



Economic Development and Finance
Standing Committee Meeting Agenda
Monday, June 3, 2024
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 this URL to join. <https://us02web.zoom.us/j/84539079158>

Or One tap mobile:

+16699009128,84539079158# US (San Jose)

+17193594580,84539079158# US

Or join by phone:

Dial (for higher quality, dial a number based on your current location):

US: +1 669 900 9128 or +1 719 359 4580 or +1 253 205 0468 or +1 253 215 8782 or +1 346 248 7799 or +1 669 444 9171 or +1 386 347 5053 or +1 507 473 4847 or +1 564 217 2000 or +1 646 558 8656 or +1 646 931 3860 or +1 689 278 1000 or +1 301 715 8592 or +1 305 224 1968 or +1 309 205 3325 or +1 312 626 6799 or +1 360 209 5623 or 877 853 5257 (Toll-Free) or 888 475 4499 (Toll-Free)

Webinar ID: 845 3907 9158

International numbers available: <https://us02web.zoom.us/j/84539079158>

Name

Absent

Commissioner Tom Burroughs, Chair

☐

Commissioner Gayle Townsend

☐

Commissioner Chuck Stites

☐

Commissioner Bill Burns

☐

Commissioner Phil Lopez

☐

Stevie Wakes, BPU Member

☐

I. Call to Order/Roll Call

II. Revisions to June 3, 2024 Agenda

III. Approval of standing committee minutes from March 6, 2023.

IV. Committee Agenda

Item No. 1 - PRESENTATION: FIRST QUARTER 2024 INVESTMENT REPORT

Synopsis: A presentation of the First Quarter 2024 investment report.

For information only

Tracking #: 21112

Item No. 2 - RESOLUTION: SETTING PUBLIC HEARING (AMERICAN ROYAL DEVELOPMENT PROJECT)

Synopsis: Adoption of a resolution establishing the date and time of a public hearing regarding an Amended and Restated STAR Bond District Plan, a proposed STAR Bond Project Plan for project area 1, and a proposed First Amended and Restated STAR Bond Project Plan for project area 2, all within the existing Northwest Speedway STAR Bond District.

Tracking #: 21151

V. Public Agenda

VI. Adjourn

**ECONOMIC DEVELOPMENT AND FINANCE
STANDING COMMITTEE MINUTES
Monday, March 6, 2023**

The meeting of the Economic Development and Finance Standing Committee was held on Monday, March 6, 2023, at 5:00 p.m. The following members were present: Commissioner Burroughs, Chairman; Townsend, Stites, McKiernan. Commissioner Davis and BPU Board Member Haley were absent. The following officials were also in attendance: Alley Porter, Commission Liaison/Economic Development Project Manager; Patrick Waters, Deputy Chief Counsel; Andrea Vinyard, Deputy Treasurer, Debbie Jonscher, Interim Chief Financial Officer; Reginald Lindsey, Budget Director; Mike Grimm, Research Manager; and Monica Sparks, Deputy UG Clerk.

Chairman Burroughs said before I call the meeting to order, I want to announce that some committee members, staff, and the public are attending remotely via Zoom as well as on-site. All participants joining by phone should mute their phones when not speaking to avoid background noise. When speaking, please speak directly into the microphone to ensure everyone listening is able to hear your comments and to ensure a clear record is made. During the meeting, please make sure that you announce yourself by name and title every time you speak so the public that is observing knows who is speaking. This is critical given the number of remote participants and is the current guidance from the Kansas Attorney General.

The public is allowed to participate by Zoom or submit comments by email prior to the meeting. Those comments will be included in the record of this meeting. The public may also indicate their intent to provide remote public comments by contacting the Clerk's Office by 5:00 p.m. the Thursday before the meeting. The public also will have an opportunity to provide brief comments either by telephone or via Zoom from the 5th Floor Conference Room of the Municipal Office building.

Chairman Burroughs called the meeting to order. Roll call was taken and all members were present as shown above.

Chairman Burroughs asked if there were any revisions to tonight's agenda.

Monica Sparks, Deputy County Clerk, stated yes, commissioner, there were two revisions to tonight's agenda. A blue sheet was originally issued adding an item for the Downtown Apartment Project and then a pink sheet was issued removing the item.

Chairman Burroughs said so we have two items that were a change in the agenda and one nullifies the other. **Ms. Sparks** said correct.

Approval of standing committee minutes from October 10, 2022. **On motion of Commissioner McKiernan, seconded by Commissioner Stites, the minutes were approved.** Roll call was taken and there were four "Ayes," Townsend, Stites, McKiernan, Burroughs.

COMMITTEE AGENDA – Added per blue sheet

Item No. 1 – 212207...BLUE SHEET: ADDING NEW ITEM NO. 1

Synopsis: Presentation of proposed options for a Downtown Apartment Project at 6th and Minnesota Av., submitted by Alley Porter, Commission Liaison/Economic Development Project Manager.

Action: Removed per pink sheet

Item No. 2 – 212299...RESOLUTION: INTENT TO ISSUE INDUSTRIAL REVENUE BONDS FOR THE BENEFIT OF INFINITY WINDOWS LLC

Synopsis: Resolution of Intent to Issue Industrial Revenue Bonds in the amount not to exceed \$90,000,000 to finance the acquisition, construction, improving, and equipping of a manufacturing facility for the benefit of Infinity Windows, LLC., submitted by Patrick Waters, Deputy Chief Counsel.

Patrick Waters, Deputy Chief Counsel, said I'd like to have the developer's representative come up here so they can give a short presentation.

Gregg Fuerstenberg said I work with Jones Lang LaSalle. We are a commercial real estate company and I represent Marvin Windows on behalf of the Infinity project. Over the last nine months now we've been chatting about the project. We've got a presentation today that we'd like to walk through to introduce who is Marvin Windows and what products they produce and the partnership that they propose for the community.

Economic Development & Finance Meeting

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INFINITY
from **MARVIN**
REPLACEMENT WINDOWS

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We also have on the phone, Dan Stocker, who is the Director of Operational Strategy for Marvin Windows and Brian Johnson, who's the Senior Vice President of Operations Strategy for Marvin. Community is really important to the company and so are our relationships. They will absolutely be coming into town for future meetings. They're happy to have been in town meeting many of the folks that have worked in economic development and the community in the past, and we'll be happy to come back for future meetings. So, tonight has been a long time in the making for this Marvin project. Like I said, we've been in the community for the last nine months talking about real estate, but this project really had its start probably three years ago. Marvin makes well branded windows that you've seen in residential construction projects for the last 80 years and you'll continue to see hopefully for another 80 years. Today in the project, we're going to talk just a little bit about Marvin, we're going to talk about Infinity, which is the project we're discussing today and then some of the Marvin facilities.

About Marvin

Marvin is a fourth-generation, family-owned and lead business, headquartered in Warroad, Minnesota, with more than 7,000 employees across 16 cities throughout North America.

Marvin's product portfolio includes the Signature, Elevate, and Essential Product Collections, which offer an extensive selection of made-to-order window and door solutions, as well as Infinity Replacement Windows, providing homeowners with a premier line of replacement windows sold and installed by local professionals. The company's portfolio also includes TruStile Doors, the leading manufacturer of made-to-order architectural interior doors and SIW Windows & Doors, a leading manufacturer of impact-resistant windows and doors for residential and commercial construction.

Since the company's inception, Marvin has earned a reputation as an innovator and industry thought leader. Today, the company is driven by a purpose to imagine and create better ways of living.

For more information, please visit: <https://www.marvin.com/our-story>



INFINITY
by **MARVIN**
REPLACEMENT WINDOWS

Marvin is a fourth-generation, family-owned business, that is headquartered in Warroad, Minnesota. All of the communities in which they operate, you'll see that they represented those communities proudly, so employees come first, as do their customers. They've got 7000 employees across 16 cities throughout the United States. Like I said, they've got brand name products in homes throughout the world, but very, very popular here in North America.

About Marvin

At Marvin, we're driven by this purpose: to imagine and create better ways of living

As people spend more time indoors, we recognize that our work isn't just about building better windows and doors — it's about opening new possibilities for how people live, work, think and feel inside a Marvin space. Since the day we opened our doors in 1912 as a family-owned and operated cedar and lumber company, we've looked for ways to help people live better. We continue to evolve by raising the bar, building quality, beauty and simplicity into people's everyday lives.

Design for people

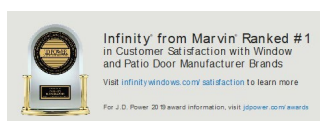
We design for how people live and work, imagining new ways to help them feel healthier and happier in the spaces where they live, work, and play

A natural connection

Warm sunlight, fresh air, and a connection to the natural world can instantly change the mood of a home or office. We design our products to make that connection feel seamless — even in the most challenging of spaces.

Thoughtful details

We are committed to design that is as functional and intuitive as it is beautiful. Crafted with exceptional skill, our products deliver quality you can see, touch, and feel; beauty that brings joy, and performance that stands the test of time.



INFINITY
from **MARVIN**
REPLACEMENT WINDOWS

At Marvin, they've got some key initiatives. They're driven by a purpose of imagining and creating better ways of living. They design their products for people. They've got a natural connection with sunlight, fresh air, connection with the natural world around us. They've got very thoughtful details. They're brand recognized and they have received a lot of rewards for their projects. One of them, in particular, is the JD Power Award for customer service for their Infinity brands.

About Marvin

Building community

We put people first — not just in how we design, but in how we build for the future.

We commit to long-lasting and trusting relationships with our employees, customers, partners, and communities, and are there for them when they need us most.

Committed to sustainability

We're used to taking the long-term view, and we recognize that a serious commitment to sustainable operations is just good business. We are committed to sustainable practices, both for the environment and for the communities in which we operate. At Marvin, sustainability goes beyond "green" business practices. This year, we were recognized with two prestigious awards related to our building: NAIOP — Presented by the Colorado Chapter of the Commercial Real Estate Association and ULI — Urban Land Institute. As we work towards more sustainable manufacturing of our products and construction of our buildings, we are also making efforts to build sustainable communities across the U.S., where Marvin products are manufactured.

Putting communities first

Inc. Magazine, known for its annual ranking of the fastest-growing companies, named Marvin one of its 2022 Best in Business honorees. The list highlights businesses that demonstrate foresight, caring, and dedication to prioritize impact — for clients and customers, community, industry, environment, and even on society as a whole. This recognition couldn't speak more clearly to our values and guiding principles and it's an honor to be included.

"Together, we can help people live better through beautiful design and exceptional quality."

— Paul Marvin, CEO

INFINITY
from **MARVIN**
REPLACEMENT WINDOWS

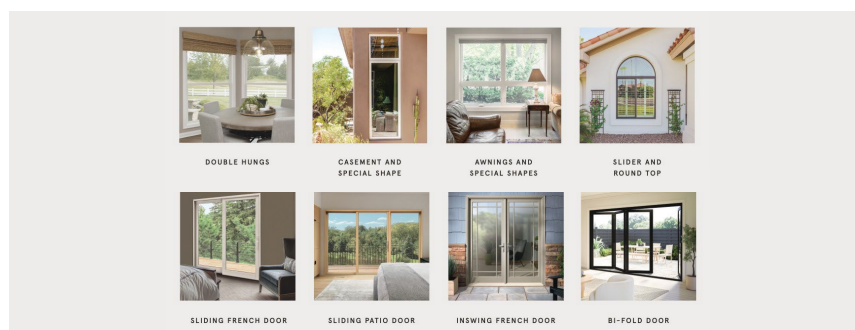
March 6, 2023

Community is really important to Marvin, so in any of the communities in which they operate, you'll see the yellow rose which represents Marvin just about everywhere. Strong partnerships with community college; with the educational system. The workforce is excited to show up and work for Marvin. Marvin pours into its communities and it pours into its employees and produces an excellent project and product. They're committed to sustainability, so, sustainability in the design of their facilities as well as sustainability in the operation of their manufacturing facilities. They've received awards most recently in Colorado at one of their manufacturing facilities, the NAIOP Award from the Colorado Chapter of Commercial Real Estate Association, as well as the ULI, or Urban Land Institute. That's for the sustainability of their Colorado manufacturing facility. They put community first, so Inc. Magazine named them 2022s Best in Business.

About Infinity

Infinity Replacement Windows was developed when Marvin recognized an opportunity to provide high-quality fiberglass replacement windows and doors to discerning homeowners. Sold and professionally installed by retailers, Infinity products are made of Ultrex® pultruded fiberglass and expertly designed to replicate the look of traditional wood windows while providing modern features and low maintenance. The combination of superior materials and professional installation has resulted in a product line that is high performing, energy efficient, and long lasting.

For more information, please visit: <https://www.infinitywindows.com/>



INFINITY
from **MARVIN**
REPLACEMENT WINDOWS

The project itself is representing Infinity Replacement Windows. It was developed when Marvin recognized an opportunity to provide high-quality fiberglass replacement windows and doors for homeowners. Those are installed by retailers. Infinity products are made of Ultrex pultruded fiberglass, and they're designed to replicate the look of traditional wood windows while providing modern features and low maintenance. You'll see some examples up on the screen today. You can really do a lot of creative things with their projects and their products.

About Infinity

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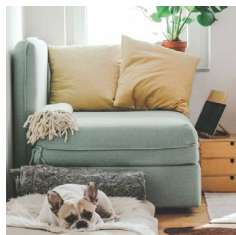
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- Expands 87% less than vinyl — resists expanding and contracting in any climate
- 8 times stronger than vinyl — protects the integrity of your home
- Resistant to leaks, seal failures, and stress cracks — all things that can affect energy efficiency

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- Ultrex's fiberglass windows and doors strength delivers narrow profiles for expanded views and more daylight
- Our proprietary acrylic finish is fade -resistant and virtually maintenance -free
- We offer a complete collection of styles, features, and options to complement any home



INFINITY
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REPLACEMENT WINDOWS

Two of the big staples of the product is strength and style. You'll see strength being core and style. They can do a lot of different cool things with design and are very innovative to match the new residential construction designs.

Marvin Facilities

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INFINITY
from **MARVIN**
REPLACEMENT WINDOWS

We've got facilities in Warroad, Eagan, Ripley Tennessee, Fargo, and West Fargo, Grafton, Roanoke, Baker City, Denver, Northwood Iowa, Delray Beach, and some in Ontario, and then

they've got a Brand Experience Center in Boston, with retail locations throughout the US, and distribution nationally. Some things that you'll see in common with all these locations and why KC is a great fit with Marvin is: strong value propositions. Strong education, strong workforce, business-friendly environment. Marvin really makes a 50-year investment in all their communities. They're looking for a long-term partner in a new home. We're really excited to present the next slide, which is the investment and request for this meeting.

2023 JCB, L

Investment from IRB application (approx. amount requested)

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Location

- 9822 Leavenworth Rd, Kansas City, KS 66109 (Quick Ref ID #R20722, Parcel ID #243300)
- +/- 400,000 SF manufacturing facility

Employees

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They're requesting an up to \$90 million IRB bond issuance. That includes land, buildings, machinery and equipment, and other fees related to the project. The site is 9822 Leavenworth Road. They're looking at a, plus or minus, 400,000 square foot manufacturing facility with an associated 600 new positions that would come from 2024 through 2027. You can see the type of positions up on the screen. There's manufacturing, fabrication, assembly positions, leadership positions, office and part-time employees. Really strong average wage. We think we'll be able to exceed all of these thresholds. The employee value proposition is really strong as well. Fantastic health care match, we can share some of those additional details on employer-provided percentages on the employee benefits. The Employee Benefits include insurance for medical, dental, vision, supplemental, disability, basic life, and Supplemental Life. They also offer health savings accounts, flexible spending accounts, 401k retirement plans, PTO, well-being reimbursement, Employee Assistance Program, mental health support. All of the things that are important to the

company are important to their employees. Creating longevity with their employees and long lasting relationships. It's not uncommon to run into employees at these manufacturing facilities that have been there 20+ years. So, deep roots in their communities.

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As I alluded to, the things that led us to look at Kansas City and making our decision were: strong workforce, state and local commitment, education, compatible company and regional values, pro-business, state and local government, and really, a collaborative and honest approach to economic development. On behalf of myself and the entire Marvin team, we can't thank this committee enough and this community enough for welcoming us with open arms. It's really been a pleasant experience from the start and this really started with us evaluating 25+ states and hundreds of communities throughout the United States. It's really a blessing for us to be at this state of the game where we're sitting in a room with you all and talking about how we take the next steps with the project. I'd like to thank you all for your time and open up for any questions.

Commissioner Townsend said did I hear you correctly, you said that your company evaluated something like 25 communities before you decided on us? **Mr. Fuerstenberg** said, it was more than that. We were evaluating 25 different states with hundreds of communities. This project has been three years in the making. We have looked at communities and sites, really, throughout the

region and the central United States. This was a long time in the making. **Commissioner Townsend** said I'm glad to hear that we were appealing to you.

Mr. Fuerstenberg said it was really approached as a collaborative effort. When we came to town for initial meetings, it included everybody that you would think of and a lot of folks that you wouldn't. We had educational partners that were at the table; education is really important to Marvin. Economic development professionals, it had people from fire, sewer, water, utilities. You had strong partnerships throughout all levels of state and local government and the Unified Government and Economic Development personnel were fantastic for this project.

Chairman Burroughs said in reading the cost-benefit analysis, the thing that stuck out said that proposed average salary of the new jobs is below the county average wage and yet you showed \$22.25, I believe, in this presentation.

Mr. Fuerstenberg said, yes, correct. There's an interesting wrinkle with this project in that there isn't a great NAICS code that defines what products were being manufactured here. So, the lieutenant governor was actually very helpful and supportive in some of the state offerings for this project because of the fact that there isn't a NAICS code that really aligns with the pultruded fiberglass manufacturing that we're going to do at the facility, but they will certainly be above-average county wage for these positions.

Chairman Burroughs said great. Thank you. I wanted to make sure that was a public statement. Those listening will have an understanding of what this is. If I may, Patrick, for the benefit of those joining us this evening, I know I mentioned a \$90 million IRB, would you kindly express what an IRB is to educate the public as to what an IRB is? **Patrick Waters, Deputy Chief Counsel**, said we actually have our bond counsel here and he's just the person to talk about that. If you don't mind, Chairman, he can describe it much better than I can.

Kevin Wempe with Gilmore and Bell said I always like to start and point out that it's not really a true financing mechanism, these IRBs. We call them buy your own bonds where the company purchases its own bond and the key reasons for doing bond financing are to authorize two incentives. One being sales tax exemption on construction materials and FF&E for the project, their furniture, fixtures, and equipment. Second, to put in place maximum 10-year property tax

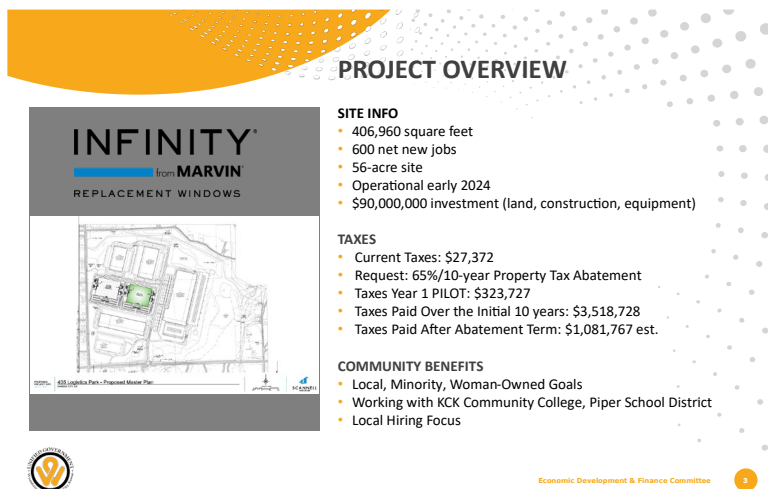
abatement, and in this case, a partial property tax abatement for the first 10 years following issuance of the bonds. You expressed \$90 million as a not-to-exceed amount for the bonds. Because the company is purchasing its own bond and is the lessee under the lease lease-back that secures repayment of the bonds, the UG is not liable for repayment of the bonds and they don't affect the UG's credit. Is that responsive? Anything else you'd like me to cover?

Chairman Burroughs said I believe that's fine. I appreciate that. The reason why I stated all three items this evening, I believe, action items, IRBs and sometimes the public wants to know why we're issuing so many bonds. And I think it's only appropriate that we have Bond Counsel educate our public and let them know what is really occurring with an IRB. I believe that exemption on an IRB for the sales tax, but machinery and equipment has been off the tax rolls in Kansas for quite a while.

Mr. Wempe said that's correct. Machinery and Equipment, under separate statute, are also exempt and also point out for labor on new construction, that's also exempt. There are some things you're covered by IRB that overlap with other statutes that offer the same incentive.

Chairman Burroughs said great. Thank you, Patrick. Okay, is there any other questions from the committee? Yes, Commissioner Townsend again.

Commissioner Townsend said since we got the primer on IRB's and the issue was raised about the 10 year tax abatement, I thought it would be important to mention for the benefit of our constituents that that does not mean that these projects are not paying taxes to the Unified Government. I get a lot of questions about that. Even though they may not be paying ultimately the amount of tax based on the finished value of the project, whenever that comes along, for the period of time that those taxes are abated, they are paying, making a payment in lieu of taxes, which is also called a PILOT, not to be confused with the BPU. I did want to have our staff bond counsel address that because, unfortunately, some of our constituents are under the impression that no taxes are being paid and that's not to be the case.



PROJECT OVERVIEW

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REPLACEMENT WINDOWS

SITE INFO

- 406,960 square feet
- 600 net new jobs
- 56-acre site
- Operational early 2024
- \$90,000,000 investment (land, construction, equipment)

TAXES

- Current Taxes: \$27,372
- Request: 65%/10-year Property Tax Abatement
- Taxes Year 1 PILOT: \$323,727
- Taxes Paid Over the Initial 10 years: \$3,518,728
- Taxes Paid After Abatement Term: \$1,081,767 est.

COMMUNITY BENEFITS

- Local, Minority, Woman-Owned Goals
- Working with KCK Community College, Piper School District
- Local Hiring Focus

 Economic Development & Finance Committee 

Mr. Waters said Commissioner Townsend, that's a good point and on the screen, and right now we're showing just a brief summary of what they will be paying in the PILOT. And as you can see, the current taxes on that parcel are only \$27,000. Even with the partial abatement, we're talking about well over 10 times that amount just in year one. The increase that the Unified Government and other jurisdictions will be seen is almost immediate, even with that partial abatement. And then once that rolls off, the IRB structure is fully appraised, we estimate that it'll be over a million dollars. **Chairman Burroughs** said, Commissioner Townsend, did that get to your point?

Commissioner Townsend said yes, it does, Mr. Chair, not only for this project, but in the upcoming ones. Just wanted to get something on the record about that, a reference point, because as I said, I get a lot of questions about these types of transactions and incentives. Going back to Mr. Fuerstenberg's earlier comment about the number of communities that his company Infinity has visited, this is something that's done to promote economic development in other communities that we are in competition with, so it's not us just trying to give money away, or delay the payment of taxes. This is a commonly used financing incentive development incentive.

Chairman Burroughs said, any other comments? I don't see any other hands at this time. With this, I'll ask the Clerk if there are any comments received from the public? **Ms. Sparks** said no comments were received. **Chairman Burroughs** said I'll now recognize members of the public who wish to address the committee, I'll ask the clerk if any hands are raised by the public to wish to speak. **Ms. Sparks** said no hands raised.

Chairman Burroughs said we do have people in the audience. If you will approach the podium, you will be given up to three minutes to make your comments, please state your name, city of residence for the record.

Greg Mosier, President of Kansas City Kansas Community College, said I live in Kansas City, Kansas. We've been working with Marvin Windows on this project for quite some time when they came to visit and we're doing site tours. We were very impressed with their long-term history in their communities. They've been there for many, many years, a three generational business. It's a great opportunity for Wyandotte County and for Wyandotte County residents as we look at the additional revenue that it will be generating for the county, and also the really good quality, long standing jobs that it will create. From the Community College's perspective, even with the abatement, we're really looking at it for the long term, 10 years from now, 20 years from now, 30 years from now, what will it provide the community? We're very supportive on that basis. We also look forward to working with Marvin Windows in providing the technical education as we have our Advanced Manufacturing program. We've talked with them about what can be provided. We're the only federation of advanced manufacturing education in the state of Kansas and in the state of Missouri. We're a very good fit for what they will be producing with the Infinity windows. We also provide Industrial Maintenance Technology programs. And that's a one semester certificate that students will learn how to keep all the equipment running and operating so that they won't have downtime. There's a whole plethora of ways that we'll be working together with Marvin Windows and Infinity on this project, and I hope you recognize our support.

Greg Kindle, President of Wyandotte Economic Development Council, said we've had the pleasure of working with this firm now for a number of months, as noted. One of the things that I hope that you're noticing is that we're looking for companies with good culture. It's important to find companies that want to invest in Wyandotte County, that want to invest in our local residents, that want to invest in our local community college. We've got a meeting set up here in the next couple of weeks with the school district, they're in the Piper School District, we've got Dr. Dane involved already. These are the things that, we didn't always in the past, we've talked about a lot of those things, but these are among the types of companies that are actively doing that. We're looking for these kinds of companies that want to be part of the community. When we were making

sort of our sales our pitch to Marvin Windows and the team, it was largely about: how do we work together to create the right kind of culture, the right kind of environment, in which we can raise the median household income here in Wyandotte county? How do we get people into better training? How do we do things together in a better way?

I will just conclude by saying that not only was this competitive for this first facility, we do hope that there's an opportunity for us to win future expansions with this company. It isn't just about a facility, but it really is a long-term investment. That's the other thing, I think that consistently on some of these projects you've seen from us is that there is an opportunity for additional long-term investment, both in our employee base and our talent, our school districts, but also in our tax base. And then lastly, I wanted to give a shout out to Patrick and to Kevin as well, we are a little bit of a tight team. And so we were involved in a lot of conversations that sometimes I don't normally get involved with. But I very much appreciate the fact that at any given time, one of the things that we were able to do is that if Marvin Windows team needed to have a call, we needed to have a conversation about Industrial Revenue Bonds, the process, these two always stepped up and the same was true with the Board of Public Utilities in our infrastructure partners to make sure that we get that all pulled together. This has definitely been the kind of culture that we wanted to exhibit to the team and to the Marvin companies, because that's the kind of culture that they're planning to bring here as well.

Shirley Carter Eichert said I have been here to several meetings when people are wanting to do business with Wyandotte County and pulling up all kinds of big jobs and everything and I'm very concerned about some of it. Some of it may be good, some of it doesn't look good. I'm concerned that we're not hiring more minorities. We're hiring some minorities, but we're certainly not putting black people on the jobs, because I ride around the jobs to see who's working. And I want somebody to say, and I said when they started talking about the buildings on Minnesota, putting up the office buildings, cleaning them or put them in or something there, that I have not seen anybody working there. I have not seen anybody working out at the Legends. No black people working on no projects. And I'm real concerned about that. And if there needs to be a committee put inside of what you're doing to work with you, you need to do it, because if you can't help everybody besides yourself, we need to do something about that.

Chairman Burroughs said I will now ask if anybody sent any letters, any comments, or anything like that? **Ms. Sparks** said no comments received. **Chairman Burroughs** said any other questions from the committee? Seeing none, I'd entertain a motion.

Commissioner Townsend said to Ms. Eichert's point, what is the mechanism? I do want to say that part of what we were given in our package tonight includes in a Schedule A, a stated percentage for participation of local minority and women-owned businesses, but not for just for this project. But how and who within our organization monitors whether those actual goals as stated are achieved or not? Is there somebody that could address that?

Mr. Waters said our Purchasing Department monitors that and we do review and hold the developers accountable to those members. **Commissioner Townsend** said I might suggest that we do a review of some of these developments already established and have presented to this group who met and who didn't meet these LMW goals. It's not always that they're going to be seen by somebody who's driving down the street, but I think Ms. Eichert raises a good point, that we should know what was achieved and what wasn't achieved on some of these past projects

Chairman Burroughs said good point ladies. Appreciate that very much. Very important. I know some of the contracts we've put forward here there's even a penalty clause if they don't meet that requirement that is clearly indicated in the contract. I believe that is worthy of review, thank you for bringing that forward. I would still entertain a motion if there are no other questions or comments. We do have a motion and a second to approve as submitted. Clerk, please call roll.

Action: Commissioner Townsend made a motion, seconded by Commissioner McKiernan, to approve as submitted. Roll call was taken and there were four "Ayes," Townsend, Stites, McKiernan, Burroughs.

Item No. 3 – 212300...RESOLUTION: INTENT TO ISSUE INDUSTRIAL REVENUE BONDS FOR THE BENEFIT OF VILLAGE OF THE LEGENDS, INC.

Synopsis: Resolution of Intent to issue Industrial Revenue Bonds in the amount not to exceed \$19,000,000 to finance the acquisition, construction, improving, and equipping of a senior living facility for the benefit of Village of the Legends, Inc., submitted by Patrick Waters, Deputy Chief Counsel.

Chairman Burroughs said I'll ask Patrick Waters, Deputy Chief Counsel, for remarks.

Mr. Waters said I'm again going to hand it over to the Developers Counsel for a brief presentation.



March 6, 2023 Economic Development & Finance Committee

Curt Petersen, Polsinelli, said I'm here on behalf of the applicant and developer Real Estate Equities Development, who is the proposed developer of the project I'm going to talk to you about. I'm joined by Andrew Schaefer, who is to my immediate left. He's a principal with the developer who I've been working closely with now for a number of months, at least since the end of summer, early fall of last year. He flew from Minnesota. I noticed a little bit of an accident on a previous presentation. By the way, there's a theme here, I love Minnesotans actually, but I will say I think we got good reviews on the airport. That was what the first question I asked when I saw you, so, pretty proud of the airport. Back to the developer, I know it's important to the Unified Government

to know who their quote unquote “doing business” with so a brief moment, if I can, on who this developer is and what their pedigree and experience is.

The developer has decades of experience delivering stellar active adult communities among other types of products. The developer has over 40 communities like this in the United States with a value of almost three-quarters of a billion dollars now in 10 different states. Their reputation for quality, for integrity, and for a long-term commitment to their communities is top-notch.

Future Village Cooperative of The Legends



Now, directing your attention to the screen, we're going to zero in where it says Village in green there. That's the project site, which is a three-and-a-half acre site approximately. To get your bearings there, you're just north of State Avenue, you can see the Speedway off to the south. You're south of Delaware Parkway, as it extends and then terminates just below the Village West, both phases of those Village West Apartment projects, and then you're east of what looks like dirt to you today, but is the criterion, cutting edge single family rental product that it was recently approved and should get underway this year. It gives you a sense of where this site is. In terms of the project description, what is proposed for this piece of land? This would be an active adult, 55+ Senior Living Facility or Independent Living. There'd be 58 residential units spread across some one, some two bedroom units between 900 and about 1500 square feet, plus or minus. There would be a single building if we want to advance to the site plan on the next slide.

Future Village Cooperative of The Legends



You can see in the orange-tan color the outline of the building on that three-and-a-half-acre site. It's a four-story building, it has under-building secure parking which as you know is top of market for projects like this. Give you a quick image.

Future Village Cooperative of The Legends



This is a conceptual rendering of what that would look like. You can see the parking underneath the building on both of those wings you see in the background and in the foreground. There's a lot

of things I could say, we could probably do 100 slides, and we're not going to just give you a sense of the project, because I know you'd give me the boot and turn on the music, Chairman.

I will say one thing that stands out as we've worked with this group over many years in many different jurisdictions is that they're focused on community living. These are active adults, these are people that have active lives. They're just later in their lives, so there's club areas, reading areas, garden plots, guest suites, all in-unit amenities that are for active adults, not for somebody who doesn't ever prepare food, so these are places for thriving individuals who want to have this chapter of their life in a community that is all about community.

Now the question is, because this is a public-private partnership that's proposed, what are the benefits? What are the benefits of this to the taxpayers? One, for starters, is that this is a place for active Wyandotte County residents that are 55+. These are folks that don't want the time or the money, or both, spent on single-family housing, I feel that way many days, actually, and so they're looking for something different. It allows people that are in Wyandotte County who are getting that age bracket not to leave Wyandotte County just to find that housing product that they want or that community, it also attracts seniors. We're quite confident, this will attract seniors that don't live here right now. Why? Because they want this kind of community, this kind of quality, and they really like the location where this is situated. This is, literally I'm looking at the guy with all the State Legislative experience and knows this and I've heard you say this this is the number one tourist destination in the entire state of Kansas, so allowing an active adult, 55+, to come here and be active in an area like that is huge and they don't have that option right now. It's not only retaining, it's also attracting seniors.

This is market rate you can guess, by the way I've described it. Very nice, and residents have expendable income, discretionary income to spend and they do. It impacts all the restaurants in the area, shopping, and all the entertainment. As you all know there's both entertainment that everybody knows about, there's entertainment to come. There's lots of opportunities for money to be spent, which is helpful to the current businesses, the future businesses, it creates jobs, and it creates sales tax income and revenue for the Unified Government. What's great about a project like this is even though there's a public-private partnership involved, which I'll briefly describe in a second, it has no impact on the schools. Maybe it's, no, I won't go there. This doesn't have any impact on schools. These are all 55+ and it's just a really good bang for the buck, for the school

district that gets the benefit of all the growth and property values when you have investment like this without additional school kids.

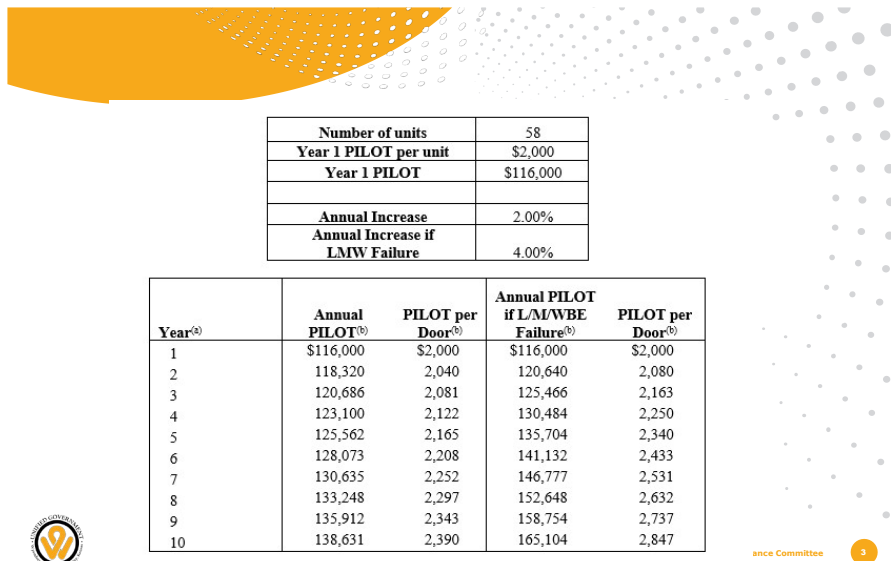
Lastly, because these are active adults, we definitely need facilities set up for higher levels of care, but this is not that. Higher levels of care sometimes you hear police and fire talk about how there's a little more expense associated with that. This, again, is not that level of care so it's yet another benefit of having a facility like this in our community.

