0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	N/A
Tax Abatement-Bldg.			0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	N/A
Visitors	0.0%	0	100,302	100,500	101,000	101,500	102,000	102,500	103,000	103,500	104,000	104,500	1,022,802
			City	**County**	**State**								
Percentage of sales taxable in the			100%	100%	100%								
Percentage of purchases taxable in the			50%	50%	75%								
Assumed Inflation Rate			2.60%										

COST-BENEFIT ANALYSIS PROJECT SUMMARY

PROJECT NAME: HFMGV KCK, LLC (Margaritaville & HF Outdoor)

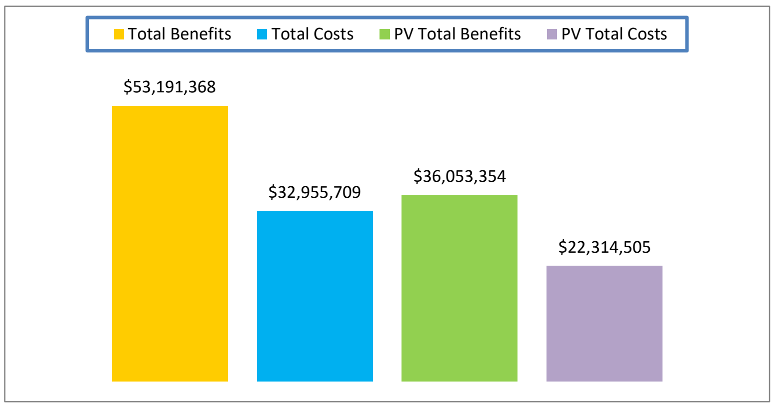
DATE: 5/8/2023

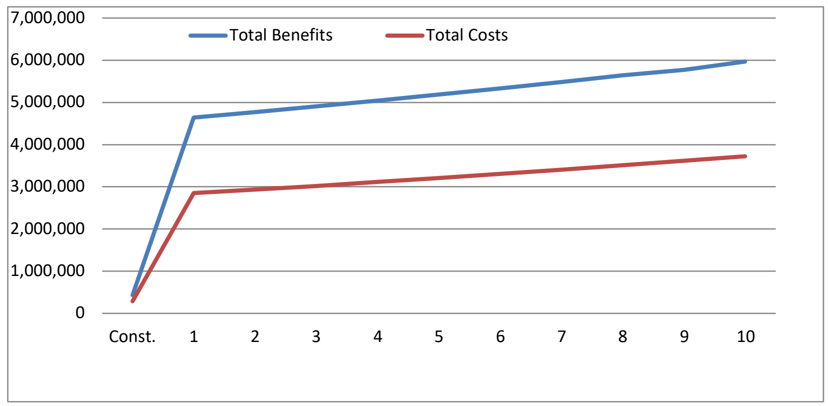
Entity	Total Benefits	Total Costs & Incentives	Net Benefits	Net Present Value of Net Benefits	NPV of Incentives & Taxes Abated	Ratio of NPV of Net Benefits to NPV of Incentives and Taxes Abated	Actual Benefit to Actual Cost Ratio	Avg. Annual Rate of Return
City of Kansas City	$53,191,368	$32,955,709	$20,235,658	$13,738,849	$281,731	48.77	1.61	6%
Wyandotte County	$8,858,679	$3,137,449	$5,721,231	$3,909,421	$173,373	22.55	2.82	18%
Kansas City USD 500	$11,463,587	$774,386	$10,689,200	$7,245,769	$0	0.00	14.80	138%
KC Community College	$1,665,759	$143,769	$1,521,990	$1,037,709	$0	0.00	11.59	106%
State of Kansas	$47,370,895	$24,470,573	$22,900,322	$14,929,343	$4,005,537	3.73	1.94	9%

SUMMARY OF COSTS AND BENEFITS FOR: City of Kansas City
PROJECT: HFMGV KCK, LLC (Margaritaville & HF Outdoor)
DATE: 5/8/2023 **DISCOUNT RATE:** 7.50%

Ratio of Actual Benefits to Actual Costs Over the 10-Year Period: 1.61
Ratio of Present Value of Total Benefits to Present Value of Total Costs: 1.62
(Typical desired ratio would be 1.3 to 1) **Average ROI** 6.14%

Year	Sales and Transient Guest Taxes	New Property Taxes	Utilities and Franchise Fees	PILOT Payment	Other City Revenues	Total Benefits	Net Present Value of Total Benefits	Cost of Various City Services	STAR Bond Sales & Guest Tax* Collections	Incentives and Property Taxes Abated	Total Costs	Net Present Value of Total Costs	Net Benefits or Costs	Cumulative Net Benefits or Costs	Net Present Value of Net Benefits	Net Present Value of Incentives & Taxes Abated
Const.	409,459	0	21,000	0	0	430,459	430,459	0	0	281,731	281,731	281,731	148,728	148,728	148,728	281,731
1	3,439,806	0	996,200	186,328	22,167	4,644,500	4,320,465	23,666	2,826,319	0	2,849,985	2,651,149	1,794,515	1,943,243	1,669,316	0
2	3,535,019	0	1,022,101	188,191	22,743	4,768,054	4,125,953	24,282	2,904,987	0	2,929,269	2,534,792	1,838,786	3,782,029	1,591,161	0
3	3,641,901	0	1,048,676	190,073	23,334	4,903,984	3,947,514	24,913	2,993,949	0	3,018,862	2,430,065	1,885,122	5,667,151	1,517,449	0
4	3,751,952	0	1,075,942	191,974	23,941	5,043,808	3,776,806	25,561	3,085,573	0	3,111,134	2,329,619	1,932,674	7,599,825	1,447,187	0
5	3,865,263	0	1,103,916	193,893	24,563	5,187,636	3,613,492	26,225	3,179,938	0	3,206,163	2,233,281	1,981,473	9,581,298	1,380,212	0
6	3,981,930	0	1,132,618	195,832	25,202	5,335,582	3,457,252	26,907	3,277,124	0	3,304,031	2,140,885	2,031,551	11,612,849	1,316,367	0
7	4,102,050	0	1,162,066	197,791	25,857	5,487,764	3,307,777	27,607	3,377,213	0	3,404,820	2,052,272	2,082,944	13,695,793	1,255,505	0
8	4,225,726	0	1,192,280	199,768	26,530	5,644,303	3,164,773	28,324	3,480,292	0	3,508,617	1,967,289	2,135,687	15,831,480	1,197,484	0
9	4,353,059	0	1,192,280	201,766	27,219	5,774,324	3,011,792	29,061	3,586,449	0	3,615,509	1,885,790	2,158,815	17,990,295	1,126,002	0
10	4,484,157	0	1,255,084	203,784	27,927	5,970,952	2,897,070	29,816	3,695,772	0	3,725,589	1,807,633	2,245,364	20,235,658	1,089,437	0
Total	$39,790,321	$0	$11,202,163	$1,949,400	$249,483	$53,191,368	$36,053,354	$266,362	$32,407,616	$281,731	$32,955,709	$22,314,505	$20,235,658	$20,235,658	$13,738,849	$281,731





* The development agreement calls for 1% of the city's 1.625% sales tax and 7.84% of the transient guest tax on sales in the project area to be applied toward the project Star bonds.

SUMMARY OF COSTS AND BENEFITS FOR: Wyandotte County

PROJECT: HFMGV KCK, LLC (Margaritaville & HF Outdoor)

DATE: 5/5/2023

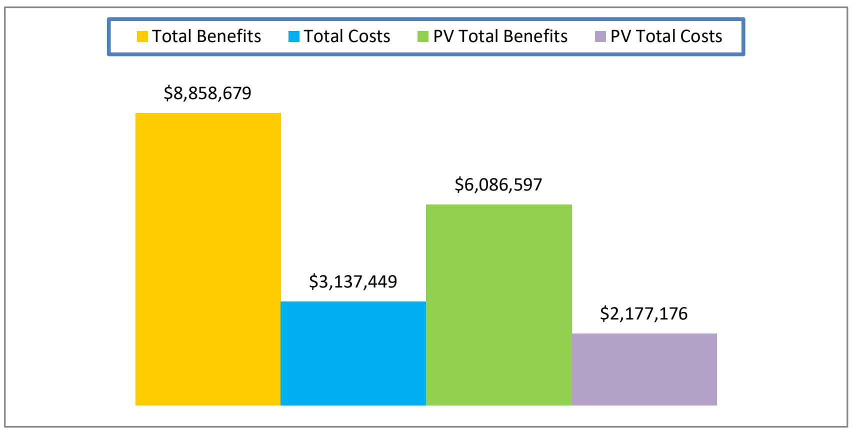
DISCOUNT RATE: 7.50%

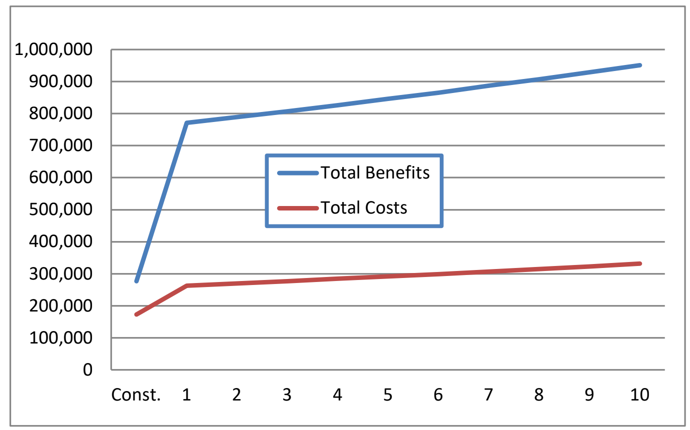
Ratio of Actual Benefits to Actual Costs Over the 10-Year Period: 2.82

Ratio of Present Value of Total Benefits to Present Value of Total Costs: 2.80

(Typical desired ratio would be 1.3 to 1) **Average ROI** 18.24%

Year	Sales Taxes	New Property Taxes	PILOT Payment	Other County Revenues	Total Benefits	Net Present Value of Total Benefits	Cost of Various County Services	STAR Bond Sales Tax* Collections	Incentives and Property Taxes Abated	Total Costs	Net Present Value of Total Costs	Net Benefits or Costs	Cumulative Net Benefits or Costs	Net Present Value of Net Benefits	Net Present Value of Incentives & Taxes Abated
Const.	277,200	0	0	0	277,200	277,200	0	0	173,373	173,373	173,373	103,827	103,827	103,827	173,373
1	568,279	0	180,767	22,405	771,451	717,629	14,245	249,113	0	263,358	244,984	508,093	611,920	472,645	0
2	583,420	0	182,575	22,988	788,982	682,732	14,615	255,590	0	270,205	233,817	518,777	1,130,697	448,914	0
3	599,536	0	184,401	23,585	807,522	650,023	14,995	262,236	0	277,231	223,160	530,291	1,660,988	426,863	0
4	616,096	0	186,245	24,198	826,539	618,913	15,385	269,054	0	284,439	212,988	542,100	2,203,088	405,925	0
5	633,112	0	188,107	24,828	846,046	589,321	15,785	276,049	0	291,834	203,280	554,212	2,757,301	386,041	0
6	650,596	0	189,988	25,473	866,057	561,172	16,195	283,227	0	299,422	194,014	566,636	3,323,936	367,158	0
7	668,561	0	191,888	26,135	886,585	534,393	16,616	290,590	0	307,207	185,170	579,378	3,903,314	349,223	0
8	687,021	0	193,807	26,815	907,643	508,917	17,048	298,146	0	315,194	176,730	592,449	4,495,763	332,187	0
9	705,989	0	195,745	27,512	929,246	484,679	17,492	305,898	0	323,389	168,674	605,857	5,101,620	316,005	0
10	725,478	0	197,703	28,227	951,408	461,617	17,946	313,851	0	331,797	160,986	619,611	5,721,231	300,631	0
Total	$6,715,286	$0	$1,891,226	$252,167	$8,858,679	$6,086,597	$160,322	$2,803,754	$173,373	$3,137,449	$2,177,176	$5,721,231	$5,721,231	$3,909,421	$173,373





* The development agreement calls for 93.4368% of the county's 1% sales tax on sales from the project area to go toward retiring the Star bonds for the project.

SUMMARY OF COSTS AND BENEFITS FOR: Kansas City USD 500

PROJECT: HFMGV KCK, LLC (Margaritaville & HF Outdoor)

DATE: 5/5/2023

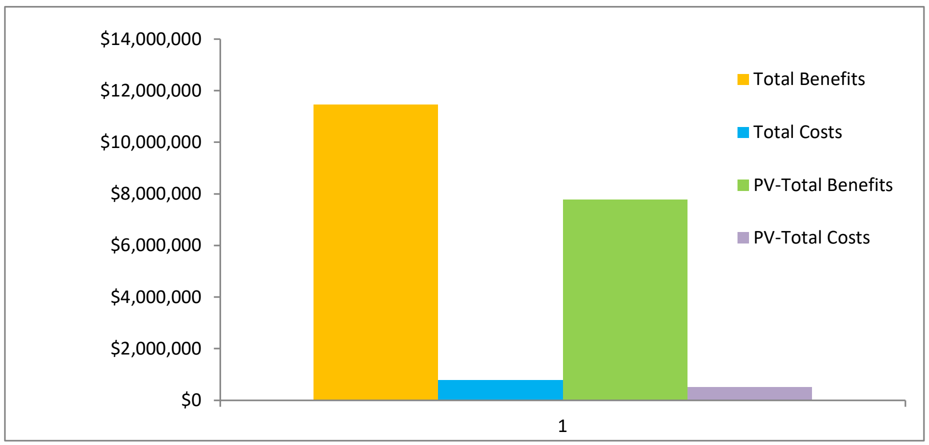
DISCOUNT RATE: 7.50%

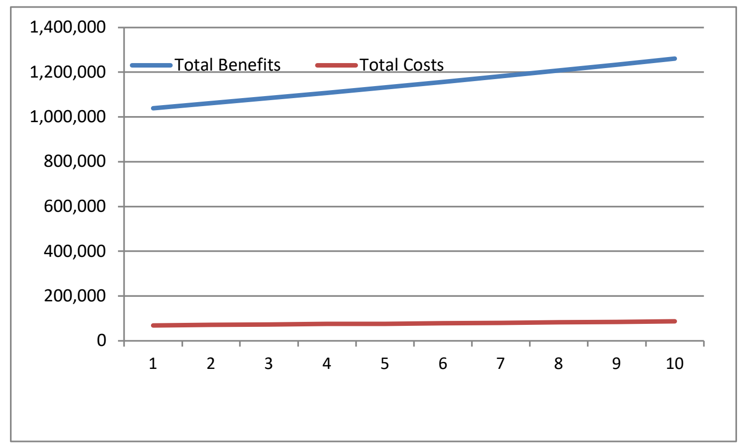
Ratio of Actual Benefits to Actual Costs Over the 10-Year Period: 14.80