The proposed incentives: this is a proposed public-private partnership for the committee to consider tonight. The proposal is for Industrial Revenue Bonds, as was suggested earlier by the chairman. This is another IRB, the same structure, so everything that was talked about by Mr. Wempe, Bond Counsel, before and introduced by Patrick is applicable here. These are industrial revenue bonds. The amount of, I always hesitate to say PILOT, because it can confuse everybody with BPU, but I'll say the amount of predictable taxes that would be paid under this proposal that we've worked for months on with professional staff and with the County Appraiser would be \$2,000 dollars per unit. Then, there's a schedule that Patrick may get into later, but that's the starting point. I will tell you that's far above any residential, predictable PILOT that this Unified Government has seen since more than a decade ago when that started. I think that's something to be proud of, but then you say, well, is it helpful? It's extremely helpful and essential for this developer. There's nothing like this product in Wyandotte County and having predictable taxes when it comes to your lender and just everything involved is extraordinarily important, which is why it's being proposed to you tonight.



Next steps, to always give you a heads up on where we are as a project team with this particular project, we have filed for rezoning and a preliminary development plan in the normal channels, which assuming no delays, will be heard by the Planning Commission April 10th, and then by the Board of County Commissioners on April 27th. If the Industrial Revenue Bonds that are proposed and these land use approvals that I just suggested are approved, then we hope to be under construction sometime this fall. In terms of wrapping up, Chairman, I'd say this is, hopefully, you'll see an exciting new product for the county. It gives seniors more options, both those that are here, and those we hope to attract from elsewhere. It will continue to make Wyandotte County even more multifaceted in what it has to offer to residents. With that, we'd love to answer any questions you have and thank you for your time this evening.

Chairman Burroughs said, committee, any questions?



Number of units	58
Year 1 PILOT per unit	\$2,000
Year 1 PILOT	\$116,000
Annual Increase	2.00%
Annual Increase if LMW Failure	4.00%

Year ^(a)	Annual PILOT ^(b)	PILOT per Door ^(c)	Annual PILOT if L/M/WBE Failure ^(b)	PILOT per Door ^(c)
1	\$116,000	\$2,000	\$116,000	\$2,000
2	118,320	2,040	120,640	2,080
3	120,686	2,081	125,466	2,163
4	123,100	2,122	130,484	2,250
5	125,562	2,165	135,704	2,340
6	128,073	2,208	141,132	2,433
7	130,635	2,252	146,777	2,531
8	133,248	2,297	152,648	2,632
9	135,912	2,343	158,754	2,737
10	138,631	2,390	165,104	2,847




Commissioner McKiernan said I do have one and thank you for the presentation. Really looks like a great project. On the previous project, and I'll direct this to Patrick, we had listed that once the schedule is completed what the taxes then would be and do we have a similar calculation for this project?

Mr. Waters said I'm sorry I do not. That is thanks to the great work that Greg Kindle did in his analysis and this was kind of done on a separate basis. I don't have that, but I can certainly have an estimate for you before full commission if you're interested.

Ms. Sparks said Commissioner Townsend has her hand raised.

Commissioner Townsend said just so I'm clear, there are a lot of us dealing with family members in the golden years and sunset and looking for places that they can live safely. I want to make sure I'm clear, this proposed project is for people who can live independently, but more specifically able-bodied. This is not, correct me if I'm wrong please, a unit where someone could transition if they needed help or assistance, they couldn't cook, or they had some other physical challenge. These are for able-bodied residents only.

Mr. Peterson said yes ma'am, you have it right. Many would call it "independent living", age-restricted active adult, so yes you're exactly right.

Commissioner Townsend said okay and I saw that the area in which these are proposed to be built market rate. What would that be if they were up and ready to go now? What would be

the anticipated market rate for something like that? Do you have how many bedrooms? One to three bedrooms, or what's the anticipated layout structure? **Mr. Peterson** said it's good you asked that. Andrew and I, Schaefer, we were just discussing that last week. First of all, it's the same answer always when a project is at this stage, which is the market ultimately tells you what the market will bear, but that's not a total dodge, because I can say, Commissioner Townsend, you've been involved with all of the other high-end multi-family products, which, this is effectively that, right? It's just age-restricted and focused on a 55+ Community. It's very, very similar as I reviewed kind of target and expected sort of monthly amounts that would be paid. It's very similar to the NorthPoint product or the Village West Apartments just north of there. Very, very similar, just age-restricted.

Commissioner Townsend said do you know what those are running right now? I know this may not be completed for a couple of years, but what would a property like that, with those amenities, run right now?

Mr. Petersen said if you don't hold me to the very, very big range, you're talking monthly amounts in the \$1000 to \$2000 roughly, which again, is very similar to what you can get an apartment for at Village West.

Chairman Burroughs said it's usually around \$200 a square foot. Is that what the market is around here right now? Anywhere from \$175 to \$200 a square foot? **Mr. Petersen** said I know what you're thinking of, so, you're right, but you're thinking of the cost site to build, that's where you're at and then the rent side is anywhere with if you take all the projects we do is anywhere on the \$1.35 to \$2.00 sometimes.

Chairman Burroughs said any other questions, committee? Seeing none, I will ask the clerk if we received any comments from the public? **Ms. Sparks** said no comments were received. **Chairman Burroughs** said anybody online? **Ms. Sparks** said no hands raised. **Chairman Burroughs** said thank you. Anybody in the room that would care to speak to this item? Let the record show no one has stepped forward. Seeing none, I'd entertain a motion .

Action: Commissioner Stites made a motion, seconded by Commissioner Townsend to approve as submitted. Roll call was taken and there were four “Ayes,” Townsend, Stites, McKiernan, Burroughs.

Item No. 4 – 212301...RESOLUTION: INTENT TO AMEND PREVIOUSLY ADOPTED RESOLUTION 91-21, AND TO ISSUE INDUSTRIAL REVENUE BONDS FOR THE BENEFIT OF HUDSON APARTMENTS, LLC.

Synopsis: Resolution of Intent to amend previously adopted Resolution 91-21, and to issue Industrial Revenue Bonds in the amount not to exceed \$64,000,000 to finance the acquisition, construction, improving, and equipping of a commercial multifamily facility for the benefit of Hudson Apartments, LLC, submitted by Patrick Waters, Deputy Chief Counsel. The Commission approved Resolution 91-21 on December 2, 2021, in the amount of \$48,000,000.

Chairman Burroughs said we have another IRB issue for the benefit of the Hudson Apartments LLC for \$64 million. Again, Patrick, if you're ready, I'll defer to you. **Mr. Waters** said we'll pull this up and let the developer and his counsel get here.



Curt Petersen, Polsinelli, said here on behalf of the proposed developer for the Hudson Apartment project. I have Michael Berenbaum, the principal, with a president of Lane Four Property Group here to my left. Lane Four is part of a joint venture. This is a reminder to you, part of a joint venture with Hunt Midwest and K hospital. So some of our communities, just great development partners, all have come together for this exciting project. This does not have a long

presentation just because you've seen this and spent a lot of time in this over the many months. On this particular project, if you're wondering anything, I'm sure your excitement has not waned, because again, it's incredible, with underground parking and high-end apartments and I think a great need in that Rainbow corridor, but what you might be wondering is why have you not seen construction start? The answer would be, again, it would probably give Michael post-traumatic stress syndrome if I go into it too much, because it's been a hard number of months. Frankly, it's really, really hard out there and particularly for this project, costs have been incredible. Now, the good news is we're not coming with any sort of ask that has any sort of material impact at all, any impact on the Unified Government. In fact, the request before you tonight is simply to reflect in the maximum amount of Industrial Revenue Bonds that may be issued as compared to what was originally approved that we would increase that with—I will be quite frank, with plenty of fluff so we never have to come back here again and ask you to increase it. Once you do that, the good news is we have our financing now in place, 100%, and we will be shortly starting construction, but our financing and everything is contingent on having the IRB structure get right sized, so that we can actually get the predictable taxes and sales tax exemption that we all agreed to a number of months ago. So, with that, although, I'm tempted to keep talking because I like the project so much, that's really the essence of the request for you, Chairman. We're happy to answer questions. **Chairman Burroughs** said committee, any questions? Any comments?

Commissioner McKiernan said I remember this project from many months ago, still excited about it, and I want to just clarify that even though we might authorize an amount up to \$64 million dollars of IRBs there is not necessarily going to be that amount, because ultimately the amount is going to depend on the cost of the materials and those types of things. Even though we're saying 64, it really is an amount up to 64. Is that correct? **Mr. Petersen** said exactly right.

Chairman Burroughs said well if I may, if I remember correctly, this is a very challenging site and the 100% tax abatement is our way of demonstrating our commitment and a project in reference to replacing what was there that needed to be remedied and you're willing to come in and build a luxury rate apartment complex and bring in new people, not necessarily recycle the ones in our community that I believe over 50 percent of them will be new people, new residents.

So, its not about jobs, it's about creating opportunity for those to stay here within our community. Is that a correct statement?

Mr. Petersen said yeah, everything was close to spot on. I would just say it's not 100%. You're right, it was aggressive, it's a predictable PILOT schedule, but you're right, it was a nice, aggressive one because of the circumstances you described.

Chairman Burroughs said yeah, well, I know it's quite a difficult build. The traffic study, we were able to get that worked out in dealing with that intersection. I know that was a challenge and there had to be some reconfiguration and that's been remedied, ready to go forward.

Request: Increase IRB amount from \$48 million to \$64 million due to increase in construction costs.

PROPOSED PILOT SCHEDULE

Year	Annual PILOT	PILOT per Door	Annual PILOT if L/M/WBE Failure	PILOT per Door
1	\$203,280	\$924	\$203,280	\$924
2	\$207,346	\$942	\$211,411	\$961
3	\$211,493	\$961	\$219,868	\$999
4	\$215,722	\$981	\$228,662	\$1,039
5	\$220,037	\$1,000	\$237,809	\$1,081
6	\$224,438	\$1,020	\$247,321	\$1,124
7	\$228,926	\$1,041	\$257,214	\$1,169
8	\$233,505	\$1,061	\$267,503	\$1,216
9	\$238,175	\$1,083	\$278,203	\$1,265
10	\$242,938	\$1,104	\$289,331	\$1,315
	<u>\$2,225,859</u>		<u>\$2,440,601</u>	



ment & Finance Committee

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Mr. Petersen said that was challenging with KDOT and with the Unified Government, the developer, there was a lot of challenges, but we're ready to go. **Mr. Waters** said we're making some improvements, but it's a long-term project circumstance of the tremendous things that are happening on the corridor. We're making some modifications in our department.

Chairman Burroughs said with the success of that corridor as just stated comes some challenges. I can remember when we wished we had those kinds of challenges, and now they're here and kudos to everyone involved. Any other comments, questions from anybody? Okay, committee, I'm going to move on to madam clerk. Is there anyone online? **Ms. Sparks** said no comments were received, no hands are raised. **Chairman Burroughs** said I would ask, is there anyone in the audience that would care to speak to this project? I do see a hand in the back, please

come forward and you'll be given three minutes to make your comments. Please state your name and location of residence, please.

Erin Stryker, resident of Kansas City Kansas, said I just wanted to say I'm with Rosedale Development Association. We're totally in support of this project and this IRB. I was hoping to just ask you guys some questions while we're here. Since I moved here about 14 years ago there has been a lot of really fantastic projects in Wyandotte County and in Rosedale in particular and I particularly appreciate tonight you explaining a bit more about how IRBs work and what their purpose is, what we're using them for. I know a lot of that's due to your hard work, and Greg Kindle's hard work, and the Economic Development Department, and I think it's really great in this project in particular. We're very excited about it. At the same time, we are just not seeing the same kind of energy for affordable housing. We're not seeing those same results for housing for low and middle-income residents or really anything that's accessible to low and middle-income residents, at least in Rosedale.

I am often down here to tell you what I think about something and I think this project is great, but I actually was hoping to hear a little bit about what the standing committee thinks about that issue. I know a lot of cities have had success with tying affordability to tax incentives like the IRBs, so that if a project receives certain tax considerations they set aside some units for affordable housing. I know other cities have really complex ordinances that require developers to work with neighborhoods to put together a community benefit in consideration for that tax incentive that they receive. I know a lot of you have put a lot of thought and work into what that looks like in Wyandotte County and how these projects benefit the community, which of course they do. I was just hoping to hear any thoughts that you were willing to share on that tonight or outside of this meeting. Thank you.

Burroughs said any other comments, questions?

Commissioner McKiernan said Ms. Stryker, I appreciate your comments and being here tonight and you do bring up a challenge that is before us and almost every other community in the country, if not the world. While tonight's item is specifically this particular project and those IRBS, I think that we would do well to take your request and put together a presentation or at least a discussion

on those topics, bring it back to a future meeting and publicize that in advance, so that we can get multiple perspectives on that, because it is an issue that is before us and is not going to go away anytime soon unfortunately. We'll make a note of that and we will bring back a discussion to a future meeting.

Chairman Burroughs said alright, I will ask, are there any other comments from the audience? Anyone else care to speak? Seeing none, I'd entertain a motion.

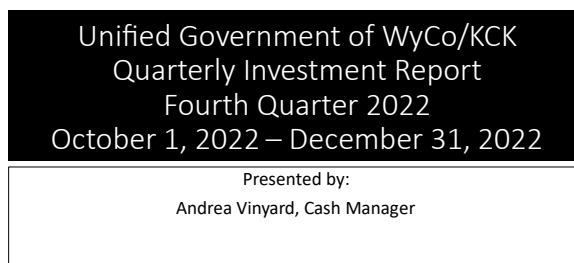
Action: Commissioner McKiernan made a motion, seconded by Commissioner Townsend to approve as submitted. Roll call was taken and there were four "Ayes," Townsend, Stites, McKiernan, Burroughs.

Chairman Burroughs said I believe those were the three action items we were dealing with this evening. I want to thank those who participated and presented. Exciting times, a lot of building going on in our community. We should all be very grateful about the increase of interest in our community.

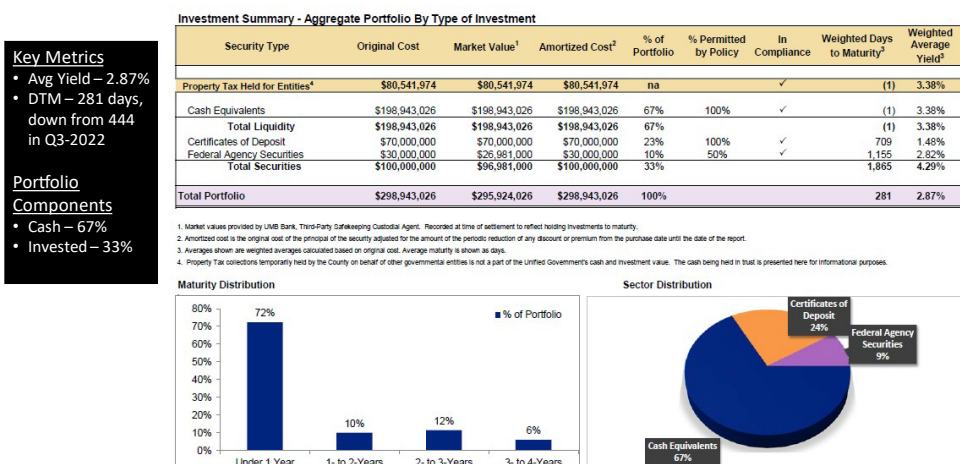
Item No. 5 – 212248...PRESENTATION: 4th QUARTER 2022 INVESTMENT REPORT

Synopsis: Review of 4th Quarter 2022 Investment Report, submitted by Andrea Vinyard, Deputy Treasurer.

Chairman Burroughs said I believe Andrea will be doing the presentation.



Andrea Vinyard, Cash Manager, said I want to go over the last quarter of 2022 for our portfolio.



2

A few points to point out, the far right column you can't really see because of the imagery, but I'll just state the weighted average yield for quarter four was 2.87%. In the days to maturity, we're at 281, which is down from what would have been quarter three of '22. Also, the portfolio as it stood, we did have 67% of the portfolio as cash and then the 33% left over would be our securities split between certificates of deposit or CDs and then the agency securities.



3

As stated in the prior slide, the yield was at 2.87%, which was actually up from quarter three which was at 2.24%. I always like to point out where that meets in comparison to the T-bill rate, which

is where we compared our rate. We always want to hit below, which, as you can see there was at 4.73%, so we were below the target T-bill rate. Another item to point out in quarter four are limits within a single institution. I'd like to say we're all within the permitted levels, which we want to not exceed 25% per institution with only holding in one institution at this time that was going to fluctuate based on taxes, property tax value, but it did go back down. It was not within that limit in quarter three, so we did get back down below the 25%. Another item I wanted to point out at the year-end for 2022, we were actually exceeding the interests that we earned on our maturities for the last five years and the surplus of over \$165,000 dollars, probably one of the most I've seen in my tenure doing this for five years, so I wanted to bring that forth to you tonight.



Unified Government of Wyandotte County and Kansas City, Kansas
Investment Portfolio Compliance Report
December 31, 2022

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	80,541,974	80,541,974	na	See note 3	✓	-1	3.38%
UMB, Wyandotte Operating	194,282,026	194,282,026	66%	25%	✓	-1	3.30%
UMB, Wyandotte Health	4,661,000	4,661,000	2%	25%	✓	0	0.08%
Cash Equivalents	198,943,026	198,943,026	67%		✓	-1	3.38%
Commerce Bank	70,000,000	70,000,000	24%	25%	✓	709	1.48%
Certificates of Deposit	70,000,000	70,000,000	24%		✓	709	1.48%
US Treasury	30,000,000	26,981,000	9%	50% of total portfolio	✓	0	0.00%
Federal Agency Securities	30,000,000	26,981,000	9%		✓	1155	2.82%
Grand Total	298,943,026	295,924,026	100%			281	2.87%

Where the portfolio stood, Commerce Bank was holding our \$70 million which was going to be our CDs, and then we had U.S Treasuries at \$30 million, putting that at \$70 million for a total of certificate of deposit, and then we have about 9% or \$30 million in agencies at this time with total portfolio right below \$300 million.

What
transactions
occurred in
Q4 2022?



Unified Government of Wyandotte County and Kansas City, Kansas
Investment Portfolio Compliance Report
4th Quarter 2022 - October 31, 2022 - December 31, 2022

Quarterly Transactions Detail - Aggregate Portfolio						
Settlement Date	CUSIP	Issuer	Coupon	Maturity Date	Par	Original Cost
Thru Q4	NA	UHB, Wyandotte Operating	3.375%	12/30/2022	87,627,026	87,627,026
Thru Q4	NA	UHB, Wyandotte Health Reserve	3.375%	12/30/2022	646,000	646,000
Cash Equivalents					88,273,026	88,273,026
Purchases					-	-
Calls/Maturities					-	-
Total					88,273,026	88,273,026

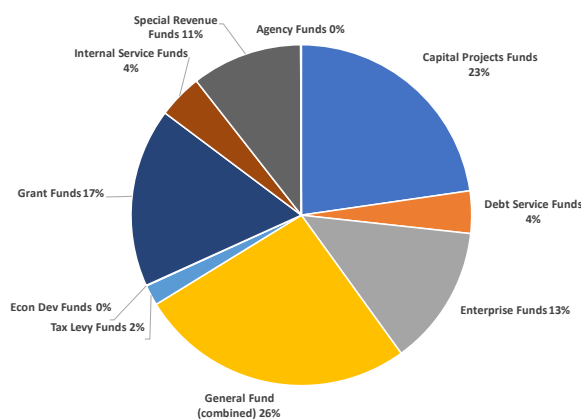
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Quarter four, we did not actually have any maturities or purchases, so that's pretty much just where our overnight and our repo was sitting. That was the only activity we were tracking throughout that quarter. Some thoughts to maybe going out for bid this next quarter or in our trajectory of planning. We're still kind of working through that as it stands.

UG Fund Category Cash Balances

- Of the total cash balances:
 - 23% is restricted by bond documents and/or appropriated for Capital Projects
 - 26% is General Fund (combined) reserves to meet operating liquidity needs and contingencies for emergencies and/or budgetary and economic uncertainty
 - 13% is for operations of the Enterprise Funds
 - 34% is restricted by State statute for their specific function of the Special Revenue, Grant, Tax Levy and Internal
 - 4% for semi-annual Debt Service payments

Unified Govt Cash Balances by Fund Category- Q4 2022



6

Then, finally just where our funds sat for cash balances, 23% was going to be our capital projects. Then next would be 26% in the General Fund, and we've got 13% for Enterprise Funds, 34% is going to be a combination of State Statute Mandatory Special Revenue Grant Tax Levy and Internal Funds. Then, last but not least, 4% for our semi-annual debt service payments. That's all I've got for you.

Chairman Burroughs said any questions from the committee? Are there any questions from the public? **Ms. Sparks** said no comments were received. **Chairman Burroughs** said is there anybody online or present that would like to speak to this? **Ms. Sparks** said no hands raised online. **Chairman Burroughs** said let the record show, and if I understand, this was for information only and there's no action necessary. Committee, if there's no questions, we'll move on to the next item. Thank you, Ms. Vinyard.

Action: For information only.

Item No. 6 – 212305...REVIEW: UNIFIED GOVERNMENT REVENUE SOURCES

Synopsis: Review Unified Government Revenue Sources, submitted by Debbie Jonscher, Interim Chief Financial Officer; and Reginald Lindsey, Budget Strategy & Research Director.

Chairman Burroughs said I'll recognize Debbie Jonscher, Interim Chief Financial Officer, and Reginald Lindsey, Budget Director, to present.

Reginald Lindsey, Unified Government Budget Director, said tonight I'm with Debbie Jonscher, the CFO, Adrian Alemifar, our Senior Analyst in Budget, and then Michael Grimm, our Research Manager. What we plan to do is familiarize the committee with revenue sources before we go into the budget season. We want to cover the entire UG wide revenue sources and then we're going to talk about city funds. As far as revenue sources within city funds, and then in our county funds, we're going to drill down into those and talk about revenue sources and then we're going to talk about property taxes and how it relates to revenues coming in, how we compare to other jurisdictions, and then also revenue neutral, how it impacts revenues that we bring in. Then, we're going to touch on consumption taxes, then also talk about potential new revenues.

from the casino in lieu of not having the hotel. And two, the incentives that are coming back from projects that are coming online that were not online for the 10 years, but they're paying their PILOT that's different than the other PILOT, are any of those numbers reflected in this at all?

Ms. Jonscher said we don't have them broken out. I believe the casino tax, and I'll have to double check this, but I believe that's listed in the other property tax, that 1% of the total. I think that would be casino tax as well as other taxes, such as the liquor tax, there could be special assessments, those would all, I believe, are categorized in there, but I will double check that just to make sure.

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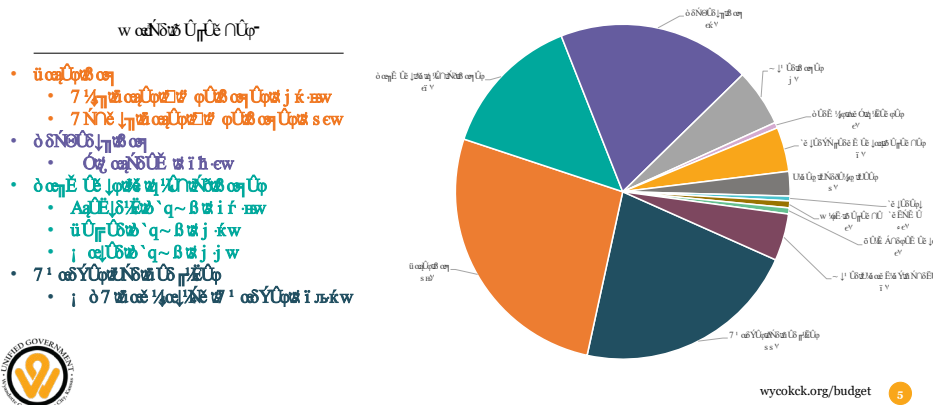


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Okay, now I'm going to break these out between city and county. The funds listed here are all the city funds, the City Fund Revenue Sources. We have the on the General Funds, we have the City General Fund, which it contains, there's multiple sources of revenue. You can have sales tax revenue, property tax, franchise tax, the PILOT charges for service, as well as other other charges. Then we have the Tax Levy Fund, both the City General Fund and the tax levy. The City Bond and Interest are the only two tax levy funds on the city side. All of the property tax revenue is split between those two funds. The Special Revenue Funds are funds that are restricted for a specific purpose. So they get revenues and those revenues are restricted by statute on what they can be spent on. So we have the alcohol, as I said, the dedicated sales tax that I mentioned earlier, that was a sales tax that was originally approved in 2010 and then it was renewed in 2020. It's a 10 year sales tax. It's specific for police and fire operations and public infrastructure. Parks and Recreation also gets the Liquor Tax. Special Street and Highway is the gas tax. Tourism is the hotel tax. And

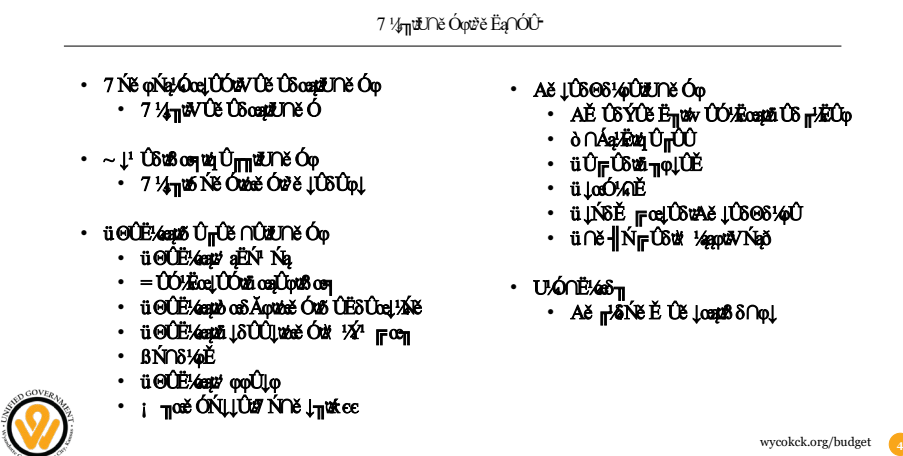
then we have the Special Asset and the Wyandotte County 911 fund. The Enterprise Funds are funds where we collect a user fee for the services that are provided. However, these funds can also receive other revenues such as sales tax or charges for service. We have the EMS fund, Public Levee, the Sewer Fund, Stadium Fund, Stormwater, and Sunflower Hills Golf Course. And then we also have the Environmental Trust Fund.

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Commissioner McKiernan said one of the things that I want to go over here is just educational, a little bit. But we've got, if we can go back to the previous slide, with all of the city funds, and we've got the General Fund.

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PROPERTY TAX BURDEN**Awareness and Understanding**

REAL ESTATE PROPERTY TAX EQUATION
 $\text{Value Per Mill} \times \text{Mills} = \text{Collected Tax Revenue}$
*Value Per Mill = Assessed Value / 1,000

- Low City Population Density revenues are in line with per capita tax levies but generate significantly less revenue to support city services for our land area
- High County Population Density allows for a lower tax burden and additional revenue to support county services for our land area



2023 Unified Government PROPOSED Budget

CITY	1 MILL REVENUE	POP PER SQUARE MILE	TAX PER CAPITA	TAX PER SQUARE MILE
Wichita	\$3,938,087.85	2,459	\$318.48	\$783,217
Overland Park	\$3,778,438.96	2,619	\$279.10	\$730,923
Olathe	\$2,137,039.32	2,375	\$366.42	\$870,075
Kansas City, KS	\$1,329,255.09	1,224	\$334.91	\$409,821
Topeka	\$1,169,618.83	2,070	\$375.04	\$776,377
Lawrence	\$1,138,458.49	2,933	\$384.97	\$1,129,299

COUNTY	1 MILL REVENUE	POP PER SQUARE MILE	TAX PER CAPITA	TAX PER SQUARE MILE
Johnson	\$11,387,996.91	1,250	\$490.63	\$613,291
Sedgwick	\$5,311,195.88	525	\$297.79	\$156,459
Shawnee	\$3,532,284.46	328	\$478.13	\$156,680
Douglas	\$1,523,321.45	262	\$592.54	\$155,446
Wyandotte	\$1,445,590.48	1,058	\$344.55	\$364,431
Leavenworth	\$762,689.33	178	\$342.72	\$60,966



Just to get us started tonight, we wanted to review some information that we presented last year about the property tax burden for Kansas City, Kansas and Wyandotte county. It's really important to remember when we're talking about our property tax burden that there are two sides to the equation in terms of our collected tax revenue. So, as we know, part of that is the mill levy that is set by our Commission. And the other half of that is the valuation of the real estate in our area. What these two tables are showing is that when you take into account the whole equation, in terms of how much property tax revenue we're actually collecting, we are collecting mid to low tier as compared to other similar cities in our region that we often get compared to. Whereas, our mill levy might be higher than some of these cities or counties, the actual amount of property tax revenue that we collect can still be lower because our property tax values are lower. So, just wanted to point that out.

actually has a pretty dense population, we have a high population density. That is why we would fall towards the top of the per square mile graph and towards the bottom of the per capita graph, because with a higher population density, it lowers the burden on each individual resident to contribute to those services that are spread across a wide geographic area.

Chairman Burroughs said if I may, I have a question. In reading this document, it says “having one of the lowest mill rates in the state”. **Ms. Alemifar** said, yeah, for 2022. **Chairman Burroughs** said wanted to bring that up. Please, continue.



Ms. Jonscher said this next slide we just wanted to show the breakdown of the dollar. This is a slide that we presented usually during the budget process. This is the dollar bill and showing where your property tax dollars go. This one is using USD 500. In this example, and this was just to show that the Unified Government's portion of the tax bill, the city and the county, is less than 50% of the entire tax bill. The other 54% is attributable to the other taxing entities, the state, the school district, and the community college. For this one, it can vary by school district. But with all the school districts, the Unified Government's portion is less than 50%.

Ad Valorem History 2015-2022

1. **Ad Valorem History 2015-2022**

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2. **Ad Valorem History 2015-2022**

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3. **Ad Valorem History 2015-2022**

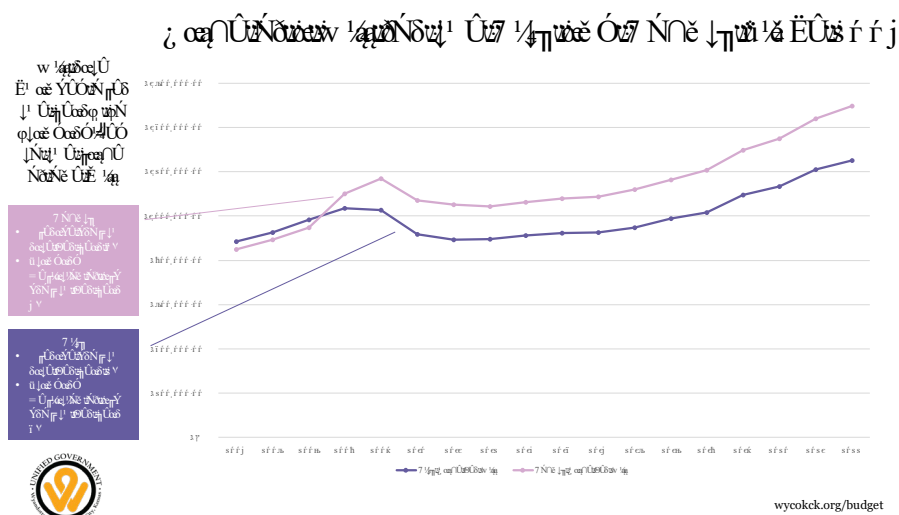


4. **Ad Valorem History 2015-2022**

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Ms. Alemifar said here we wanted to compare our ad valorem history from 2015 to 2022 to the other cities and Wyandotte County, and the other taxing districts within our county. When we did so, two things really stood out to us. The first thing is that the Kansas City, Kansas General Fund has seen the greatest decrease as a percentage of overall mills. And the second thing is that “percent change in valuation” row, which is the third row down, shows that we have also seen the smallest growth in additional levied revenues. Actually, it’s the fourth row down, excuse me. While our mill levy has been decreasing at the highest rate, our total levy revenues have also been increasing at the lowest rate. Something to point out is that the average annual increase in our levied revenues for Kansas City, Kansas, over the time period was 2%, which depending on what inflation rate you're looking at, is either barely keeping up with inflation or not quite.



Here, we wanted to look at what our ad valorem revenues have looked like over time because we wanted to get an idea of how volatile ad valorem revenues are, as well as getting some kind of idea of what we might be able to expect for the future. And so when we looked at our ad valorem revenues over time, we needed to standardize what we were looking at because we have changed the mill levy various times since 2005. And so what we're seeing on this graph is what the value of one mill was for the city and the county in each particular year. The lighter purple line is for the county and what we see is that it has an average growth rate per year of 4%. And the darker purple line is for the city, which has an average growth rate per year of 2%.

The next thing I want to talk about is the standard deviation of these two lines because that gives us an idea of the volatility of the source of revenue, because the standard deviation is a measure of, on average, how much the data deviates from the mean. It's just a measure, a way of looking at how volatile the source of revenue is over time. For the county, the standard deviation of the average growth rate per year was 5%. For the city, the standard deviation of the average growth rate per year is 4%. Those numbers we want to keep in mind when we look at the standard deviations for the sales tax for the city and the county, because what we'll see is that the sales tax is slightly more volatile, which makes sense given what we know about these two sources of revenue. So, for ad valorem, you're really not going to see the impacts of an economic downturn, for example, until the next year because our valuations are based on the previous year. Whereas for sales tax, we're constantly bringing in that revenue and so, any changes in the economy we're going to see almost immediately.

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As we look at a hypothetical example, numbers are somewhat realistic on the county side. On the first column, the prior year, existing property taxes levied at \$63.8 million, and that would have been derived with a mill rate of 37.328. So if we look at the current year, we grow that valuation by 6% and if we show taxes levied for new construction improvement, remodels at \$1.6 million, expiring abatement, for example, \$56,000 and the elected body kept the mill levy the same at the 37.328 that would give us taxes levied of \$69.3 million. However, if we look at going revenue neutral, we see the revenues, we just had a rounding issue, it's the 63.8, 16 and 17. So revenues stay the same, but that would mean we'd have to decrease the mill to 34.373. So again, we're keeping revenues the same and by doing that, we have to decrease the mill. Then to give you an idea of what that would do, for the taxes levied in those existing property taxes, new construction, and expiring abatements, we're not saying those values go down to effect that, we're just showing that, in essence, that is what would happen to those taxes levied. And then that bottom box, we see that on the county side, for a home worth \$175,000, that will save a homeowner \$59 annually.

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City	Total Tax Rate Non Food ¹	Total Tax Rate Food (beginning 1/1/23) ¹	Rank Among Listed Cities in Group
Wyandotte County Cities			
Bonner Springs (Wyan. Co.)	9.250%	6.750%	1
Kansas City	9.125%	6.625%	2
Edwardsville	9.000%	6.500%	3
Lake Quivira (Wyan. County)	7.500%	5.000%	4
Kansas City Missouri			
Kansas City (Jackson & Platte Co.)	9.250%	6.750%	1
Kansas City (Clay Co.)	9.125%	6.625%	2
Kansas City (Cass Co.)	9.000%	6.500%	3



City	Total Tax Rate Non Food ¹	Total Tax Rate Food (beginning 1/1/23) ¹	Rank Among Listed Cities in Group
Junction City	9.750%	7.250%	1
Shawnee	9.600%	7.100%	2
Coffeyville	9.500%	7.000%	3
Leavenworth	9.500%	7.000%	3
Olathe	9.475%	6.975%	5
Fort Scott	9.400%	6.900%	6
Lenexa	9.350%	6.850%	7
Lawrence	9.300%	6.800%	8
Manhattan	9.300%	6.800%	8
Liberal	9.250%	6.750%	10
Parsons	9.250%	6.750%	10
Salina	9.250%	6.750%	10
Topeka	9.150%	6.650%	13
Kansas City	9.125%	6.625%	14
Leawood	9.100%	6.600%	15
Overland Park	9.100%	6.600%	15
Pittsburg	9.000%	6.500%	17
Prairie Village	8.975%	6.475%	18
Garden City	8.950%	6.450%	19
Atchison	8.750%	6.250%	20
Hutchinson	8.600%	6.100%	21
Dodge City	8.500%	6.000%	22
Emporia	8.500%	6.000%	22
Newton	8.500%	6.000%	22
Derby	8.000%	5.500%	25
Wichita	7.500%	5.000%	26

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We're going to transition to a discussion on consumption taxes. We'll start with sales taxes. The table on the right, mainly want to focus on that first column, which is the total tax rate for the city and it's that yellow column there, 9.125 is our total local sales tax rate, that ranks 14th out of all first class cities. I'll just point out I have that second column in there, it's just not going to really discuss it tonight, just to acknowledge that on the state reducing the sales tax on food items by 2.5%. So by and large, we're just going to focus on the total sales tax rates. The table on the left shows the Wyandotte County cities, so Bonner Springs, total local sales tax rate 9.25%. There's Kansas City, Kansas, 9.125%, Edwardsville at 9%, and Lake Quivira at 7.5%. And we also show just for comparison, Kansas City, Missouri. Kansas City lies in four different counties, the ones in the portion of Kansas City and Jackson and Platte have a sales tax rate of 9.25%.

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City	Total Sales Tax Rate, Includes Special Districts (Total City Rate + Special Eco. Devo. Rate)	Rank Among Listed Cities	City Sales Tax Rate	Special Sales Tax Rate (added to total city rate)
Leavenworth	11.500%	1	8.500%	2.000%
Olathe	11.475%	2	9.475%	2.000%
Topeka	11.150%	3	9.150%	2.000%
Kansas City	11.125%	4	9.125%	2.000%
Shawnee	11.100%	5	9.600%	1.500%
Overland Park	11.100%	5	9.100%	2.000%
Lenexa	10.350%	7	9.350%	1.000%
Lawrence	10.300%	8	9.300%	1.000%
Bonner Springs (Wyan. Cnty pt.)	10.250%	9	9.250%	1.000%
Leawood	10.100%	10	9.100%	1.000%
Edwardsville	10.000%	11	8.000%	1.000%
Wichita	9.500%	12	7.500%	2.000%
Kansas City, Missouri (Jackson Co.)	11.850%	---	8.850%	3.000%

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We did feel we needed to point out that although the overall sales tax rate for the county is 9.125%, we do have, you know, various special economic development areas and this could be a Community Improvement District, Transportation Development District, for example. If you take the highest rates and all those communities that I have listed on the table, Kansas City, Kansas comes in fourth with a total sales tax rate of 11.125%. We do discuss on the bottom there that these special economic development areas are geographically very small, wouldn't affect a great portion of the community, it's just these one-off projects and may have a special sales tax associated with it.

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WYANDOTTE COUNTY								
KANSAS CITY, KS		Current Rates	Bonner Springs (Wyan. Co. pt.)		Current Rates	Edwardsville	Current Rates	
State of Kansas		6.500%	State of Kansas		6.500%	State of Kansas		6.500%
Wyandotte County		1.000%	Wyandotte County		1.000%	Wyandotte County		1.000%
Kansas City, KS - City			Bonner Springs, City			Edwardsville, City		
General Fund		1.000%	General Fund		1.250%	General Fund		1.000%
EMS		0.250%	General Capital Improvements		0.250%	Roads, Park, Fire/EMS		0.500%
		0.375%	Public Safety & Emergency Services Capital		0.250%	Total City Rate		2.250%
Total City Rate		1.625%	Total City Rate		2.250%	Total Current Sales Tax Rate		3.000%
Total Current Sales Tax Rate		9.125%	Total Current Sales Tax Rate		9.250%			

JOHNSON COUNTY							
Olathe	Current Rates	Overland Park	Current Rates	Lenexa	Current Rates	Shawnee	Current Rates
State of Kansas	6.500%	State of Kansas	6.500%	State of Kansas	6.500%	State of Kansas	6.500%
Johnson County		Johnson County		Johnson County		Johnson County	
General	0.500%	General	0.500%	General	0.500%	General	0.500%
Public Safety	0.250%	Public safety I	0.250%	Public safety I	0.250%	Law Enforcement	0.250%
Public Safety Capital & Operations Tax	0.250%	Public safety II	0.250%	Public safety II	0.250%	Public Safety	0.250%
Courthouse	0.250%	Courthouse	0.250%	Public safety III	0.250%	Courthouse	0.250%
Storm Sewers	0.100%	Stormwater	0.100%	Stormwater	0.100%	Stormwater	0.100%
Education Triangle Tax	0.125%	Research triangle	0.125%	Research triangle	0.125%	Research triangle	0.125%
Total County Rate	1.475%	Total County Rate	1.475%	Total County Rate	1.475%	Total County Rate	1.475%
Olathe, City		Overland Park, City		Lenexa, City		Shawnee, City	
General	1.000%	General	1.000%	General	1.000%	General	1.000%
Street Maintenance Sales Tax	0.375%	Street Improvements	0.125%	Parks, sqads, civic center project	0.375%	Parks, Trails, Stormwater	0.125%
Parks	0.125%	Total City Rate	1.375%	Total City Rate	1.375%	Public Safety	0.125%
Total City Rate	1.500%	Total Current Sales Tax Rate	9.100%	Total Current Sales Tax Rate	9.300%	Streets, Curbs, Sidewalks	0.375%
Total Current Sales Tax Rate	9.475%					Total City Rate	1.625%
						Total Current Sales Tax Rate	9.800%



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I'm not going to go through these in detail. Really what the next few slides do is start the discussion or the idea of Wyandotte County or all these cities listed, also those in Johnson County show the breakout of the sales taxes. So we have the state sales tax at 6.5%. There's county sales tax and local sales taxes. When you add those three up, you get your total local sales tax rate. So for example, Wyandotte County, or Kansas City, Kansas, the state rate is 6.5%, Wyandotte County 1%. And then for Kansas City, Kansas, we have a General Fund sales tax rate of 1%. And then something we kind of refer to as our special sales tax rates, EMS, and our public safety infrastructure. If you add all those up, we get 9.125%. I'll point out Bonner Springs and Edwardsville have also specials under the city portion of their sales tax. In Johnson County, their county sales tax there generates a half percent, but they have specials on the county side for public safety, stormwater and education related and then each of the cities also have specials associated with them.

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Other Communities					
Lawrence	Current Rates	Leavenworth	Current Rates	Topeka	Current Rates
State of Kansas	6.000%	State of Kansas	6.000%	State of Kansas	6.000%
Douglas County		Leavenworth County	1.000%	Shawnee County	
Jail & Health Buildings	1.000%	Leavenworth, City		General	0.500%
Mental Health	0.250%	General	0.500%	Washburn University	0.650%
Total County Rate	1.250%	Community Center & Capital Improvements	0.500%	Total County Rate	1.150%
Lawrence, City		Property Tax Reduction	1.000%	Topeka, City	
General	1.000%	Total City Rate	2.000%	General	1.000%
Streets & Infrastructure	0.300%	Total Current Sales Tax Rate	9.500%	Street, curb, gutter, sidewalks	0.500%
Public Transit	0.200%			Total City Rate	1.500%
Affordable Housing	0.000%			Total Current Sales Tax Rate	9.150%
Total City Rate	1.550%				
Total Current Sales Tax Rate	9.300%				



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Lastly, these other communities I show kind of a mix of county and city specials. Leavenworth does not have, they're like Wyandotte County, just have a 1% general, as does Sedgwick County. You'll also notice Wichita does not have a local sales tax rate, so their total sales tax rate is 7.5%.

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KANSAS CITY, MISSOURI	Jackson Co.	Clay Co.	Platte Co.	Cass Co.
State of Missouri	4.225%	4.225%	4.225%	4.225%
General	3.000%	3.000%	3.000%	3.000%
Education	1.000%	1.000%	1.000%	1.000%
Conservation	0.125%	0.125%	0.125%	0.125%
Parks & Soil	0.100%	0.100%	0.100%	0.100%
County Rates	1.375%	1.250%	1.375%	1.625%
County	0.500%	0.500%	0.500%	0.500%
County Law Enforcement	n/a	0.125%	0.500%	0.250%
General County, Misc.	0.250%	0.250%	n/a	0.500%
Children's Services Board	0.125%	0.250%	n/a	n/a
Transportation	n/a	n/a	0.375%	n/a
Stadium	0.375%	n/a	n/a	n/a
Zoo	0.125%	0.125%	n/a	n/a
Emergency Services	n/a	n/a	n/a	0.125%
Law Enforcement	n/a	n/a	n/a	0.250%
Kansas City, Missouri - City Rates	3.250%	3.250%	3.250%	3.250%
Capital Improvement	1.000%	1.000%	1.000%	1.000%
Public Mass Transit	0.500%	0.500%	0.500%	0.500%
KCATA	0.375%	0.375%	0.375%	0.375%
Firefighters	0.500%	0.500%	0.500%	0.500%
Public Safety	0.250%	0.250%	0.250%	0.250%
Parks	0.500%	0.500%	0.500%	0.500%
Central City Economic Development	0.125%	0.125%	0.125%	0.125%
Total Kansas City, Missouri Sales Tax Rates	8.850%	8.725%	8.850%	9.100%



Research by Wycokck.org, 2023, 2024, 2025, 2026, 2027, 2028, 2029, 2030, 2031, 2032, 2033, 2034, 2035, 2036, 2037, 2038, 2039, 2040, 2041, 2042, 2043, 2044, 2045, 2046, 2047, 2048, 2049, 2050, 2051, 2052, 2053, 2054, 2055, 2056, 2057, 2058, 2059, 2060, 2061, 2062, 2063, 2064, 2065, 2066, 2067, 2068, 2069, 2070, 2071, 2072, 2073, 2074, 2075, 2076, 2077, 2078, 2079, 2080, 2081, 2082, 2083, 2084, 2085, 2086, 2087, 2088, 2089, 2090, 2091, 2092, 2093, 2094, 2095, 2096, 2097, 2098, 2099, 2100, 2101, 2102, 2103, 2104, 2105, 2106, 2107, 2108, 2109, 2110, 2111, 2112, 2113, 2114, 2115, 2116, 2117, 2118, 2119, 2120, 2121, 2122, 2123, 2124, 2125, 2126, 2127, 2128, 2129, 2130, 2131, 2132, 2133, 2134, 2135, 2136, 2137, 2138, 2139, 2140, 2141, 2142, 2143, 2144, 2145, 2146, 2147, 2148, 2149, 2150, 2151, 2152, 2153, 2154, 2155, 2156, 2157, 2158, 2159, 2160, 2161, 2162, 2163, 2164, 2165, 2166, 2167, 2168, 2169, 2170, 2171, 2172, 2173, 2174, 2175, 2176, 2177, 2178, 2179, 2180, 2181, 2182, 2183, 2184, 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3513, 3514, 3515, 3516, 3517, 3518, 3519, 3520, 3521, 3522, 3523, 3524, 3525, 3526, 3527, 3528, 3529, 3530, 3531, 3532, 3533, 3534, 3535, 3536, 3537, 3538, 3539, 3540, 3541, 3542, 3543, 3544, 3545, 3546, 3547, 3548, 3549, 3550, 3551, 3552, 3553, 3554, 3555, 3556, 3557, 3558, 3559, 3560, 3561, 3562, 3563, 3564, 3565, 3566, 3567, 3568, 3569, 3570, 3571, 3572, 3573, 3574, 3575, 3576, 3577, 3578, 3579, 3580, 3581, 3582, 3583, 3584, 3585, 3586, 3587, 3588, 3589, 3590, 3591, 3592, 3593, 3594, 3595, 3596, 3597, 3598, 3599, 3600, 3601, 3602, 3603, 3604, 3605, 3606, 3607, 3608, 3609, 3610, 3611, 3612, 3613, 3614, 3615, 3616, 3617, 3618, 3619, 3620, 3621, 3622, 3623, 3624, 3625, 3626, 3627, 3628, 3629, 3630, 3631, 3632, 3633, 3634, 3635, 3636, 3637, 3638, 3639, 3640, 3641, 3642, 3643, 3644, 3645, 3646, 3647, 3648, 3649, 3650, 3651, 3652,

Government. Bonner Springs gets four cents, Edwardsville three, and then Lake Quivira gets a small portion.

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If we were to explore potentially increasing sales taxes on the city side, statute tells us we can increase five hundredths of a percent increments. The maximum on the city side would be 3% and that's 2% General and 1% Special. Our potential there is to increase the general rate 1% We already have 1%, that'd get us to the 2% and specials we could increase 1.375%. On the county side, we can increase in 1/4 increments .25 up to 1%. That's a maximum, we're already there. However, with legislative action, there's room for growth or higher sales taxes for Public Safety. That would max out at 1.5% and healthcare related items at 1%. I'll point out on the bottom, just on the Kansas City, Kansas side, I just put that as possibly where we'd have room to grow, for example, that approximately \$6.5 million increase in revenues for each quarter cent sales tax rate increase.

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	2021 Actual	2022 Amended	2023 Forecast	2024 Forecast	2025 Forecast
Gross Revenue	\$41,303,725	\$52,244,375	\$54,856,594	\$57,599,423	\$60,479,395
Current Tax Rate 8%	\$3,304,298	\$4,179,550	\$4,388,528	\$4,607,954	\$4,838,352
Increased Tax Rate to 9%			\$4,937,093	\$5,183,948	\$5,443,146
Increase in Revenue			\$548,565	\$575,994	\$604,794
Total Forecast Increase			\$548,565	\$1,124,560	\$1,729,354



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Here's a look at some actuals and minimum budget and some forecast numbers. If we just look at 2023, our gross revenues would be about \$55 million. On the current tax, 8%, that would generate \$4.4 million in revenue. If we increase that to 9% that transient guest rate, that would give us \$4.9 million, so that would increase, it would get us to that right about \$550,000. If we look at that over time, we can see how that grows. Then there's a cumulative forecast increase on that bottom line. And just to point out, per Commissioner McKiernan, this would be a tax that would be targeted per statute to have these funds or any increase in funds would have to be spent on convention and visitor-type functions.

UG Revenue Detail Supplement Example

The **Emergency Medical Services** fund revenue is budgeted over \$12.4 million in 2023, making up less than 3% of UG revenues.

- Primary funding sources driving the EMS fund are Sales and Use Taxes (67%) and EMS Use Charges (30.7%) making up 97.7% of budgeted revenues.

The **Sunflower Hills Golf** fund revenue is budgeted over \$1.2 million in 2023 and makes up about 1/4% of UG revenues.

- Primary funding sources driving the Sunflower Hills Golf Fund are Greens Fees (57.6%) and Cart Rental Fees (39.1%) making up 96.7% of budgeted revenues.



	Revenue Detail	2023 Budget	% of Fund Revenue	% of Certified Funds
564 - Emergency Medical Services				
41 - Tax Revenue	Sales Tax - City	\$ 6,727,500.00	54.06%	1.59%
	Compensating Use Tax-City	\$ 1,635,944.96	13.14%	0.39%
	Federal - Other Grants	\$ -	0.00%	0.00%
44 - Charges for Services	EMS Event Fees	\$ 40,000.00	0.32%	0.01%
	EMS Memberships	\$ 15,000.00	0.12%	0.00%
	EMS Use Charges	\$ 3,824,800.00	30.73%	0.90%
	Collection Agency Revenue	\$ 67,400.00	0.54%	0.02%
	Setoff Program Revenue	\$ 120,000.00	0.96%	0.03%
46 - Interest Income	Interest - Investments	\$ 5,000.00	0.04%	0.00%
48 - Reimbursements	Reim Expense-Other	\$ 10,000.00	0.08%	0.00%
	Cancelled Prior Year PO's	\$ -	0.00%	0.00%
564 - Emergency Medical Services Sub-Total		\$ 12,445,644.96	100.00%	2.94%
565 - Sunflower Hills Golf				0.00%
44 - Charges for Services	Sunflower Hills-Snack Bar Fees	\$ 16,000.00	1.32%	0.00%
	Sunflower Hills Golf-Green Fee	\$ 700,000.00	57.62%	0.17%
	Sunflower Hills-Cart Rental Fee	\$ 475,000.00	39.10%	0.11%
	Youth Sports Fees	\$ 3,800.00	0.31%	0.00%
46 - Interest Income	Interest - Investments	\$ 5,000.00	0.41%	0.00%
49 - Other Financing Sources	Operating Transfers-In	\$ 15,000.00	1.23%	0.00%
565 - Sunflower Hills Golf Sub-Total		\$ 1,214,800.00	100.00%	0.29%

wycokck.org/budget 35

Reginald Lindsey, Budget Director, said the current slide shows the supplement that came out with this PowerPoint, it shows our UG revenue in detail. An example on the slide is, we have

Emergency Medical Services and then also Sunflower Hills. And basically what was shown is the revenue detail, and what the supplement that you all have, it breaks down all the revenues that come in to all our 29 different funds. Commissioner Burroughs, you asked about where the contribution was for the casino, it could be found within the detail and it would be up under contribution of other City General Fund is like a one half million dollar number. So you could look at the supplement that was handed out and just kind of delve all into the revenues, all you wanted. How it breaks out is, on the screen we have EMS Fund and the type of revenue it is. And then it shows the budget amount that we're forecasting for 2023 for each of the amounts, and then it tallies it up by fund and you have all 29 funds that we have certified with state there.

Δήληση Προϋπολογισμού 2023

- Αποδοχές Υπαλλήλων
- Έξοδα Διασποράς των Υπαλλήλων
- Έξοδα Διασποράς των Υπαλλήλων
- Έξοδα Διασποράς των Υπαλλήλων
- Έξοδα Διασποράς των Υπαλλήλων



wyandotte.org/budget

Next, we have more potential incremental revenues. One of the things that our Interim County Administrator, Cheryl Harrison-Lee, spoke about is that we can't cut our way out of the structural imbalance that we have. One way to get out of the structural imbalance is to come up with some different incremental revenues. One of the first ones on the screen is earnings tax, something that Senator Haley has presented at the House level. Just to kind of break that down, it could either be a county tax or a city tax. We have \$5.2 billion dollars in annual payroll in Wyandotte County. If we had a 1% tax, that will be \$52 million going into our budget. One of the things that Senator Haley has proposed is that half of the 1% will go towards tax relief and half we'll get revenues into our budget. We would get \$26 million for tax relief and \$26 million to go into our budget. If it was just a city tax, the number drops by a little bit, as \$4.8 billion in payroll within the city of Kansas City, Kansas. We'd be at \$48 million for a 1% earnings tax. If we were to split it in half between tax relief, and also going into our budget, we have \$24 million for each of those. Just to kind of give you an idea, \$24 million dollars would do amazing things for our budget. We could definitely

go revenue neutral, we could definitely cut the PILOT down, don't know quite how much yet, depending on how much the revenue neutral would be each year. For instance, if we went revenue neutral last year, it would have been \$9 million, so there would still be money left over if we're going revenue neutral to cut PILOT for BPU, if we needed to.

Just to also give a comparison, Kansas City, Missouri, they have an earnings tax of 1%. They collect \$305 million a year and it's like 17% of their budget. The amounts that I gave for collecting \$26 and \$24 million, that would be like 6% of our budget, just to kind of give a comparison with that would be. Other options or friendly payment in lieu of taxes on taxes and properties, a lot of times we talk about PILOT, we're definitely talking about BPU. We have taxes and properties that are on our tax rolls that don't pay any property tax. One of the possibilities that some cities do, for instance, like Boston does it, there's a possibility to have a friendly PILOT. In Boston, what would happen is the universities and the hospital agree to pay a certain amount. Basically, what happens is when these organizations that are tax exempt don't pay into property tax, they're not paying into fixing bridges, they're not paying into law enforcement, they're not paying taxes for emergency medical services, health services, that need to be provided. They're not paying into those, so that's one of the things that a friendly payment in lieu of taxes would do for us.

Another tax we could have, Mike Grimm, some things he covered is we could increase taxes. We could have additional new dedicated sales tax. Some of the cities that Mike Grimm showed on the screen, for instance, like the city of Kansas City Missouri, which we're not the same size as them, but we are very comparable just in the makeup of our city with the diversity and everything. They have two transit sales tax. They have the sales tax with capitol, they have a sales tax with firefighters, they have sales tax with public safety, they have sales tax with parks, they have sales tax for economic development, and they also have restaurant sales taxes.

Then some of our neighboring cities on the Kansas side, for instance, Lawrence as a transit tax. Also, Leavenworth had a property reduction tax of 1%. There's just some different things that we could do to make us more compatible in the services that we provide to our citizens as opposed to the cities around us. And then one of the things Mike also covered was the increased tourism tax. By doing that, Mike showed that it would bring us almost \$550 million additional a year, but we would have to use it within that fund. But there are things that we could do within that fund

that could help grow our city that would replicate more sales tax in the City General Fund and more property tax in the City General Fund.

Then there's also a possibility for Health Equity Tax. Basically what example this could be is tax distribution of sugar-sweetened beverages. The way that some cities use this is they use it to improve community health and increase investment in programs to reduce health risks across the city. Examples of cities that do this are Boulder, Colorado, Oakland, California, Philadelphia, Pennsylvania, San Francisco.

ΔΗΦΡΟ/ΕΥΡΩΠΩΙΟ ΠΟΛΙΤΕΛΕΙΑ

- Η Εξέλιξη των Νέων
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wycoack.org/budget



Another way to increase our potential incremental revenue is to increase our housing stock. Commission got a presentation from DeWayne Bright last week and he'll be coming back to Commission to talk again. Increasing our housing stock definitely will increase our property taxes that we're pulling in. Definitely, our sales taxes we're pulling in, just from more people living in the area, also vehicles registered. We also will be growing our city by redeveloping current land we have and taking advantage of the infrastructure we have that we already have debt issued on. Another thing is the sale of assets that we have. So one of the things that we're looking at is facilities and different land and we have as assets looking at (Inaudible). One thing about that is it's not continued revenue, it's just a one time shot to the budget each year. Then we also have increasing delinquency collection on our property taxes. One of the things in the City General Fund, we have about \$4.6 million in delinquency that we don't collect a year. Over in the County General Fund, we have about \$5.7 million in delinquency, both those add up to about \$10.5 million dollars. I'm not saying that we will be able to collect all those, but just maybe if we can collect a little bit more of those.

Another potential way to increase income rental revenue is to have 18-hour economies and create entertainment districts within our city and one thriving place that we already have is Strawberry Hill, it could become something like a Westport. We already have things going on there. We have businesses that are open from six in the morning to midnight most nights. If we could foster the development that's going on there are some things we have going on. We definitely have a street project that will be coming to make 6th Street more walkable. Doing things in Strawberry Hill, we could create more jobs, attract more people to move into the area. Once we got that down and turned it into an entertainment district, we could replicate this across the city, maybe taking it to places like Quindaro Boulevard and doing the same thing.

Another opportunity is to form a Port Authority. We have the Rock Island Bridge that is that is going on. So there's a possibility to form a Port Authority that would help us develop land around our rivers and also take advantage of abilities to recognize revenues from transport going up and down a river.

Then, last item is Memorial Hall, bringing in additional revenue streams there Building and Logistics, they already do a great job in bringing in events each year, they bring in about 175 different events each year. If we invest a little bit more money in there, they can bring in different type of events that will bring different types of revenue streams as possibility to bring in revenue streams that will get us television rights and also pay-per-view rights, also, looking at maybe making more money off of concessions. We can do some things like invest a little bit more in personnel there and also maybe have a kitchen area there that needs to be redone. There's a possibility to bring in more revenue with Memorial Hall.

With all these items that we went through tonight, there's a lot of potential incremental revenue that could help us get out of our structural imbalance. Also, once we get out of our structural imbalance, there's a lot of potential revenue that we can help the citizens by cutting things like the BPU PILOT and property taxes. That is the presentation that we wanted to bring you all tonight.

Commissioner McKiernan said one word, wow. Okay, so you all have thought about this for a good deal of time and putting this all together, this is magnificent information. But I'll just put you on alert that we're going to be calling you back because it's going to take us a while to digest all of this and make sense out of it. This is fantastic information as we start the budget process for the

2024 Budget. It's great that we have it now. Let's just accept the fact that there are going to be some ongoing discussions as we see what all is in here and consider how that applies incrementally to the 2024 Budget. Thank you for this work. Let's continue to have conversations. I know that everybody gets it, but if all the commissioners, especially those who are not here on this committee, could explicitly either be sent this presentation or the link to it, then they will have all of this explicitly in front of them so that they can consider it as well as we start our budget conversations for 2024. Thanks for your work. We will talk again.

Commissioner Stites said thank you all for the presentation and I agree with Commissioner McKiernan that there's a lot of good information. I appreciate that we are out in front of this prior to going into a budget. I did have a couple comments that I wanted to make. I had been asking and when we gave the presentation, and I'm not going to ask you to go back and find the slide, but of the dollar bill and all of the taxing entities, we have asked, I have asked, that we somehow if we could get all taxing entities into the same room so that we can talk about how we all responsibly approach, lowering our taxes. So that's one thing that I want to still look at doing. Reggie thanks again, but when you talked about the sale of potential assets, can you give me an example of what you guys were thinking when you talk about that? **Mr. Lindsey** said one of the things we're definitely doing in looking at our asset of buildings and also our assets as far as park land. So, between those different type of assets. **Commissioner Stites** said okay, so but I mean, are we talking, I'm not wanting to put things out there that we own that is going to be up for sale, but I mean, we have a lot of things that that we own. Are we talking baseball, amphitheaters, are we talking about golf courses? Are we talking about just land and Land Bank land or facilities that we own now that we're talking about combining? I'll leave it at that. **Mr. Lindsey** said, we don't quite know which, we have a list of facilities that we're looking at. We don't quite know which ones yet we would put up for sale, but we are examining those right now.

Commissioner Stites said the last comment that I'll make is I totally agree, we are underutilizing Memorial Hall. What a great venue that we have. I would, if quickly, Reggie, you could say by improving the kitchen area, I understand you said the kitchen. What would that do for us investing more money into the kitchen? What would you foresee us being able to attract?

Mr. Lindsey said so they would definitely be able to bring in more types of activities. We already get a good amount of activities, but there will definitely be the type of activities that we

could attract. So, Building and Logistics, they do a great job where they bring like 175 different events here, so they could be more specific in the type of events they take on. **Ms. Jonscher** said it might also allow for some catered events.

Commissioner Stites said well, I'm definitely in favor of exploring what we can do to utilize Memorial Hall to its full capacity. I remember going there for major concerts and I don't know how long it's been since we've had one there. It's a great location and I think that we should invest some dollars into that.

Commissioner Townsend said I want to echo the thanks to my fellow Commissioners McKiernan and Stites for the work put into this. It is a lot to unpack, but you put a lot of work into it. So, heads up, I will be calling to have my own repeat of some of this because I will not delay the rest of the business we have tonight with questions I have, particularly with those last slides and some of the impacts that other cities may have experienced. For instance, was there a drop in entertainment when entertainment district taxes were imposed? And is this type of tax that you would have imposed on every entertainment district? I heard you mentioned Quindaro and I'm saying what? I don't know about that. I appreciate your work and as a segue to Commissioner Stites endorsement of more use of Memorial Hall, there will be, for those who are fight fans, fights there this Friday night March the 10th, Upcoming Future Stars. Go to Eventbrite or you can google fight club at Memorial Hall and in and bring into fruition what Commissioner Stites just promoted and urge the use of Memorial Hall.

Chairman Burroughs said, Commissioner Townsend, I sincerely appreciate the advocating for the fight night at Memorial Hall. As a Kansas Athletic Commissioner appointed by the governor, it's my intent to fill Memorial Hall up many weekends with combat sports. So I do appreciate the support that Commission has put forth with Memorial Hall.

Staff, thank you. This was very thorough, I do sincerely appreciate it. Since I've been here as a commissioner, five years, this is information that is tremendously useful and I know it's a daunting exercise for everyone to go through it, but it also helps us think of new ways. I will be reviewing it again, but thank you so very much.

I specifically like the increase in revenue proposed by any increase or additional revenue that may come up, supplemental revenue, the 1%, what it would generate and comparing it to other counties and stuff keeps us competitive, but at the same time allows us to look at what our options

might be. The next option we will have to look at is how do we cut expenses, but this gives a tremendous light on our opportunities here. So I appreciate it. It shows a lot of innovation, a lot of thinking, and a lot of conversations have been had. So I sincerely appreciate the work product that was submitted here this evening. Each and every one of you to be commended. Thank you.

Madam Clerk, is there anybody else would like to speak to this evening? **Ms. Sparks** said no comments received, no hands raised.

Chairman Burroughs said anyone in the audience care to speak to this? Seeing none, I would like to say this was for information only and with that, that concludes our meeting this evening and I would entertain a motion to adjourn so that we can move into our next meeting.

Action: For information only.

Public Agenda

No items of business.

Adjourn

Chairman Burroughs said I will entertain a motion to adjourn.

Action: **Commissioner Stites made a motion, seconded Commissioner McKiernan, to adjourn.** Roll call was taken and there were four “Ayes,” Haley, Townsend, Stites, Burroughs.

The meeting was adjourned at 7:05 p.m.

rm



Report to Economic Development & Finance

MEETING DATE	PRESENTER	DEPARTMENT
JUN 03 2024	Andrea Vinyard, Deputy Treasurer avinyard@wycokck.org x8226	Finance
AGENDA ITEM #IV.1.		
PRESENTATION: FIRST QUARTER 2024 INVESTMENT REPORT		
BACKGROUND		
A presentation of the First Quarter 2024 Investment report, submitted by Andrea Vinyard, Deputy Treasurer.		
<i>For Information Only</i>		
RECOMMENDATION		
For information only		
for information only		
BUDGET IMPACTS / FINANCIAL CONSIDERATIONS		
Cost of item. Zero cost, report, for information only		
IT/POLICY CONSIDERATIONS		
• No policy changes required by this item. • Per the Unified Government's Cash and Investment Policy- a summary of the investment report will be provided quarterly to the Economic Development and Finance Standing Committee		
PROCUREMENT CONSIDERATIONS		
N/A		
LEGAL CONSIDERATIONS		
No issues to be aware of.		
ATTACHMENTS		
2024 Q1 Invstmt Report Presentation - FOR ED&F		

Approved by Mayor and/or Chair and Administrator to add to agenda.