Ratio of Present Value of Total Benefits to Present Value of Total Costs: 14.84

(Typical desired ratio would be 1.3 to 1) **Average ROI** 138.03%

Year	New Property Taxes	PILOT Payment	District Capital Outlay Taxes	Additional State, Federal and Other Funding	Total Benefits	Net Present Value of Total Benefits	Additional Marginal Costs	Property Taxes Abated	Total Costs	Net Present Value of Total Costs	Net Benefits or Costs	Cumulative Net Benefits or Costs	Net Present Value of Net Benefits	Net Present Value of Taxes Abated
1	0	294,573	38,782	705,931	1,039,287	966,778	68,804	0	68,804	64,004	970,483	970,483	902,775	0
2	0	297,519	39,791	724,285	1,061,595	918,633	70,593	0	70,593	61,087	991,002	1,961,485	857,546	0
3	0	300,494	40,825	743,117	1,084,436	872,928	72,429	0	72,429	58,302	1,012,008	2,973,493	814,626	0
4	0	303,499	41,887	762,438	1,107,824	829,539	74,312	0	74,312	55,645	1,033,512	4,007,005	773,894	0
5	0	306,534	42,976	782,261	1,131,771	788,345	76,244	0	76,244	53,108	1,055,527	5,062,532	735,237	0
6	0	309,600	44,093	802,600	1,156,293	749,233	78,226	0	78,226	50,688	1,078,067	6,140,599	698,546	0
7	0	312,695	45,240	823,468	1,181,403	712,096	80,260	0	80,260	48,377	1,101,143	7,241,741	663,719	0
8	0	315,822	46,416	844,878	1,207,116	676,833	82,347	0	82,347	46,172	1,124,769	8,366,510	630,661	0
9	0	318,981	47,623	866,845	1,233,448	643,346	84,488	0	84,488	44,067	1,148,960	9,515,471	599,279	0
10	0	322,171	48,861	889,382	1,260,414	611,545	86,684	0	86,684	42,059	1,173,730	10,689,200	569,486	0
Total	$0	$3,081,888	$436,494	$7,945,204	$11,463,587	$7,769,277	$774,386	$0	$774,386	$523,508	$10,689,200	$10,689,200	$7,245,769	$0





SUMMARY OF COSTS AND BENEFITS FOR: KC Community College

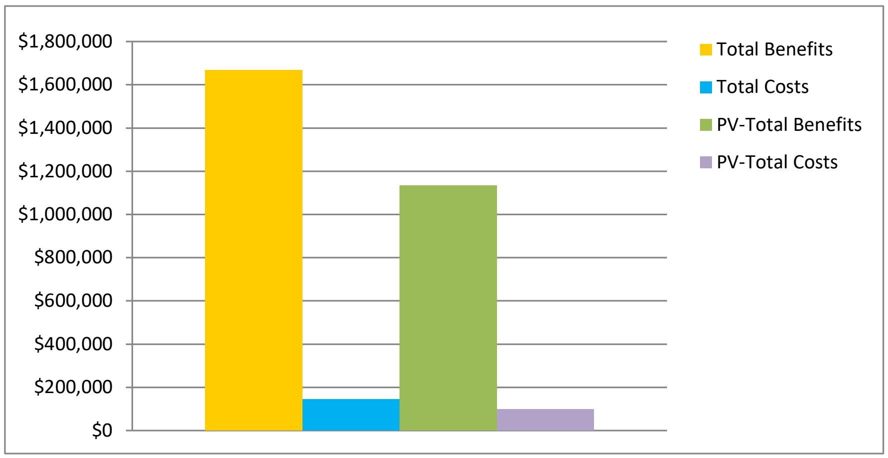
PROJECT: HFMGV KCK, LLC (Margaritaville & HF Outdoor)

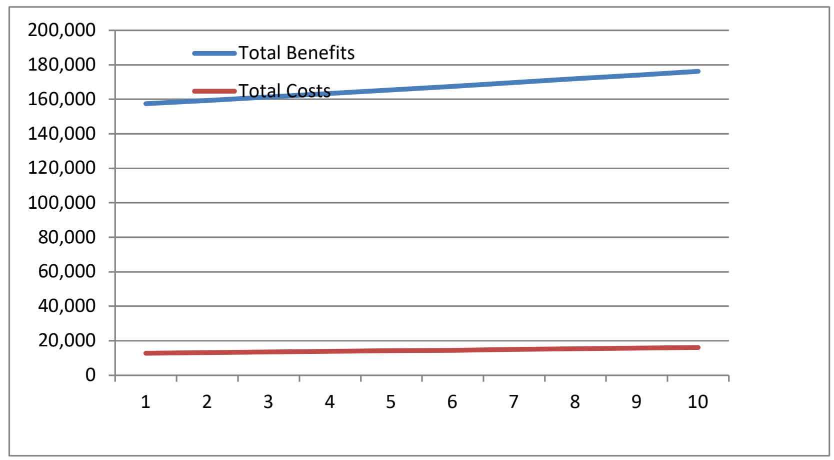
DATE: 5/5/2023

DISCOUNT RATE: 7.50%

Ratio of Actual Benefits to Actual Costs Over the 10-Year Period:	11.59
Ratio of Present Value of Total Benefits to Present Value of Total Costs:	11.68
(Typical desired ratio would be 1.3 to 1) Average ROI	105.86%

Year	New District Property Taxes	PILOT Payment	Other District Revenues	Total Benefits	Net Present Value of Total Benefits	Other District Costs	Property Taxes Abated	Total Costs	Net Present Value of Total Costs	Net Benefits or Costs	Cumulative Net Benefits or Costs	Net Present Value of Net Benefits	Net Present Value of Taxes Abated
1	0	132,568	24,772	157,340	146,363	12,774	0	12,774	11,883	144,566	144,566	134,480	0
2	0	133,893	25,416	159,309	137,856	13,106	0	13,106	11,341	146,204	290,769	126,515	0
3	0	135,232	26,077	161,309	129,848	13,447	0	13,447	10,824	147,862	438,632	119,023	0
4	0	136,585	26,755	163,340	122,309	13,796	0	13,796	10,331	149,543	588,175	111,978	0
5	0	137,950	27,451	165,401	115,212	14,155	0	14,155	9,860	151,246	739,421	105,352	0
6	0	139,330	28,164	167,494	108,530	14,523	0	14,523	9,410	152,971	892,392	99,119	0
7	0	140,723	28,897	169,620	102,239	14,901	0	14,901	8,981	154,719	1,047,111	93,258	0
8	0	142,130	29,648	171,778	96,316	15,288	0	15,288	8,572	156,490	1,203,601	87,744	0
9	0	143,552	30,419	173,971	90,740	15,686	0	15,686	8,181	158,285	1,361,886	82,559	0
10	0	144,987	31,210	176,197	85,490	16,093	0	16,093	7,808	160,104	1,521,990	77,681	0
Total	$0	$1,386,951	$278,808	$1,665,759	$1,134,901	$143,769	$0	$143,769	$97,192	$1,521,990	$1,521,990	$1,037,709	$0

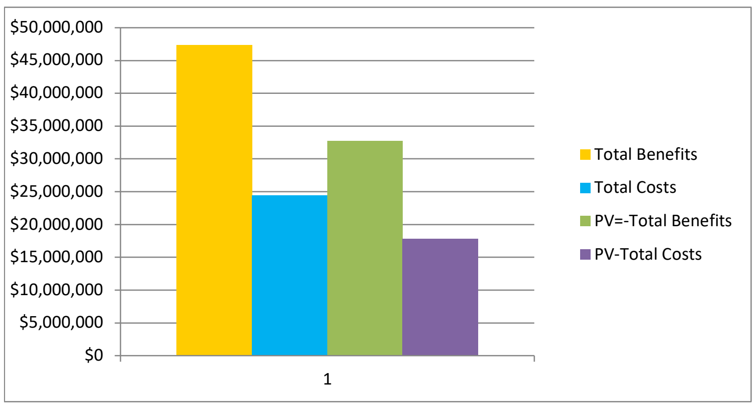


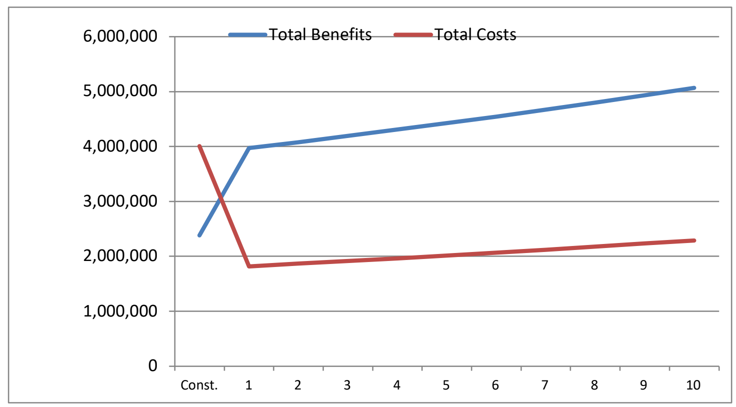


SUMMARY OF COSTS AND BENEFITS FOR: State of Kansas
PROJECT: HFMGV KCK, LLC (Margaritaville & HF Outdoor)
DATE: 5/5/2023
DISCOUNT RATE: 7.50%

Ratio of Actual Benefits to Actual Costs Over the 10-Year Period: 1.94
Ratio of Present Value of Total Benefits to Present Value of Total Costs: 1.84
(Typical desired ratio would be 1.3 to 1) **Average ROI** 9.36%

Year	Sales Taxes	New Property Taxes	Corporate and Personal Income Taxes	PILOT Payment	Other State Revenues	Total Benefits	Net Present Value of Total Benefits	Cost of Various State Services	Cost of Educating New Students	Incentives and Property Taxes Abated	STAR Bond Sales Tax* Collections	Total Costs	Net Present Value of Total Costs	Net Benefits or Costs	Cumulative Net Benefits or Costs	Net Present Value of Net Benefits	Present Value of Taxes Abated and Incentives
Const.	1,801,800	$0	577,500	0	0	2,379,300	2,379,300	0	$0	$4,005,537	$0	4,005,537	4,005,537	-1,626,237	-1,626,237	-1,626,237	4,005,537
1	3,721,938	$0	201,558	7,264	42,910	3,973,670	3,696,437	18,261	67,080	$0	1,732,976	1,818,318	1,691,458	2,155,353	529,115	2,004,979	0
2	3,821,086	$0	206,799	7,337	44,025	4,079,246	3,529,905	18,736	68,825	$0	1,778,033	1,865,594	1,614,359	2,213,652	2,742,767	1,915,546	0
3	3,926,592	$0	212,176	7,410	45,170	4,191,347	3,373,869	19,223	70,614	$0	1,824,262	1,914,099	1,540,774	2,277,248	5,020,016	1,833,095	0
4	4,035,002	$0	217,692	7,484	46,344	4,306,522	3,224,726	19,723	72,450	$0	1,871,693	1,963,866	1,470,544	2,342,656	7,362,672	1,754,182	0
5	4,146,394	$0	223,352	7,559	47,549	4,424,855	3,082,171	20,236	74,334	$0	1,920,357	2,014,926	1,403,514	2,409,928	9,772,600	1,678,656	0
6	4,260,852	$0	229,159	7,634	48,785	4,546,431	2,945,912	20,762	76,266	$0	1,970,286	2,067,315	1,339,540	2,479,116	12,251,716	1,606,372	0
7	4,378,458	$0	235,118	7,711	50,054	4,671,340	2,815,673	21,302	78,249	$0	2,021,514	2,121,065	1,278,482	2,550,275	14,801,992	1,537,191	0
8	4,499,299	$0	241,231	7,788	51,355	4,799,673	2,691,187	21,855	80,284	$0	2,074,073	2,176,212	1,220,207	2,623,460	17,425,452	1,470,980	0
9	4,623,464	$0	247,503	7,866	52,691	4,931,523	2,572,201	22,424	82,371	$0	2,127,999	2,232,794	1,164,588	2,698,729	20,124,181	1,407,613	0
10	4,751,045	$0	253,938	7,944	54,060	5,066,987	2,458,471	23,007	84,513	$0	2,183,327	2,290,847	1,111,505	2,776,141	22,900,322	1,346,967	0
Total	$43,965,929	$0	$2,846,026	$75,997	$482,943	$47,370,895	$32,769,853	$205,528	$754,986	$4,005,537	$19,504,521	$24,470,573	$17,840,510	$22,900,322	$22,900,322	$14,929,343	$4,005,537





* The development agreement calls for 100% of the state's 6.5% sales tax on sales from the project area to go toward retiring the Star bonds for the project.