5/24/2024
Approved - Mayor Jerome Harvey

Unified Government of WyCo/KCK
Quarterly Investment Report
First Quarter 2024
January 1, 2024 – March 31, 2024

Presented by:

Andrea Vinyard, Deputy Treasurer & Cash Manager



Unified Government of Wyandotte County and Kansas City, Kansas
Investment Portfolio Compliance Report
March 31, 2024

Key Metrics

- Avg Yield – 3.47%
- DTM – 162 days, down from 186 in Q4-2023

Portfolio Components

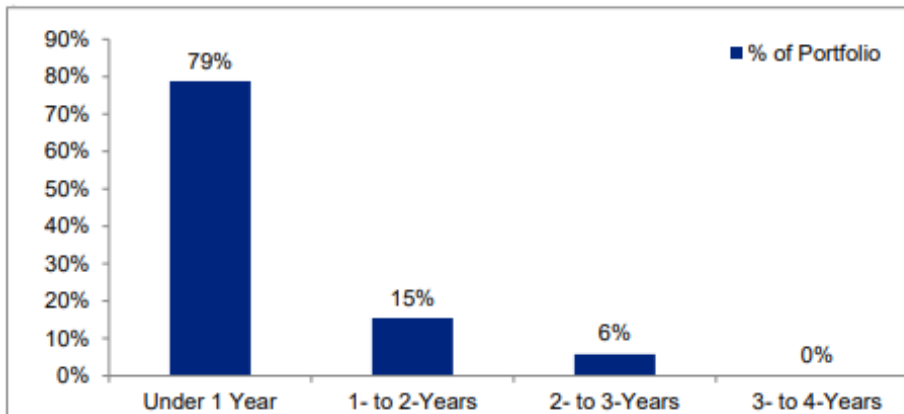
- Cash – 61%
- Invested – 36%

Investment Summary - Aggregate Portfolio By Type of Investment

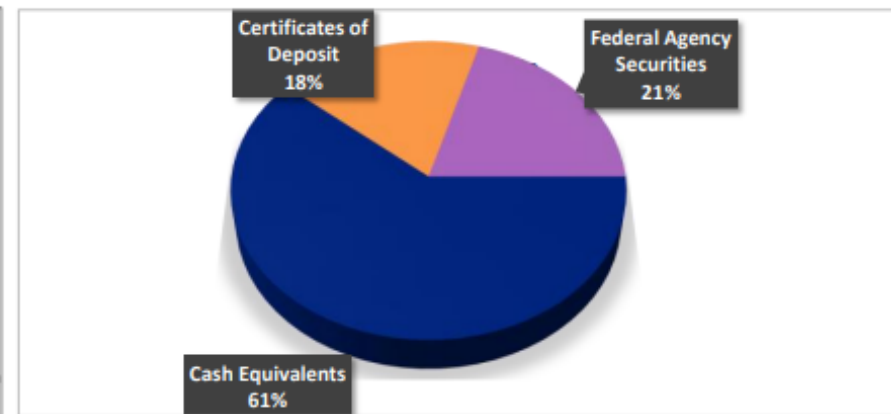
Security Type	Original Cost	Market Value ¹	Amortized Cost ²	% of Portfolio	% Permitted by Policy	In Compliance	Weighted Days to Maturity ³	Weighted Average Yield ³
Property Tax Held for Entities ⁴	\$5,514,212	\$5,514,212	\$5,514,212	na		✓	-	4.02%
Cash Equivalents	\$201,071,788	\$201,071,788	\$201,071,788	61%	100%	✓	-	4.02%
Total Liquidity	\$201,071,788	\$201,071,788	\$201,071,788	61%			-	4.02%
Certificates of Deposit	\$60,470,000	\$60,470,000	\$60,470,000	18%	100%	✓	458	2.41%
Federal Agency Securities	\$67,511,869	\$67,382,257	\$67,512,572	21%	50%	✓	380	2.77%
Total Securities	\$127,981,869	\$127,852,257	\$127,982,572	39%			838	5.18%
Total Portfolio	\$329,053,657	\$328,924,044	\$329,054,360	100%			162	3.47%

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



Key Metrics

- Avg Yield – 3.47%, down from 3.60% in Q4-2023
- Below our target T-Bill benchmark of 5.03%
- Total interest earned for Q1'24 \$2.3M

Issuer Compliance

Limits within single agency/institution is in compliance with the policy requirements for Q1-2024.

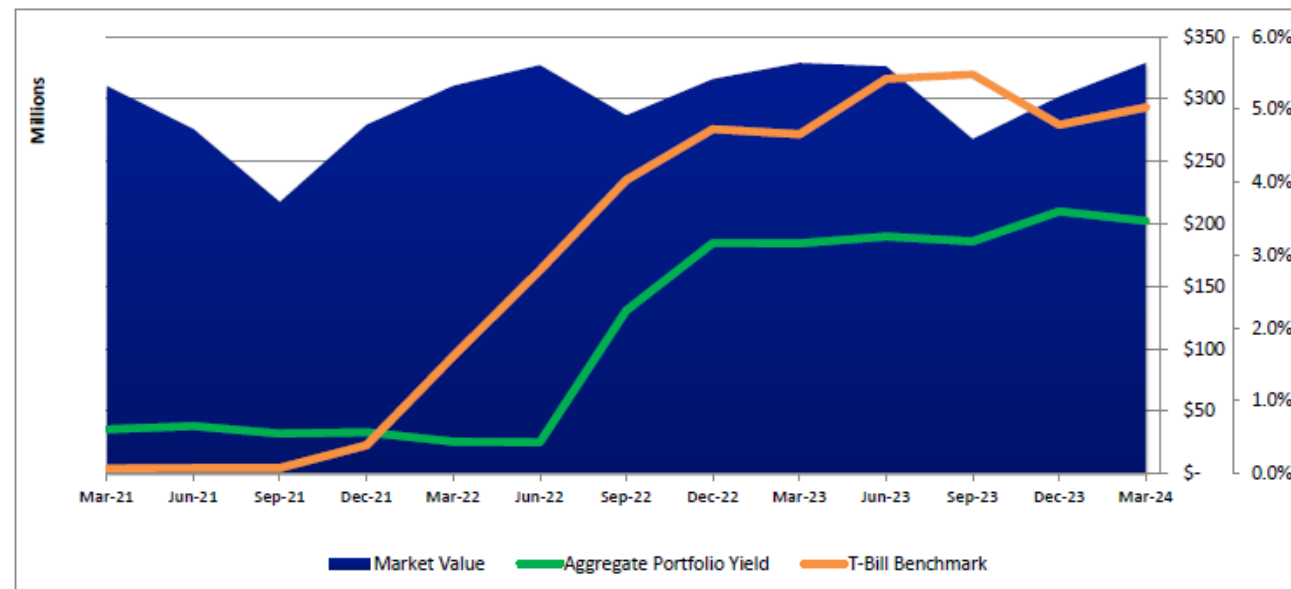


Unified Government of Wyandotte County and Kansas City, Kansas Investment Portfolio Compliance Report March 31, 2024

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



Deborah Jonscher

Deborah Jonscher
Deputy Chief Financial Officer

March 31, 2024

Date

Types of securities in our investment portfolio?

Of the \$329 M total, \$60 M or 18% - CDs fully collateralized per investment policy and State Statute \$67 M or 20% - US Agencies Securities.



Unified Government of Wyandotte County and Kansas City, Kansas Investment Portfolio Compliance Report March 31, 2024

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	5,514,212	5,514,212	na	See note 3	✓	0	4.02%
UMB, Wyandotte Operating	187,994,788	187,994,788	57%	25%	✓	0	3.76%
UMB, Wyandotte Health	13,077,000	13,077,000	4%	25%	✓	0	0.26%
Cash Equivalents	201,071,788	201,071,788	61%		✓	0	4.02%
Argentine Federal Savings	235,000	235,000	0%	25%	✓	1	0.02%
Capitol Federal Savings	10,000,000	10,000,000	3%	25%	✓	120	0.73%
Commerce Bank	35,000,000	35,000,000	11%	25%	✓	264	0.60%
Community First Bank of Kansas City	235,000	235,000	0%	25%	✓	1	0.02%
UMB Bank	15,000,000	15,000,000	5%	25%	✓	73	1.04%
Certificates of Deposit	60,470,000	60,470,000	18%		✓	458	2.41%
US Treasury	67,511,869	67,382,257	20%	50% of total portfolio	✓	504	3.65%
Federal Agency Securities	67,511,869	67,382,257	20%		✓	445	3.25%
Grand Total	329,053,657	328,924,044	100%			162	3.47%

What
transactions
occurred in
Q1 2024?



Unified Government of Wyandotte County and Kansas City, Kansas
Investment Portfolio Compliance Report
1st Quarter 2024 - January 1, 2024 - March 31, 2024

Quarterly Transactions Detail - Aggregate Portfolio

Settlement Date	CUSIP	Issuer	Coupon	Maturity Date	Par	Original Cost
Thru Q1	NA	UMB, Wyandotte Operating	4.020%	3/31/2024	18,992,725	18,992,725
Thru Q1	NA	UMB, Wyandotte Health Reserve	4.020%	3/31/2024	3,201,000	3,201,000
Cash Equivalents					22,193,725	22,193,725
3/26/2024	2731276265	Capitol Federal Savings	4.400%	2/26/2026	(10,000,000)	(10,000,000)
3/26/2024	3130AL548	Mischler Financial Group Inc	4.500%	2/26/2027	(4,991,450)	(4,991,450)
3/26/2024	3133EP5SO	Oppenheimer & Co. Inc	4.350%	3/20/2028	(4,981,850)	(4,981,850)
Purchases					(19,973,300)	(19,973,300)
10/5/2023	912797FW2	US Treasury	5.488%	1/4/2024	9,865,384	9,865,384
3/22/2023	24350711020	UMB Bank	4.600%	3/22/2024	5,000,000	5,000,000
Calls/Maturities					14,865,384	14,865,384
Total					17,085,809	17,085,809



Report to Economic Development & Finance

MEETING DATE	PRESENTER	DEPARTMENT
JUN 03 2024	Jeffrey Conway, Assistant Counsel jconway@wycokck.org x5075	Legal
AGENDA ITEM #IV.2.		
RESOLUTION: SETTING PUBLIC HEARING (AMERICAN ROYAL DEVELOPMENT PROJECT)		
BACKGROUND		
Adoption of a resolution establishing the date and time of a public hearing regarding an Amended and Restated STAR Bond District Plan, a proposed STAR Bond Project Plan for project area 1, and a proposed First Amended and Restated STAR Bond Project Plan for project area 2, all within the existing Northwest Speedway STAR Bond District.		
RECOMMENDATION		
Approve		
BUDGET IMPACTS / FINANCIAL CONSIDERATIONS		
IT/POLICY CONSIDERATIONS		
PROCUREMENT CONSIDERATIONS		
LEGAL CONSIDERATIONS		
ATTACHMENTS		
Resolution - PH regarding District, PA1, PA2 - American Royal (UG), Amended and Restated STAR Bond District Plan (Polsinelli-KL comments 5.15.24 clean), Project Area 1 STAR Bond Project Plan v3 (Polsinelli-KL comments 5.21.24 clean) (95051436v3)-c, Project Area 2 STAR Bond Project Plan v3 (Polsinelli-KL draft 5.21.24 clean) (95051463v3)-c, American Royal STAR Bond Feasibility Study REVISED FINAL 2024.02.26-c, Depiction of NW Speedway STAR Bond District 5.21.24, Rough Depiction_Project Areas 5.21.24		

Approved by Mayor and/or Chair and Administrator to add to agenda.

DOF 5/24/2024
Approved Mayor [Signature] Administrator [Signature]

(Published in *The Wyandotte Echo* on July 11 and July 18, 2024)

RESOLUTION NO. R-__-24

A RESOLUTION OF THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS ESTABLISHING THE DATE AND TIME OF A PUBLIC HEARING REGARDING AN AMENDED AND RESTATED STAR BOND DISTRICT PLAN, A PROPOSED STAR BOND PROJECT PLAN FOR PROJECT AREA 1, AND A PROPOSED FIRST AMENDED AND RESTATED STAR BOND PROJECT PLAN FOR PROJECT AREA 2, ALL WITHIN THE EXISTING NORTHWEST SPEEDWAY STAR BOND DISTRICT, AND PROVIDING FOR THE GIVING OF NOTICE OF SUCH PUBLIC HEARING.

WHEREAS, the Unified Government of Wyandotte County/Kansas City, Kansas (the “Unified Government”) desires to promote, stimulate and develop the general and economic welfare of the City of Kansas City, Kansas (the “City”) and the state of Kansas (the “State”) and to assist in the development and redevelopment of eligible areas within the City, thereby promoting the general welfare of the citizens of the State and the Unified Government, by acquiring property and providing for the development and redevelopment thereof and the financing relating thereto; and

WHEREAS, on December 14, 2016, the Secretary of Commerce of the State of Kansas (the “Secretary”) determined that the District (defined below) is an “eligible area” under provisions of the STAR Bonds Financing Act, K.S.A. 12-17,160, *et seq.*, as amended (the “Act”); and

WHEREAS, pursuant to the provisions of the Act, on December 15, 2016, after proper notice in accordance with the Act, a public hearing was held and the Unified Government passed Ordinance No. O-75-16, creating a STAR bond project district (the “District”) within the City containing one STAR bond project area, the boundaries of which were defined in said Ordinance; and

WHEREAS, a map depicting the boundaries of the District is attached hereto as **Exhibit A**, and the District is legally described, collectively, on **Exhibit B**; and

WHEREAS, on April 5, 2017, the Northwest Speedway STAR Bond District Project Plan (the “Original Project Plan”) was filed with the Unified Government Clerk, such Original Project Plan providing for the redevelopment of the project area then existing within the District; and

WHEREAS, on April 11, 2017, the Planning Commission of the Unified Government made a finding that the Original Project Plan was consistent with the intent of the City's comprehensive plan for the development of the City; and

WHEREAS, on October 26, 2017, after proper notice in accordance with the Act, a public hearing was held regarding the Original Project Plan and the Unified Government then adopted Ordinance No. O-62-17 approving the Original Project Plan; and

WHEREAS, on December 6, 2018, and prior to implementing the Original Project Plan, the Unified Government passed Ordinance No. O-52-18 approving the Northwest Speedway Amended STAR Bond District STAR Bond Financing Project Plan (the “First Amended Project Plan”) repealing and replacing the Original Project Plan in its entirety; and

WHEREAS, an Amended and Restated STAR Bond District Plan dated _____, 2024, and attached hereto as **Exhibit C** (the “Amended STAR Bond District Plan”) was filed with the Unified

Government Clerk on _____, 2024, which Amended STAR Bond District Plan proposes to divide the District into three (3) separate STAR bond project areas within the District (respectively, as generally depicted and described in **Exhibit A** and **Exhibit B**, “Project Area 1,” Project Area 2,” and “Project Area 3”) ; and

WHEREAS, the Unified Government intends to hold a public hearing to consider the Amended STAR Bond District Plan as a “substantial change” to the District; and

WHEREAS, the Act provides that prior to approving any “substantial change” to any STAR bond project district, the Unified Government shall, by resolution, call a public hearing to consider amendment of the STAR bond project district and shall give notice of the public hearing in accordance with the Act; and

WHEREAS, the Unified Government is considering adoption of a Second Amended and Restated Northwest Speedway STAR Bond District STAR Bond Financing Project Plan for Project Area 2, dated _____, 2024 and filed with the Unified Government Clerk on _____, 2024, which has been prepared by the Unified Government in consultation with the Unified Government’s Planning Commission pursuant to the Act, and provides for the redevelopment of real property within Project Area 2 and the repeal and replacement of the First Amended Project Plan (the “Project Area 2 Plan”); and

WHEREAS, in accordance with the Act, as a “substantial change” to such First Amended Project Plan, the governing body of the Unified Government wishes to hold a public hearing to consider adoption of the Project Area 2 Plan, and the governing body shall provide notice of such public hearing in accordance with the Act; and

WHEREAS, the Unified Government is considering adoption of a Northwest Speedway STAR Bond District STAR Bond Financing Project Plan for Project Area 1, dated _____, 2024 and filed with the Unified Government’s Clerk on _____, 2024, which has been prepared by the Unified Government in consultation with the Unified Government’s Planning Commission pursuant to the Act, and provides for the redevelopment of real property within Project Area 1 (the “Project Area 1 Plan”); and

WHEREAS, on [June 10], 2024 the Planning Commission of the Unified Government made findings that the Project Area 1 Plan and Project Area 2 Plan are each consistent with the intent of the City’s comprehensive plan for the development of the City; and

WHEREAS, at the public hearing called herein, a representative of the Unified Government shall present the proposed Amended STAR Bond District Plan, Project Area 1 Plan, and Project Area 2 Plan, and all interested persons shall be given an opportunity to be heard; and

WHEREAS, the Unified Government desires to establish August 1, 2024, as the date for the public hearing on the Amended STAR Bond District Plan, the Project Area 1 Plan, the Project Area 2 Plan.

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

Section 1. Consideration of Amended STAR Bond District Plan, Project Area 1 Plan, and Project Area 2 Plan. The Unified Government is considering the approval of the Amended STAR Bond District Plan, Project Area 1 Plan, and Project Area 2 Plan, all pursuant to the Act.

Section 2. STAR Bond District. A map and legal description of the District and the three (3) project areas are attached hereto as **Exhibit A** and **Exhibit B**, respectively, which are incorporated herein by

reference.

Section 3. Proposed Project Area 1 Plan and Project Area 2 Plan. The proposed Amended STAR Bond District Plan, Project Area 1 Plan, and Project Area 2 Plan, including a summary of the feasibility study, market study, relocation assistance plan and financial guarantees of the developer and a legal description and map of the area to be redeveloped or developed are public records, are available for public inspection during regular office hours in the office of the Unified Government Clerk, Municipal Office Building, 701 North 7th Street, Kansas City, Kansas.

Section 4. Public Hearing. Notice is hereby given that a public hearing will be held by the governing body of the Unified Government to consider the approval of the Amended STAR Bond District Plan, the adoption of the Project Area 1 Plan, and the adoption of the Project Area 2 Plan on **August 1, 2024**, at the Commission Meeting Room, located at Municipal Office Building, 701 North 7th Street, Kansas City, Kansas, the public hearing to commence at 7:00 p.m. or as soon thereafter as the Commission can hear the matter. At the public hearing, the governing body will receive public comment on the proposed Amended STAR Bond District Plan, Project Area 1 Plan, and Project Area 2 Plan and may, after the conclusion of such public hearing, consider the findings necessary for approval of the same pursuant to the Act.

Section 5. Notice of Public Hearing. The Unified Government Clerk is hereby authorized and directed to provide for notice of the public hearing by taking the following actions:

(a) A copy of this resolution shall be mailed by United States certified mail, return receipt requested, within 10 days of this date to:

- (i) the Board of County Commissioners of Wyandotte County, Kansas;
- (ii) the Boards of Education of U.S.D. No. 203 (Piper) and U.S.D. 204 (Bonner Springs); and
- (iii) each owner and occupant of land within the District.

(b) This resolution, specifically including **Exhibits A and B** attached hereto, shall be published twice on consecutive weeks in the official newspaper of the Unified Government, with the second publication occurring not less than one week nor more than two weeks preceding the date of the public hearing.

(c) Notice shall be conspicuously provided at a prominent location on the first page of the website of the Unified Government, such notice to provide a link to all documents and information required under the Act.

Section 6. Applicable Incentives. In accordance with K.S.A. 12-17,165(a)(5), the following state, federal, and local tax incentives apply, or are anticipated to apply, within the District, or for a business located or to be located within the District:

State grants (including Building a Stronger Economy (BASE) grant money); STAR bond financing; tax exempt financing; community improvement district financing; general improvement and assessment financing; tax increment financing; transportation development district financing; and/or economic development revenue bond financing and related tax abatements and exemptions.

Section 7. Further Action. The Mayor/CEO, County Manager, Unified Government Clerk

and other officials and employees of the Unified Government, including the County Attorney, and Gilmore & Bell, P.C., Bond Counsel, are hereby further authorized and directed to take such other actions as may be appropriate or desirable to accomplish the purposes of this resolution.

Section 8. Effective Date. This resolution shall be effective upon its adoption by the Commission of the Unified Government of Wyandotte County/Kansas City, Kansas.

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ADOPTED by the Commission of the Unified Government of Wyandotte County/Kansas City,
Kansas on June 27, 2024.

[SEAL]

Mayor/CEO

Attest:

Interim Unified Government Clerk

Approved as to form:

Office of Chief Counsel

EXHIBIT A

MAP OF DISTRICT AND PROJECT AREAS 1, 2, AND 3

EXHIBIT B

LEGAL DESCRIPTION OF DISTRICT AND PROJECT AREAS 1, 2, AND 3

District.

All that part of the Northeast Quarter and Southeast Quarter of Section 4, and all that part of Section 3, and all that part of the north half of Section 2, all in Township 11 South, Range 23 East, all that part of Lot 1, PIPER PLAZA, all that part of Lots 1, 2, 3, 4, and 5 of PIPER PLAZA SECOND PLAT, all that part of Lots 1 and 2 SECURITY BANK, all that part of Lots 14, 24, 25 and C of PLAZA AT THE SPEEDWAY, and all that part of Lots D and 53, PLAZA AT THE SPEEDWAY SECOND PLAT, and all that part of Lots 38, 39, 40, 41, and 42, PLAZA AT THE SPEEDWAY THIRD PLAT, and all that part of Lots 43, 44, 45, 46, 47, 48, 49, 50, 51, and 52, PLAZA AT THE SPEEDWAY FOURTH PLAT, and all that part of Lots 53, 54, and 55, PLAZA AT THE SPEEDWAY FIFTH PLAT, and all that part of Lots 56, 57, Tract E1, and Tract E2, PLAZA AT THE SPEEDWAY SIXTH PLAT, and all that part of the Southeast Quarter and Southwest Quarter of Section 34, and all that part of the Southeast Quarter of Section 33, both in Township 10 South, Range 23 East, all being in the City of Kansas City, Wyandotte County, Kansas being generally described as follows: Beginning at the intersection of the south right-of-way line of Parallel Parkway and the west right-of-way line of N. 118th Street, thence southerly, with the west right-of-way line of N. 118th Street to the north line of Parcel 953101; thence westerly with the north line of parcel 953101, to the northwest corner of said Parcel 953101; thence southerly, with the west line of Parcel 953101, and with the west line of Parcels 953103 and 953104 to the north right-of-way line of State Avenue; thence easterly, with the north right-of-way line of State Avenue to the east right-of-way line of N. 110th Street; thence northerly, with the east right-of-way line of N. 110th Street, to the south right-of-way line of Parallel Parkway; thence easterly, with the south right-of-way line of Parallel Parkway, to the west right-of-way line of Village West Parkway; thence northerly, with the west right-of-way line of Village West Parkway, to the north right-of-way line of Parallel Parkway; thence easterly, with the north right-of-way line of Parallel Parkway, to the easterly line of PLAZA AT THE SPEEDWAY SIXTH PLAT; thence northerly, with the east line of PLAZA AT THE SPEEDWAY SIXTH PLAT to the northeast corner thereof; thence westerly, with the north line of PLAZA AT THE SPEEDWAY SIXTH PLAT, to the northwest corner thereof, said point also being on the easterly line of PLAZA AT THE SPEEDWAY FIFTH PLAT; thence westerly and northerly, with the easterly line of PLAZA AT THE SPEEDWAY FIFTH PLAT, to the northeast corner thereof; thence westerly, with the north line of PLAZA AT THE SPEEDWAY FIFTH PLAT, and with the north line of PLAZA AT THE SPEEDWAY, to the northwest corner thereof, said point being on the east right-of-way line of Hutton Road; thence southwesterly, with the easterly right-of-way line of Hutton Road to the north right-of-way line of Parallel Parkway; thence westerly, with the north right-of-way line of Parallel Parkway, to the intersection of the north right-of-way line Parallel Parkway and the northerly prolongation of the west right-of-way line of N. 118th Street; thence southerly, with the northerly prolongation of the west right-of-way line of N. 118th Street, to the point of beginning.

Except all of Lot 1, LEGENDS APARTMENTS, and except all of Lot 1, VILLAGE WEST APARTMENTS, and except all of Parcel 949201.

The above described tract contains approximately 550 acres, more or less.

Project Area 1.

Project Area 2.

Project Area 3.

EXHIBIT C
AMENDED STAR BOND DISTRICT PLAN

**AMENDED AND RESTATED STAR BOND DISTRICT PLAN
FOR
NORTHWEST SPEEDWAY STAR BOND DISTRICT**

May ___, 2024

DESCRIPTION OF AMENDED AND RESTATED STAR BOND DISTRICT PLAN

The STAR Bonds Financing Act, K.S.A. 12-17, 160 *et seq.*, as amended (the "**Act**") authorizes the Unified Government of Wyandotte County/Kansas City, Kansas (the "**Unified Government**") to establish STAR bond project districts within eligible areas of the city and county, and to approve STAR bond project district plans for the completion of STAR bond projects within such STAR bond project district, and to finance all or a portion of STAR bond project costs from state and local sales revenues derived from the STAR bond project district, other revenues described in the Act, or a combination thereof or from the proceeds of special obligation tax increment bonds of the Unified Government payable from such described revenues.

On October 27, 2016, the Board of Commissioners of the Unified Government adopted Resolution No. R-78-16, which made a finding that the Unified Government was considering the establishment of a STAR bond project district pursuant to the Act, set forth the boundaries of the proposed STAR bond project district, provided a summary of the proposed STAR bond project district plan, called a public hearing concerning the establishment of a STAR bond project district for December 15, 2016 and provided for notice of such public hearing as provided in the Act. On December 14, 2016, the Secretary of Commerce made a finding that the proposed STAR bond project district is an "eligible area" under the Act, and a public hearing was held on December 15, 2016 after due published, delivered and mailed notice in accordance with the provisions of the Act.

On December 15, 2016, pursuant to the provisions of the Act, the Board of Commissioners of the Unified Government adopted Ordinance No. O-75-16, which (a) created a STAR bond project district known as the Northwest Speedway STAR bond project district within Kansas City, Kansas (the "City"), the boundaries of which are depicted on *Exhibit A-1* attached hereto and a legal description of which is attached hereto as *Exhibit A-2* (the "**District**"), and (b) provided the following STAR bond district plan (the "**Original STAR Bond District Plan**") for the District:

The buildings and facilities to be constructed or improved in the STAR bond project district may be described in a general manner as a mixed-use development consisting of some or all of the following uses: livestock expo arena and other equestrian-related uses, education and conference center, entertainment complexes, other retail, restaurant, hotel, office and commercial uses, other sporting and recreational uses, any other uses allowable under the Act, and including acquiring real property rights and constructing any associated public and private infrastructure.

The District contained approximately 550 acres of real property within its boundaries and only one STAR bond project area.

Subsequently, on October 26, 2017 and pursuant to the Act, the Unified Government adopted Ordinance No. O-62-17 approving the Northwest Speedway STAR Bond District STAR Bond Financing Project Plan (the "**Original Project Plan**"), and, on December 6, 2018 and prior to implementing the Original Project Plan, the Unified Government adopted Ordinance No. O-52-18 approving the Northwest Speedway Amended STAR Bond District STAR Bond Financing

Project Plan (the “**First Amended Project Plan**”) repealing and replacing the Original Project Plan in its entirety.

The Unified Government and American Royal Association, a Missouri not-for-profit corporation (the “**Developer**”), now desire to amend the Original STAR Bond District Plan to provide for the concept of festival grounds and to create three (3) separate and distinct STAR bond project areas, all within the same geographic boundaries of the District.

A map depicting the boundaries of the District, as well as the boundaries of the proposed new STAR bond project areas within the District are attached hereto as ***Exhibits A*** through ***D***, respectively, all of which are hereby incorporated by reference.

The amended and restated STAR Bond District Plan shall be as follows:

The District will consist of three (3) project areas. The buildings and facilities to be constructed or improved in the STAR bond project district may be described in a general manner as a mixed-use development consisting of some or all of the following uses: livestock expo arena and other equestrian-related uses, education and conference centers and related facilities, entertainment complexes and festival grounds, other retail, restaurant, hotel, office and commercial uses, other sporting and recreational uses, and any other uses allowable under the Act, and including acquiring real property rights and constructing any associated public and private infrastructure.

The three (3) project areas shall be described as follows:

- Project Area 1 – Plaza at the Speedway. This Project Area includes approximately 360 acres, including: (a) all of the approximately 110 acres located north of Parallel Parkway between Hutton Road and I-435 and bounded on the north by the Prairie Country and Westmore Downs subdivisions, and including the existing Plaza at the Speedway shopping center, as shown in yellow shading on ***Exhibit A-1***; and (b) certain parcels comprising approximately 250 acres of property located south of Parallel Parkway and bounded on the west by N 118th Street, on the east by N. 110th Street and to the South by American Royal Way and State Avenue, all as generally shown on ***Exhibit B-1***. The legal description of Project Area 1 is attached as ***Exhibit B-2***. The buildings and facilities to be constructed or improved in Project Area 1 of the District may be described in a general manner as a mixed-use development consisting of some or all of the following uses: education and conference centers and related facilities, entertainment complexes, other retail, restaurant, hotel, office and other commercial uses, other sporting and recreational uses, and any other uses allowable under the Act, and including acquiring real property rights and constructing any associated public and private infrastructure.
- Project Area 2 -- Core Royal. This Project Area includes approximately 80 acres of property generally bounded on the west by north 118th Street, to the

north by American Royal Way, to the east by N 115th Street and to the South by State Avenue, all as generally shown on ***Exhibit C-1***. The legal description of Project Area 2 is attached as ***Exhibit C-2***. The buildings and facilities to be constructed or improved in Project Area 2 of the District may be described in a general manner as a mixed-use development consisting of some or all of the following uses: livestock expo arena and other equestrian-related uses, education and conference centers and related facilities, entertainment complexes, other retail, restaurant, hotel, office and other commercial uses, other sporting and recreational uses, and any other uses allowable under the Act, and including acquiring real property rights and constructing any associated public and private infrastructure.

- **Project Area 3 – Festival Grounds.** This Project Area includes approximately 80 acres of property located west of the intersection of N 118th Street and American Royal Way, as more particularly shown on ***Exhibit D-1***. The legal description of Project Area 3 is attached as ***Exhibit D-2***. The buildings and facilities to be constructed or improved in Project Area 2 of the District may be described in a general manner as a mixed-use development consisting of some or all of the following uses: festival grounds, entertainment complexes, other retail, restaurant, hotel, office and other commercial uses, other sporting and recreational uses, and any other uses allowable under the Act, and including acquiring real property rights and constructing any associated public and private infrastructure.

This Amended and Restated STAR Bond District Plan hereby replaces the Original STAR Bond District Plan in its entirety.

EXHIBIT A-1

MAP OF STAR BOND DISTRICT

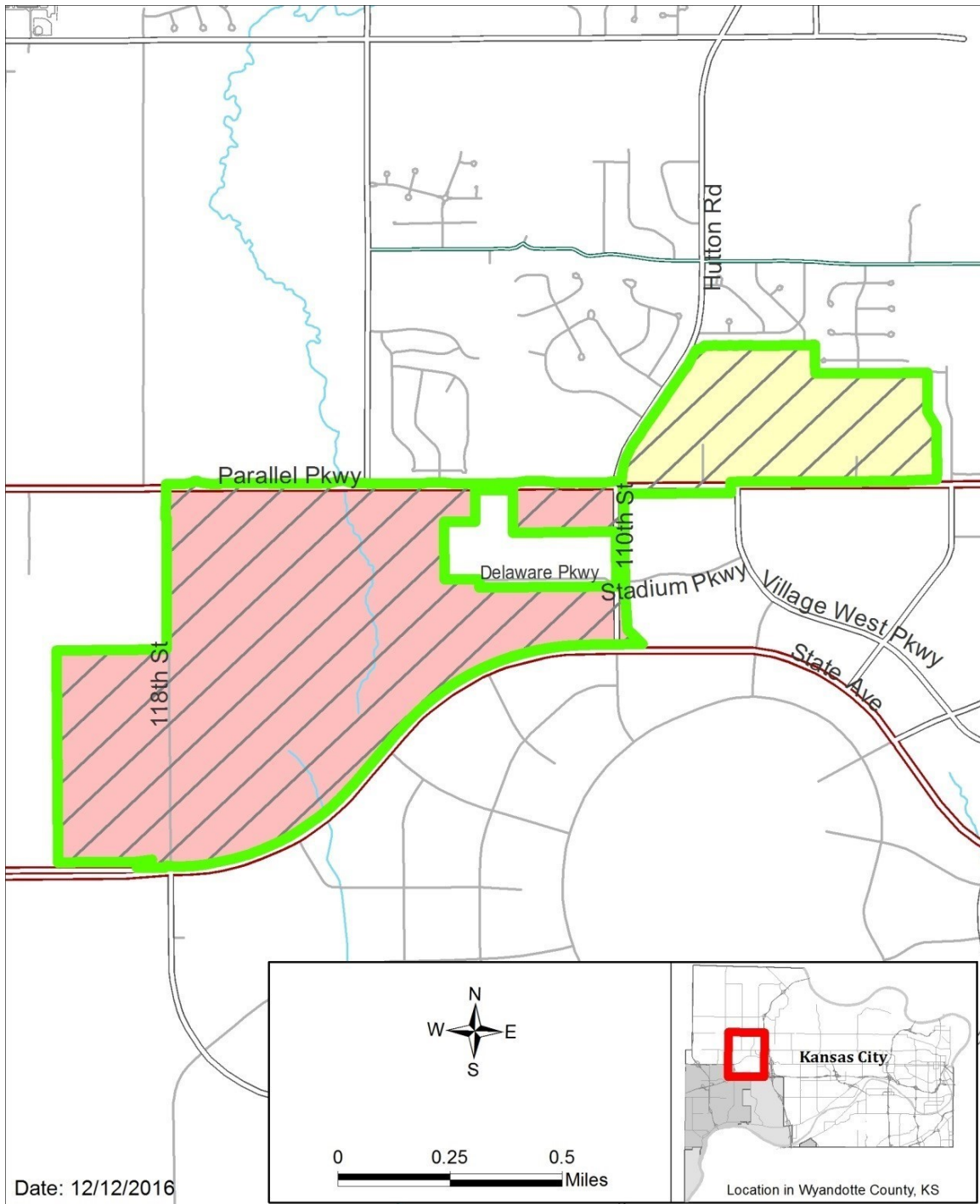


EXHIBIT A-2

LEGAL DESCRIPTION OF STAR BOND DISTRICT

All that part of the Northeast Quarter and Southeast Quarter of Section 4, and all that part of Section 3, and all that part of the north half of Section 2, all in Township 11 South, Range 23 East, all that part of Lot 1, PIPER PLAZA, all that part of Lots 1, 2, 3, 4, and 5 of PIPER PLAZA SECOND PLAT, all that part of Lots 1 and 2 SECURITY BANK, all that part of Lots 14, 24, 25 and C of PLAZA AT THE SPEEDWAY, and all that part of Lots D and 53, PLAZA AT THE SPEEDWAY SECOND PLAT, and all that part of Lots 38, 39, 40, 41, and 42, PLAZA AT THE SPEEDWAY THIRD PLAT, and all that part of Lots 43, 44, 45, 46, 47, 48, 49, 50, 51, and 52, PLAZA AT THE SPEEDWAY FOURTH PLAT, and all that part of Lots 53, 54, and 55, PLAZA AT THE SPEEDWAY FIFTH PLAT, and all that part of Lots 56, 57, Tract E1, and Tract E2, PLAZA AT THE SPEEDWAY SIXTH PLAT, and all that part of the Southeast Quarter and Southwest Quarter of Section 34, and all that part of the Southeast Quarter of Section 33, both in Township 10 South, Range 23 East, all being in the City of Kansas City, Wyandotte County, Kansas being generally described as follows: Beginning at the intersection of the south right-of-way line of Parallel Parkway and the west right-of-way line of N. 118th Street, thence southerly, with the west right-of-way line of N. 118th Street to the north line of Parcel 953101; thence westerly with the north line of parcel 953101, to the northwest corner of said Parcel 953101; thence southerly, with the west line of Parcel 953101, and with the west line of Parcels 953103 and 953104 to the north right-of-way line of State Avenue; thence easterly, with the north right-of-way line of State Avenue to the east right-of-way line of N. 110th Street; thence northerly, with the east right-of-way line of N. 110th Street, to the south right-of-way line of Parallel Parkway; thence easterly, with the south right-of-way line of Parallel Parkway, to the west right-of-way line of Village West Parkway; thence northerly, with the west right-of-way line of Village West Parkway, to the north right-of-way line of Parallel Parkway; thence easterly, with the north right-of-way line of Parallel Parkway, to the easterly line of PLAZA AT THE SPEEDWAY SIXTH PLAT; thence northerly, with the east line of PLAZA AT THE SPEEDWAY SIXTH PLAT to the northeast corner thereof; thence westerly, with the north line of PLAZA AT THE SPEEDWAY SIXTH PLAT, to the northwest corner thereof, said point also being on the easterly line of PLAZA AT THE SPEEDWAY FIFTH PLAT; thence westerly and northerly, with the easterly line of PLAZA AT THE SPEEDWAY FIFTH PLAT, to the northeast corner thereof; thence westerly, with the north line of PLAZA AT THE SPEEDWAY FIFTH PLAT, and with the north line of PLAZA AT THE SPEEDWAY, to the northwest corner thereof, said point being on the east right-of-way line of Hutton Road; thence southwesterly, with the easterly right-of-way line of Hutton Road to the north right-of-way line of Parallel Parkway; thence westerly, with the north right-of-way line of Parallel Parkway, to the intersection of the north right-of-way line Parallel Parkway and the northerly prolongation of the west right-of-way line of N. 118th Street; thence southerly, with the northerly prolongation of the west right-of-way line of N. 118th Street, to the point of beginning.

Except all of Lot 1, LEGENDS APARTMENTS, and except all of Lot 1, VILLAGE WEST APARTMENTS, and except all of Parcel 949201.

The above described tract contains approximately 550 acres, more or less.

EXHIBIT B-1 **MAP OF PROJECT AREA 1**

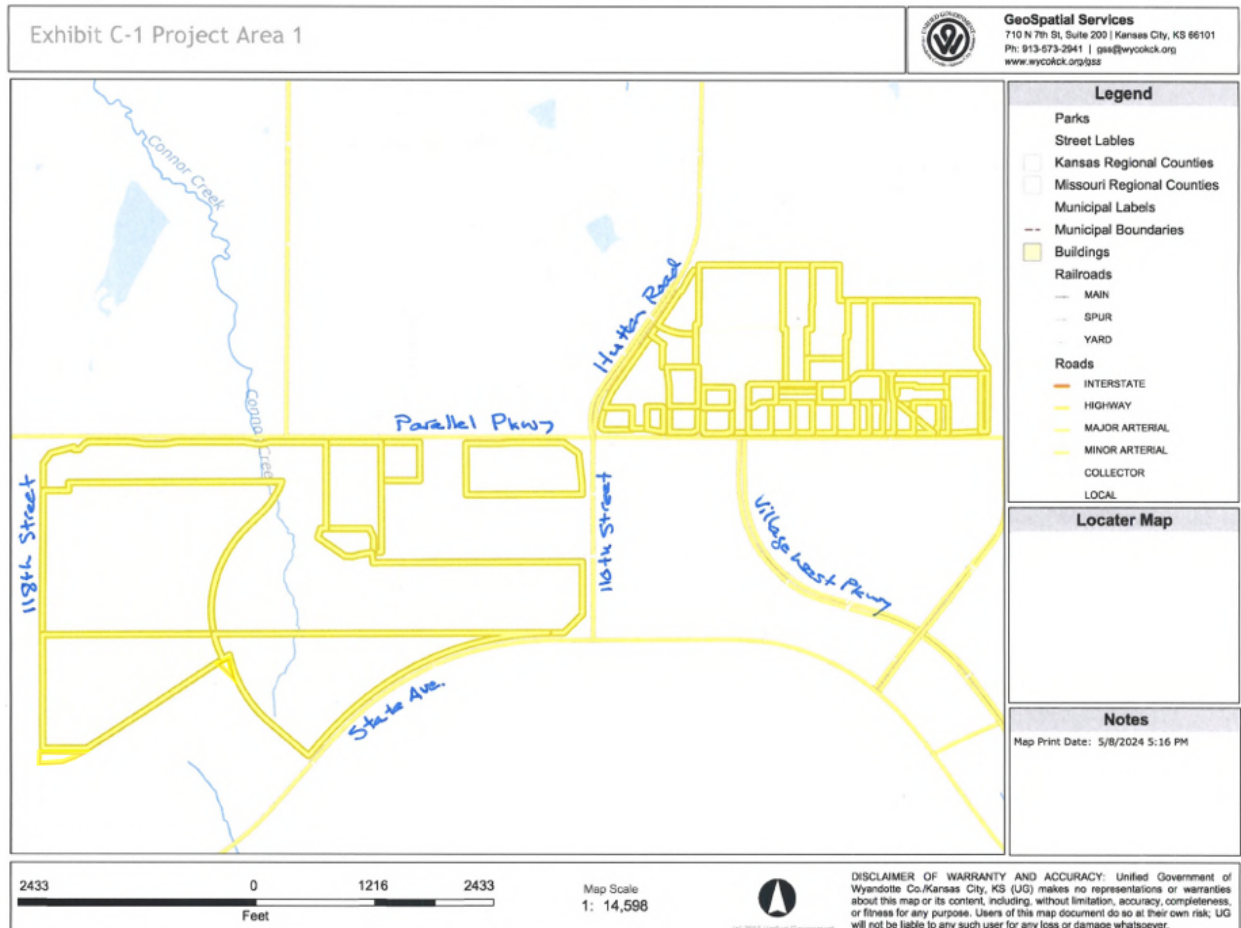


EXHIBIT B-2

LEGAL DESCRIPTION OF PROJECT AREA 1

EXHIBIT C-1
MAP OF PROJECT AREA 2

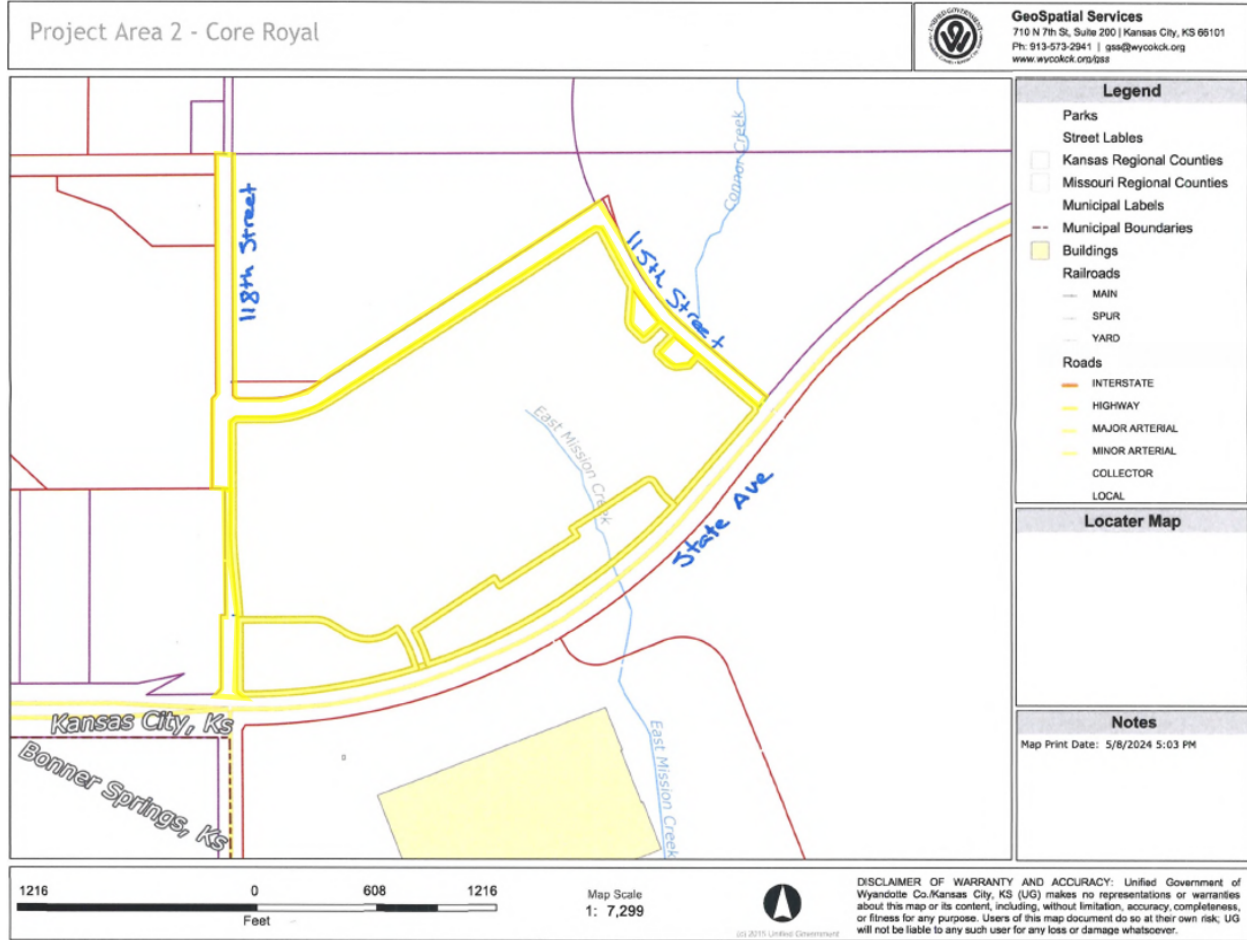


EXHIBIT C-2

LEGAL DESCRIPTION OF PROJECT AREA 2

EXHIBIT D-1
MAP OF PROJECT AREA 3

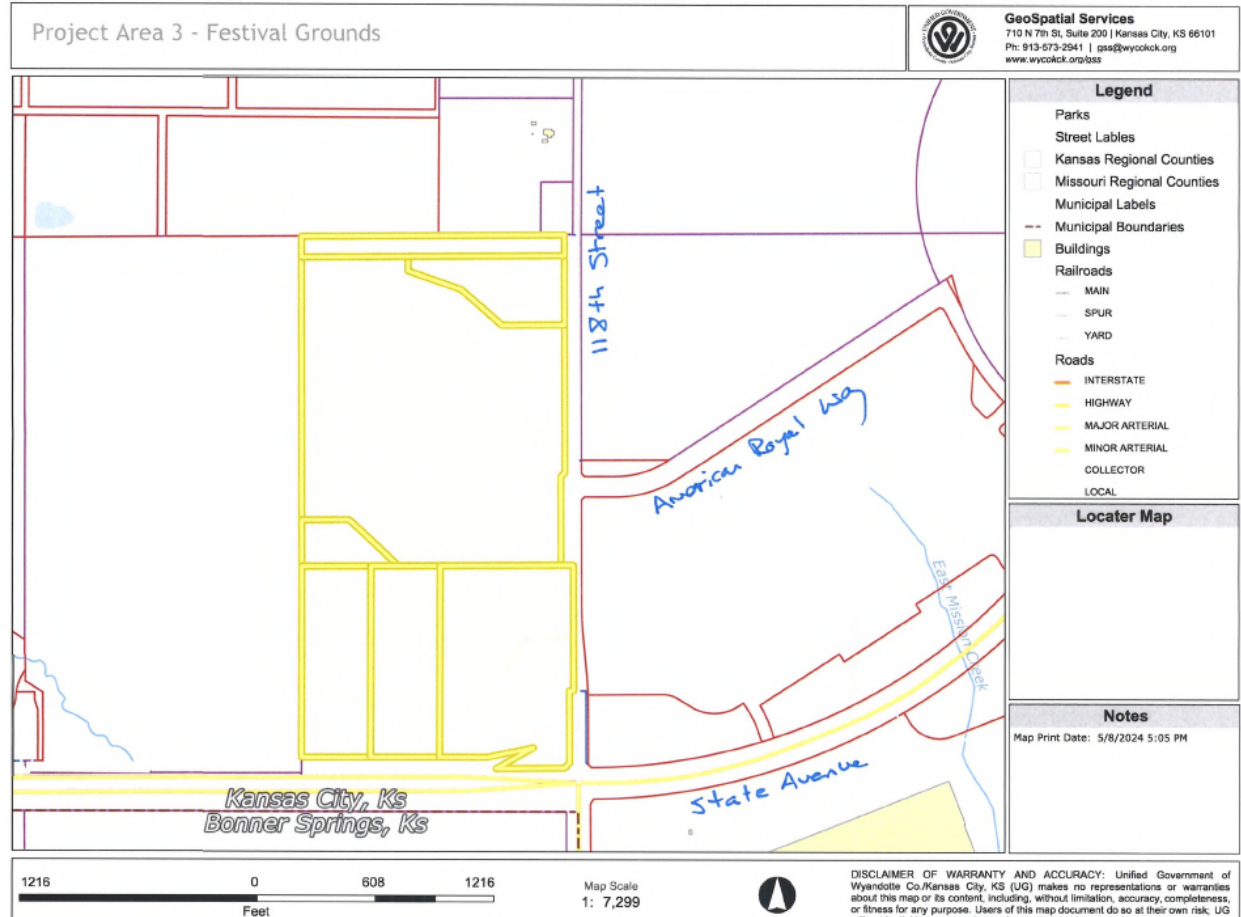


EXHIBIT D-2

LEGAL DESCRIPTION OF PROJECT AREA 3

**NORTHWEST SPEEDWAY
STAR BOND DISTRICT**

**STAR BOND FINANCING PROJECT PLAN
FOR PROJECT AREA 1**

SUBMITTED TO THE UNIFIED GOVERNMENT OF
WYANDOTTE COUNTY/KANSAS CITY, KANSAS
PURSUANT TO K.S.A. § 12-17,160 *et seq.*

_____, 2024

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LIST OF EXHIBITS

Exhibit A – Site Plan
Exhibit B-1 – Legal Description of District
Exhibit B-2 – Map Depicting District
Exhibit B-3 – Map Depicting Project Area 1
Exhibit B-4 – Map Depicting Project Area 2
Exhibit B-5 – Map Depicting Project Area 3
Exhibit C – Legal Description of Project Area 1
Exhibit D – Estimated Overall Project Costs
Exhibit E – Estimated Eligible Overall Project Costs
Exhibit F – STAR Bond Financing Projections
Exhibit G – STAR Bond Amortization Schedule
Exhibit H – Meeting Minutes
Exhibit I – Officers of Developer

I. Introduction

American Royal Association, a Missouri not-for-profit corporation (the “**Developer**”), respectfully submits this STAR Bond Financing Project Plan (this “**Project Plan**”) for Project Area 1 of the Northwest Speedway STAR Bond District “**Project Area 1**”) to the Unified Government of Wyandotte County/Kansas City, Kansas (the “**Unified Government**”) for consideration by the Unified Government’s governing body pursuant to the Kansas STAR Bond Financing Act, K.S.A. § 12-17,160 *et seq.* (the “**Act**”).

Developer owns and/or controls certain real property located within Project Areas 1, 2 and 3 of the District and is the developer of such property within such Project Areas.

The American Royal has been a Kansas City tradition since 1899, celebrating the region’s rich agricultural heritage through competition, education and entertainment. Hosting the World’s largest barbecue contest, one of the Midwest’s largest and oldest livestock exhibitions, professional rodeos and prestigious horse shows, and as home to the national championship saddle bred horse competition, the American Royal brings with it a unique mix of uses that create a variety of tourism, education, and entertainment opportunities. It was against this background that the Developer began exploring options to relocate its operations to the State of Kansas (the “**State**”), and upon identifying a desirable site within the Unified Government, set in motion a plan to leave behind its existing antiquated out-of-state facility, and to construct a new state-of-the-art agricultural, education and entertainment destination within the State.

On December 15, 2016, the Unified Government adopted Ordinance No. O-75-16 that created the Northwest Speedway STAR Bond District (the “**District**”) with a single Project Area. By letter dated December 14, 2016, the Secretary deemed the District an “eligible area” as defined under the Act. Thereafter, on October 26, 2017 and pursuant to the Act, the Unified Government adopted Ordinance No. O-62-17 approving the Northwest Speedway STAR Bond District STAR Bond Financing Project Plan (the “**Original Project Plan**”), and, on December 6, 2018 and prior to implementing the Original Project Plan, the Unified Government adopted Ordinance No. O-52-18 approving the Northwest Speedway Amended STAR Bond District STAR Bond Financing Project Plan (the “**First Amended Project Plan**”) repealing and replacing the Original Project Plan in its entirety.

Contemporaneous with the approval of this Project Plan, the governing body of the Unified Government has approved certain amendments to the District to provide for three (3) separate and distinct Project Areas as further described herein. The First Amended Project Plan will be amended and restated as the Project Plan for Project Area 2 as a substantial change pursuant to the Act. This Project Plan constitutes the Project Plan for Project Area 1. It is anticipated that a Project Plan for Project Area 3 will be proposed and brought forward by the Developer separately at a future date. The 20-year term of the STAR bond project within Project Area 1 shall commence on the date of the approval of this Project Plan.

The District will include a major commercial entertainment and tourism area that will include, without limitation, a livestock expo arena, indoor/outdoor warm-up arena(s), agricultural-related ancillary facilities, and related and appurtenant uses (collectively, the “**Overall Project**”). A site plan generally depicting the Overall Project and District is attached hereto as Exhibit A. The Overall Project will be situated on certain real property within the District, which consists of approximately 550 acres generally located at the southwest and northeast corners of the intersection of North 110th Street and Parallel Parkway in the Wyandotte County (“**County**”), Kansas City (“**City**”), Kansas. The legal description for the District is attached to this Project Plan as Exhibit B-1 and a map showing the boundaries of the District is attached as Exhibit B-2. The unique mix of uses within the Overall Project is expected to create substantial tourism, education and entertainment opportunities not presently available in the City or the County. The Developer’s market analysis suggests that the Overall Project will attract a very broad base and desirable visitor demographics, consisting largely of agricultural- and entertainment-seeking participants and

spectators, and families seeking destination agricultural and entertainment opportunities. With the accompanying economic impacts, the Overall Project will become another driver of economic activity for the City, the County, the Unified Government and the State as a whole. These findings are further corroborated by the third-party Feasibility Study, as defined and summarized in this Project Plan.

At build-out and stabilization of the initial phases of the Overall Project, the total capital investment is estimated at approximately \$450 million, incremental annual sales are projected at approximately \$290 million, and annual visitation is estimated at approximately 2,000,000 attendee days. It is expected that capital investment and sales figures may exceed these numbers as additional destination attraction and commercial users are identified. This Project Plan proposes that the Secretary of Commerce for the State of Kansas (“**Secretary**”) approve the issuance of STAR bonds in a maximum aggregate amount sufficient to render \$155,000,000 in net STAR Bond proceeds for disbursement to Developer in connection with the Overall Project. Multiple phases within the District and the STAR Bond Project Areas are anticipated to be built in the future, which are projected to add substantial additional capital investment and otherwise enhance the Overall Project.

This Project Plan is for Project Area 1, including improvements to be designed, constructed and delivered by the Developer and/or other landowners in Project Area 1. However, it is anticipated that the initial STAR bond issuance will include a pledge of revenues from Project Area 1 to finance improvements in Project Areas 2 and 3.

The Overall Project development team brings substantial experience in developing large-scale commercial projects, including destination attraction-based projects that have previously qualified for STAR Bonds, to the Overall Project. The Developer feels that this background makes it particularly well-qualified to bring the unique development proposed under this Project Plan to fruition.

At the completion of the Overall Project, the Unified Government and the State of Kansas will have a new and unique destination experience that will draw visitors on a statewide and regional basis that will create significant related economic benefits both for the Unified Government and the State as a whole.

II. STAR Bond Project Plan for Project Area 1

Pursuant to the Act, municipalities are authorized to utilize STAR Bond Financing for specific development projects through (1) the creation of a STAR Bond Project District, subject to a finding by the Secretary that the District plan is eligible for STAR Bond Financing, and (2) the adoption of a STAR Bond Project Plan that is subsequently approved by the Secretary.

This Project Plan is submitted for consideration by the Unified Government and, ultimately, the Secretary, and includes the following in accordance with the Act:

- A description and map of the project area to be redeveloped;
- A reference to the District plan that identifies the project area that is set forth in the project plan that is being considered;
- A detailed description of the buildings and facilities proposed to be constructed or improved;
- A summary of the feasibility study done as defined in the Act, and amendments thereto;
- The relocation assistance plan;

- Documentation indicating that the Overall Project will result in a capital investment in excess of \$75,000,000 and will generate gross annual sales revenue in excess of \$75,000,000; and
- The names of the owners, partners, officers or principals of the Developer of the project and of any associated business partner of the Developer of the project that is involved in the STAR bond project.

A. Project Area 1

The property subject to this Project Plan consists of approximately 360 acres within the District, generally located at the northeast and southwest corners of the intersection of North 110th Street and Parallel Parkway, all within the City and County, as generally depicted on Exhibit B-3, and other phases are contemplated to be built within Project Area 2 and Project Area 3 of the District which are projected to add substantial additional capital investment to the Overall Project. A legal description of the subject property for Project Area 1 is attached hereto as Exhibit C.

B. Reference to District Plan and Other Project Areas.

Contemporaneous with the approval of this Project Plan, the governing body of the Unified Government approved an Amended and Restated STAR Bond District Plan for the District (the “**District Plan**”), which provides as follows:

The District will consist of three (3) project areas. The buildings and facilities to be constructed or improved in the STAR bond project district may be described in a general manner as a mixed-use development consisting of some or all of the following uses: livestock expo arena and other equestrian-related uses, education and conference centers and related facilities, entertainment complexes and festival grounds, other retail, restaurant, hotel, office and commercial uses, other sporting and recreational uses, any other uses allowable under the Act, and including acquiring real property rights and constructing any associated public and private infrastructure.

The three (3) project areas are described in the District Plan as follows:

- Project Area 1 – Plaza at the Speedway. This Project Area includes approximately 360 acres, including: (a) all of the approximately 110 acres located north of Parallel Parkway between Hutton Road and I-435 and bounded on the north by the Prairie Country and Westmore Downs subdivision, and including the existing Plaza at the Speedway (defined herein) shopping center, as shown in yellow shading on Exhibit B-2 to this Project Plan; and (b) certain parcels comprising approximately 250 acres of property located south of Parallel Parkway and bounded on the west by N 118th Street, on the east by N. 110th Street and to the South by American Royal Way and State Avenue, all as generally shown on Exhibit B-3 to this Project Plan.
- Project Area 2 – Core Royal. This Project Area includes approximately 80 acres of property generally bounded on the west by north 118th Street, to the north by American Royal Way, to the east by N 115th Street and to the South by State Avenue, all as generally shown on Exhibit B-4 to this Project Plan.
- Project Area 3 – Festival Grounds. This Project Area includes approximately 80 acres of property located west of the intersection of N 118th Street and American Royal Way, as generally depicted on Exhibit B-5 to this Project Plan.

This Project Plan is consistent with the District Plan.

C. Description of Buildings and Facilities

The portion of the Overall Project located within Project Area 1 includes the existing Plaza at the Speedway shopping center located north of Parallel Parkway and anticipates new development on the approximately 250 acres of property located south of Parallel Parkway and bounded on the west by N. 118th Street and on the east by N. 110th Street, which new development may be described as a mixed-use development consisting of some or all of the following uses: education and conference centers and related facilities, entertainment complexes, other retail, restaurant, hotel, office, multi-family and other commercial uses, other sporting and recreational uses, other family recreational tourism activities and any other uses allowable under the Act (collectively, the “**Project**”).

Other uses are currently envisioned for Project Areas 2 and 3 of the District, which other uses may be described as a mixed-use development consisting of some or all of the following uses: a livestock expo arena, indoor/outdoor arenas and other educational, agricultural and agricultural-related uses and ancillary facilities, entertainment complexes, festival grounds, and other commercial uses, other sporting and recreational uses, other family recreational tourism activities, and any other uses allowable under the Act (collectively, the “**Core Royal**”), including, without limitation, contemplated development of an American Royal festival grounds as a future second phase of the development designed and delivered by the Developer (the “**Festival Grounds**”).

The Overall Project will be combined with a strong existing retail base in this area of the City and County, as well as other possible future destination attractions. The synergy of concepts in the Overall Project is expected to draw the broadest possible segment of the agricultural and youth and family tourism markets. The Developer will also target national and regional retail and restaurant chains, which will complement the tourism draw associated with the Overall Project and existing and prospective development in this area of the City and County. At completion, the Overall Project will become a key piece of the Unified Government’s overall economy and will strengthen the Unified Government’s ability to draw visitors from outside of the immediate area.

D. Summary of Feasibility Study

The Act requires that a feasibility study be prepared setting forth the following information: (i) whether a STAR bond project’s revenue and tax increment revenues and other available revenues are expected to exceed or be sufficient to pay for the project costs; (ii) the effect, if any, a STAR bond project will have on any outstanding special obligation bonds payable from certain revenues as described in the Act; (iii) a statement of how the jobs and taxes obtained from the STAR bond project will contribute significantly to the economic development of the state and region; (iv) visitation expectation and a plan describing how the number of visitors to the STAR bond project district will be tracked and reported to the secretary on an annual basis which shall include, but not be limited to, obtaining and reporting visitor residence zip code data to the Secretary, provided any visitor residence data requested by the Secretary for business located in the STAR bond district shall be provided in an aggregate manner without personally identifiable information; (v) the unique quality of the project; (vi) economic impact study; (vii) market study; (viii) market impact study; (ix) integration and collaboration with other resources or businesses; (x) the quality of service and experience provided, as measured against national consumer standards for the specific target market; (xi) project accountability, measured according to best industry practices; (xii) the expected return on state and local investment that the project is anticipated to produce; (xiii) a net return on investment analysis; (xiv) a statement concerning whether a portion of the local sales and use taxes are pledged to other uses and are unavailable as revenue for the STAR bond project; (xv) an anticipated

principal and interest payment schedule on the bond issue; (xvi) a summary of community involvement, participation and support; and (xvii) a full disclosure and description of all state, federal and local tax incentives that apply or are anticipated to apply within the STAR bond district or any business located in the district.

In accordance with the Act, the Unified Government has a prepared a feasibility study conducted by Canyon Research Southwest, Inc. (“**Canyon**”), a qualified independent third-party consultant selected and approved by the Secretary specifically for that purpose. Titled “*STAR Bond Feasibility Study, A New American Royal, A Food and Agriculture Epicenter, 118th Street and State Avenue, Kansas City, Kansas,*” and dated February 2024 (the “**Feasibility Study**”), the Feasibility Study was prepared by Canyon under the control and oversight authority of the Secretary and the costs of which have been paid by Developer.

A summary of the Feasibility Study follows below.

1. **Sufficiency of the Project’s Revenues Compared to the Project’s Costs**

The Act requires an analysis of whether a project’s revenues are expected to exceed or be sufficient to pay for the costs of the Overall Project (the “**Overall Project Costs**”). This requires determining the Overall Project Costs, and the Overall Project Costs eligible for reimbursement with STAR Bond Proceeds (the “**Eligible Overall Project Costs**”), and comparing them to the STAR Bond Proceeds expected to be generated within each Project Area.

a. **Estimated Total Project Costs**

The total estimated cost to complete the Overall Project is approximately \$450 million. As determined from contract prices, engineering estimates, and estimates made by the Developer, a breakdown of the estimated costs by category is set forth below (a detailed budget is attached as Exhibit D):

PROJECT COST ESTIMATES	
Cost Category	Estimated Cost
Property Acquisition	\$ 13,100,000
Sitework	\$ 70,750,000
Infrastructure	\$ 38,000,000
Construction	\$ 269,000,000
Soft Costs	\$ 51,150,000
Contingency	\$ 8,000,000
TOTAL	\$ 450,000,000

b. **Estimated Costs Eligible for Reimbursement**

Of the total costs listed above, approximately \$391 million qualify under the Act as “Eligible Project Costs,” meaning that only those costs may be financed using STAR Bond Proceeds. These Eligible Project Costs are set forth by category and amount below (a detailed summary breakdown is attached as Exhibit E):

ELIGIBLE COST ESTIMATES	
Cost Category	Estimated Eligible Cost
Property Acquisition	\$ 10,000,000
Sitework	\$ 41,799,213
Infrastructure	\$ 38,000,000
Construction	\$ 269,000,000
Soft Costs	\$ 32,287,500
Contingency	\$ TBD
TOTAL PROJECT COST	\$ 391,086,713

c. Tax Revenues Subject to Capture

STAR bond revenues from the District generated over the 20-year term (“**STAR Bond Revenues**”) are estimated to be approximately \$465.1 million¹ as set forth on Exhibit F attached hereto. Pursuant to the Act, STAR Bond Revenues can be generated from several sources, including, in relevant part:

- *Sales Tax & Use Tax Revenues* – the retail sales dollar amount generated within the District multiplied by: (A) the captured State sales and use tax rate as set forth in the Act, which is currently **6.50%** (the “**State Sales Tax Revenues**”); and (B) the captured local sales and use tax rate as set forth in the Act, which, based on the location of the Project, is currently **1.934368%** (the “**Local Sales Tax Revenues**”) consisting of (1) the City’s sales and use tax rate, less any portion thereof committed to other uses by election (currently 1% based on the total sales tax rate of 1.625% less 0.25% dedicated to emergency medical service and 0.375% for Unified Government public and safety neighborhood), and (2) the Unified Government’s share of the County’s sales and use tax rate, which is currently 0.934368% (based on the County’s total sales and use tax rate of 1% of which the Unified Government’s share is currently 93.4368%); for a total retail sales and use tax rate, as available for capture under the Act, equal to **8.434368%** from State Sales Tax Revenues and Local Sales Tax Revenues combined (collectively, the “**Sales Tax Revenues**”).
- *Transient Guest Tax Revenues* – the annual hotel/lodging revenues generated within the District multiplied by the eligible Transient Guest Tax rate as set forth in the Act (the “**TGT Revenues**”), which is currently **7.84%** (based on the total Transient Guest Tax rate of 8.00% from which the State deducts a 0.16% as an administrative fee, leaving the net eligible amount at 7.84%).
- *Community Improvement District Revenues* – the retail sales dollar amount generated within Project Area 2 and a portion of Project Area 3 of the District also falling within boundaries of a community improvement district (CID) to be established pursuant to K.S.A. 12-6a26 *et seq.*, if any, multiplied by the CID sales tax rate levied in such CID district, which is currently anticipated to be one percent (1.0%), if and to the extent that such CID sales tax revenues (or a portion thereof) may be pledged to pay STAR bonds if necessary and agreed upon by the Unified Government and Developer (as applicable, the “**CID Revenues**”).

Sales Tax Revenues

Although other phases are expected to be built within the District in the future and add substantial additional capital investment and otherwise enhance the Overall Project, for purposes of the Feasibility Study, it is conservatively assumed that STAR Bond Revenues (and the corresponding supportable bond debt estimates) for the Overall Project will be derived exclusively from the following sources within the District: (i) incremental sales and use taxes from the Plaza at the Speedway² (over and above “base sales

¹ The Feasibility Study assumes (i) STAR Bond Revenues from the Plaza at the Speedway (defined below) will be limited to State Sales Tax Revenues, excluding approximately \$46.1 million in projected Local Sales Tax Revenues from Plaza at the Speedway, which when included (as anticipated) increases total projected STAR Bond Revenues to approximately \$511.2 million, shown as ‘Scenario 2’ in Exhibit F and Exhibit G; and (ii) a 1.0% CID sales tax imposed on sales from Project Area 2 and a portion of Project Area 3, and that a portion of the revenues generated therefrom may be pledged to pay STAR bonds if necessary and agreed upon by the Unified Government and Developer, which accounts for a projected approximately \$32.9 million of the total STAR Bond Revenues and, if not collected and/or pledged reduces total projected STAR Bond Revenues to approximately \$432.2 million if Local Sales Tax Revenue from Plaza at the Speedway are not included or a net decrease to approximately \$478.3 million if Local Sales Tax Revenues from Plaza at the Speedway are included).

² As used in this Project Plan, “**Plaza at the Speedway**” means the portion of the District located north of Parallel Parkway and east of N 110th Street / Hutton Road, as generally depicted in yellow shading on Exhibit B-2.

taxes”), (ii) sales and use taxes from Project Area 2, (iii) sales and use taxes from Project Area 3, and (iii) a CID overlay of Project Area 2 and a portion of Project Area 3 as described above.

Given that the Plaza at the Speedway was the only portion of the District generating existing sales at the time of its creation in December 2016, the retail sales dollar amount generated from the Plaza at the Speedway during a “base year,” defined as the 12-month period immediately prior to District creation (Dec. 2015 – Nov. 2016), constitute the “Base Sales” for the entire District. Currently, the existing sales within the District continue to come exclusively from the Plaza at the Speedway, but current sales from the Plaza at the Speedway far exceed its “base year” sales. As a result, all *incremental* sales at the Plaza at the Speedway and all *total* projected sales from all other portions of the District are assumed to be available for capture as STAR Bond Revenues. At full development and stabilization, it is anticipated that the Overall Project (including incremental sales from the Plaza at the Speedway) will produce annual sales volume of approximately \$292.6 million, based on the sales estimates summarized in the table below.

PROJECTED ANNUAL INCREMENTAL SALES AT STABILIZATION		
Project Area		Sales at Stabilization
1	Plaza at the Speedway (incremental)	\$ 106,289,761
2	Core Royal	\$ 145,250,516
3	Festival Grounds	\$ 41,085,000
Total Annual Sales		\$ 292,625,277

The combined retail sales tax rate, as available for capture under the Act, is 8.434368% (consisting of 6.50% State and 1.934368% local). At stabilization, the District is anticipated to generate \$22.6 million of annual Sales Tax Revenues, consisting of \$19.0 million of State Sales Tax Revenues and \$3.6 million of Local Sales Tax Revenues.³ Through the maturity of the contemplated STAR Bonds, the District is projected to generate total Sales Tax Revenues of approximately \$432.2 million, consisting of approximately \$368.6 million in State Sales Tax Revenues and \$63.6 million in Local Sales Tax Revenues.⁴ For purposes of the Feasibility Study, it is assumed that only the State Sales Tax Revenues from the Plaza at the Speedway will be captured as STAR Bond Revenues, although it is anticipated that Local Sales Tax Revenues from the Plaza at the Speedway may also be captured as STAR Bond Revenues. Accordingly, the total projected annual sales tax increment at stabilization, and total projected sales tax increment through maturity, are shown in the tables below both with and without Local Sales Tax Revenues from the Plaza at the Speedway for reference.