HFMGV KCK, LLC (Margaritaville & HF Outdoor)
Other Economic Impacts of the Project

	In the First Year	Over 10 Years
Permanent jobs created	286	286
Construction jobs created	573	0
Number of New Residents in the Community	230	230
Number of Additional Students in the Local School District	43	43
Increase in Local Personal Incomes	$9,598,021	$108,025,040
Increase in Local Retail Sales	$98,262,360	$1,076,054,196
Increase in the Community's Property Tax Base	$24,250,000	$24,250,000

Estimated Annual Property Tax Revenue after the abatement period ends:

City	$241,219
County	$234,021
School	$381,354
Comm. Coll.	$171,622
State	$9,404
Total	$1,037,619

HFMGV KCK, LLC (Margaritaville & HF Outdoor)

Overall Cost-Benefit Summary

	DIRECT REVENUES									DIRECT COSTS		INDIRECT COSTS		
TAXING ENTITY	**Sales and Guest Taxes**	**PILOT Payment**	**New Property Taxes**	**School Federal & State Funding**	**Corporate & Personal Income Taxes**	**City Utilities & Franchise Fees**	**TOTAL DIRECT REVENUES**	**ALL INDIRECT REVENUES**	**TOTAL ALL REVENUES**	**STAR Bond Collections**	**Cost of Educating New Students**	**Incentives & Indirect Costs**	**TOTAL COSTS**	**NET BENEFITS**
City of Kansas City	39,790,321	1,949,400	0			11,202,163	52,941,884	249,483	**53,191,368**	32,407,616	0	548,093	**32,955,709**	**20,235,658**
Wyandotte County	6,715,286	1,891,226	0				8,606,513	252,167	**8,858,679**	2,803,754	0	333,695	**3,137,449**	**5,721,231**
Kansas City USD 500		3,081,888	436,494	7,945,204			11,463,587	0	**11,463,587**	0	774,386	0	**774,386**	**10,689,200**
KC Community College		1,386,951	0				1,386,951	278,808	**1,665,759**	0	0	143,769	**143,769**	**1,521,990**
State of Kansas	43,965,929	75,997	0	0	2,846,026		46,887,951	482,943	**47,370,895**	19,504,521	754,986	4,211,065	**24,470,573**	**22,900,322**
TOTALS	$90,471,536	$8,385,463	$436,494	$7,945,204	$2,846,026	$11,202,163	$121,286,886	$1,263,401	**$122,550,287**	$54,715,891	$1,529,373	$5,236,622	**$61,481,886**	**$61,068,401**

Staff Request for Commission Action

Tracking No. 212434

Full Commission Meeting Date: 5/25/23
Committee: Economic Development & Finance

Date of Standing Committee Action: 5/8/23 (If none, please explain): 5/8/23

Publication Required: No

Date:	Contact Name:	Contact Phone:	Contact Email:	Department/Division:
05/10/2023	Patrick Waters	x5079	patrickwaters@wycokck.org	Legal

Item Description: Adoption of a Resolution of Intent to issue industrial revenue bonds for the Homefield Baseball Amendment, submitted by Patrick Waters, Acting Chief Legal Counsel.
Action Requested: Adopt the resolution
Budget Impact: (if applicable) Amount: Source: Included In Budget: Other (explain):
Attachments List: Resolution of Intent - Amended - HF Baseball (UG), CBA_Homefield_Baseball_Revised_05052023

RESOLUTION NO. R-___-23

RESOLUTION AMENDING RESOLUTION NO. R-22-22 PREVIOUSLY ADOPTED BY THE GOVERNING BODY OF THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS, DETERMINING ITS INTENT TO ISSUE INDUSTRIAL REVENUE BONDS TO FINANCE THE COSTS OF ACQUIRING, CONSTRUCTING, IMPROVING AND EQUIPPING A MULTI-SPORT ATHLETIC COMPLEX FOR THE BENEFIT OF HFBB KCK, LLC, AND ITS SUCCESSORS AND ASSIGNS (HOMEFIELD BASEBALL)

WHEREAS, the Unified Government of Wyandotte County/Kansas City, Kansas (the "Unified Government"), desires to promote, stimulate and develop the general welfare and economic prosperity of the Unified Government and its inhabitants and thereby to further promote, stimulate and develop the general welfare and economic prosperity of the State of Kansas; and

WHEREAS, the Unified Government is authorized and empowered under the provisions of K.S.A. 12-1740 to 12-1749d, inclusive (the "Act"), to issue industrial revenue bonds to pay the cost of certain facilities (as defined in the Act) for the purposes set forth in the Act, and to lease such facilities to private persons, firms or corporations; and

WHEREAS, the Unified Government adopted Resolution No. R-22-22 on April 7, 2022 (the "Original Resolution of Intent") determining the intent of the governing body to issue its industrial revenue bonds (the "Bonds") in the aggregate amount not to exceed $45,000,000 to finance the costs of acquiring, constructing, improving and equipping a multi-sport athletic complex, including baseball and other outdoor facilities, and all related improvements more fully described in the Application and referred to as "Homefield Baseball" in the Development Agreement (as defined in the Original Resolution of Intent), to be located north of State Avenue in the vicinity of N. 90th Street (the "Project") for the benefit of HFBB KCK, LLC, a Kansas limited liability company (the "Company"); and

WHEREAS, the governing body, at the request of the Company, desires to amend the Original Resolution of Intent to adjust the payment in lieu of tax schedule set forth therein.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS, AS FOLLOWS:

Section 1. Findings. The governing body of the Unified Government hereby finds that all procedural items prescribed by the Act with regard to this Resolution have been undertaken, including the public hearing held on this date (and publication and provision of notice thereof) and preparation of a cost-benefit analysis.

Section 2. Amendment. Section 7 of the Original Resolution of Intent is hereby amended to read as follows:

> **Section 7. Ad Valorem Tax Abatement**. Subject to the conditions in **Section 4** and the Development Agreement, in consideration of the Company's decision to acquire, construct and equip the Project, the Unified Government hereby agrees to take all appropriate action to request the Kansas Board of Tax Appeals to approve a 100% ad valorem property tax abatement (not including special assessments and taxes that may not be abated by the Unified Government under Kansas law) for all property (including real property and building improvements) financed with the proceeds of each series of Bonds.

In consideration of the City's agreement to request such 100% abatement, the Company will agree to make payments in lieu of tax for the Project as set forth below, subject to adjustment in accordance with the Development Agreement:

[(1)]Year	[(2)]PILOT
1	$85,362
2	86,216
3	87,078
4	87,949
5	88,828
6	89,717
7	90,614
8	91,520
9	92,435
10	93,360

(1) PILOTs will commence the calendar year after the Bonds are issued to finance the Project and will continue for up to 10 years thereafter; provided, such potential 10-year term shall begin on the calendar year following the first date of issuance of a series of industrial revenue bonds for either the Project or the Homefield Building (as defined and as further set forth in the Development Agreement).
(2) Excludes the school district capital outlay mills, as provided by Kansas law.

The Project financed with the proceeds of the Bonds shall be entitled to a maximum 10-year tax abatement, with the first year of the abatement being the year beginning on the January 1 following the year such Bonds are issued by the Unified Government.

Section 3. Effectiveness of Original Resolution of Intent. Except as amended herein, all other provisions of the Original Resolution of Intent are hereby ratified and shall remain in full force and effect.

Section 4. Further Action. Counsel to the Unified Government and Gilmore & Bell, P.C., Bond Counsel for the Unified Government, together with the officers and employees of the Unified Government, are hereby authorized to work with the purchaser of the Bonds, the Company, their respective counsel and others, to prepare for submission to and final action by the Unified Government all documents necessary to effect the authorization, issuance and sale of the Bonds and other actions contemplated hereunder.

Section 5. Effective Date. This Resolution shall take effect and be in full force immediately after its adoption by the governing body of the Unified Government.

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ADOPTED BY THE COMMISSION OF THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS ON MAY 25, 2023.

By:____________________________________

Mayor/CEO of the Unified
Government of Wyandotte County/
Kansas City, Kansas

[SEAL]

ATTEST:

By: ______________________________

Unified Government Clerk

Approved as to form:

By: ______________________________

Office of Chief Counsel

A Tax Abatement Cost-Benefit Analysis of HFS KCK, LLC (Homefield Baseball) for the Unified Government of Kansas City/Wyandotte County

Completed by
Municipal Consulting, LLC
5/5/2023

CONTENTS:

ABOUT THIS REPORT:

This report uses data that was collected from the firm involved and budget reports from each of the taxing entities where the project is to be located. This data is summarized on pages 4 and 5. In addition, various calculations were applied to the data using rates and information gathered from the current economic and financial conditions.

DEFINITIONS USED:

- **Rate of Return**: Incentives and tax abatements granted by the taxing entities are equivalent to a public investment in the firm. Comparing these investments to the various benefits received over the 10-year project period by the public entity produces an average annual rate of return for the period. Generally, a rate of return that exceeds the entity's cost of capital would be considered a favorable investment.

- **Net Present Value:** This is the amount that a future series of payments is worth today, given an assumed discount rate. The only way to accurately compare payments to be made or received in the future to the dollar value at present is with Net Present Value. Generally a positive net present value represents an acceptable investment opportunity.
- **Benefit - Cost Ratio**: Typically referred to as the "Cost-Benefit Ratio," this is the ratio of the public entity benefits received over the 10-year project life to the public costs incurred over the same period. If the ratio is above 1.0, then the benefits exceed the costs, and if it is less than 1.0, the costs exceed the benefits. Generally, a public entity would like to have a Benefit-to-Cost ratio of 1.3 or better in order to grant a tax abatement and/or other incentives. However, the governing body may take into account the other economic benefits of the project in making that decision.

DISCLAIMER:

This report is prepared using a variety of assumptions regarding discount rate, inflation rate, and other economic variables. It also uses information submitted by the firm based on its best estimates of what they expect to occur in the next decade. Future business results and economic factors are not and cannot be guaranteed. Therefore, we provide no guarantee on the future performance of the firm, or that conditions within the taxing entities will remain as they are today. The governing body should make its decision on the best information presented, while fully recognizing that future performance could be substantially different.

COMMENTS SPECIFIC TO THIS PROJECT:

The overall costs and benefits for each taxing entity are:

Taxing Entity	Benefit to Cost Ratio	Average Return on Investment
City of Kansas City	8.54	75%
Wyandotte County	4.16	32%
Kansas City USD 500	11.03	100%
KC Community College	5.21	42%
State of Kansas	2.82	18%

Each of the taxing entities has a positive benefit-to-cost ratio in excess of the desired 1.3. This report assumes that the Unified Government will approve a proposed agreement regarding STAR bond issues. A PILOT payment has been considered in this analysis but no tax abatement is requested. This report assumes that the existing sales tax rates for the city, county and state will remain the same. The proposed average salary of the new jobs is below the county average wage and we adjusted retail spending estimates accordingly.

The PILOT payment schedule used in this analysis is according to the terms of the development agreement which provides for the PILOT to be in place of any property tax payment except for the school capital outlay amount.

If you have any questions or comments, you may reach me with the contact information below.

R. Steven Robb Digitally signed by R. Steven Robb
Date: 2023.05.05 12:20:26 -05'00'

R. Steven Robb
Sole Owner
Municipal Consulting, LLC
Cell: 620-704-6495 E-Mail: steverobb@ckt.net
2207 N. Free King Hwy, Pittsburg, KS 66762-8418

COST-BENEFIT ANALYSIS PROJECT SUMMARY	
PROJECT NAME:	**HFS KCK, LLC (Homefield Baseball)**
DATE:	5/5/2023

GOVERNMENTAL ENTITIES INVOLVED:	
CITY:	**City of Kansas City**
COUNTY:	**Wyandotte County**
SCHOOL DISTRICT:	**Kansas City USD 500**
SPECIAL TAXING DISTRICT #1	**KC Community College**
STATE:	**State of Kansas**
INFLATION RATE:	2.60%

This project will develop and operate a youth baseball complex of eight lighted fields with technoloby to enhance individual and team training. The project is expected to create about 62 full and part-time jobs.

Although the number of jobs is important, the main benefits from this project will be the visitors to the area and their associated retail spending.

The assumption of the inflation rate is based on the latest 5-year moving average. Current inflation is much higher but not likely to remain so for an extended time.

HFS KCK, LLC (Homefield Baseball)

Community Data Inputs:

	City of Kansas City	Wyandotte County	Kansas City USD 500	KC Community College	State
Mill Levy	38.476593	37.328383	60.829259	27.375176	1.500
Sales Tax	1.625%	1.000%	n/a	n/a	6.50%
Transient Guest Tax	8.00%	0.00%	n/a	n/a	n/a
Utility Revenue/HsHld	$499.74	n/a	n/a	n/a	n/a
Franchise Fees/HsHld	$110.38	n/a	n/a	n/a	n/a
Other Revenues/Res.	$95.21	$59.24	n/a	$106.40	$1,511.19
Marg. Cost/Res./Student	$101.65	$37.66	$1,602.43	$54.87	$654.19
Other Revenues/Worker	$91.63	$57.01	n/a	$102.40	$1,296.05
Marginal Cost/New Worker	$97.83	$36.25	n/a	$52.80	$561.06
State Funding/Pupil	n/a	n/a	$11,887.38	n/a	$10,173
Federal Funding/Pupil	n/a	n/a	$4,136.89	n/a	$1,022
Visitor Daily Spending	$50.00	$50.00			$75.00
Average Hotel Room Rate	$110	$110	Total Mill Levy:	165.509411	n/a
Retail Pull Factor	0.94	0.96			n/a
Percent of County Share	90.90%	100.00%			n/a
Ann. Local Per Capita Sales Tax	$211	$184			n/a
Ann. State Per Capita Sales Tax	$1,051	$1,075			$1,078
Annual Per Capita Retail Sales	$16,176	$16,535			$16,581
Average Household Size	2.68	2.67			2.49
Avg. Wage-All Occupations	$53,726	$53,726			$48,609

HFS KCK, LLC (Homefield Baseball)

Firm Data Inputs:		First Expansion- Year 1											
		Land	Improvements	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total
Investment in Land & Building		$0	$40,000,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$40,000,000
Investment in Fixtures, etc.			$5,000,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$5,000,000
Value of city sales tax exemption:		$100,207	Value of county sales tax exemption		$61,666		Value of state sales tax exemption:		$1,408,303				$1,570,176
	Growth	**Const. Per.**	**Yr. 1**	**Yr. 2**	**Yr. 3**	**Yr. 4**	**Yr. 5**	**Yr. 6**	**Yr. 7**	**Yr. 8**	**Yr. 9**	**Yr. 10**	**Total**
Sales	0.00%		$7,000,000	$8,000,000	$9,000,000	$9,500,000	$10,000,000	$10,500,000	$11,000,000	$11,500,000	$12,000,000	$12,500,000	$101,000,000
Purchases	0.00%		$10,000,000	$2,500,000	$500,000	$500,000	$500,000	$500,000	$500,000	$500,000	$500,000	$500,000	$16,500,000
Net Utility Revenue-Firm	2.60%	$21,196	$78,729	$80,776	$82,876	$85,031	$87,242	$89,510	$91,837	$94,225	$96,675	$99,188	$907,285
Franchise Fees-Firm	2.60%	$0	$12,000	$12,312	$12,632	$12,961	$13,298	$13,643	$13,998	$14,362	$14,735	$14,111	$134,051
Net Utility Revenue-Emp.	2.60%	$0	$5,497	$5,640	$5,787	$5,937	$6,091	$6,250	$6,412	$6,579	$6,750	$6,926	$61,868
Franchise Fees-Employees	2.60%	$0	$1,214	$2,143	$2,199	$2,256	$2,315	$2,375	$2,436	$2,500	$2,565	$2,631	$22,633
PILOT- City		$0	$19,844	$20,043	$20,243	$20,446	$20,650	$20,857	$21,065	$21,276	$21,489	$21,704	$207,617
PILOT - County		$0	$19,252	$19,445	$19,639	$19,836	$20,034	$20,234	$20,437	$20,641	$20,847	$21,056	$201,422
PILOT - State		$0	$774	$781	$789	$797	$805	$813	$821	$829	$838	$846	$8,094
PILOT - School		$0	$31,373	$31,687	$32,004	$32,324	$32,647	$32,973	$33,303	$33,636	$33,972	$34,312	$328,231
PILOT - Comm. Coll.		$0	$14,119	$14,260	$14,403	$14,547	$14,692	$14,839	$14,988	$15,137	$15,289	$15,442	$147,715
New Employees			22.0	16.0	10.0	6.0	5.0	3.0	0.0	0.0	0.0	0.0	62
New to the City		50%	11.0	8.0	5.0	3.0	2.5	1.5	0.0	0.0	0.0	0.0	32
New to the County		75%	16.5	12.0	7.5	4.5	3.8	2.3	0.0	0.0	0.0	0.0	47
New to the State			11.0	7.0	4.0	3.0	1.0	1.0	0.0	0.0	0.0	0.0	27
New students in K-12		50%	11.0	8.0	5.0	3.0	2.5	1.5	0.0	0.0	0.0	0.0	32
New employee average salary			$32,000	$32,400	$32,804	$33,212	$33,624	$34,040	$34,461	$34,885	$35,314	$35,747	N/A
Tax Abatement-Land			0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	N/A
Tax Abatement-Bldg.			0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	N/A
Visitors	0.0%	0	232,800	240,800	248,800	256,800	264,800	272,800	280,800	288,800	296,800	304,800	2,688,000
			City	**County**	**State**								
Percentage of sales taxable in the			100%	100%	100%								
Percentage of purchases taxable in the			50%	50%	75%								
Assumed Inflation Rate			2.60%										