³ These estimates exclude \$2.1 million in projected Local Sales Tax Revenues from the Plaza at the Speedway at stabilization, which when included (as anticipated) increases annual Sales Tax Revenues at stabilization to \$24.7 million, consisting of \$19.0 million of State Sales Tax Revenues and \$5.7 million of Local Sales Tax Revenues.

⁴ These estimates exclude \$46.1 million in projected Local Sales Tax Revenues from the Plaza at the Speedway through maturity, which when included (as anticipated) increases total Sales Tax Revenues through maturity to \$478.4 million, consisting of approximately \$368.6 million in State Sales Tax Revenues and approximately \$109.7 million in Local Sales Tax Revenues.

TAX INCREMENT <u>WITHOUT</u> LOCAL SALES TAX REVENUES FROM PLAZA AT THE SPEEDWAY			
	Project Area	At Stabilization	Through Maturity
1	Plaza at the Speedway (incremental)	\$ 6,908,834	\$ 155,029,655
2	Core Royal	\$ 12,250,963	\$ 225,967,031
3	Festival Grounds	\$ 3,465,260	\$ 51,223,122
Net Sales Tax Revenues		\$ 22,625,058	\$ 432,219,809

TAX INCREMENT <u>WITH</u> LOCAL SALES TAX REVENUES FROM PLAZA AT THE SPEEDWAY			
	Project Area	At Stabilization	Through Maturity
1	Plaza at the Speedway (incremental)	\$ 8,964,870	\$ 201,165,717
2	Core Royal	\$ 12,250,963	\$ 225,967,031
3	Festival Grounds	\$ 3,465,260	\$ 51,223,122
Net Sales Tax Revenues		\$ 24,681,093	\$ 478,355,871

Transient Guest Tax Revenues

Currently no transient guest taxes are generated within the Overall Project. Although it is possible one or more hotels will be constructed within the District by the time of stabilization or thereafter, any such hotels and the transient guest taxes that may be generated from same are excluded from sales and tax increment projections for purposes of the Feasibility Study.

CID Sales Tax Revenues

Based on the projected annual sales from the Core Royal complex in Project Area 2 and future Festival Grounds in Project Area 3 noted above, and an assumed 1.0% CID sales tax rate imposed thereon, at stabilization, the District is anticipated to generate \$1.9 million of CID sales tax, with total CID sales tax of approximately \$32.9 million through maturity of the District. A CID is not currently contemplated for any portion of Project Area 1.

d. Estimated STAR Bond Net Proceeds

Based on the Overall Project's captured STAR Bond Revenues and utilizing STAR Bond Project financing methodologies, the estimated STAR Bond net proceeds from the District are approximately \$199 million, as summarized in the table below, which includes projected STAR Bond net proceeds and CID Revenues.⁵ Exhibit G sets forth the relevant calculations and assumptions utilized.

STAR BOND NET PROCEEDS <u>WITHOUT</u> LOCAL SALES TAX REVENUES FROM PLAZA AT THE SPEEDWAY					
	Project Area	State Sales Tax Revenues	Local Sales Tax Revenues	CID Sales Tax Revenues	Totals
1	Plaza at the Speedway (incremental)	\$ 61,752,498		\$ -	\$ 61,752,498
2	Core Royal	\$ 75,592,620	\$ 22,495,991	\$ 11,629,634	\$ 109,718,245
3	Festival Grounds	\$ 18,838,062	\$ 5,606,114	\$ 2,898,163	\$ 27,342,339
Net Sales Tax Revenues		\$ 156,183,179	\$ 28,102,106	\$ 14,527,797	\$ 198,813,082

STAR BOND NET PROCEEDS <u>WITH</u> LOCAL SALES TAX REVENUES FROM PLAZA AT THE SPEEDWAY					
	Project Area	State Sales Tax Revenues	Local Sales Tax Revenues	CID Sales Tax Revenues	Totals
1	Plaza at the Speedway (incremental)	\$ 61,752,498	\$ 18,377,239	\$ -	\$ 80,129,738
2	Core Royal	\$ 75,592,620	\$ 22,495,991	\$ 11,629,634	\$ 109,718,245
3	Festival Grounds	\$ 18,838,062	\$ 5,606,114	\$ 2,898,163	\$ 27,342,339
Net Sales Tax Revenues		\$ 156,183,179	\$ 46,479,345	\$ 14,527,797	\$ 217,190,322

⁵ This estimate excludes \$46.1 million in Local Sales Tax Revenues projected from the Plaza at the Speedway, which when included (as anticipated), applying the same STAR Bond Project financing methodologies as mentioned above, is projected to generate an additional \$18.4 million of STAR Bond net proceeds, increasing total estimated STAR Bond net proceeds from the District to approximately \$217.2 million, shown in the second table below and as 'Scenario 2' in Exhibit G attached hereto.

e. Summary of the STAR Bond Revenues and Overall Project Costs

The total of Eligible Overall Project Costs that can be financed under the Act is limited to the amount of revenues generated from the District. Based on this Project Plan's (1) estimated Overall Project Costs, and (2) estimated STAR Bond net proceeds, the STAR Bond net proceeds are expected to pay for the Overall Project's costs as contemplated under the Act when supplemented by private debt and equity and other private and public sources, including STAR Bond net proceeds generated from revenues available in Project Area 1 and other project areas within the District, all as more specifically agreed upon in the development agreement between Developer and the Unified Government (the "**Development Agreement**").

2. Impact on Outstanding Special Obligation Bonds

As required by the Act, an evaluation was conducted as to the "effect, if any" the Overall Project would have on any outstanding STAR bonds as authorized pursuant to the Act. By year-end 2022, sixteen active STAR Bond districts in Kansas possessed outstanding bond principal balance totaling approximately \$526 million. Active STAR Bond districts include six in the Kansas City MSA, four projects in the Wichita MSA, and projects in Topeka, Manhattan, Salina, Dodge City, and Garden City. The active STAR Bond districts support a wide range of destination attractions including professional soccer stadium and training facilities, racetracks, minor league baseball stadium, an arena, indoor and outdoor athletic facilities, waterparks, downtown redevelopment, and others. The destination attractions planned for the new American Royal Food and Agriculture Epicenter do not exist within any of the active STAR Bond projects in Kansas.

Village West continues to be the number one tourist attraction in Kansas with more than 12 million annual visitors from throughout the Midwest region and beyond. Village West and Village East together create one of the Midwest's most unique and highly visited sports, entertainment, and shopping destinations. Development of the new American Royal Food and Agriculture Epicenter will have a positive impact on operations of the Kansas Speedway, Village West, and Village East by improving the synergy between the developments through the introduction of additional destination attractions and visitors.

The Feasibility Study concluded that given the noncompeting destination attractions and differing market niche, development of the new American Royal Food and Agricultural Epicenter will not have a measurable adverse impact on visitor volumes, retail sales volumes and STAR bond revenues on those STAR bond districts with outstanding bond debt. Therefore, the operation of additional development withing the new American Royal Food and Agriculture Epicenter is not anticipated to cause default in the payment of outstanding STAR bonds.

3. Significant Contribution to the Economic Development of the State and Region

The economic impact on the surrounding economy will be substantial and the development of the Overall Project will provide significant economic development, tax revenues, tourism, and new jobs that will contribute significantly to the economic development of the Unified Government, the region and the State of Kansas as a whole. The Overall Project, with a total estimated capital investment of approximately \$450 million, will result in a substantial number of temporary construction jobs, and at full build-out, employ a significant number of full-time equivalent employees (and with annual payroll) commensurate with projects of similar scope and caliber. The construction-phase and operational-phase estimates projected in the Feasibility Study are summarized below.

Construction phase direct on-site employment associated with the Overall Project is estimated at approximately 2,714 full-time equivalent jobs. Indirect job creation is forecast at 778 and 222, respectively,

bringing the total construction-phase work force to 3,714 jobs. The construction phase total payroll is estimated at \$206 million. The State of Kansas is estimated to collect approximately \$8.07 million in personal income taxes relating from the payroll estimated with construction of in the District.

The development of the Overall Project will provide significant economic development and new jobs for the City of Kansas City, Kansas, State of Kansas, and Midwest Region. In addition to new construction jobs discussed above, the Feasibility Study estimates that, at full build out, the Overall Project will create approximately 650 full-time equivalent jobs with an annual payroll of \$20.8 million, generating approximately \$650,000 in annual income taxes for the State of Kansas.

In addition to significant economic activity and impacts from construction and continuing into operations, stabilized year gross visitor expenditures generated by visitors to the Overall Project are estimated at \$330 million, only \$181 million of which is expected to be captured in-District, resulting in substantial spin off benefits and activity for other area businesses and the associated tax revenues flowing to the State and Unified Government instead of the District.

4. Projected Visitation & Tracking

At full build out and stabilization, the Feasibility Study estimates that the Overall Project will conservatively generate 2,156,765 annual attendee days, including 779,618 attendee days from visitors traveling from more than 100 miles away, and in the ‘optimistic scenario’ projected by the study, that as many as 2,432,500 annual attendee days will be generated at stabilization, including with 882,725 attendee days from visitors traveling from more than 100 miles away in the more optimistic scenario set forth in the Feasibility Study.

The Feasibility Study discusses the Developer’s plan for tracking the number of visitors to the Overall Project and reporting that information to the Secretary annually, including visitors’ residence zip code data. In 2018, the Developer began implementing a visitor tracking system that tracks the participants, exhibitors, contestants, and public attendees. City/state residence information is collected for all participants who register through American Royal registration systems, and data collected from ticket sales is also able to track the purchasers’ locations. Parking and concession sales will all be cashless and thus allow for collection of location data as well, and Wi-Fi systems similarly require registration for access. Zip code residence data is collected through all of these sources and will be reported annually with any other information required pursuant to the Act.

5. Market Study & Market Impact Study

Market Study

The Market Study portion of the Feasibility Study evaluated the ability of the Overall Project to gain market share locally, regionally, and nationally, and its suitability to facilitate development of a multi-use arena and event space, by examining the local tourism market and its ability to support additional development, providing an overview of the competitive rodeo arena industry and discussing a survey of existing rodeos and rodeo arenas in Kansas and other comparable multi-purpose arenas, as compared and contrasted with the Overall Project uses. Conclusions and other takeaways from this portion of the Feasibility Study include that: Overall Project is well positioned geographically to cater to the western United States rodeo participants and fan base; the Overall Project’s inventory of horse stalls significantly exceeds that of the surveyed arenas and affords the Overall Project a significant competitive advantage when bidding for large-scale events; the usage of comparable multi-purpose arenas bodes well for the

potential of the Overall Project to host a suitable number of annual events and event days to support feasible development and operation; of the indoor arenas surveyed in eastern Kansas, the Stormont Vail Events Center in Topeka was deemed most competitive in terms of size and capacity but suffering from facility deficiencies such as its age, the absence of an outdoor arena, and having a small inventory of stalls and RV hookups; of the six existing indoor arenas surveyed in western Kansas, none were viewed as directly competitive to the Overall Project; of the surveyed multi-purpose arenas, the Lancaster Event Center in Lincoln, Nebraska was viewed as most comparable in terms of property amenities and hosts a significant number of regional/national/international events annually, boding well for the Overall Project's ability to do the same; when compared to the ten surveyed comparable arena venues, the design for the Overall Project affords the necessary location, features, and amenities to be competitive and attract promoters, sponsors, events and fans; and, based on the findings of the Market Study the report determined the viability of the new American Royal Food & Agriculture Epicenter to support future development and continued operation of a multi-purpose arena and event space.

Market Impact Study

As part of the Market Impact Study, the Feasibility Study discusses Overall Project positioning and unique quality, synergy with area attractions and impacts on comparable area businesses. Conclusions and other highlights from those portions of the study are included below: the Overall Project is positioned as a premier food and agriculture event, entertainment and education destination support a regional, national and international draw; together with the existing visitor destinations nearby in Village West and Village East, the Overall Project's uses, concepts, and positioning are designed to create a unique attraction capable of generating large visitor volumes, drawing out-of-town travelers, and enhancing the Kansas City area's status as a regional tourism destination; by increasing the critical mass and scope of destination attractions, the Overall Project will improve Kansas City's competitive position as a sports and entertainment destination and complement the existing attractions at Village East and West by creating a unique sports, entertainment, and education destination; when combined with the Village East and West attractions, the Overall Project will further strengthen the draw and economic impact of Kansas' largest and most visited tourism destination; at build-out and stabilization by; out-of-town visitors to the District are forecast to generate \$320 million to \$359 million in annual expenditures on shopping, dining, entertainment, lodging, and transportation, not all of which will be satisfied by the planned on-site attractions; and the Overall Project will benefit existing sports, entertainment, retail, restaurant, and lodging businesses in the County, with businesses operating in the neighboring Village West and Village East STAR Bond Districts being the primary beneficiaries, and therefore is not expected to adversely impact the sales of the Cable Dahmer Arena, Starlight Theatre, or Azura Amphitheatre.

6. Expected Return on State and Local Investment

The return on investment to the State of Kansas and Unified Government will be significant and long lasting, and will be measured in the form of increased annual retail sales, job creation and significant construction and other economic activity, and a number of other direct and indirect benefits including from substantial surrounding and supportive development the Overall Project is expected to attract.

7. Statement Concerning Revenues Pledged to Other Uses

The Act inquires into the amount of local taxes in a municipality dedicated by the voters and unavailable for capture under the Act. In Kansas City, Kansas and Wyandotte County, the city sales tax rate is 1.625%, of which .25% has been dedicated by the voters to Emergency Medical Services and 0.375% has been dedicated to public safety and infrastructure. The county sales tax

rate is 1.00%, of which 0.065632% is currently dedicated to the cities of Bonner Springs and Edwardsville. As dedicated taxes, these revenues are not available to be captured for STAR Bond Project financing. Additionally, portions of the Plaza at the Speedway currently reside in a tax increment financing (TIF) district that captures certain local sales taxes. Until such TIF district is terminated, these local sales tax revenues will be unavailable for capture by the District; however, the current expectation is that the TIF district at Plaza at the Speedway will be terminated on or about the time this Project Plan is implemented.

8. Other Public Assistance

The Act also provides for disclosure of other state, federal and local tax incentives that apply or, pursuant to the project plan, are anticipated to apply within the District or that apply to any business located in or, pursuant to this Project Plan or a project plan for another Project Area, that will locate in the District. Other public assistance applicable or anticipated to apply with respect to the Overall Project include Kansas Building a Stronger Economy (BASE) grant program funding, Kansas Department of Transportation (KDOT) Economic Development Program funding and/or other KDOT funding, Industrial Revenue Bond (IRB) financing for sales tax exemption on construction materials, and a contemplated Community Improvement District (CID) and 1.0% CID sales tax located only in Project Area 2 and Project Area 3.

9. Anticipated Principal and Interest Payment Schedule

A schedule of principal and interest payments for a STAR Bond issuance for the District is attached as Exhibit G.

10. Meetings and Minutes

Upon approval of this Project Plan by the Unified Government and prior to transmittal to the Secretary, the Unified Government Clerk will attach the minutes of the Unified Government meetings where the Project was discussed as Exhibit H.

E. Relocation Plan

The property in Project Area 1 expected to be necessary to implement this Project Plan is not owned or controlled by Developer. In the event of the need for additional property in the Project Area, the same will be acquired via a negotiated arms-length transaction.

In the event the Unified Government is required to acquire any property located in Project Area 1, relocation payments shall be made to any persons or businesses that move from real property or that move personal property from real property as a result of the acquisition of the real property by the Unified Government in carrying out the provisions of the Act pursuant to K.S.A. 58-3508 and the requirements of the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970. Such relocation payments shall be in the amount of the actual reasonable cost of moving to another location, or moving personal property to another location, within the greater metropolitan Kansas City area. No persons residing within Project Area 1 shall be displaced unless and until there is a suitable housing unit available and ready for occupancy by such displaced person at rents within their ability to pay, such housing units shall be suitable to the needs of such displaced persons and must be a decent, safe, sanitary and otherwise standard

dwelling. The Unified Government shall provide for the payment of any reasonable damages sustained by a retailer, as defined by the K.S.A. 79- 3702, and amendments thereto, by reason of the liquidation of inventories necessitated by the relocation.

F. Officers of Developer

The Developer, American Royal Association, is a 501(c)(3) not-for-profit organization. The names of the officers of Developer are attached hereto as Exhibit I.

III. Conclusion

Based on the foregoing, the Unified Government, the Developer hereby submits this Project Plan for public hearing and due consideration.

[Exhibits Follow]

EXHIBIT A

Site Plan



EXHIBIT B

Legal Description of the STAR Bond District

All that part of the Northeast Quarter and Southeast Quarter of Section 4, and all that part of Section 3, and all that part of the north half of Section 2, all in Township 11 South, Range 23 East, all that part of Lot 1, PIPER PLAZA, all that part of Lots 1, 2, 3, 4, and 5 of PIPER PLAZA SECOND PLAT, all that part of Lots 1 and 2 SECURITY BANK, all that part of Lots 14, 24, 25 and C of PLAZA AT THE SPEEDWAY, and all that part of Lots D and 53, PLAZA AT THE SPEEDWAY SECOND PLAT, and all that part of Lots 38, 39, 40, 41, and 42, PLAZA AT THE SPEEDWAY THIRD PLAT, and all that part of Lots 43, 44, 45, 46, 47, 48, 49, 50, 51, and 52, PLAZA AT THE SPEEDWAY FOURTH PLAT, and all that part of Lots 53, 54, and 55, PLAZA AT THE SPEEDWAY FIFTH PLAT, and all that part of Lots 56, 57, Tract E1, and Tract E2, PLAZA AT THE SPEEDWAY SIXTH PLAT, and all that part of the Southeast Quarter and Southwest Quarter of Section 34, and all that part of the Southeast Quarter of Section 33, both in Township 10 South, Range 23 East, all being in the City of Kansas City, Wyandotte County, Kansas being generally described as follows: Beginning at the intersection of the south right-of-way line of Parallel Parkway and the west right-of-way line of N. 118th Street, thence southerly, with the west right-of-way line of N. 118th Street to the north line of Parcel 953101; thence westerly with the north line of parcel 953101, to the northwest corner of said Parcel 953101; thence southerly, with the west line of Parcel 953101, and with the west line of Parcels 953103 and 953104 to the north right-of-way line of State Avenue; thence easterly, with the north right-of-way line of State Avenue to the east right-of-way line of N. 110th Street; thence northerly, with the east right-of-way line of N. 110th Street, to the south right-of-way line of Parallel Parkway; thence easterly, with the south right-of-way line of Parallel Parkway, to the west right-of-way line of Village West Parkway; thence northerly, with the west right-of-way line of Village West Parkway, to the north right-of-way line of Parallel Parkway; thence easterly, with the north right-of-way line of Parallel Parkway, to the easterly line of PLAZA AT THE SPEEDWAY SIXTH PLAT; thence northerly, with the east line of PLAZA AT THE SPEEDWAY SIXTH PLAT to the northeast corner thereof; thence westerly, with the north line of PLAZA AT THE SPEEDWAY SIXTH PLAT, to the northwest corner thereof, said point also being on the easterly line of PLAZA AT THE SPEEDWAY FIFTH PLAT; thence westerly and northerly, with the easterly line of PLAZA AT THE SPEEDWAY FIFTH PLAT, to the northeast corner thereof; thence westerly, with the north line of PLAZA AT THE SPEEDWAY FIFTH PLAT, and with the north line of PLAZA AT THE SPEEDWAY, to the northwest corner thereof, said point being on the east right-of-way line of Hutton Road; thence southwestly, with the easterly right-of-way line of Hutton Road to the north right-of-way line of Parallel Parkway; thence westerly, with the north right-of-way line of Parallel Parkway, to the intersection of the north right-of-way line Parallel Parkway and the northerly prolongation of the west right-of-way line of N. 118th Street; thence southerly, with the northerly prolongation of the west right-of-way line of N. 118th Street, to the point of beginning.

Except all of Lot 1, LEGENDS APARTMENTS, and except all of Lot 1, VILLAGE WEST APARTMENTS, and except all of Parcel 949201.

The above described tract contains approximately 550 acres, more or less.

EXHIBIT B-2

Depiction of the STAR Bond District

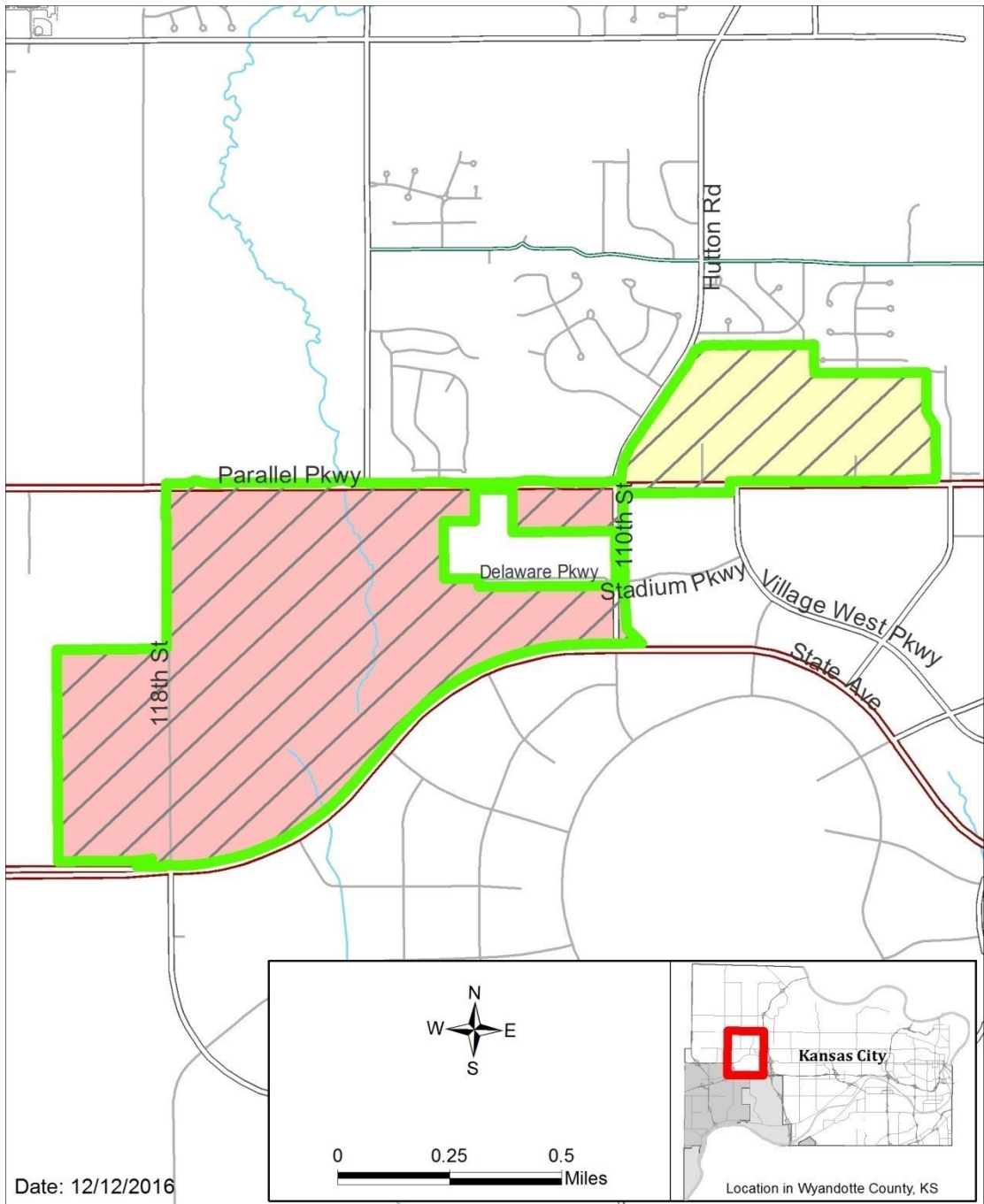


EXHIBIT B-3 Project Area 1

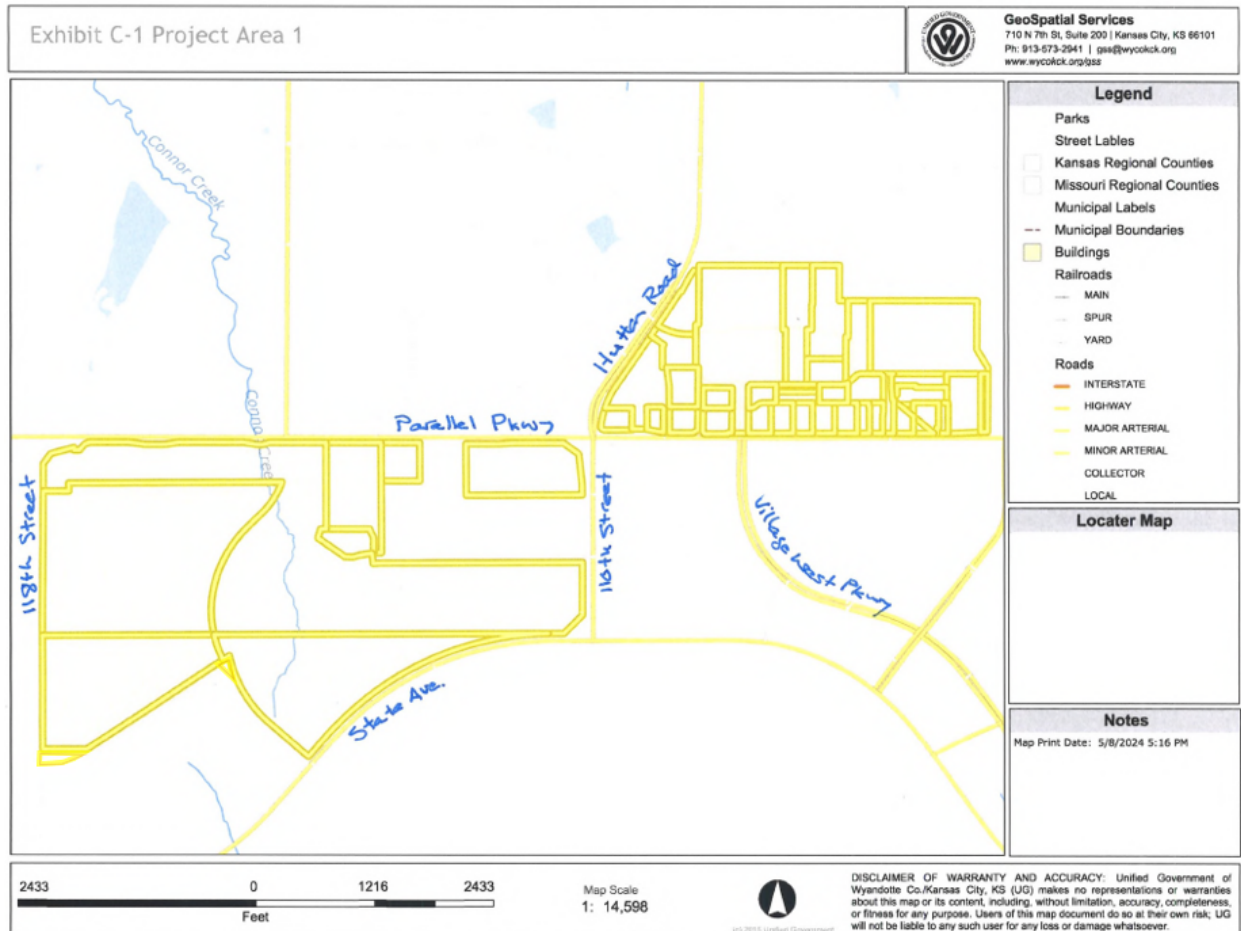


EXHIBIT B-4
Project Area 2



Exhibit B-5
Project Area 3

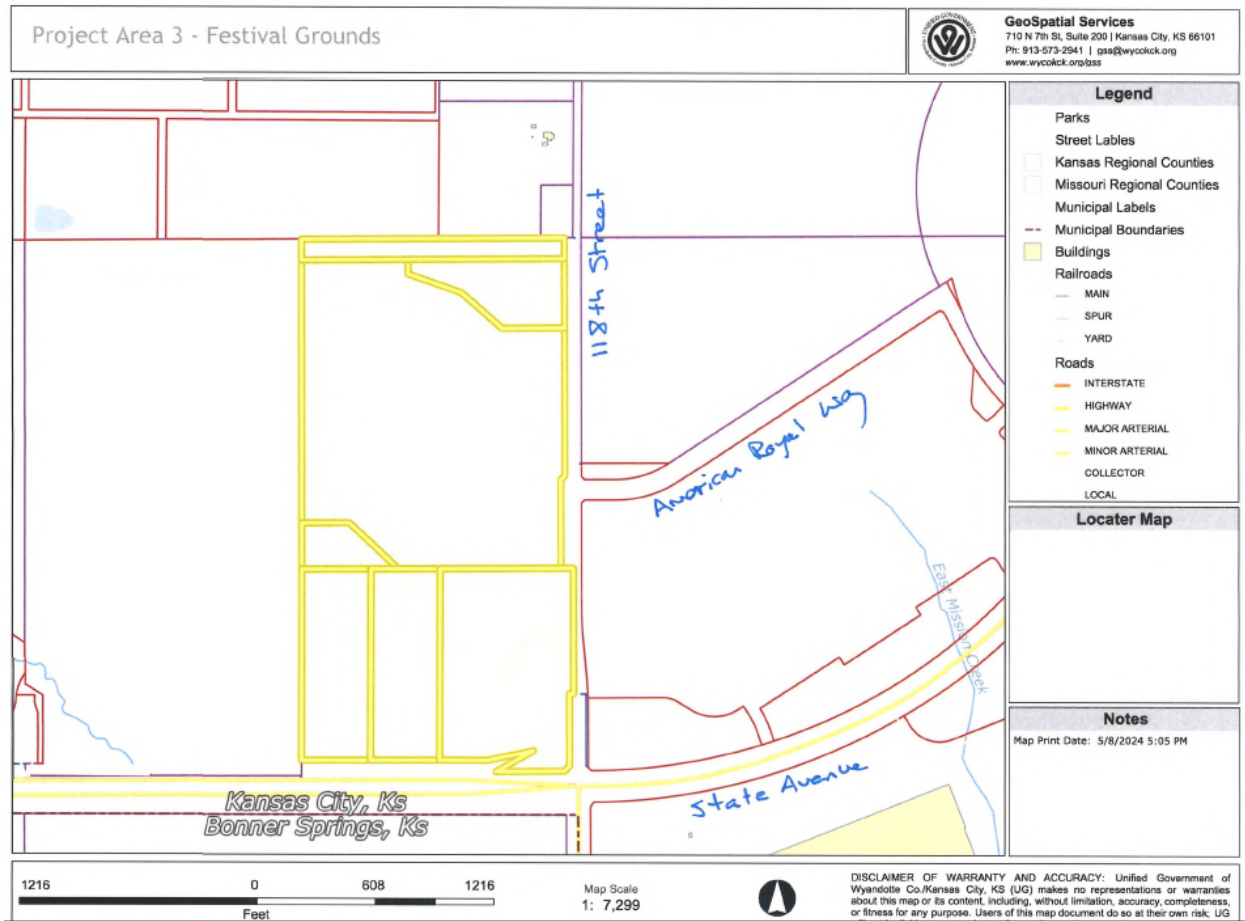


EXHIBIT C
Legal Description of Project Area 1

EXHIBIT D

Estimated Project Costs

GENERAL COST CATEGORIES	EST. PROJECT COSTS		
	Core Royal & Ag. Education Ctr.	Future Festival Grounds	Total Estimated Project Costs
<u>Land Costs</u>			
Property Acquisition	\$ 10,000,000	\$ 3,100,000	\$ 13,100,000
Subtotal:	\$ 10,000,000	\$ 3,100,000	\$ 13,100,000
<u>Sitework</u>			
Grading, Utilities, Paving, Landscaping	\$ 23,000,000	incl.	\$ 23,000,000
Future Festival Grounds Site	\$ -	\$ 47,750,000	\$ 47,750,000
Subtotal:	\$ 23,000,000	\$ 47,750,000	\$ 70,750,000
<u>Infrastructure</u>			
115th - from 118th to 115th	\$ 2,000,000	\$ -	\$ 2,000,000
118th - from State to north end of Site	\$ 3,000,000	\$ -	\$ 3,000,000
Am. Royal Way (from 118th to 115th)	\$ 6,000,000	\$ -	\$ 6,000,000
Future Festival - N/S & E/W Internal Drives	\$ -	\$ 27,000,000	\$ 27,000,000
Subtotal:	\$ 11,000,000	\$ 27,000,000	\$ 38,000,000
<u>Construction</u>			
Exhibition Hall/Barns	\$ 80,000,000		\$ 80,000,000
Arenas (Main/MP/Outdoor)	\$ 85,000,000	\$ -	\$ 85,000,000
Office HQ & Comm/Community Kitchen	\$ 12,000,000	\$ -	\$ 12,000,000
Event Support and Storage Facilities	\$ 8,000,000	\$ -	\$ 8,000,000
Agricultural Education Center	\$ 47,000,000	\$ -	\$ 47,000,000
FF&E (incl. educational exhibits)	\$ 24,000,000	\$ -	\$ 24,000,000
Future Festival - RR/Stage/Support	\$ -	\$ 13,000,000	\$ 13,000,000
Subtotal:	\$ 256,000,000	\$ 13,000,000	\$ 269,000,000
<u>Soft Costs</u>			
Design & Engineering Fees / Design	\$ 29,000,000	\$ 5,000,000	\$ 34,000,000
Professional Services & Fees	\$ 10,000,000	\$ 1,000,000	\$ 11,000,000
OH & Opening Operations	\$ 5,000,000	\$ 150,000	\$ 5,150,000
Planning, Zoning, and Permitting Fees	incl.	incl.	incl.
Utility Development Fees	\$ 1,000,000	incl.	\$ 1,000,000
Subtotal:	\$ 45,000,000	\$ 6,150,000	\$ 51,150,000
<u>Contingency</u>			
Owner Cont.	\$ 5,000,000	\$ 3,000,000	\$ 8,000,000
TOTALS	\$ 350,000,000	\$ 100,000,000	\$ 450,000,000

***Subject to the terms and conditions of the Development Agreement: (i) the above descriptions of project components, project cost and eligible project cost categories, subtotals and totals, and the individual line item descriptions and amounts contained therein, are estimates only and subject to change as the STAR bond project progresses, including, but not limited to, as actual costs are incurred and revenues received; and (ii) reimbursable costs may be shifted among line items and expanded to include other reasonable variations from the descriptions set forth herein, so long as such costs are eligible for payment or reimbursement under K.S.A. 12-17, 160 et seq.*

EXHIBIT E

Estimated Eligible Project Costs

GENERAL COST CATEGORIES	PROJECT COST ESTIMATES	ELIGIBLE PROJECT COST ESTIMATES
<u>Land Costs</u>		
Property Acquisition	\$ 13,100,000	\$ 10,000,000
Subtotal:	\$ 13,100,000	\$ 10,000,000
<u>Sitework</u>		
Grading, Utilities, Paving, Landscaping	\$ 23,000,000	\$ 23,000,000
Future Festival Grounds Site	\$ 47,750,000	\$ 18,799,213
Subtotal:	\$ 70,750,000	\$ 41,799,213
<u>Infrastructure</u>		
115th - from 118th to 115th	\$ 2,000,000	\$ 2,000,000
118th - from State to north end of Site	\$ 3,000,000	\$ 3,000,000
Am. Royal Way (from 118th to 115th)	\$ 6,000,000	\$ 6,000,000
Future Festival - N/S & E/W Internal Drives	\$ 27,000,000	\$ 27,000,000
Subtotal:	\$ 38,000,000	\$ 38,000,000
<u>Construction</u>		
Exhibition Hall/Barns	\$ 80,000,000	\$ 80,000,000
Arenas (Main/MP/Outdoor)	\$ 85,000,000	\$ 85,000,000
Office HQ & Comm/Community Kitchen	\$ 12,000,000	\$ 12,000,000
Event Support and Storage Facilities	\$ 8,000,000	\$ 8,000,000
Agricultural Education Center	\$ 47,000,000	\$ 47,000,000
FF&E (incl. educational exhibits)	\$ 24,000,000	\$ 24,000,000
Future Festival - RR/Stage/Support	\$ 13,000,000	\$ 13,000,000
Subtotal:	\$ 269,000,000	\$ 269,000,000
<u>Soft Costs</u>		
Design & Engineering Fees / Design	\$ 34,000,000	\$ 22,666,667
Professional Services & Fees	\$ 11,000,000	\$ 7,333,333
OH & Opening Operations	\$ 5,150,000	\$ 1,287,500
Planning, Zoning, and Permitting Fees	incl.	incl.
Utility Development Fees	\$ 1,000,000	\$ 1,000,000
Subtotal:	\$ 51,150,000	\$ 32,287,500
<u>Contingency</u>		
Owner Cont.	\$ 8,000,000	\$ -
TOTALS	\$ 450,000,000	\$ 391,086,713

***Subject to the terms and conditions of the Development Agreement: (i) the above descriptions of project components, project cost and eligible project cost categories, subtotals and totals, and the individual line item descriptions and amounts contained therein, are estimates only and subject to change as the STAR bond project progresses, including, but not limited to, as actual costs are incurred and revenues received; and (ii) reimbursable costs may be shifted among line items and expanded to include other reasonable variations from the descriptions set forth herein, so long as such costs are eligible for payment or reimbursement under K.S.A. 12-17, 160 et seq.*

EXHIBIT F
STAR Bond Financing Projections – Scenario 1*

**Excluding Local Sales Tax Revenues from the Plaza at the Speedway*

Year	STAR Bond Revenue			CID Revenue		Total Revenues
	Plaza at the Speedway (Project Area 1)	Phase 1 Core Royal (Project Area 2)	Phase 2 Festival Grounds (Project Area 3)	Phase 1 Core Royal (Project Area 2)	Phase 2 Festival Grounds (Project Area 3)	
2024	\$3,780,552					\$3,780,552
2025	\$4,138,638					\$4,138,638
2026	\$4,505,676	\$7,343,545		\$870,669		\$12,719,890
2027	\$4,881,891	\$7,899,117		\$936,539		\$13,717,547
2028	\$5,267,510	\$8,894,664		\$1,054,574		\$15,216,748
2029	\$5,662,771	\$9,939,226		\$1,178,420		\$16,780,417
2030	\$6,067,912	\$10,992,227	\$1,113,337	\$1,303,266	\$132,000	\$19,608,742
2031	\$6,483,182	\$11,889,443	\$2,304,607	\$1,409,642	\$273,240	\$22,360,114
2032	\$6,908,836	\$12,250,963	\$3,465,260	\$1,452,505	\$410,850	\$24,488,414
2033	\$7,345,128	\$12,557,237	\$3,551,892	\$1,488,818	\$421,121	\$25,364,196
2034	\$7,792,328	\$12,871,167	\$3,640,689	\$1,526,038	\$431,649	\$26,261,872
2035	\$8,250,709	\$13,192,949	\$3,731,706	\$1,564,189	\$442,441	\$27,181,994
2036	\$8,720,549	\$13,522,771	\$3,824,999	\$1,603,294	\$453,502	\$28,125,115
2037	\$9,202,135	\$13,860,840	\$3,920,624	\$1,643,376	\$464,839	\$29,091,814
2038	\$9,695,762	\$14,207,361	\$4,018,639	\$1,684,461	\$476,460	\$30,082,683
2039	\$10,201,728	\$14,562,545	\$4,119,105	\$1,726,572	\$488,372	\$31,098,322
2040	\$10,720,343	\$14,926,609	\$4,222,083	\$1,769,736	\$500,581	\$32,139,352
2041	\$11,251,924	\$15,299,773	\$4,327,635	\$1,813,980	\$513,095	\$33,206,408
2042	\$11,796,795	\$15,682,269	\$4,435,826	\$1,859,329	\$525,923	\$34,300,141
2043	\$12,355,287	\$16,074,325	\$4,546,722	\$1,905,813	\$539,071	\$35,421,218
Totals	\$155,029,656	\$225,967,031	\$51,223,124	\$26,791,223	\$6,073,143	\$465,084,177

EXHIBIT F
STAR Bond Financing Projections – Scenario 2*

**Including Local Sales Tax Revenues from the Plaza at the Speedway*

Year	STAR Bond Revenue			CID Revenue		Total Revenues
	Plaza at the Speedway (Project Area 1)	Phase 1 Core Royal (Project Area 2)	Phase 2 Festival Grounds (Project Area 3)	Phase 1 Core Royal (Project Area 2)	Phase 2 Festival Grounds (Project Area 3)	
2024	\$4,905,625					\$4,905,625
2025	\$5,370,276					\$5,370,276
2026	\$5,846,543	\$7,343,545		\$870,669		\$14,060,757
2027	\$6,334,718	\$7,899,117		\$936,539		\$15,170,374
2028	\$6,835,095	\$8,894,664		\$1,054,574		\$16,784,333
2029	\$7,347,984	\$9,939,226		\$1,178,420		\$18,465,630
2030	\$7,873,693	\$10,992,227	\$1,113,337	\$1,303,266	\$132,000	\$21,414,523
2031	\$8,412,545	\$11,889,443	\$2,304,607	\$1,409,642	\$273,240	\$24,289,477
2032	\$8,964,871	\$12,250,963	\$3,465,260	\$1,452,505	\$410,850	\$26,544,449
2033	\$9,531,002	\$12,557,237	\$3,551,892	\$1,488,818	\$421,121	\$27,550,070
2034	\$10,111,287	\$12,871,167	\$3,640,689	\$1,526,038	\$431,649	\$28,580,831
2035	\$10,706,079	\$13,192,949	\$3,731,706	\$1,564,189	\$442,441	\$29,637,364
2036	\$11,315,742	\$13,522,771	\$3,824,999	\$1,603,294	\$453,502	\$30,720,308
2037	\$11,940,645	\$13,860,840	\$3,920,624	\$1,643,376	\$464,839	\$31,830,324
2038	\$12,581,173	\$14,207,361	\$4,018,639	\$1,684,461	\$476,460	\$32,968,094
2039	\$13,237,712	\$14,562,545	\$4,119,105	\$1,726,572	\$488,372	\$34,134,306
2040	\$13,910,664	\$14,926,609	\$4,222,083	\$1,769,736	\$500,581	\$35,329,673
2041	\$14,600,441	\$15,299,773	\$4,327,635	\$1,813,980	\$513,095	\$36,554,925
2042	\$15,307,463	\$15,682,269	\$4,435,826	\$1,859,329	\$525,923	\$37,810,809
2043	\$16,032,160	\$16,074,325	\$4,546,722	\$1,905,813	\$539,071	\$39,098,091
Totals	\$201,165,720	\$225,967,031	\$51,223,124	\$26,791,223	\$6,073,143	\$511,220,238

EXHIBIT G

STAR Bond Amortization Schedule: STAR Bond Project – Scenario 1*

**Excluding Local Sales Tax Revenues from the Plaza at the Speedway*

NPV Revenues				
Year	Plaza at the Speedway (Project Area 1)	Core Royal (Project Area 2)	Festival Grounds (Project Area 3)	NPV @ 5% STAR Bond Revenue
2024	\$2,880,420			\$2,880,420
2025	\$3,003,092			\$3,003,092
2026	\$3,113,740	\$6,258,449		\$9,372,189
2027	\$3,213,073	\$6,411,357		\$9,624,430
2028	\$3,301,785	\$6,875,624		\$10,177,409
2029	\$3,380,515	\$7,317,208		\$10,697,723
2030	\$3,449,880	\$7,707,071	\$948,828	\$12,105,779
2031	\$3,510,457	\$7,939,182	\$1,870,545	\$13,320,184
2032	\$3,562,798	\$7,791,036	\$2,678,665	\$14,032,499
2033	\$3,607,416	\$7,605,534	\$2,614,884	\$13,827,834
2034	\$3,644,809	\$7,424,455	\$2,552,626	\$13,621,890
2035	\$3,675,440	\$7,247,678	\$2,491,849	\$13,414,967
2036	\$3,699,752	\$7,075,114	\$2,432,519	\$13,207,385
2037	\$3,718,163	\$6,906,657	\$2,374,602	\$12,999,422
2038	\$3,731,061	\$6,742,213	\$2,318,065	\$12,791,339
2039	\$3,738,827	\$6,581,690	\$2,262,872	\$12,583,389
2040	\$3,741,803	\$6,424,981	\$2,208,994	\$12,375,778
2041	\$3,740,320	\$6,272,013	\$2,156,398	\$12,168,731
2042	\$3,734,677	\$6,122,677	\$2,105,056	\$11,962,410
2043	\$3,725,267	\$5,976,885	\$2,054,937	\$11,757,089
Totals	\$70,173,293	\$124,679,824	\$31,070,840	\$225,923,957
Less: Bond Issuance Costs (12%)				-\$27,110,875
STAR Bond Proceeds Available for Debt Service				\$198,813,082

EXHIBIT G (CONT'D)

**STAR Bond Amortization Schedule:
STAR Bond Project – Scenario 2***

**Including Local Sales Tax Revenues from the Plaza at the Speedway*

NPV Revenues				
Year	Plaza at the Speedway (Project Area 1)	Core Royal (Project Area 2)	Festival Grounds (Project Area 3)	NPV @ 5% STAR Bond Revenue
2024	\$3,737,619			\$3,737,619
2025	\$3,896,797			\$3,896,797
2026	\$4,040,373	\$6,258,449		\$10,298,822
2027	\$4,169,268	\$6,411,357		\$10,580,625
2028	\$4,284,380	\$6,875,624		\$11,160,004
2029	\$4,386,540	\$7,317,208		\$11,703,748
2030	\$4,476,547	\$7,707,071	\$948,828	\$13,132,446
2031	\$4,555,151	\$7,939,182	\$1,870,545	\$14,364,878
2032	\$4,623,068	\$7,791,036	\$2,678,665	\$15,092,769
2033	\$4,680,965	\$7,605,534	\$2,614,884	\$14,901,383
2034	\$4,729,486	\$7,424,455	\$2,552,626	\$14,706,567
2035	\$4,769,233	\$7,247,678	\$2,491,849	\$14,508,760
2036	\$4,800,781	\$7,075,114	\$2,432,519	\$14,308,414
2037	\$4,824,670	\$6,906,657	\$2,374,602	\$14,105,929
2038	\$4,841,406	\$6,742,213	\$2,318,065	\$13,901,685
2039	\$4,851,484	\$6,581,690	\$2,262,872	\$13,696,045
2040	\$4,855,345	\$6,424,981	\$2,208,994	\$13,489,320
2041	\$4,853,420	\$6,272,013	\$2,156,398	\$13,281,831
2042	\$4,846,098	\$6,122,677	\$2,105,056	\$13,073,831
2043	\$4,833,889	\$5,976,885	\$2,054,937	\$12,865,711
Totals	\$91,056,520	\$124,679,824	\$31,070,840	\$246,807,184
Less: Bond Issuance Costs (12%)				-\$29,616,862
STAR Bond Proceeds Available for Debt Service				\$217,190,322

EXHIBIT G (CONT'D)

**STAR Bond Amortization Schedule:
Plaza at the Speedway (Project Area 1) – Scenario 1***

**Excluding Local Sales Tax Revenues from the Plaza at the Speedway*

Year	Gross STAR Bond Revenue	Present Value 5.0%	Net Present Value	Less: Debt Coverage 1.25	Net STAR Bond Proceeds
2024	\$3,780,552	0.952381	\$3,600,526	\$720,105	\$2,880,420
2025	\$4,138,638	0.907029	\$3,753,865	\$750,773	\$3,003,092
2026	\$4,505,676	0.863838	\$3,892,174	\$778,435	\$3,113,740
2027	\$4,881,891	0.822702	\$4,016,341	\$803,268	\$3,213,073
2028	\$5,267,510	0.783526	\$4,127,231	\$825,446	\$3,301,785
2029	\$5,662,771	0.746215	\$4,225,644	\$845,129	\$3,380,515
2030	\$6,067,912	0.710681	\$4,312,350	\$862,470	\$3,449,880
2031	\$6,483,182	0.676839	\$4,388,071	\$877,614	\$3,510,457
2032	\$6,908,834	0.644609	\$4,453,497	\$890,699	\$3,562,797
2033	\$7,345,128	0.613913	\$4,509,269	\$901,854	\$3,607,416
2034	\$7,792,328	0.584679	\$4,556,011	\$911,202	\$3,644,809
2035	\$8,250,709	0.556837	\$4,594,300	\$918,860	\$3,675,440
2036	\$8,720,549	0.530321	\$4,624,690	\$924,938	\$3,699,752
2037	\$9,202,135	0.505068	\$4,647,704	\$929,541	\$3,718,163
2038	\$9,695,761	0.481017	\$4,663,826	\$932,765	\$3,731,061
2039	\$10,201,728	0.458112	\$4,673,534	\$934,707	\$3,738,827
2040	\$10,720,343	0.436297	\$4,677,254	\$935,451	\$3,741,803
2041	\$11,251,924	0.415520	\$4,675,400	\$935,080	\$3,740,320
2042	\$11,796,795	0.395730	\$4,668,346	\$933,669	\$3,734,677
2043	\$12,355,287	0.376890	\$4,656,584	\$931,317	\$3,725,267
Totals	\$155,029,655		\$87,716,616	\$17,543,323	\$70,173,293
Less: Bond Issuance Costs (12%)					-\$8,420,795
STAR Bond Proceeds Available for Debt Service					\$61,752,498

EXHIBIT G (CONT'D)

**STAR Bond Amortization Schedule:
Plaza at the Speedway (Project Area 1) – Scenario 2***

**Including Local Sales Tax Revenues from the Plaza at the Speedway*

Year	Gross STAR Bond Revenue	Present Value 5.0%	Net Present Value	Less: Debt Coverage 1.25	Net STAR Bond Proceeds
2024	\$4,905,625	0.952381	\$4,672,024	\$934,405	\$3,737,619
2025	\$5,370,276	0.907029	\$4,870,996	\$974,199	\$3,896,797
2026	\$5,846,543	0.863838	\$5,050,466	\$1,010,093	\$4,040,373
2027	\$6,334,718	0.822702	\$5,211,585	\$1,042,317	\$4,169,268
2028	\$6,835,095	0.783526	\$5,355,475	\$1,071,095	\$4,284,380
2029	\$7,347,984	0.746215	\$5,483,176	\$1,096,635	\$4,386,540
2030	\$7,873,693	0.710681	\$5,595,684	\$1,119,137	\$4,476,547
2031	\$8,412,545	0.676839	\$5,693,939	\$1,138,788	\$4,555,151
2032	\$8,964,871	0.644609	\$5,778,837	\$1,155,767	\$4,623,069
2033	\$9,531,002	0.613913	\$5,851,206	\$1,170,241	\$4,680,965
2034	\$10,111,287	0.584679	\$5,911,857	\$1,182,371	\$4,729,486
2035	\$10,706,079	0.556837	\$5,961,541	\$1,192,308	\$4,769,233
2036	\$11,315,742	0.530321	\$6,000,976	\$1,200,195	\$4,800,781
2037	\$11,940,645	0.505068	\$6,030,838	\$1,206,168	\$4,824,670
2038	\$12,581,173	0.481017	\$6,051,758	\$1,210,352	\$4,841,406
2039	\$13,237,712	0.458112	\$6,064,355	\$1,212,871	\$4,851,484
2040	\$13,910,664	0.436297	\$6,069,181	\$1,213,836	\$4,855,345
2041	\$14,600,441	0.415520	\$6,066,775	\$1,213,355	\$4,853,420
2042	\$15,307,463	0.395730	\$6,057,622	\$1,211,524	\$4,846,098
2043	\$16,032,160	0.376890	\$6,042,361	\$1,208,472	\$4,833,889
Totals	\$201,165,720		\$113,820,651	\$22,764,130	\$91,056,521
Less: Bond Issuance Costs (12%)					-\$10,926,783
STAR Bond Proceeds Available for Debt Service					\$80,129,738

EXHIBIT G (CONT'D)

**STAR Bond Amortization Schedule:
Core Royal / Main Complex (Phase 1) (Project Area 2)**

Year	Gross Revenue	Present Value 5.0%	Net Present Value	Less: Debt Coverage 1.25	Net Proceeds
2026	\$8,214,214	0.952381	\$7,823,062	\$1,564,612	\$6,258,449
2027	\$8,835,656	0.907029	\$8,014,196	\$1,602,839	\$6,411,357
2028	\$9,949,238	0.863838	\$8,594,530	\$1,718,906	\$6,875,624
2029	\$11,117,646	0.822702	\$9,146,510	\$1,829,302	\$7,317,208
2030	\$12,295,493	0.783526	\$9,633,838	\$1,926,768	\$7,707,071
2031	\$13,299,085	0.746215	\$9,923,977	\$1,984,795	\$7,939,182
2032	\$13,703,468	0.710681	\$9,738,794	\$1,947,759	\$7,791,036
2033	\$14,046,055	0.676839	\$9,506,918	\$1,901,384	\$7,605,534
2034	\$14,397,206	0.644609	\$9,280,569	\$1,856,114	\$7,424,455
2035	\$14,757,136	0.613913	\$9,059,598	\$1,811,920	\$7,247,678
2036	\$15,126,065	0.584679	\$8,843,892	\$1,768,778	\$7,075,114
2037	\$15,504,216	0.556837	\$8,633,321	\$1,726,664	\$6,906,657
2038	\$15,891,822	0.530321	\$8,427,767	\$1,685,553	\$6,742,213
2039	\$16,289,117	0.505068	\$8,227,112	\$1,645,422	\$6,581,690
2040	\$16,696,345	0.481017	\$8,031,226	\$1,606,245	\$6,424,981
2041	\$17,113,754	0.458112	\$7,840,016	\$1,568,003	\$6,272,013
2042	\$17,541,598	0.436297	\$7,653,347	\$1,530,669	\$6,122,677
2043	\$17,980,138	0.415520	\$7,471,107	\$1,494,221	\$5,976,885
Total	\$252,758,254		\$155,849,780	\$31,169,956	\$124,679,824
					Less: Bond Issuance Costs (12%)
					-\$14,961,579
					STAR Bond Proceeds Available for Debt Service
					\$109,718,245

Source: Canyon Research Southwest, Inc.; February 2024.

EXHIBIT G (CONT'D)

**STAR Bond Amortization Schedule:
American Royal Festival Grounds (Phase 2) (Project Area 3)**

Year	Gross Revenue	Present Value 5.0%	Net Present Value	Less: Debt Coverage 1.25	Net Proceeds
2030	\$1,245,337	0.952381	\$1,186,035	\$237,207	\$948,828
2031	\$2,577,847	0.907029	\$2,338,182	\$467,636	\$1,870,545
2032	\$3,876,110	0.863838	\$3,348,331	\$669,666	\$2,678,665
2033	\$3,973,013	0.822702	\$3,268,606	\$653,721	\$2,614,884
2034	\$4,072,338	0.783526	\$3,190,783	\$638,157	\$2,552,626
2035	\$4,174,147	0.746215	\$3,114,811	\$622,962	\$2,491,849
2036	\$4,278,500	0.710681	\$3,040,649	\$608,130	\$2,432,519
2037	\$4,385,463	0.676839	\$2,968,252	\$593,650	\$2,374,602
2038	\$4,495,099	0.644609	\$2,897,582	\$579,516	\$2,318,065
2039	\$4,607,477	0.613913	\$2,828,590	\$565,718	\$2,262,872
2040	\$4,722,664	0.584679	\$2,761,242	\$552,248	\$2,208,994
2041	\$4,840,730	0.556837	\$2,695,498	\$539,100	\$2,156,398
2042	\$4,961,749	0.530321	\$2,631,319	\$526,264	\$2,105,056
2043	\$5,085,792	0.505068	\$2,568,671	\$513,734	\$2,054,937
Total	\$57,296,265		\$38,838,550	\$7,767,710	\$31,070,840
Less: Bond Issuance Costs (12%)					-\$3,728,501
STAR Bond Proceeds Available for Debt Service					\$27,342,339

Source: Canyon Research Southwest, Inc.; February 2024.

EXHIBIT H

Meeting Minutes

To be included after approval of Project Plan.

EXHIBIT I

Officers of Developer

AMERICAN ROYAL ASSOCIATION

Officers of the Board of Governors

Charlie Tetrick, Chairman
Cynthia Savage, 1st Vice Chairman
Angie Stanland, Vice Chairman
Mariner Kemper, Vice Chairman
John Mitchell, Jr., Vice Chairman

American Royal Officers & Directors

Gordon E. Lansford, III, Chairman
Lindsey Smith, Corporate Secretary
Bradley Bendle, Treasurer
Jackie McClaskey, President/CEO

Directors

Brad Bendle	Bret Borota
Carol Carlson	Tim Congrove
Andrew Fahey	John Fuchs
Walt George	Mark Kolkhorst
Ann Konecny	Brian Illig
Cliff Illig	John Lagemann
Gordon E. Lansford, III	Missy Love
Alex Lowe	Pat Macy
Ford Maurer	Russ Meinhardt
John Moncke	Blake Nelson
Ben Nichols	Jeanette Prenger
Mike Roos	Duke Sand
Jara Settles	Lindsey Smith
Mark Stewart	David Stofer
Sarah Tate	Charlie Tetrick
Ken Wagner	Jack Ward
Ryan Wilkerson	Jeff Yowell

Lifetime Directors

Malcolm M. Aslin	Bryan Beaver
H.D. Cleberg	David Fowler
Mary Hunkeler	Mariner Kemper
Brant Laue	Pete Lemke
Fred W. Lyons Jr.	Greg Maday
John Mitchell, Jr.	Bob Petersen
Cynthia Pistilli Savage	Angie Stanland

**SECOND AMENDED AND RESTATED
NORTHWEST SPEEDWAY
STAR BOND DISTRICT**

**STAR BOND FINANCING PROJECT PLAN
FOR PROJECT AREA 2**

SUBMITTED TO THE UNIFIED GOVERNMENT OF
WYANDOTTE COUNTY/KANSAS CITY, KANSAS
PURSUANT TO K.S.A. § 12-17,160 *et seq.*

, 2024

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Exhibit B-1 – Legal Description of District
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Exhibit B-4 – Map Depicting Project Area 2
Exhibit B-5 – Map Depicting Project Area 3
Exhibit C – Legal Description of Project Area 2
Exhibit D – Estimated Overall Project Costs
Exhibit E – Estimated Eligible Overall Project Costs
Exhibit F – STAR Bond Financing Projections
Exhibit G – STAR Bond Amortization Schedule
Exhibit H – Meeting Minutes
Exhibit I – Officers of Developer

I. Introduction

American Royal Association, a Missouri not-for-profit corporation (the “**Developer**”), respectfully submits this Second Amended and Restated Northwest Speedway STAR Bond District STAR Bond Financing Project Plan (this “**Project Plan**”) for Project Area 2 of the Northwest Speedway STAR Bond District “**Project Area 2**”) to the Unified Government of Wyandotte County/Kansas City, Kansas (the “**Unified Government**”) for consideration by the Unified Government’s governing body pursuant to the Kansas STAR Bond Financing Act, K.S.A. § 12-17,160 *et seq.* (the “**Act**”).

Developer owns and/or controls certain real property located within Project Areas 1, 2 and 3 of the District and is the developer of such property within such Project Areas.

The American Royal has been a Kansas City tradition since 1899, celebrating the region’s rich agricultural heritage through competition, education and entertainment. Hosting the World’s largest barbecue contest, one of the Midwest’s largest and oldest livestock exhibitions, professional rodeos and prestigious horse shows, and as home to the national championship saddle bred horse competition, the American Royal brings with it a unique mix of uses that create a variety of tourism, education, and entertainment opportunities. It was against this background that the Developer began exploring options to relocate its operations to the State of Kansas (the “**State**”), and upon identifying a desirable site within the Unified Government, set in motion a plan to leave behind its existing antiquated out-of-state facility, and to construct a new state-of-the-art agricultural, education and entertainment destination within the State.

On December 15, 2016, the Unified Government adopted Ordinance No. O-75-16 that created the Northwest Speedway STAR Bond District (the “**District**”) with a single Project Area. By letter dated December 14, 2016, the Secretary deemed the District an “eligible area” as defined under the Act. Thereafter, on October 26, 2017 and pursuant to the Act, the Unified Government adopted Ordinance No. O-62-17 approving the Northwest Speedway STAR Bond District STAR Bond Financing Project Plan (the “**Original Project Plan**”), and, on December 6, 2018 and prior to implementing the Original Project Plan, the Unified Government adopted Ordinance No. O-52-18 approving the Northwest Speedway Amended STAR Bond District STAR Bond Financing Project Plan (the “**First Amended Project Plan**”) repealing and replacing the Original Project Plan in its entirety.

Contemporaneous with the approval of this Project Plan, the governing body of the Unified Government has approved certain amendments to the District to provide for three (3) separate and distinct Project Areas as further described herein, and a Project Plan for Project Area 1. This Project Plan amends and restates the First Amended Project Plan as the Project Plan for Project Area 2 as a substantial change pursuant to the Act. This Project Plan constitutes the Project Plan for Project Area 2. It is anticipated that a Project Plan for Project Area 3 will be proposed and brought forward by the Developer separately at a future date. The 20-year term of the STAR bond project within Project Area 2 shall commence on the date of the approval of this Project Plan.

The District will include a major commercial entertainment and tourism area that will include, without limitation, a livestock expo arena, indoor/outdoor warm-up arena(s), agricultural-related ancillary facilities, and related and appurtenant uses (collectively, the “**Overall Project**”). A site plan generally depicting the Overall Project and District is attached hereto as Exhibit A. The Overall Project will be situated on certain real property within the District, which consists of approximately 550 acres generally located at the southwest and northeast corners of the intersection of North 110th Street and Parallel Parkway in the Wyandotte County (“**County**”), Kansas City (“**City**”), Kansas. The legal description for the District is attached to this Project Plan as Exhibit B-1 and a map showing the boundaries of the District is attached as Exhibit B-2. The unique mix of uses within the Overall Project is expected to create substantial tourism, education and entertainment opportunities not presently available in the City or the County. The

Developer's market analysis suggests that the Overall Project will attract a very broad base and desirable visitor demographics, consisting largely of agricultural- and entertainment-seeking participants and spectators, and families seeking destination agricultural and entertainment opportunities. With the accompanying economic impacts, the Overall Project will become another driver of economic activity for the City, the County, the Unified Government and the State as a whole. These findings are further corroborated by the third-party Feasibility Study, as defined and summarized in this Project Plan.

At build-out and stabilization of the initial phases of the Overall Project, the total capital investment is estimated at approximately \$450 million, incremental annual sales are projected at approximately \$290 million, and annual visitation is estimated at approximately 2,000,000 attendee days. It is expected that capital investment and sales figures may exceed these numbers as additional destination attraction and commercial users are identified. This Project Plan proposes that the Secretary of Commerce for the State of Kansas ("Secretary") approve the issuance of STAR bonds in a maximum aggregate amount sufficient to render \$155,000,000 in net STAR Bond proceeds for disbursement to Developer in connection with the Overall Project. Multiple phases within the District and the STAR Bond Project Areas are anticipated to be built in the future, which are projected to add substantial additional capital investment and otherwise enhance the Overall Project.

This Project Plan is for Project Area 2, including improvements to be designed, constructed and delivered by the Developer in Project Area 2. However, it is anticipated that the initial STAR bond issuance will include a pledge of revenues from Project Area 1 to finance improvements in Project Areas 2 and 3.

The Overall Project development team brings substantial experience in developing large-scale commercial projects, including destination attraction-based projects that have previously qualified for STAR Bonds, to the Overall Project. The Developer feels that this background makes it particularly well-qualified to bring the unique development proposed under this Project Plan to fruition.

At the completion of the Overall Project, the Unified Government and the State of Kansas will have a new and unique destination experience that will draw visitors on a statewide and regional basis that will create significant related economic benefits both for the Unified Government and the State as a whole.

II. **STAR Bond Project Plan for Project Area 2**

Pursuant to the Act, municipalities are authorized to utilize STAR Bond Financing for specific development projects through (1) the creation of a STAR Bond Project District, subject to a finding by the Secretary that the District plan is eligible for STAR Bond Financing, and (2) the adoption of a STAR Bond Project Plan that is subsequently approved by the Secretary.

This Project Plan is submitted for consideration by the Unified Government and, ultimately, the Secretary, and includes the following in accordance with the Act:

- A description and map of the project area to be redeveloped;
- A reference to the District plan that identifies the project area that is set forth in the project plan that is being considered;
- A detailed description of the buildings and facilities proposed to be constructed or improved;
- A summary of the feasibility study done as defined in the Act, and amendments thereto;
- The relocation assistance plan;

- Documentation indicating that the Overall Project will result in a capital investment in excess of \$75,000,000 and will generate gross annual sales revenue in excess of \$75,000,000; and
- The names of the owners, partners, officers or principals of the Developer of the project and of any associated business partner of the Developer of the project that is involved in the STAR bond project.

A. Project Area 2

The property subject to this Project Plan consists of approximately 80 acres within the District, generally bounded on the west by north 118th Street, to the north by American Royal Way, to the east by N 115th Street and to the South by State Avenue, all within the City and County, as generally depicted on Exhibit B-4, and other phases are contemplated to be built within Project Area 1 and Project Area 3 of the District which are projected to add substantial additional capital investment to the Overall Project. A legal description of the subject property for Project Area 2 is attached hereto as Exhibit C.

B. Reference to District Plan and Other Project Areas.

Contemporaneous with the approval of this Project Plan, the governing body of the Unified Government approved an Amended and Restated STAR Bond District Plan for the District (the “**District Plan**”), which provides as follows:

The District will consist of three (3) project areas. The buildings and facilities to be constructed or improved in the STAR bond project district may be described in a general manner as a mixed-use development consisting of some or all of the following uses: livestock expo arena and other equestrian-related uses, education and conference centers and related facilities, entertainment complexes and festival grounds, other retail, restaurant, hotel, office and commercial uses, other sporting and recreational uses, any other uses allowable under the Act, and including acquiring real property rights and constructing any associated public and private infrastructure.

The three (3) project areas are described in the District Plan as follows:

- Project Area 1 – Plaza at the Speedway. This Project Area includes approximately 360 acres, including: (a) all of the approximately 110 acres located north of Parallel Parkway between Hutton Road and I-435 and bounded on the north by the Prairie Country and Westmore Downs subdivision, and including the existing Plaza at the Speedway (defined herein) shopping center, as shown in yellow shading on Exhibit B-2 to this Project Plan; and (b) certain parcels comprising approximately 250 acres of property located south of Parallel Parkway and bounded on the west by N 118th Street, on the east by N. 110th Street and to the South by American Royal Way and State Avenue, all as generally shown on Exhibit B-3 to this Project Plan.
- Project Area 2 – Core Royal. This Project Area includes approximately 80 acres of property generally bounded on the west by north 118th Street, to the north by American Royal Way, to the east by N 115th Street and to the South by State Avenue, all as generally shown on Exhibit B-4 to this Project Plan.
- Project Area 3 – Festival Grounds. This Project Area includes approximately 80 acres of property located west of the intersection of N 118th Street and American Royal Way, as generally depicted on Exhibit B-5 to this Project Plan.

This Project Plan is consistent with the District Plan.

C. Description of Buildings and Facilities

The portion of the Overall Project located within Project Area 2 may be described as a mixed-use development consisting of some or all of the following uses: livestock expo arena, indoor/outdoor arenas and other agricultural and agricultural-related uses and ancillary facilities, livestock expo arena, indoor/outdoor arenas and other educational, agricultural and agricultural-related uses and ancillary facilities, entertainment complexes, and other commercial uses, other sporting and recreational uses, other family recreational tourism activities and any other uses allowable under the Act (collectively, the “**Project**”). The primary components of the Project are planned to include the following: a main arena with approximately 5,000 permanent seats and the capability for another approximately 3,000 temporary seats; a multi-purpose arena and an outdoor arena, each designed for permanent seating of approximately 3,500 seats with the capability for another approximately 3,000 temporary floor seats; a livestock exhibition hall/barns with the capability to hold approximately 1,500 horse stalls, approximately 3,750 head of cattle, 6x6 pens for approximately 5,000 mixed species of small animals and/or combinations of the foregoing; approximately 20,000 (more or less) square feet of administrative office and community/commercial kitchen space; and space for event support and storage facilities; an agricultural education center with approximately 80,000 square feet of learning and engagement space (which may be integrated within one or more of the other spaces described above) and which contemplates an additional 150,000 square feet of outdoor learning space; and other compatible, related or appurtenant improvements and uses. In addition, the arenas can be used for a variety of additional events and programming, including other family recreational tourism activities, sports activities (including, for example, basketball, volleyball or other multi-sport athletic facilities and uses) and other recreational and entertainment events and activities.