COST-BENEFIT ANALYSIS PROJECT SUMMARY

PROJECT NAME: **HFS KCK, LLC (Homefield Baseball)**

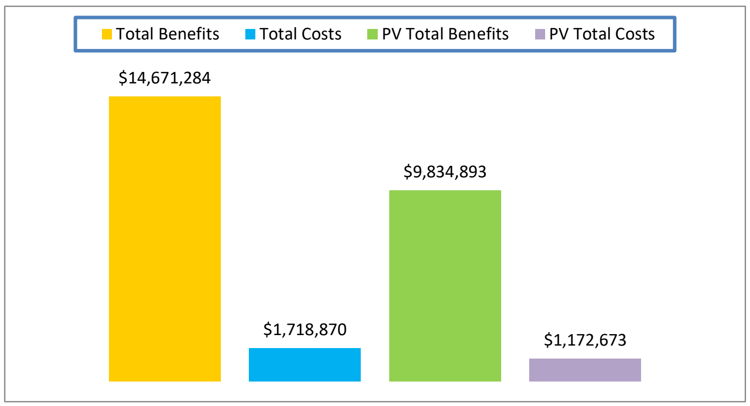
DATE: 5/5/2023

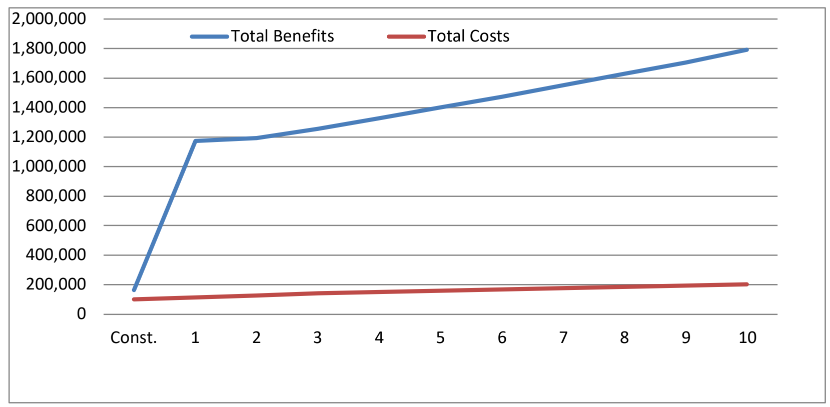
Entity	Total Benefits	Total Costs & Incentives	Net Benefits	Net Present Value of Net Benefits	NPV of Incentives & Taxes Abated	Ratio of NPV of Net Benefits to NPV of Incentives and Taxes Abated	Actual Benefit to Actual Cost Ratio	Avg. Annual Rate of Return
City of Kansas City	$14,671,284	$1,718,870	$12,952,414	$8,662,220	$100,207	86.44	8.54	75%
Wyandotte County	$4,371,681	$1,050,648	$3,321,033	$2,233,394	$61,666	36.22	4.16	32%
Kansas City USD 500	$5,360,564	$485,919	$4,874,644	$3,168,195	$0	0.00	11.03	100%
KC Community College	$235,189	$45,107	$190,082	$128,221	$0	0.00	5.21	42%
State of Kansas	$28,419,035	$10,068,964	$18,350,071	$12,135,611	$1,408,303	8.62	2.82	18%

SUMMARY OF COSTS AND BENEFITS FOR: **City of Kansas City**
PROJECT: **HFS KCK, LLC (Homefield Baseball)**
DATE: 5/5/2023
DISCOUNT RATE: 7.50%

Ratio of Actual Benefits to Actual Costs Over the 10-Year Period:	**8.54**
Ratio of Present Value of Total Benefits to Present Value of Total Costs:	**8.39**
(Typical desired ratio would be 1.3 to 1) **Average ROI**	**75.35%**

Year	Sales and Transient Guest Taxes	New Property Taxes	Utilities and Franchise Fees	PILOT Payment	Other City Revenues	Total Benefits	Net Present Value of Total Benefits	Cost of Various City Services	STAR Bond Sales & Guest Tax* Collections	Incentives and Property Taxes Abated	Total Costs	Net Present Value of Total Costs	Net Benefits or Costs	Cumulative Net Benefits or Costs	Net Present Value of Net Benefits	Net Present Value of Incentives & Taxes Abated
Const.	141,804	0	21,196	0	0	163,000	163,000	0	0	100,207	100,207	100,207	62,793	62,793	62,793	100,207
1	1,055,232	0	97,440	19,844	2,839	1,175,356	1,093,355	3,031	110,153	0	113,185	105,288	1,062,171	1,124,964	988,066	0
2	1,068,468	0	100,871	20,043	5,032	1,194,414	1,033,565	5,372	122,613	0	127,985	110,750	1,066,429	2,191,393	922,815	0
3	1,126,546	0	103,494	20,243	6,521	1,256,805	1,011,678	6,963	135,174	0	142,136	114,414	1,114,668	3,306,061	897,264	0
4	1,193,620	0	106,184	20,446	7,527	1,327,778	994,241	8,037	142,838	0	150,875	112,975	1,176,903	4,482,964	881,265	0
5	1,262,680	0	108,945	20,650	8,438	1,400,714	975,679	9,009	150,611	0	159,620	111,185	1,241,093	5,724,057	864,494	0
6	1,333,427	0	111,778	20,857	9,098	1,475,160	955,847	9,713	158,496	0	168,209	108,993	1,306,951	7,031,008	846,854	0
7	1,405,547	0	114,684	21,065	9,334	1,550,631	934,650	9,966	166,496	0	176,462	106,363	1,374,169	8,405,177	828,287	0
8	1,480,214	0	117,666	21,276	9,577	1,628,733	913,234	10,225	174,617	0	184,841	103,641	1,443,892	9,849,068	809,593	0
9	1,557,519	0	117,666	21,489	9,826	1,706,500	890,082	10,491	182,861	0	193,352	100,849	1,513,148	11,362,216	789,233	0
10	1,637,554	0	122,856	21,704	10,081	1,792,195	869,562	10,763	191,234	0	201,997	98,008	1,590,197	12,952,414	771,554	0
Total	$13,262,613	$0	$1,122,779	$207,617	$78,274	$14,671,284	$9,834,893	$83,570	$1,535,093	$100,207	$1,718,870	$1,172,673	$12,952,414	$12,952,414	$8,662,220	$100,207





* The development agreement calls for 1% of the city's 1.625% sales tax and 7.84% of the transient guest tax on sales in the project area to be applied toward the project Star bonds.

SUMMARY OF COSTS AND BENEFITS FOR: **Wyandotte County**

PROJECT: **HFS KCK, LLC (Homefield Baseball)**

DATE: 5/5/2023

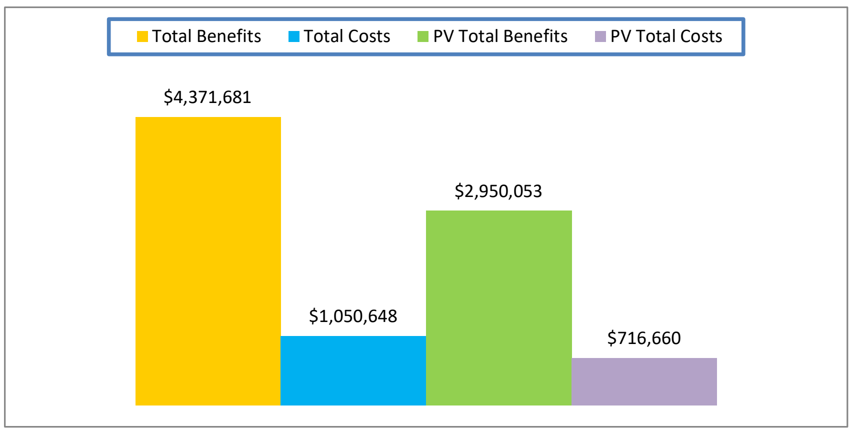
DISCOUNT RATE: 7.50%

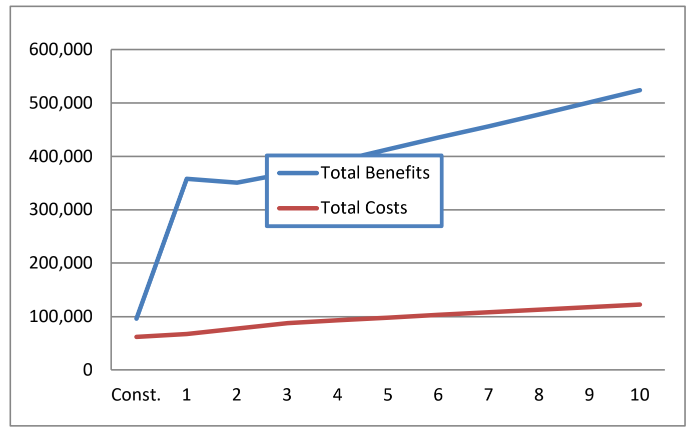
Ratio of Actual Benefits to Actual Costs Over the 10-Year Period: **4.16**

Ratio of Present Value of Total Benefits to Present Value of Total Costs: **4.12**

(Typical desired ratio would be 1.3 to 1) **Average ROI** **31.61%**

Year	Sales Taxes	New Property Taxes	PILOT Payment	Other County Revenues	Total Benefits	Net Present Value of Total Benefits	Cost of Various County Services	STAR Bond Sales Tax* Collections	Incentives and Property Taxes Abated	Total Costs	Net Present Value of Total Costs	Net Benefits or Costs	Cumulative Net Benefits or Costs	Net Present Value of Net Benefits	Net Present Value of Incentives & Taxes Abated
Const.	96,000	0	0	0	96,000	96,000	0	0	61,666	61,666	61,666	34,334	34,334	34,334	61,666
1	336,155	0	19,252	2,583	357,990	333,014	1,642	65,406	0	67,048	62,370	290,943	325,277	270,644	0
2	326,459	0	19,445	4,577	350,481	303,283	2,910	74,749	0	77,660	67,201	272,822	598,098	236,081	0
3	343,056	0	19,639	5,932	368,628	296,731	3,772	84,093	0	87,865	70,728	280,763	878,861	226,003	0
4	364,024	0	19,836	6,847	390,707	292,561	4,353	88,765	0	93,118	69,727	297,588	1,176,449	222,834	0
5	385,287	0	20,034	7,676	412,996	287,676	4,880	93,437	0	98,317	68,484	314,679	1,491,129	219,193	0
6	406,533	0	20,234	8,276	435,043	281,891	5,262	98,109	0	103,370	66,980	331,673	1,822,802	214,911	0
7	427,435	0	20,437	8,491	456,363	275,075	5,398	102,780	0	108,179	65,205	348,184	2,170,986	209,870	0
8	448,965	0	20,641	8,712	478,318	268,194	5,539	107,452	0	112,991	63,354	365,327	2,536,312	204,839	0
9	471,145	0	20,847	8,938	500,931	261,277	5,683	112,124	0	117,807	61,446	383,124	2,919,436	199,831	0
10	493,997	0	21,056	9,171	524,224	254,350	5,831	116,796	0	122,627	59,498	401,597	3,321,033	194,853	0
Total	$4,099,055	$0	$201,422	$71,204	$4,371,681	$2,950,053	$45,270	$943,712	$61,666	$1,050,648	$716,660	$3,321,033	$3,321,033	$2,233,394	$61,666





* The development agreement calls for 93.4368% of the county's 1% sales tax on sales from the project area to go toward retiring the Star bonds for the project.

SUMMARY OF COSTS AND BENEFITS FOR: Kansas City USD 500

PROJECT: HFS KCK, LLC (Homefield Baseball)

DATE: 5/5/2023

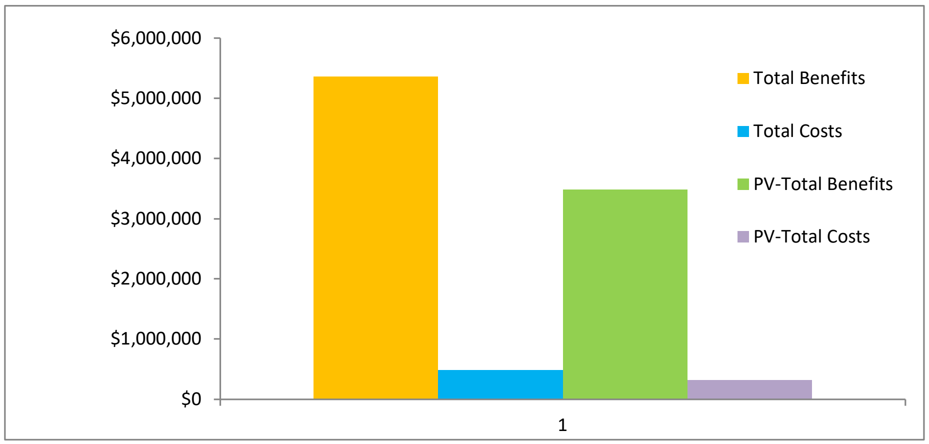
DISCOUNT RATE: 7.50%

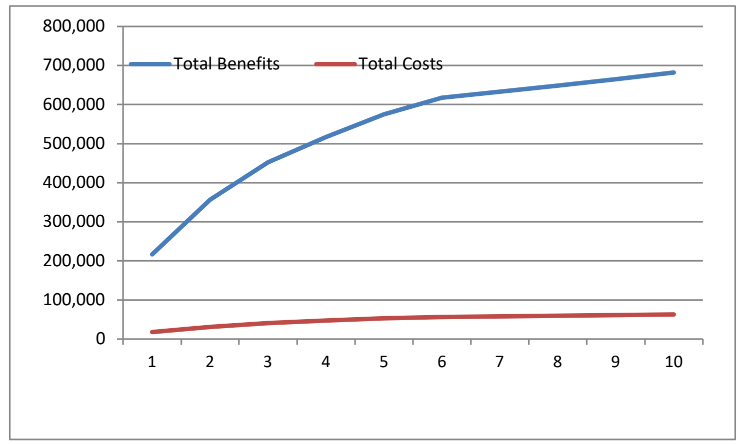
Ratio of Actual Benefits to Actual Costs Over the 10-Year Period: 11.03

Ratio of Present Value of Total Benefits to Present Value of Total Costs: 11.07

(Typical desired ratio would be 1.3 to 1) **Average ROI** 100.32%

Year	New Property Taxes	PILOT Payment	District Capital Outlay Taxes	Additional State, Federal and Other Funding	Total Benefits	Net Present Value of Total Benefits	Additional Marginal Costs	Property Taxes Abated	Total Costs	Net Present Value of Total Costs	Net Benefits or Costs	Cumulative Net Benefits or Costs	Net Present Value of Net Benefits	Net Present Value of Taxes Abated
1	0	31,373	4,158	180,850	216,381	201,285	17,627	0	17,627	16,397	198,754	198,754	184,888	0
2	0	31,687	4,266	320,499	356,452	308,449	31,238	0	31,238	27,031	325,214	523,968	281,418	0
3	0	32,004	4,377	415,367	451,747	363,639	40,484	0	40,484	32,588	411,263	935,232	331,051	0
4	0	32,324	4,491	479,437	516,251	386,569	46,729	0	46,729	34,991	469,523	1,404,754	351,579	0
5	0	32,647	4,608	537,449	574,703	400,314	52,383	0	52,383	36,488	522,320	1,927,075	363,827	0
6	0	32,973	4,728	579,461	617,162	399,897	56,478	0	56,478	36,595	560,684	2,487,759	363,302	0
7	0	33,303	4,850	594,527	632,680	381,351	57,946	0	57,946	34,927	574,734	3,062,493	346,424	0
8	0	33,636	4,977	609,984	648,597	363,670	59,453	0	59,453	33,335	589,144	3,651,638	330,335	0
9	0	33,972	5,106	625,844	664,922	346,813	60,998	0	60,998	31,816	603,924	4,255,561	314,997	0
10	0	34,312	5,239	642,116	681,667	330,741	62,584	0	62,584	30,366	619,083	4,874,644	300,375	0
Total	$0	$328,231	$46,799	$4,985,533	$5,360,564	$3,482,728	$485,919	$0	$485,919	$314,534	$4,874,644	$4,874,644	$3,168,195	$0

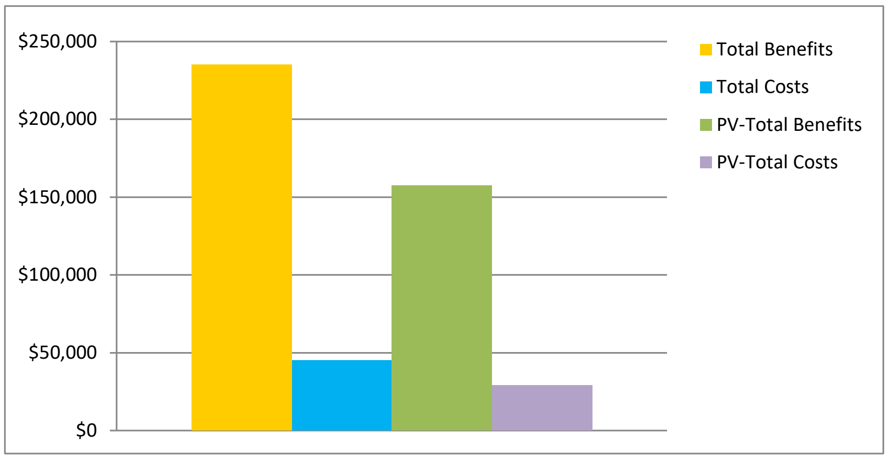


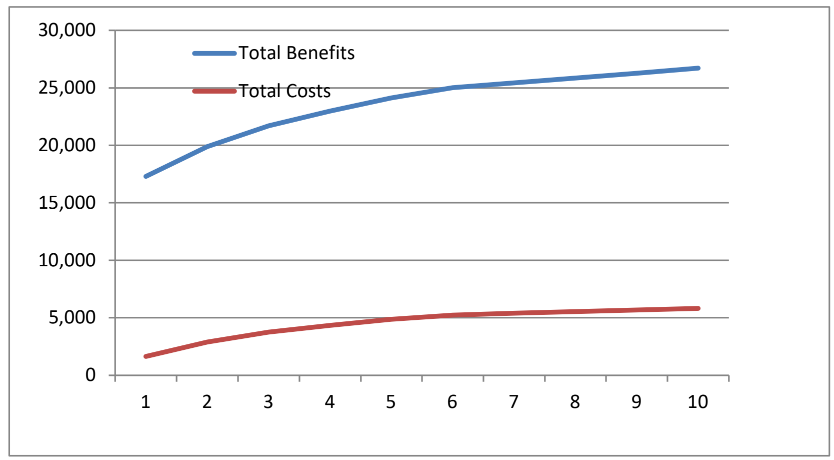


SUMMARY OF COSTS AND BENEFITS FOR: **KC Community College**
PROJECT: **HFS KCK, LLC (Homefield Baseball)**
DATE: 5/5/2023
DISCOUNT RATE: 7.50%

Ratio of Actual Benefits to Actual Costs Over the 10-Year Period: **5.21**
Ratio of Present Value of Total Benefits to Present Value of Total Costs: **5.39**
(Typical desired ratio would be 1.3 to 1) **Average ROI** **42.14%**

Year	New District Property Taxes	PILOT Payment	Other District Revenues	Total Benefits	Net Present Value of Total Benefits	Other District Costs	Property Taxes Abated	Total Costs	Net Present Value of Total Costs	Net Benefits or Costs	Cumulative Net Benefits or Costs	Net Present Value of Net Benefits	Net Present Value of Taxes Abated
1	0	14,119	3,173	17,292	16,086	1,636	0	1,636	1,522	15,656	15,656	14,563	0
2	0	14,260	5,623	19,883	17,206	2,900	0	2,900	2,509	16,984	32,639	14,697	0
3	0	14,403	7,288	21,691	17,460	3,758	0	3,758	3,025	17,932	50,572	14,435	0
4	0	14,547	8,412	22,959	17,192	4,338	0	4,338	3,248	18,621	69,193	13,943	0
5	0	14,692	9,430	24,122	16,802	4,863	0	4,863	3,387	19,259	88,452	13,415	0
6	0	14,839	10,167	25,006	16,203	5,243	0	5,243	3,397	19,763	108,216	12,806	0
7	0	14,988	10,431	25,419	15,321	5,379	0	5,379	3,242	20,040	128,256	12,079	0
8	0	15,137	10,703	25,840	14,489	5,519	0	5,519	3,094	20,321	148,577	11,394	0
9	0	15,289	10,981	26,270	13,702	5,662	0	5,662	2,953	20,607	169,184	10,748	0
10	0	15,442	11,266	26,708	12,959	5,810	0	5,810	2,819	20,898	190,082	10,140	0
Total	$0	$147,715	$87,474	$235,189	$157,418	$45,107	$0	$45,107	$29,197	$190,082	$190,082	$128,221	$0

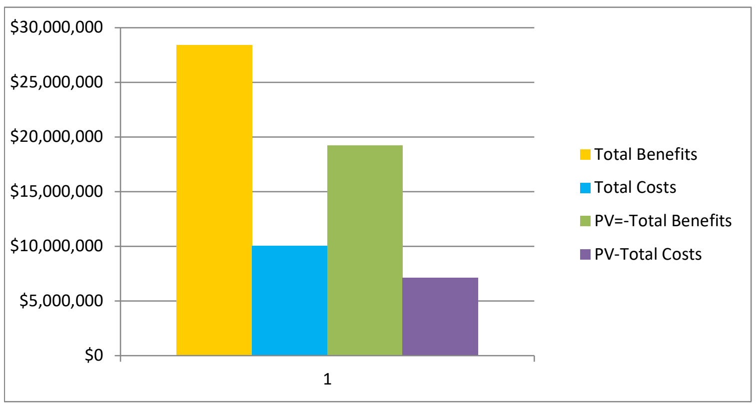


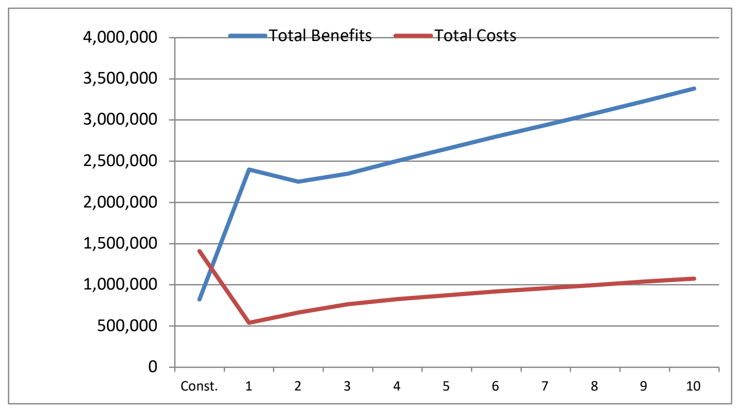


SUMMARY OF COSTS AND BENEFITS FOR: State of Kansas
PROJECT: HFS KCK, LLC (Homefield Baseball)
DATE: 5/5/2023
DISCOUNT RATE: 7.50%

Ratio of Actual Benefits to Actual Costs Over the 10-Year Period: 2.82
Ratio of Present Value of Total Benefits to Present Value of Total Costs: 2.70
(Typical desired ratio would be 1.3 to 1) **Average ROI** 18.22%

Year	Sales Taxes	New Property Taxes	Corporate and Personal Income Taxes	PILOT Payment	Other State Revenues	Total Benefits	Net Present Value of Total Benefits	Cost of Various State Services	Cost of Educating New Students	Incentives and Property Taxes Abated	STAR Bond Sales Tax* Collections	Total Costs	Net Present Value of Total Costs	Net Benefits or Costs	Cumulative Net Benefits or Costs	Net Present Value of Net Benefits	Present Value of Taxes Abated and Incentives
Const.	624,000	$0	200,000	0	0	824,000	824,000	0	$0	$1,408,303	$0	1,408,303	1,408,303	-584,303	-584,303	-584,303	1,408,303
1	2,342,264	$0	14,784	774	42,910	2,400,731	2,233,238	18,261	67,080	$0	455,000	540,342	502,643	1,860,389	1,276,086	1,730,595	0
2	2,153,434	$0	25,855	781	72,041	2,252,112	1,948,826	30,659	112,622	$0	520,000	663,281	573,959	1,588,831	2,864,917	1,374,867	0
3	2,226,256	$0	33,066	789	90,340	2,350,451	1,892,021	38,446	141,228	$0	585,000	764,674	615,533	1,585,777	4,450,694	1,276,488	0
4	2,360,915	$0	37,662	797	105,328	2,504,703	1,875,523	44,825	164,659	$0	617,500	826,984	619,246	1,677,719	6,128,413	1,256,277	0
5	2,497,705	$0	41,660	805	112,389	2,652,560	1,847,663	47,830	175,698	$0	650,000	873,528	608,463	1,779,032	7,907,445	1,239,200	0
6	2,634,861	$0	44,320	813	119,746	2,799,741	1,814,124	50,961	187,199	$0	682,500	920,660	596,552	1,879,080	9,786,526	1,217,572	0
7	2,770,533	$0	44,868	821	122,860	2,939,082	1,771,546	52,286	192,066	$0	715,000	959,352	578,254	1,979,730	11,766,255	1,193,292	0
8	2,910,280	$0	45,420	829	126,054	3,082,583	1,728,411	53,645	197,060	$0	747,500	998,205	559,696	2,084,378	13,850,633	1,168,715	0
9	3,054,251	$0	45,979	838	129,331	3,230,399	1,684,923	55,040	202,184	$0	780,000	1,037,224	540,999	2,193,175	16,043,809	1,143,924	0
10	3,202,591	$0	46,543	846	132,694	3,382,674	1,641,253	56,471	207,441	$0	812,500	1,076,412	522,268	2,306,262	18,350,071	1,118,985	0
Total	$26,777,091	$0	$580,158	$8,094	$1,053,692	$28,419,035	$19,261,528	$448,423	$1,647,238	$1,408,303	$6,565,000	$10,068,964	$7,125,916	$18,350,071	$18,350,071	$12,135,611	$1,408,303





* The development agreement calls for 100% of the state's 6.5% sales tax on sales from the project area to go toward retiring the Star bonds for the project.