Other uses are currently envisioned for Project Areas 1 and 3 of the District, which other uses may be described as a mixed-use development consisting of some or all of the following uses: education and conference centers and related facilities, entertainment complexes, festival grounds, including, without limitation, contemplated development of an American Royal festival grounds as a future second phase of the development designed and delivered by the Developer (the “**Festival Grounds**”), other retail, restaurant, hotel, office, multi-family and other commercial uses, other sporting and recreational uses, other family recreational tourism activities, and any other uses allowable under the Act.

The Overall Project will be combined with a strong existing retail base in this area of the City and County, as well as other possible future destination attractions. The synergy of concepts in the Overall Project is expected to draw the broadest possible segment of the agricultural and youth and family tourism markets. The Developer will also target national and regional retail and restaurant chains, which will complement the tourism draw associated with the Overall Project and existing and prospective development in this area of the City and County. At completion, the Overall Project will become a key piece of the Unified Government’s overall economy and will strengthen the Unified Government’s ability to draw visitors from outside of the immediate area.

D. Summary of Feasibility Study

The Act requires that a feasibility study be prepared setting forth the following information: (i) whether a STAR bond project’s revenue and tax increment revenues and other available revenues are expected to exceed or be sufficient to pay for the project costs; (ii) the effect, if any, a STAR bond project will have on any outstanding special obligation bonds payable from certain revenues as described in the Act; (iii) a statement of how the jobs and taxes obtained from the STAR bond project will contribute significantly to the economic development of the state and region; (iv) visitation expectation and a plan

describing how the number of visitors to the STAR bond project district will be tracked and reported to the secretary on an annual basis which shall include, but not be limited to, obtaining and reporting visitor residence zip code data to the Secretary, provided any visitor residence data requested by the Secretary for business located in the STAR bond district shall be provided in an aggregate manner without personally identifiable information; (v) the unique quality of the project; (vi) economic impact study; (vii) market study; (viii) market impact study; (ix) integration and collaboration with other resources or businesses; (x) the quality of service and experience provided, as measured against national consumer standards for the specific target market; (xi) project accountability, measured according to best industry practices; (xii) the expected return on state and local investment that the project is anticipated to produce; (xiii) a net return on investment analysis; (xiv) a statement concerning whether a portion of the local sales and use taxes are pledged to other uses and are unavailable as revenue for the STAR bond project; (xv) an anticipated principal and interest payment schedule on the bond issue; (xvi) a summary of community involvement, participation and support; and (xvii) a full disclosure and description of all state, federal and local tax incentives that apply or are anticipated to apply within the STAR bond district or any business located in the district.

In accordance with the Act, the Unified Government has a prepared a feasibility study conducted by Canyon Research Southwest, Inc. (“**Canyon**”), a qualified independent third-party consultant selected and approved by the Secretary specifically for that purpose. Titled “*STAR Bond Feasibility Study, A New American Royal, A Food and Agriculture Epicenter, 118th Street and State Avenue, Kansas City, Kansas,*” and dated February 2024 (the “**Feasibility Study**”), the Feasibility Study was prepared by Canyon under the control and oversight authority of the Secretary and the costs of which have been paid by Developer.

A summary of the Feasibility Study follows below.

1. Sufficiency of the Project’s Revenues Compared to the Project’s Costs

The Act requires an analysis of whether a project’s revenues are expected to exceed or be sufficient to pay for the costs of the Overall Project (the “**Overall Project Costs**”). This requires determining the Overall Project Costs, and the Overall Project Costs eligible for reimbursement with STAR Bond Proceeds (the “**Eligible Overall Project Costs**”), and comparing them to the STAR Bond Proceeds expected to be generated within each Project Area.

a. Estimated Total Project Costs

The total estimated cost to complete the Overall Project is approximately \$450 million. As determined from contract prices, engineering estimates, and estimates made by the Developer, a breakdown of the estimated costs by category is set forth below (a detailed budget is attached as Exhibit D):

PROJECT COST ESTIMATES	
Cost Category	Estimated Cost
Property Acquisition	\$ 13,100,000
Sitework	\$ 70,750,000
Infrastructure	\$ 38,000,000
Construction	\$ 269,000,000
Soft Costs	\$ 51,150,000
Contingency	\$ 8,000,000
TOTAL	\$ 450,000,000

b. Estimated Costs Eligible for Reimbursement

Of the total costs listed above, approximately \$[391] million qualify under the Act as “Eligible Project Costs,” meaning that only those costs may be financed using STAR Bond Proceeds. These Eligible Project Costs are set forth by category and amount below (a detailed summary breakdown is attached as Exhibit E):

ELIGIBLE COST ESTIMATES	
Cost Category	Estimated Eligible Cost
Property Acquisition	\$ 10,000,000
Sitework	\$ 41,799,213
Infrastructure	\$ 38,000,000
Construction	\$ 269,000,000
Soft Costs	\$ 32,287,500
Contingency	TBD
TOTAL PROJECT COST	\$ 391,086,713

c. Tax Revenues Subject to Capture

STAR bond revenues from the District generated over the 20-year term (“**STAR Bond Revenues**”) are estimated to be approximately \$465.1 million¹ as set forth on Exhibit F attached hereto. Pursuant to the Act, STAR Bond Revenues can be generated from several sources, including, in relevant part:

- *Sales Tax & Use Tax Revenues* – the retail sales dollar amount generated within the District multiplied by: (A) the captured State sales and use tax rate as set forth in the Act, which is currently **6.50%** (the “**State Sales Tax Revenues**”); and (B) the captured local sales and use tax rate as set forth in the Act, which, based on the location of the Project, is currently **1.934368%** (the “**Local Sales Tax Revenues**”) consisting of (1) the City’s sales and use tax rate, less any portion thereof committed to other uses by election (currently 1% based on the total sales tax rate of 1.625% less 0.25% dedicated to emergency medical service and 0.375% for Unified Government public and safety neighborhood), and (2) the Unified Government’s share of the County’s sales and use tax rate, which is currently 0.934368% (based on the County’s total sales and use tax rate of 1% of which the Unified Government’s share is currently 93.4368%); for a total retail sales and use tax rate, as available for capture under the Act, equal to **8.434368%** from State Sales Tax Revenues and Local Sales Tax Revenues combined (collectively, the “**Sales Tax Revenues**”).
- *Transient Guest Tax Revenues* – the annual hotel/lodging revenues generated within the District multiplied by the eligible Transient Guest Tax rate as set forth in the Act (the “**TGT Revenues**”), which is currently **7.84%** (based on the total Transient Guest Tax rate of 8.00% from which the State deducts a 0.16% as an administrative fee, leaving the net eligible amount at 7.84%).
- *Community Improvement District Revenues* – the retail sales dollar amount generated within Project Area 2 and a portion of Project Area 3 of the District also falling within boundaries of a community improvement district (CID) to be established pursuant to K.S.A. 12-6a26 *et seq.*, if any, multiplied by the CID sales tax rate levied in such CID district, which is currently anticipated to be one percent (1.0%), if and to the extent that such CID sales tax revenues (or a portion thereof) may

¹ The Feasibility Study assumes (i) STAR Bond Revenues from the Plaza at the Speedway (defined below) will be limited to State Sales Tax Revenues, excluding approximately \$46.1 million in projected Local Sales Tax Revenues from Plaza at the Speedway, which when included (as anticipated) increases total projected STAR Bond Revenues to approximately \$511.2 million, shown as ‘Scenario 2’ in Exhibit F and Exhibit G; and (ii) a 1.0% CID sales tax imposed on sales from Project Area 2 and a portion of Project Area 3, and that a portion of the revenues generated therefrom may be pledged to pay STAR bonds if necessary and agreed upon by the Unified Government and Developer, which accounts for a projected approximately \$32.9 million of the total STAR Bond Revenues and, if not collected and/or pledged reduces total projected STAR Bond Revenues to approximately \$432.2 million if Local Sales Tax Revenue from Plaza at the Speedway are not included or a net decrease to approximately \$478.3 million if Local Sales Tax Revenues from Plaza at the Speedway are included).

be pledged to pay STAR bonds if necessary and agreed upon by the Unified Government and Developer (as applicable, the “CID Revenues”).

Sales Tax Revenues

Although other phases are expected to be built within the District in the future and add substantial additional capital investment and otherwise enhance the Overall Project, for purposes of the Feasibility Study, it is conservatively assumed that STAR Bond Revenues (and the corresponding supportable bond debt estimates) for the Overall Project will be derived exclusively from the following sources within the District: (i) incremental sales and use taxes from the Plaza at the Speedway² (over and above “base sales taxes”), (ii) sales and use taxes from Project Area 2, (iii) sales and use taxes from Project Area 3, and (iii) a CID overlay of Project Area 2 and a portion of Project Area 3 as described above.

Given that the Plaza at the Speedway was the only portion of the District generating existing sales at the time of its creation in December 2016, the retail sales dollar amount generated from the Plaza at the Speedway during a “base year,” defined as the 12-month period immediately prior to District creation (Dec. 2015 – Nov. 2016), constitute the “Base Sales” for the entire District. Currently, the existing sales within the District continue to come exclusively from the Plaza at the Speedway, but current sales from the Plaza at the Speedway far exceed its “base year” sales. As a result, all *incremental* sales at the Plaza at the Speedway and all *total* projected sales from all other portions of the District are assumed to be available for capture as STAR Bond Revenues. At full development and stabilization, it is anticipated that the Overall Project (including incremental sales from the Plaza at the Speedway) will produce annual sales volume of approximately \$292.6 million, based on the sales estimates summarized in the table below.

PROJECTED ANNUAL INCREMENTAL SALES AT STABILIZATION		
	Project Area	Sales at Stabilization
1	Plaza at the Speedway (incremental)	\$ 106,289,761
2	Core Royal	\$ 145,250,516
3	Festival Grounds	\$ 41,085,000
Total Annual Sales		\$ 292,625,277

The combined retail sales tax rate, as available for capture under the Act, is 8.434368% (consisting of 6.50% State and 1.934368% local). At stabilization, the District is anticipated to generate \$22.6 million of annual Sales Tax Revenues, consisting of \$19.0 million of State Sales Tax Revenues and \$3.6 million of Local Sales Tax Revenues.³ Through the maturity of the contemplated STAR Bonds, the District is projected to generate total Sales Tax Revenues of approximately \$432.2 million, consisting of approximately \$368.6 million in State Sales Tax Revenues and \$63.6 million in Local Sales Tax Revenues.⁴ For purposes of the Feasibility Study, it is assumed that only the State Sales Tax Revenues from the Plaza at the Speedway will be captured as STAR Bond Revenues, although it is anticipated that Local Sales Tax Revenues from the Plaza at the Speedway may also be captured as STAR Bond Revenues. Accordingly, the total projected annual sales tax increment at stabilization, and total projected sales tax increment through maturity, are shown in the tables below both with and without Local Sales Tax Revenues from the Plaza at the Speedway for reference.

² As used in this Project Plan, “Plaza at the Speedway” means the portion of the District located north of Parallel Parkway and east of N 110th Street / Hutton Road, as generally depicted in yellow shading on Exhibit B-2.

³ These estimates exclude \$2.1 million in projected Local Sales Tax Revenues from the Plaza at the Speedway at stabilization, which when included (as anticipated) increases annual Sales Tax Revenues at stabilization to \$24.7 million, consisting of \$19.0 million of State Sales Tax Revenues and \$5.7 million of Local Sales Tax Revenues.

⁴ These estimates exclude \$46.1 million in projected Local Sales Tax Revenues from the Plaza at the Speedway through maturity, which when included (as anticipated) increases total Sales Tax Revenues through maturity to \$478.4 million, consisting of approximately \$368.6 million in State Sales Tax Revenues and approximately \$109.7 million in Local Sales Tax Revenues.

TAX INCREMENT <u>WITHOUT</u> LOCAL SALES TAX REVENUES FROM PLAZA AT THE SPEEDWAY			
	Project Area	At Stabilization	Through Maturity
1	Plaza at the Speedway (incremental)	\$ 6,908,834	\$ 155,029,655
2	Core Royal	\$ 12,250,963	\$ 225,967,031
3	Festival Grounds	\$ 3,465,260	\$ 51,223,122
Net Sales Tax Revenues		\$ 22,625,058	\$ 432,219,809

TAX INCREMENT <u>WITH</u> LOCAL SALES TAX REVENUES FROM PLAZA AT THE SPEEDWAY			
	Project Area	At Stabilization	Through Maturity
1	Plaza at the Speedway (incremental)	\$ 8,964,870	\$ 201,165,717
2	Core Royal	\$ 12,250,963	\$ 225,967,031
3	Festival Grounds	\$ 3,465,260	\$ 51,223,122
Net Sales Tax Revenues		\$ 24,681,093	\$ 478,355,871

Transient Guest Tax Revenues

Currently no transient guest taxes are generated within the Overall Project. Although it is possible one or more hotels will be constructed within the District by the time of stabilization or thereafter, any such hotels and the transient guest taxes that may be generated from same are excluded from sales and tax increment projections for purposes of the Feasibility Study.

CID Sales Tax Revenues

Based on the projected annual sales from the Project in Project Area 2 and future Festival Grounds in Project Area 3 noted above, and an assumed 1.0% CID sales tax rate imposed thereon, at stabilization, the District is anticipated to generate \$1.9 million of CID sales tax, with total CID sales tax of approximately \$32.9 million through maturity of the District. A CID is not currently contemplated for any portion of Project Area 1.

d. Estimated STAR Bond Net Proceeds

Based on the Overall Project's captured STAR Bond Revenues and utilizing STAR Bond Project financing methodologies, the estimated STAR Bond net proceeds from the District are approximately \$199 million, as summarized in the table below, which includes projected STAR Bond net proceeds and CID Revenues.⁵ Exhibit G sets forth the relevant calculations and assumptions utilized.

STAR BOND NET PROCEEDS <u>WITHOUT</u> LOCAL SALES TAX REVENUES FROM PLAZA AT THE SPEEDWAY					
	Project Area	State Sales Tax Revenues	Local Sales Tax Revenues	CID Sales Tax Revenues	Totals
1	Plaza at the Speedway (incremental)	\$ 61,752,498		\$ -	\$ 61,752,498
2	Core Royal	\$ 75,592,620	\$ 22,495,991	\$ 11,629,634	\$ 109,718,245
3	Festival Grounds	\$ 18,838,062	\$ 5,606,114	\$ 2,898,163	\$ 27,342,339
Net Sales Tax Revenues		\$ 156,183,179	\$ 28,102,106	\$ 14,527,797	\$ 198,813,082

STAR BOND NET PROCEEDS <u>WITH</u> LOCAL SALES TAX REVENUES FROM PLAZA AT THE SPEEDWAY					
	Project Area	State Sales Tax Revenues	Local Sales Tax Revenues	CID Sales Tax Revenues	Totals
1	Plaza at the Speedway (incremental)	\$ 61,752,498	\$ 18,377,239	\$ -	\$ 80,129,738
2	Core Royal	\$ 75,592,620	\$ 22,495,991	\$ 11,629,634	\$ 109,718,245
3	Festival Grounds	\$ 18,838,062	\$ 5,606,114	\$ 2,898,163	\$ 27,342,339
Net Sales Tax Revenues		\$ 156,183,179	\$ 46,479,345	\$ 14,527,797	\$ 217,190,322

⁵ This estimate excludes \$46.1 million in Local Sales Tax Revenues projected from the Plaza at the Speedway, which when included (as anticipated), applying the same STAR Bond Project financing methodologies as mentioned above, is projected to generate an additional \$18.4 million of STAR Bond net proceeds, increasing total estimated STAR Bond net proceeds from the District to approximately \$217.2 million, shown in the second table below and as 'Scenario 2' in Exhibit G attached hereto.

e. Summary of the STAR Bond Revenues and Overall Project Costs

The total of Eligible Overall Project Costs that can be financed under the Act is limited to the amount of revenues generated from the District. Based on this Project Plan's (1) estimated Overall Project Costs, and (2) estimated STAR Bond net proceeds, the STAR Bond net proceeds are expected to pay for the Overall Project's costs as contemplated under the Act when supplemented by private debt and equity and other private and public sources, including STAR Bond net proceeds generated from revenues available in Project Area 1, Project Area 2 and Project Area 3 within the District, all as more specifically agreed upon in the development agreement between Developer and the Unified Government (the "**Development Agreement**").

2. Impact on Outstanding Special Obligation Bonds

As required by the Act, an evaluation was conducted as to the "effect, if any" the Overall Project would have on any outstanding STAR bonds as authorized pursuant to the Act. By year-end 2022, sixteen active STAR Bond districts in Kansas possessed outstanding bond principal balance totaling approximately \$526 million. Active STAR Bond districts include six in the Kansas City MSA, four projects in the Wichita MSA, and projects in Topeka, Manhattan, Salina, Dodge City, and Garden City. The active STAR Bond districts support a wide range of destination attractions including professional soccer stadium and training facilities, racetracks, minor league baseball stadium, an arena, indoor and outdoor athletic facilities, waterparks, downtown redevelopment, and others. The destination attractions planned for the new American Royal Food and Agriculture Epicenter do not exist within any of the active STAR Bond projects in Kansas.

Village West continues to be the number one tourist attraction in Kansas with more than 12 million annual visitors from throughout the Midwest region and beyond. Village West and Village East together create one of the Midwest's most unique and highly visited sports, entertainment, and shopping destinations. Development of the new American Royal Food and Agriculture Epicenter will have a positive impact on operations of the Kansas Speedway, Village West, and Village East by improving the synergy between the developments through the introduction of additional destination attractions and visitors.

The Feasibility Study concluded that given the noncompeting destination attractions and differing market niche, development of the new American Royal Food and Agricultural Epicenter will not have a measurable adverse impact on visitor volumes, retail sales volumes and STAR bond revenues on those STAR bond districts with outstanding bond debt. Therefore, the operation of additional development withing the new American Royal Food and Agriculture Epicenter is not anticipated to cause default in the payment of outstanding STAR bonds.

3. Significant Contribution to the Economic Development of the State and Region

The economic impact on the surrounding economy will be substantial and the development of the Overall Project will provide significant economic development, tax revenues, tourism, and new jobs that will contribute significantly to the economic development of the Unified Government, the region and the State of Kansas as a whole. The Overall Project, with a total estimated capital investment of approximately \$450 million, will result in a substantial number of temporary construction jobs, and at full build-out, employ a significant number of full-time equivalent employees (and with annual payroll) commensurate with projects of similar scope and caliber. The construction-phase and operational-phase estimates projected in the Feasibility Study are summarized below.

Construction phase direct on-site employment associated with the Overall Project is estimated at approximately 2,714 full-time equivalent jobs. Indirect job creation is forecast at 778 and 222, respectively,

bringing the total construction-phase work force to 3,714 jobs. The construction phase total payroll is estimated at \$206 million. The State of Kansas is estimated to collect approximately \$8.07 million in personal income taxes relating from the payroll estimated with construction of in the District.

The development of the Overall Project will provide significant economic development and new jobs for the City of Kansas City, Kansas, State of Kansas, and Midwest Region. In addition to new construction jobs discussed above, the Feasibility Study estimates that, at full build out, the Overall Project will create approximately 650 full-time equivalent jobs with an annual payroll of \$20.8 million, generating approximately \$650,000 in annual income taxes for the State of Kansas.

In addition to significant economic activity and impacts from construction and continuing into operations, stabilized year gross visitor expenditures generated by visitors to the Overall Project are estimated at \$330 million, only \$181 million of which is expected to be captured in-District, resulting in substantial spin off benefits and activity for other area businesses and the associated tax revenues flowing to the State and Unified Government instead of the District.

4. Projected Visitation & Tracking

At full build out and stabilization, the Feasibility Study estimates that the Overall Project will conservatively generate 2,156,765 annual attendee days, including 779,618 attendee days from visitors traveling from more than 100 miles away, and in the ‘optimistic scenario’ projected by the study, that as many as 2,432,500 annual attendee days will be generated at stabilization, including with 882,725 attendee days from visitors traveling from more than 100 miles away in the more optimistic scenario set forth in the Feasibility Study.

The Feasibility Study discusses the Developer’s plan for tracking the number of visitors to the Overall Project and reporting that information to the Secretary annually, including visitors’ residence zip code data. In 2018, the Developer began implementing a visitor tracking system that tracks the participants, exhibitors, contestants, and public attendees. City/state residence information is collected for all participants who register through American Royal registration systems, and data collected from ticket sales is also able to track the purchasers’ locations. Parking and concession sales will all be cashless and thus allow for collection of location data as well, and Wi-Fi systems similarly require registration for access. Zip code residence data is collected through all of these sources and will be reported annually with any other information required pursuant to the Act.

5. Market Study & Market Impact Study

Market Study

The Market Study portion of the Feasibility Study evaluated the ability of the Overall Project to gain market share locally, regionally, and nationally, and its suitability to facilitate development of a multi-use arena and event space, by examining the local tourism market and its ability to support additional development, providing an overview of the competitive rodeo arena industry and discussing a survey of existing rodeos and rodeo arenas in Kansas and other comparable multi-purpose arenas, as compared and contrasted with the Overall Project uses. Conclusions and other takeaways from this portion of the Feasibility Study include that: Overall Project is well positioned geographically to cater to the western United States rodeo participants and fan base; the Overall Project’s inventory of horse stalls significantly exceeds that of the surveyed arenas and affords the Overall Project a significant competitive advantage when bidding for large-scale events; the usage of comparable multi-purpose arenas bodes well for the

potential of the Overall Project to host a suitable number of annual events and event days to support feasible development and operation; of the indoor arenas surveyed in eastern Kansas, the Stormont Vail Events Center in Topeka was deemed most competitive in terms of size and capacity but suffering from facility deficiencies such as its age, the absence of an outdoor arena, and having a small inventory of stalls and RV hookups; of the six existing indoor arenas surveyed in western Kansas, none were viewed as directly competitive to the Overall Project; of the surveyed multi-purpose arenas, the Lancaster Event Center in Lincoln, Nebraska was viewed as most comparable in terms of property amenities and hosts a significant number of regional/national/international events annually, boding well for the Overall Project's ability to do the same; when compared to the ten surveyed comparable arena venues, the design for the Overall Project affords the necessary location, features, and amenities to be competitive and attract promoters, sponsors, events and fans; and, based on the findings of the Market Study the report determined the viability of the new American Royal Food & Agriculture Epicenter to support future development and continued operation of a multi-purpose arena and event space.

Market Impact Study

As part of the Market Impact Study, the Feasibility Study discusses Overall Project positioning and unique quality, synergy with area attractions and impacts on comparable area businesses. Conclusions and other highlights from those portions of the study are included below: the Overall Project is positioned as a premier food and agriculture event, entertainment and education destination support a regional, national and international draw; together with the existing visitor destinations nearby in Village West and Village East, the Overall Project's uses, concepts, and positioning are designed to create a unique attraction capable of generating large visitor volumes, drawing out-of-town travelers, and enhancing the Kansas City area's status as a regional tourism destination; by increasing the critical mass and scope of destination attractions, the Overall Project will improve Kansas City's competitive position as a sports and entertainment destination and complement the existing attractions at Village East and West by creating a unique sports, entertainment, and education destination; when combined with the Village East and West attractions, the Overall Project will further strengthen the draw and economic impact of Kansas' largest and most visited tourism destination; at build-out and stabilization by; out-of-town visitors to the District are forecast to generate \$320 million to \$359 million in annual expenditures on shopping, dining, entertainment, lodging, and transportation, not all of which will be satisfied by the planned on-site attractions; and the Overall Project will benefit existing sports, entertainment, retail, restaurant, and lodging businesses in the County, with businesses operating in the neighboring Village West and Village East STAR Bond Districts being the primary beneficiaries, and therefore is not expected to adversely impact the sales of the Cable Dahmer Arena, Starlight Theatre, or Azura Amphitheatre.

6. Expected Return on State and Local Investment

The return on investment to the State of Kansas and Unified Government will be significant and long lasting, and will be measured in the form of increased annual retail sales, job creation and significant construction and other economic activity, and a number of other direct and indirect benefits including from substantial surrounding and supportive development the Overall Project is expected to attract.

7. Statement Concerning Revenues Pledged to Other Uses

The Act inquires into the amount of local taxes in a municipality dedicated by the voters and unavailable for capture under the Act. In Kansas City, Kansas and Wyandotte County, the city sales tax rate is 1.625%, of which .25% has been dedicated by the voters to Emergency Medical Services and 0.375% has been dedicated to public safety and infrastructure. The county sales tax

rate is 1.00%, of which 0.065632% is currently dedicated to the cities of Bonner Springs and Edwardsville. As dedicated taxes, these revenues are not available to be captured for STAR Bond Project financing. Additionally, portions of the Plaza at the Speedway currently reside in a tax increment financing (TIF) district that captures certain local sales taxes. Until such TIF district is terminated, these local sales tax revenues will be unavailable for capture by the District; however, the current expectation is that the TIF district at Plaza at the Speedway will be terminated on or about the time this Project Plan is implemented.

8. Other Public Assistance

The Act also provides for disclosure of other state, federal and local tax incentives that apply or, pursuant to the project plan, are anticipated to apply within the District or that apply to any business located in or, pursuant to this Project Plan or a project plan for another Project Area, that will locate in the District. Other public assistance applicable or anticipated to apply with respect to the Overall Project include Kansas Building a Stronger Economy (BASE) grant program funding, Kansas Department of Transportation (KDOT) Economic Development Program funding and/or other KDOT funding, Industrial Revenue Bond (IRB) financing for sales tax exemption on construction materials, and a contemplated Community Improvement District (CID) and 1.0% CID sales tax located only in Project Area 2 and Project Area 3.

9. Anticipated Principal and Interest Payment Schedule

A schedule of principal and interest payments for a STAR Bond issuance for the District is attached as Exhibit G.

10. Meetings and Minutes

Upon approval of this Project Plan by the Unified Government and prior to transmittal to the Secretary, the Unified Government Clerk will attach the minutes of the Unified Government meetings where the Project was discussed as Exhibit H.

E. Relocation Plan

The property in Project Area 2 expected to be necessary to implement this Project Plan is owned or controlled by Developer.

In the event the Unified Government is required to acquire any property located in Project Area 2, relocation payments shall be made to any persons or businesses that move from real property or that move personal property from real property as a result of the acquisition of the real property by the Unified Government in carrying out the provisions of the Act pursuant to K.S.A. 58-3508 and the requirements of the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970. Such relocation payments shall be in the amount of the actual reasonable cost of moving to another location, or moving personal property to another location, within the greater metropolitan Kansas City area. No persons residing within Project Area 2 shall be displaced unless and until there is a suitable housing unit available and ready for occupancy by such displaced person at rents within their ability to pay, such housing units shall be suitable to the needs of such displaced persons and must be a decent, safe, sanitary and otherwise standard dwelling. The Unified Government shall provide for the payment of any reasonable damages

sustained by a retailer, as defined by the K.S.A. 79- 3702, and amendments thereto, by reason of the liquidation of inventories necessitated by the relocation.

F. Officers of Developer

The Developer, American Royal Association, is a 501(c)(3) not-for-profit organization. The names of the officers of Developer are attached hereto as Exhibit I.

III. Conclusion

Based on the foregoing, the Unified Government, the Developer hereby submits this Project Plan for public hearing and due consideration.

[Exhibits Follow]

EXHIBIT A

Site Plan



EXHIBIT B

Legal Description of the STAR Bond District

All that part of the Northeast Quarter and Southeast Quarter of Section 4, and all that part of Section 3, and all that part of the north half of Section 2, all in Township 11 South, Range 23 East, all that part of Lot 1, PIPER PLAZA, all that part of Lots 1, 2, 3, 4, and 5 of PIPER PLAZA SECOND PLAT, all that part of Lots 1 and 2 SECURITY BANK, all that part of Lots 14, 24, 25 and C of PLAZA AT THE SPEEDWAY, and all that part of Lots D and 53, PLAZA AT THE SPEEDWAY SECOND PLAT, and all that part of Lots 38, 39, 40, 41, and 42, PLAZA AT THE SPEEDWAY THIRD PLAT, and all that part of Lots 43, 44, 45, 46, 47, 48, 49, 50, 51, and 52, PLAZA AT THE SPEEDWAY FOURTH PLAT, and all that part of Lots 53, 54, and 55, PLAZA AT THE SPEEDWAY FIFTH PLAT, and all that part of Lots 56, 57, Tract E1, and Tract E2, PLAZA AT THE SPEEDWAY SIXTH PLAT, and all that part of the Southeast Quarter and Southwest Quarter of Section 34, and all that part of the Southeast Quarter of Section 33, both in Township 10 South, Range 23 East, all being in the City of Kansas City, Wyandotte County, Kansas being generally described as follows: Beginning at the intersection of the south right-of-way line of Parallel Parkway and the west right-of-way line of N. 118th Street, thence southerly, with the west right-of-way line of N. 118th Street to the north line of Parcel 953101; thence westerly with the north line of parcel 953101, to the northwest corner of said Parcel 953101; thence southerly, with the west line of Parcel 953101, and with the west line of Parcels 953103 and 953104 to the north right-of-way line of State Avenue; thence easterly, with the north right-of-way line of State Avenue to the east right-of-way line of N. 110th Street; thence northerly, with the east right-of-way line of N. 110th Street, to the south right-of-way line of Parallel Parkway; thence easterly, with the south right-of-way line of Parallel Parkway, to the west right-of-way line of Village West Parkway; thence northerly, with the west right-of-way line of Village West Parkway, to the north right-of-way line of Parallel Parkway; thence easterly, with the north right-of-way line of Parallel Parkway, to the easterly line of PLAZA AT THE SPEEDWAY SIXTH PLAT; thence northerly, with the east line of PLAZA AT THE SPEEDWAY SIXTH PLAT to the northeast corner thereof; thence westerly, with the north line of PLAZA AT THE SPEEDWAY SIXTH PLAT, to the northwest corner thereof, said point also being on the easterly line of PLAZA AT THE SPEEDWAY FIFTH PLAT; thence westerly and northerly, with the easterly line of PLAZA AT THE SPEEDWAY FIFTH PLAT, to the northeast corner thereof; thence westerly, with the north line of PLAZA AT THE SPEEDWAY FIFTH PLAT, and with the north line of PLAZA AT THE SPEEDWAY, to the northwest corner thereof, said point being on the east right-of-way line of Hutton Road; thence southwesterly, with the easterly right-of-way line of Hutton Road to the north right-of-way line of Parallel Parkway; thence westerly, with the north right-of-way line of Parallel Parkway, to the intersection of the north right-of-way line Parallel Parkway and the northerly prolongation of the west right-of-way line of N. 118th Street; thence southerly, with the northerly prolongation of the west right-of-way line of N. 118th Street, to the point of beginning.

Except all of Lot 1, LEGENDS APARTMENTS, and except all of Lot 1, VILLAGE WEST APARTMENTS, and except all of Parcel 949201.

The above described tract contains approximately 550 acres, more or less.

EXHIBIT B-2

Depiction of the STAR Bond District

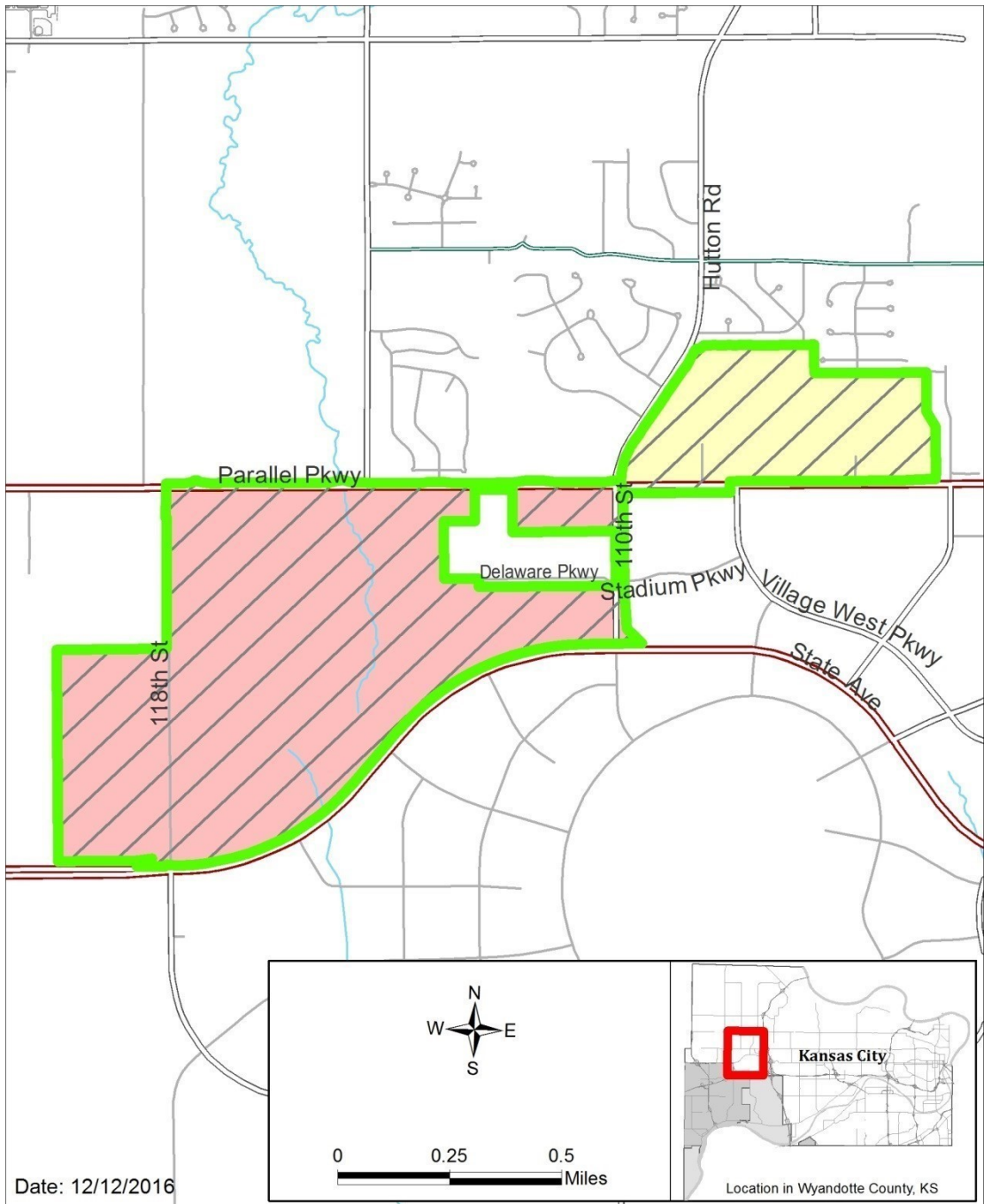


EXHIBIT B-3 Project Area 1