HFS KCK, LLC (Homefield Baseball)

Other Economic Impacts of the Project

	In the First Year	Over 10 Years
Permanent jobs created	22	62
Construction jobs created	198	0
Number of New Residents in the Community	29	83
Number of Additional Students in the Local School District	11	31
Increase in Local Personal Incomes	$704,000	$18,102,770
Increase in Local Retail Sales	$42,025,827	$420,923,253
Increase in the Community's Property Tax Base	$2,600,000	$2,600,000

Estimated Annual Property Tax Revenue after the abatement period ends:

City	$25,863
County	$25,091
School	$40,887
Comm. Coll.	$18,401
State	$1,008
Total	$111,250

HFS KCK, LLC (Homefield Baseball)

Overall Cost-Benefit Summary

	DIRECT REVENUES						TOTAL DIRECT REVENUES	ALL INDIRECT REVENUES	TOTAL ALL REVENUES	DIRECT COSTS		INDIRECT COSTS	TOTAL COSTS	NET BENEFITS
TAXING ENTITY	Sales and Guest Taxes	PILOT Payment	New Property Taxes	School Federal & State Funding	Corporate & Personal Income Taxes	City Utilities & Franchise Fees				STAR Bond Collections	Cost of Educating New Students	Incentives & Indirect Costs		
City of Kansas City	13,262,613	207,617	0			1,122,779	14,593,010	78,274	**14,671,284**	1,535,093	0	183,777	**1,718,870**	**12,952,414**
Wyandotte County	4,099,055	201,422	0				4,300,477	71,204	**4,371,681**	943,712	0	106,936	**1,050,648**	**3,321,033**
Kansas City USD 500		328,231	46,799	4,985,533			5,360,564	0	**5,360,564**	0	485,919	0	**485,919**	**4,874,644**
KC Community College		147,715	0				147,715	87,474	**235,189**	0	0	45,107	**45,107**	**190,082**
State of Kansas	26,777,091	8,094	0	0	580,158		27,365,344	1,053,692	**28,419,035**	6,565,000	1,647,238	1,856,726	**10,068,964**	**18,350,071**
TOTALS	$44,138,760	$893,079	$46,799	$4,985,533	$580,158	$1,122,779	$51,767,108	$1,290,644	**$53,057,753**	$9,043,805	$2,133,157	$2,192,546	**$13,369,508**	**$39,688,245**

Staff Request for Commission Action

Tracking No. 212496

Full Commission Meeting Date:
Committee: Economic Development & Finance

Date of Standing Committee Action: 6/5/23 (If none, please explain):

Publication Required: No

Date:	Contact Name:	Contact Phone:	Contact Email:	Department/Division:
05/23/2023	Jeffrey Conway, Patrick Waters	x5075, x5079	jconway@wycokck.org, patrickwaters@wycokck.org	Legal

Item Description: A Resolution Authorizing the First Amendment to the Performance Agreement Between the Unified Government and CPC Land Acquisition LLC (Criterion Development), extending the construction commencement and completion dates, submitted by Patrick Waters, Acting Chief Counsel.
Action Requested: To adopt the resolution. (No publication required, does not need to be fast-tracked.)
Budget Impact: (if applicable) Amount: Source: Included In Budget: Other (explain):
Attachments List: Resolution - First Am. PA - Criterion Development Partners, LLC (UG), 1st Amendment of Performance Agreement - Criterion Development Partners, LLC (UG)

RESOLUTION NO. ___-23

A RESOLUTION APPROVING AND AUTHORIZING THE MAYOR/CEO TO EXECUTE A FIRST AMENDMENT OF PERFORMANCE AGREEMENT BETWEEN THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS, AND CPC LAND ACQUISITION COMPANY, LLC.

WHEREAS, the Unified Government of Wyandotte County/Kansas City, Kansas (the "**Unified Government**"), pursuant to Resolution No. 32-22, previously declared the intent of the Unified Government to issue its industrial revenue bonds in an amount of not to exceed $62,000,000 (the "**Bonds**") for the acquisition, construction, and equipping of an approximately 232-unit commercial multifamily development (as more fully described in Resolution No. 32-22, the "**Project**");

WHEREAS, pursuant to Resolution No. 32-22, the Unified Government and CPC Land Acquisition Company, LLC, a Delaware limited liability company (the "**Company**"), previously entered into that certain Performance Agreement dated as of August 2, 2022 (the "**Original Agreement**") setting forth certain terms of the Bonds and the Project; and

WHEREAS, the Unified Government and the Company now desire to enter into a First Amendment of Performance Agreement (the "**First Amendment**") to amend certain terms of the Original Agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS AS FOLLOWS:

Section 1. The Mayor/CEO is authorized and directed to execute and deliver the First Amendment between the Unified Government and the Company on behalf of and as the act and deed of the Unified Government, in substantially the same form as presented to the governing body of the Unified Government on this date with such corrections or amendments thereto as the Mayor/CEO, upon recommendation of the Chief of Counsel of the Unified Government, may approve.

Section 2. This Resolution shall become effective upon adoption by the governing body of the Unified Government.

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ADOPTED BY THE COMMISSION OF THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS ON JUNE __, 2023.

UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS

(SEAL)

By:____
Tyrone Garner, Mayor/CEO

ATTEST:

By: ______________________________
Brett Deichler, Unified Government Clerk

APPROVED AS TO FORM:

____
Office of Chief Counsel

DRAFT: April __, 2023

FIRST AMENDMENT OF PERFORMANCE AGREEMENT

Dated as of June __, 2023

BETWEEN THE

UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS

AND

CPC LAND ACQUISITION COMPANY, LLC

Prepared By:

Gilmore & Bell, P.C.
Kansas City, Missouri

FIRST AMENDMENT OF PERFORMANCE AGREEMENT

THIS FIRST AMENDMENT OF PERFORMANCE AGREEMENT, dated as of June __, 2023 (the **"First Amendment"**), between the **UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS,** a municipal corporation organized and existing under the laws of the State of Kansas (the **"Issuer"**), and **CPC LAND ACQUISITION COMPANY, LLC**, a Delaware limited liability company (the **"Company"**), amends that certain Performance Agreement dated as of August 2, 2022, (the **"Original Agreement,"** and together with this First Amendment, the **"Agreement"**);

WITNESSETH:

WHEREAS, the Issuer is authorized by K.S.A. 12-1740 to 12-1749d, inclusive, as amended (the **"Act"**), to acquire, construct and improve certain facilities for commercial, industrial and manufacturing purposes, to enter into leases and lease-purchase agreements with any person, firm or corporation for said projects, and to issue revenue bonds for the purpose of paying the cost of any such facilities;

WHEREAS, pursuant to such authorization, the governing body of the Issuer has adopted a Resolution (the **"Resolution"**) indicating the Issuer's intent to issue one or more series of taxable industrial revenue bonds in the principal amount of not to exceed $62,000,000 (the **"Bonds"**), for the purpose of acquiring, constructing, improving, installing, furnishing and equipping the Project and authorizing the Issuer to enter into the Original Agreement;

WHEREAS, the Issuer is authorized and empowered under the Act and K.S.A. 79-201a, as amended (the **"Abatement Statute"**) to exempt from ad valorem taxation all or any portion of the Project financed with the proceeds of the Bonds, subject to the limitations set forth in the Abatement Statute and the Agreement; and

WHEREAS, pursuant to the foregoing, the Issuer and Company previously entered into the Original Agreement and now desire to enter into this First Amendment to amend certain provisions of the Original Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual representations, covenants and agreements herein contained, the Issuer and the Company hereby represent, covenant and agree as follows:

1. Defined Terms. Unless defined in this First Amendment, all capitalized terms shall have the meaning set forth in the Original Agreement.

2. Amendments. The following portions of the Original Agreement are hereby amended as set forth below.

"**Section 3.2. Completion Date."** Such Section of the Original Agreement is hereby amended to read as follows:

> **Section 3.2. Completion Date.** Subject only to Force Majeure, the Company agrees to commence construction on or before December 31, 2023, and substantially complete construction of the Project on or before December 31, 2025. "Commence construction" shall mean that the Company has entered into a contract with a licensed contractor for the construction of the Project and the Issuer has issued a building permit therefor. "Substantially complete," for purposes of this Section, shall mean that the Project can be occupied or utilized for its intended purpose as a multifamily development, as

evidenced by receipt by the Company of one or more temporary certificates of occupancy for all of the multifamily housing structures included in the Project. The parties agree that the governing body of the Issuer will consider an ordinance authorizing the issuance of the Bonds on or about such time, but in no event will the Bonds be issued later than December 31, 2025.

3. **Ratification.** Except as expressly amended herein, all terms of the Original Agreement will remain in full force and effect.

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IN WITNESS WHEREOF, the parties hereto have caused this First Amendment to be executed by their duly authorized officers, all as of the date first above written.

UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS

(SEAL)

By:____
Tyrone Garner, Mayor/CEO

ATTEST:

By: ______________________________
Brett Deichler, Unified Government Clerk

APPROVED AS TO FORM:

____
Office of Chief Counsel

CPC LAND ACQUISITION COMPANY, LLC
a Delaware limited liability company

By: Criterion Property Company, L.P., a Delaware limited partnership, its member

By: Criterion Partners, LLC, a Delaware limited liability company, its General Partner

By:____

Name:______________________________________

Title:_______________________________________

Staff Request for Commission Action

Tracking No. 212499

Full Commission Meeting Date: 6/29/23
Committee: Economic Development & Finance

Date of Standing Committee Action: 6/5/23 (If none, please explain):

Publication Required: Yes 8/3/2023

Date:	Contact Name:	Contact Phone:	Contact Email:	Department/Division:
05/24/2023	Jeffrey Conway, Patrick Waters	x5075, x5079	jconway@wycokck.org, patrickwaters@wycokck.org	Legal

Item Description: An ordinance authorizing the creation of a Community Improvement District related to the Urban Outfitters Distribution Center, submitted by Patrick Waters, Acting Chief Counsel.
Action Requested: For Approval
Budget Impact: (if applicable) Amount: Source: Included In Budget: Other (explain):
Attachments List: CID Ordinance - Project URBN (UG), Kansas CID Petition, Waiver of Assessment Proceedings

(Published in ***The Wyandotte Echo*** on July __, 2023)

ORDINANCE NO. O-______-23

AN ORDINANCE AUTHORIZING THE CREATION OF A COMMUNITY IMPROVEMENT DISTRICT IN THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY; AUTHORIZING THE MAKING OF CERTAIN PROJECT IMPROVEMENTS RELATING THERETO; APPROVING THE ESTIMATED COSTS OF SUCH PROJECT IMPROVEMENTS; AND PROVIDING FOR THE METHOD OF FINANCING THE SAME, INCLUDING IMPOSITION OF SPECIAL ASSESSMENTS.

WHEREAS, K.S.A. 12-6a26 *et seq*. (the "Act") authorizes the governing body of any city or county to create community improvement districts to finance projects within such defined area of the city or county and to levy a community improvement district sales tax and/or levy special assessments upon property within the district to finance the Projects (as defined herein); and

WHEREAS, a petition (the "Petition") was filed with the Clerk on February 4, 2021, proposing the creation of a community improvement district ("District") under the Act and the imposition of a community improvement district special assessments on the property in order to pay a portion of the costs of the Projects; and

WHEREAS, the Petition was signed by URBN US Retail LLC, a Pennsylvania limited liability company, the owner of record of all of the real property within the proposed District; and

WHEREAS, the Board of Commissioners (the "Governing Body") of the Unified Government of Wyandotte County/Kansas City, Kansas (the "Unified Government") intends to create the District and impose the special assessments within the District as requested in the Petition (the "CID Special Assessments"); and

WHEREAS, the Governing Body hereby finds and determines it to be advisable to create the District and set forth the boundaries thereof, authorize the Projects as described herein, approve the estimated costs of the Projects and the method of financing the same, all in accordance with the provisions of the Act.

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS, AS FOLLOWS:

SECTION 1. Creation of Community Improvement District; Boundaries. The Governing Body hereby finds and determines that the Petition is sufficient, and it is advisable to create, in accordance with the provisions of the Act, the District within the Unified Government. A legal description of the boundaries of the proposed District is set forth on **Exhibit A**, attached hereto and incorporated by reference herein. A map generally outlining the boundaries of the proposed District is attached as **Exhibit B**, attached hereto and incorporated by reference herein.

SECTION 2. **Authorization of Community Improvement District Project and Estimated Costs.** The general nature of the proposed projects described in the Petition to be constructed within the CID is approved as follows (collectively, the "Project"):

Acquiring and constructing a commercial facility, consisting of an approximately 880,254 square foot omni channel distribution and fulfillment center, containing approximately 60,000 square feet of office space, and including land, buildings, structures, improvements and fixtures, all generally located on 65 acres southeast of the intersection of State Avenue and Speedway Boulevard within the municipal boundaries of the Unified Government, and including particularly operating and/or contracting for the provision of certain transportation services related to and substantially for the benefit of the District.

The estimated or probable cost of the Projects is $403,000,000. The total cost of the Projects to be financed by the District is $6,000,000.

SECTION 3. Method of Financing, Community Improvement District Sales Tax and Special Assessments. The Projects will be financed through a combination of private equity, private debt, and The CID Special Assessments pursuant to the Act. The total Special Assessments will equal $6,000,000, payable in equal annual installments of $300,000, and the method of assessment will be equally per lot within the District for a term of 20 years, commencing with the tax bill to be distributed December 2023.

No community improvement district sales tax will be imposed by the District.

SECTION 4. **Segregation of CID Special Assessment Revenues**. All revenues derived from the collection of the CID Special Assessments shall be deposited into a special fund of the Unified Government to be designated as the URBN Community Improvement District Revenue Fund. Such revenues shall be used to pay the costs of the Projects.

SECTION 5. Effective Date. This Ordinance shall take effect and be in full force from and after its passage by the Governing Body of the Unified Government and publication once in the official newspaper of the Unified Government pursuant to applicable law.

SECTION 6. Recording. The Clerk shall file a certified copy of this Ordinance with the Register of Deeds of Wyandotte County, Kansas.

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PASSED by the Governing Body on this June 29, 2023 and **APPROVED AND SIGNED** by the Mayor/CEO.

By:______________________________
Mayor/CEO

[SEAL]

By:______________________________
Unified Government Clerk

Approved as to form:

By:______________________________
Office of Chief Counsel

EXHIBIT A

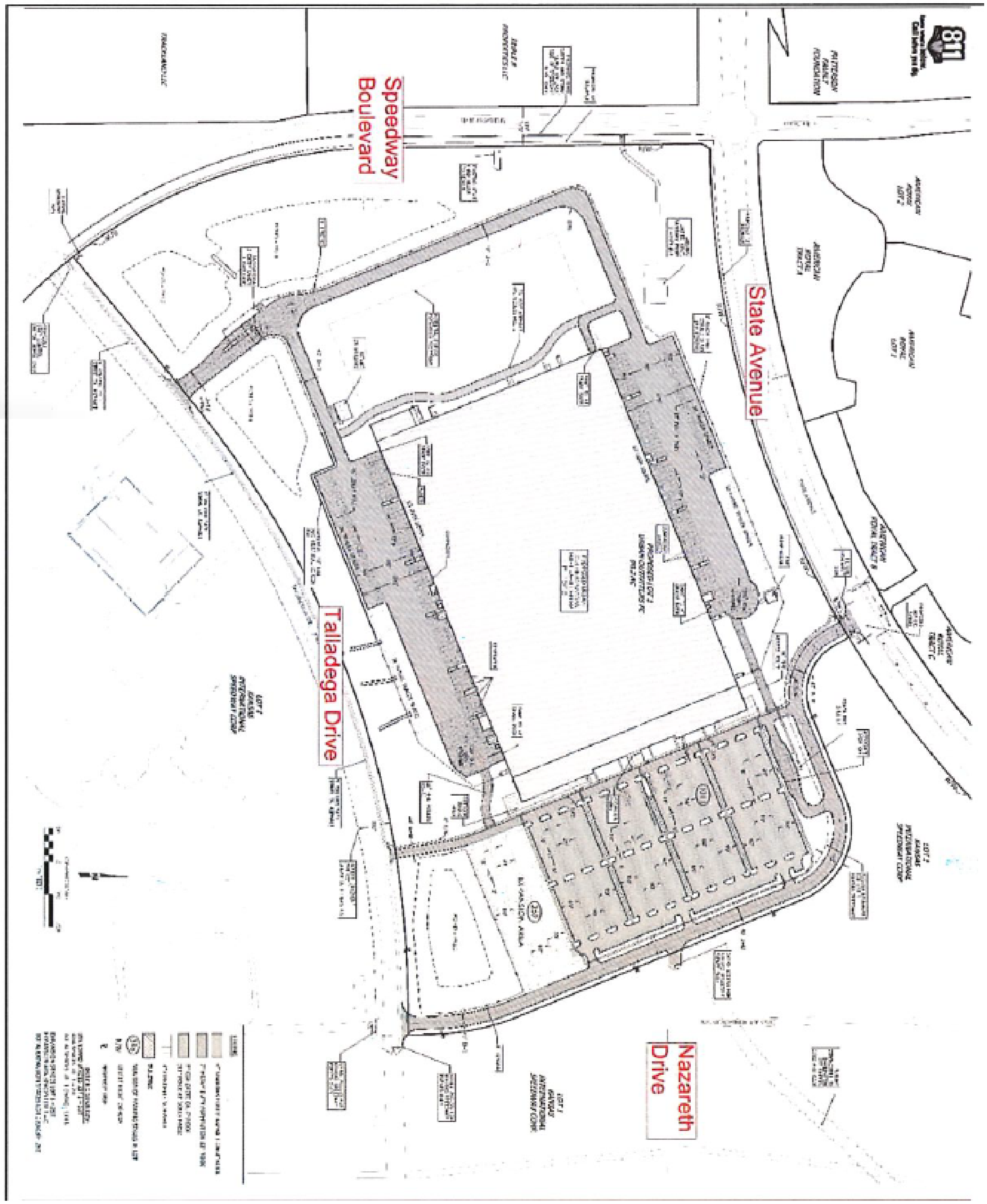
LEGAL DESCRIPTION OF PROPOSED COMMUNITY IMPROVEMENT DISTRICT

Lot I, Final Plat, Urban Outfitters FC, a replat of part of Lot I Kansas Speedway Corporation, a subdivision in Wyandotte County, Kansas City, Kansas.

All that part of Lot I, Kansas Speedway Corporation, a subdivision in the City of Kansas City, Wyandotte County, Kansas, being more particularly described as follows: beginning at the northwest corner of said Lot I, thence with the northerly line of said Lot I, and the south right-of-way line of State Avenue, on a curve to the left having a radius of2939.79 feet, a central angle of30 degrees 33 minutes 13 seconds, with an initial tangent bearing of North 89 degrees 18 minutes 52 seconds East, an arc distance of 1567.68 feet; thence South 31 degrees 14 minutes 21 seconds East, and no longer with the north line of said Lot I and the south right-of-way line of State Avenue, a distance of 56.34 feet to a point of curvature; thence on a curve to the left having a radius of 165.00 feet, a central angle of 80 degrees 55 minutes 48 seconds, an arc distance of 233.06 feet; thence North 67 degrees 49 minutes 51 seconds East, a distance of 281. 79 feet to a point of curvature; thence on a curve to the right having a radius of235.00 feet, a central angle of90 degrees 00 minutes 00 seconds, an arc distance of 369 .14 feet; thence South 22 degrees 10 minutes 09 seconds East, a distance of 945.63 feet to a point of curvature; thence on a curve to the right having a radius of 735.00 feet, a central angle of 20 degrees 48 minutes 47 seconds, an arc distance of 266.99 feet; thence South 01 degree 21 minutes 22 seconds East, a distance of 77.01 feet; thence South 88 degrees 38 minutes 38 seconds West, a distance of 153.83 feet to a point of curvature; thence on a curve to the left having a radius of2900.00 feet, a central angle of 38 degrees 15 minutes O 1 second, an arc distance of 1936.02 feet; thence South 50 degrees 23 minutes 37 seconds West, a distance of 570.35 feet to a point on the west line of Lot I, Kansas Speedway Corporation and the east right-of-way line of Speedway Boulevard; thence with the west line of said Lot I and the east right-of-way line of Speedway Boulevard on a curve to the right having a radius of 1569.02 feet, a central angle of 37 degrees 21 minutes 20 seconds, with an initial tangent bearing of North 37 degrees 59 minutes 42 seconds West, an arc distance of 1022.97 feet; thence North 00 degrees 38 minutes 22 seconds West (North 02 degrees 22 minutes 48 seconds West plat), continuing with the west line of said Lot I and the east right-of-way line of Speedway Boulevard, a distance of 983.49 feet; thence North 30 degrees 29 minutes 49 seconds East (North 28 degrees 45 minutes 22 seconds East plat), continuing with west line of said Lot I and the east right-of-way line of Speedway Boulevard, a distance of29.03 feet to the point of beginning. The above described tract contains 90.20 acres.

EXHIBIT B

MAP OF PROPOSED COMMUNITY IMPROVEMENT DISTRICT



Petition for the Creation of a

Community Improvement District

TO: The Governing Body,
Unified Government of Wyandotte County/Kansas City, Kansas

The undersigned, being the owners of record of 100% of the land area contained within the hereinafter described community improvement district, hereby petition the Unified Government of Wyandotte County/Kansas City, Kansas (the "**UG**") to create a community improvement district (the "**CID**") and authorize the proposed projects hereinafter set forth, all in the manner provided by K.S.A 12-6a26 *et seq.* (the "**Act**"). In furtherance of such request, the petitioners state as follows:

1. GENERAL NATURE

The general nature of the proposed projects (the "**Projects**") is as follows:

Acquiring and constructing a commercial facility, consisting of an approximately 880,254 square foot omni channel distribution and fulfillment center, containing approximately 60,000 square feet of office space, and including land, buildings, structures, improvements and fixtures, all generally located on approximately 65 acres southeast of the intersection of State Avenue and Speedway Boulevard within the municipal boundaries of the UG, and including particularly operating and/or contracting for the provision of certain transportation services related to and substantially for the benefit of the community improvement district.

2. ESTIMATED COST

The estimated or probable cost of the Projects is $403,000,000.

3. PROPOSED METHOD OF FINANCING

It is proposed that the Projects be financed through a combination of private equity, private debt and CID special assessment financing.

4. PROPOSED METHOD AND AMOUNT OF ASSESSMENT

It is proposed that a portion of the Projects be financed through the levy of special assessments on the property within the boundaries of the CID to pay certain costs of the Projects ("**Special Assessments**"). The total proposed amount of Special Assessments on property within the boundaries of the CID to pay the costs of the Projects will equal $6,000,000, payable in equal annual installments of $300,000, and the method of assessment will be equally per lot within the CID for a term of 20 years, commencing with the tax bill to be distributed December 2023.

5. PROPOSED AMOUNT OF SALES TAX

No CID sales tax is proposed within the CID.

6. MAP AND LEGAL DESCRIPTION OF THE PROPOSED DISTRICT

A map of the proposed community improvement district (the "**District**") is attached hereto as **<u>EXHIBIT A</u>**.

The legal description of the District is attached hereto as **<u>EXHIBIT B</u>**.

7. <u>LIMITATION ON USE OF REVENUE</u>

Revenue produced from the Special Assessments shall be limited to the reimbursement of costs associated with the operation of or contracting for the Transit Plan (as defined in the Development Agreement between the petitioner and the UG dated as of September 24, 2020.

8. <u>NOTICE TO PETITION SIGNERS</u>

NAMES MAY NOT BE WITHDRAWN FROM THIS PETITION BY THE SIGNERS HEREOF AFTER THE UG COMMENCES CONSIDERATION OF THIS PETITION, OR LATER THAN SEVEN (7) DAYS AFTER THE FILING HEREOF WITH THE UG CLERK, WHICHEVER OCCURS FIRST.

[Remainder of Page Intentionally Left Blank; Signature Page Follows]

IN WITNESS WHEREOF, the undersigned petitioner has executed the above foregoing petition to create the district at the dates set forth opposite their respective signatures below:

URBN US RETAIL LLC
a Pennsylvania limited liability company

By: X [signature]

Title: CHIEF DEVELOPMENT OFFICER
(Type or print)

Date: 2/4/2021

ACKNOWLEDGMENT

STATE OF Pennsylvania)
COUNTY OF Philadelphia) ss.

BE IT REMEMBERED, that on this 4th day of February 2021 before me, the undersigned, a Notary Public in and for said County and State, came David Ziel as CDO of URBN US RETAIL LLC, a Pennsylvania limited liability company, who is known to me to be the same person who executed the within instrument, and such person duly acknowledged the execution of the same.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal the day and year last above written.

Commonwealth of Pennsylvania - Notary Seal
Donna E. Steinmetz, Notary Public
Philadelphia County
My commission expires August 26, 2024
Commission number 1160004
Member, Pennsylvania Association of Notaries

(Seal)

Donna E. Steinmetz
Notary Public in and for said County and State

My Commission Expires:
Aug. 26, 2024

CORE/3518852.0002/164739163.1

EXHIBIT A

Map of District

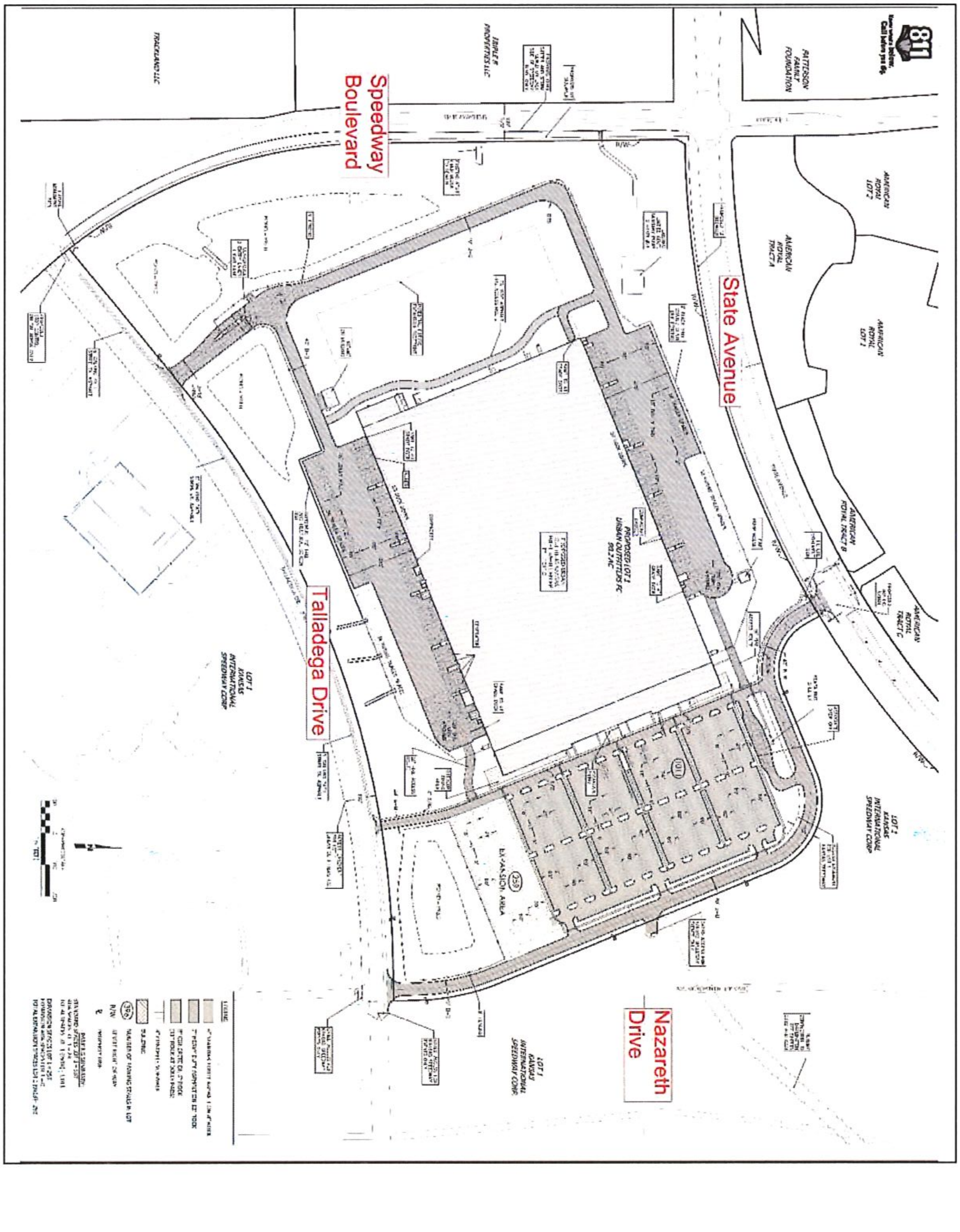


EXHIBIT B

Legal Description of District

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WAIVER OF ASSESSMENT PROCEEDINGS

TO THE GOVERNING BODY OF THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS:

The undersigned, (the "Owner"), is the record titled owner of 100% of the real estate situated in the Unified Government of Wyandotte County/Kansas City, Kansas (the "UG") legally described as follows (the "Property"):

See <u>Exhibit A</u> attached hereto and incorporated herein by reference.

Pursuant to a petition filed with the UG Clerk on _____________, 2021 (the "Petition"), the Owner has requested that special assessment be levied on the Property in the amount of $6,000,000 over a term of 20 years for the costs of constructing certain of the following described improvements:

> Acquiring and constructing a commercial facility, consisting of an approximately 880,254 square foot omni channel distribution and fulfillment center, containing approximately 60,000 square feet of office space, and including land, buildings, structures, improvements and fixtures, all generally located on approximately 65 acres southeast of the intersection of State Avenue and Speedway Boulevard within the municipal boundaries of the UG, and including particularly operating and/or contracting for the provision of certain transportation services related to and substantially for the benefit of the community improvement district.

(collectively, the "Project").

After being advised of the Owner's right to a public hearing and other matters related to special assessments related to the Project, the Owner hereby agrees to the following:

1. Waiver of formal notice of and the holding of a public hearing by the governing body of the UG for the purpose of considering levying special assessments against the Property;
2. Consent to the levy of special assessments against the Property to be assessed equally per lot within the district payable annually over a period of 20 years, beginning with the tax bill to be distributed December 2023, with each annual installment to be a maximum amount of $300,000 (the "Special Assessment");
3. Waiver of the thirty (30) day period after publication of the assessment ordinance of the UG to contest the levy of the Special Assessment; and

[Balance of page intentionally left blank]

URBN US RETAIL LLC
a Pennsylvania limited liability company

By: X [signature]

Title: CHIEF DEVELOPMENT OFFICER
(Type or print)

Date: 2/4/2021

ACKNOWLEDGMENT

STATE OF Pennsylvania)
) ss.
COUNTY OF Philadelphia)

BE IT REMEMBERED, that on this 4th day of February, 2021 before me, the undersigned, a Notary Public in and for said County and State, came David Ziel as CDO of URBN US RETAIL LLC, a Pennsylvania limited liability company, who is known to me to be the same person who executed the within instrument, and such person duly acknowledged the execution of the same.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal the day and year last above written.

Commonwealth of Pennsylvania - Notary Seal
Donna E. Steinmetz, Notary Public
Philadelphia County
My commission expires August 26, 2024
Commission number 1160004
Member, Pennsylvania Association of Notaries

(Seal)

[signature: Donna E. Steinmetz]
Notary Public in and for said
County and State

My Commission Expires:
Aug. 26, 2024

CORE/3518852.0002/164739175.1

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Legal Description

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Staff Request for Commission Action

Tracking No. 212500

Full Commission Meeting Date: 7/13/23
Committee: Economic Development & Finance

Date of Standing Committee Action: 6/5/23 (If none, please explain):

Publication Required: Yes 7/20/2023

Date:	Contact Name:	Contact Phone:	Contact Email:	Department/Division:
05/24/2023	Jeffrey Conway, Patrick Waters	x5075, x5079	jconway@wycokck.org, patrickwaters@wycokck.org	Legal

Item Description: An ordinance authorizing the Unified Government to levy special assessments on the Urban Outfitter Distribution Center, submitted by Patrick Waters, Acting Chief Counsel.
Action Requested: For Approval
Budget Impact: (if applicable) Amount: Source: Included In Budget: Other (explain):
Attachments List: CID Assessment Ordinance - Project URBN (UG), Waiver of Assessment Proceedings, Kansas CID Petition

ORDINANCE NO. O-____-23

AN ORDINANCE AUTHORIZING THE UNIFED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS TO LEVY SPECIAL ASSESSMENTS ON CERTAIN PROPERTY TO PAY THE COSTS OF COMMUNITY IMPROVEMENT DISTRICT IMPROVEMENTS, AS PREVIOUSLY AUTHORIZED BY ORDINANCE NO. O-____-23; AND PROVIDING FOR THE COLLECTION OF SUCH SPECIAL ASSESSMENTS.

WHEREAS the Unified Government of Wyandotte County/Kansas City, Kansas (the "Unified Government") has created the URBN Community Improvement District and authorized certain improvements thereon as described herein (the "Improvements") to be constructed pursuant to K.S.A. 12-6a26 *et seq*. (the "Act"); and

WHEREAS, the owners of 100% of the real property set forth below (the "Property") have executed a waiver of assessment proceedings (the "Waiver"): (a) waiving formal notice of and holding of a public hearing regarding the levy of special assessments upon the Property (the "Assessments"); (b) consenting to the levy of the Assessments; and (c) waiving the 30-day period following the publication of the ordinance levying the Assessments to contest the Assessments; and

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS:

Section 1. **Levy of Assessments**. For the purpose of paying the costs of the following described Improvements:

> **ORDINANCE NO. O-___-23. URBN Community Improvement District.** Acquiring and constructing a commercial facility, consisting of an approximately 880,254 square foot omni channel distribution and fulfillment center, containing approximately 60,000 square feet of office space, and including land, buildings, structures, improvements and fixtures, all generally located on 65 acres southeast of the intersection of State Avenue and Speedway Boulevard within the municipal boundaries of the Unified Government, and including particularly operating and/or contracting for the provision of certain transportation services related to and substantially for the benefit of the District,

there are hereby levied and assessed the amounts set forth below against the following property:

Description of Property	**Amount of Assessment**
Lot I, Final Plat, Urban Outfitters FC, a replat of part of Lot I Kansas Speedway Corporation, a subdivision in Wyandotte County, Kansas City, Kansas.	$6,000,000

Section 2. **Payment of Assessments**. The amounts so levied and assessed in ***Section 1*** of this Ordinance shall be due and payable from and after the date of publication of this Ordinance or a summary thereof.

Section 3. **Certification**. The Assessments shall be certified by the Unified Government Clerk in the same manner and at the same time as other taxes are certified and will be collected in twenty (20) equal annual installments. The interest for one year on any unpaid installments shall be added to each subsequent installment until paid.

Section 4. **Effective Date**. This Ordinance shall take effect and be in force from and after its passage, approval and publication (or a summary thereof) once in the official newspaper of the Unified Government.

[BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK]

PASSED by the Governing Body on this July 13, 2023 and **APPROVED AND SIGNED** by the Mayor/CEO.

By:______________________________
Mayor/CEO

[SEAL]

By:______________________________
Unified Government Clerk

Approved as to form:

By:______________________________
Office of Chief Counsel

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URBN US RETAIL LLC
a Pennsylvania limited liability company

By: X [signature]

Title: CHIEF DEVELOPMENT OFFICER
(Type or print)

Date: 2/4/2021

ACKNOWLEDGMENT

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) ss.
COUNTY OF Philadelphia)

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Donna E. Steinmetz, Notary Public
Philadelphia County
My commission expires August 26, 2024
Commission number 1160004
Member, Pennsylvania Association of Notaries

(Seal)

[signature: Donna E. Steinmetz]
Notary Public in and for said
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EXHIBIT A

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PETITION FOR THE CREATION OF A

COMMUNITY IMPROVEMENT DISTRICT

TO: The Governing Body,
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IN WITNESS WHEREOF, the undersigned petitioner has executed the above foregoing petition to create the district at the dates set forth opposite their respective signatures below:

URBN US RETAIL LLC
a Pennsylvania limited liability company

By: _______________

Title: CHIEF DEVELOPMENT OFFICER
(Type or print)

Date: 2/4/2021

ACKNOWLEDGMENT

STATE OF Pennsylvania)
COUNTY OF Philadelphia) ss.

BE IT REMEMBERED, that on this 4th day of February 2021 before me, the undersigned, a Notary Public in and for said County and State, came David Ziel as CDO of URBN US RETAIL LLC, a Pennsylvania limited liability company, who is known to me to be the same person who executed the within instrument, and such person duly acknowledged the execution of the same.

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Commonwealth of Pennsylvania - Notary Seal
Donna E. Steinmetz, Notary Public
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My commission expires August 26, 2024
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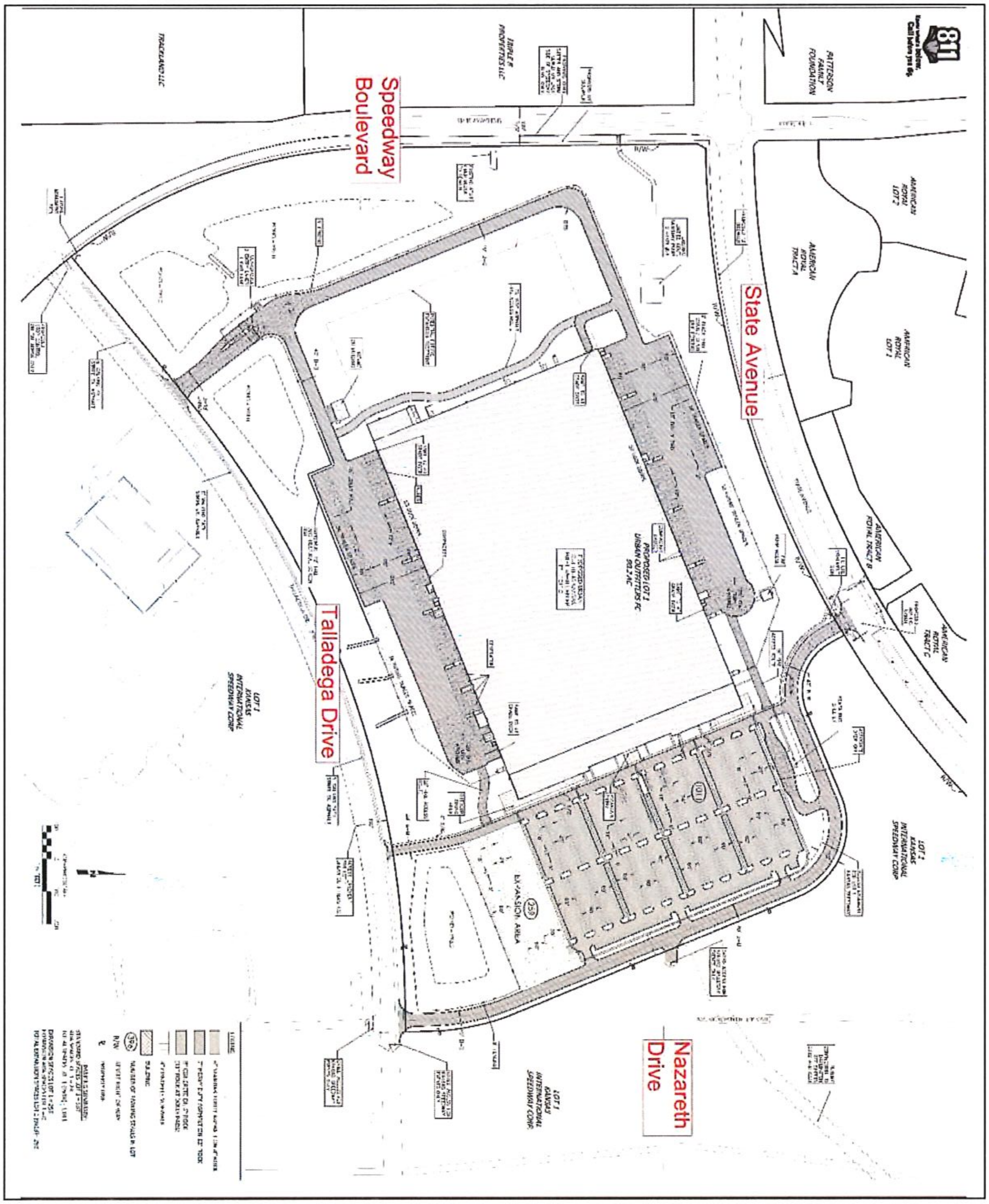
EXHIBIT A

Map of District



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Legal Description of District

Lot 1, Final Plat, Urban Outfitters FC, a replat of part of Lot 1 Kansas Speedway Corporation, a subdivision in Wyandotte County, Kansas City, Kansas.

All that part of Lot 1, Kansas Speedway Corporation, a subdivision in the City of Kansas City, Wyandotte County, Kansas, being more particularly described as follows: beginning at the northwest corner of said Lot 1, thence with the northerly line of said Lot 1, and the south right-of-way line of State Avenue, on a curve to the left having a radius of 2939.79 feet, a central angle of 30 degrees 33 minutes 13 seconds, with an initial tangent bearing of North 89 degrees 18 minutes 52 seconds East, an arc distance of 1567.68 feet; thence South 31 degrees 14 minutes 21 seconds East, and no longer with the north line of said Lot 1 and the south right-of-way line of State Avenue, a distance of 56.34 feet to a point of curvature; thence on a curve to the left having a radius of 165.00 feet, a central angle of 80 degrees 55 minutes 48 seconds, an arc distance of 233.06 feet; thence North 67 degrees 49 minutes 51 seconds East, a distance of 281.79 feet to a point of curvature; thence on a curve to the right having a radius of 235.00 feet, a central angle of 90 degrees 00 minutes 00 seconds, an arc distance of 369.14 feet; thence South 22 degrees 10 minutes 09 seconds East, a distance of 945.63 feet to a point of curvature; thence on a curve to the right having a radius of 735.00 feet, a central angle of 20 degrees 48 minutes 47 seconds, an arc distance of 266.99 feet; thence South 01 degree 21 minutes 22 seconds East, a distance of 77.01 feet; thence South 88 degrees 38 minutes 38 seconds West, a distance of 153.83 feet to a point of curvature; thence on a curve to the left having a radius of 2900.00 feet, a central angle of 38 degrees 15 minutes 01 second, an arc distance of 1936.02 feet; thence South 50 degrees 23 minutes 37 seconds West, a distance of 570.35 feet to a point on the west line of Lot 1, Kansas Speedway Corporation and the east right-of-way line of Speedway Boulevard; thence with the west line of said Lot 1 and the east right-of-way line of Speedway Boulevard on a curve to the right having a radius of 1569.02 feet, a central angle of 37 degrees 21 minutes 20 seconds, with an initial tangent bearing of North 37 degrees 59 minutes 42 seconds West, an arc distance of 1022.97 feet; thence North 00 degrees 38 minutes 22 seconds West (North 02 degrees 22 minutes 48 seconds West plat), continuing with the west line of said Lot 1 and the east right-of-way line of Speedway Boulevard, a distance of 983.49 feet; thence North 30 degrees 29 minutes 49 seconds East (North 28 degrees 45 minutes 22 seconds East plat), continuing with west line of said Lot 1 and the east right-of-way line of Speedway Boulevard, a distance of 29.03 feet to the point of beginning. The above described tract contains 90.20 acres.

Staff Request for Commission Action

Tracking No. 212497

Full Commission Meeting Date:
Committee: Economic Development & Finance

Date of Standing Committee Action: 6/5/23 (If none, please explain):

Publication Required: No

Date:	Contact Name:	Contact Phone:	Contact Email:	Department/Division:
05/24/2023	Patrick Waters, Jeffrey Conway	x5079, x5075	patrickwaters@wycokck.org, jconway@wycokck.org	Legal

Item Description:
Flying Truss was awarded $4 million in BASE Grants from the State of Kansas. They have agreed to transfer the money to the UG to help pay for the public portions of the Rock Island Bridge project. They have also agreed to allow the UG to take $490,000 of the grant to use for any infrastructure work associated with the bridge, Submitted by Patrick Waters, Acting Chief Counsel.

Action Requested:
For Information Only

Budget Impact: (if applicable)
Amount:
Source:
Included In Budget:
Other (explain):

Attachments List: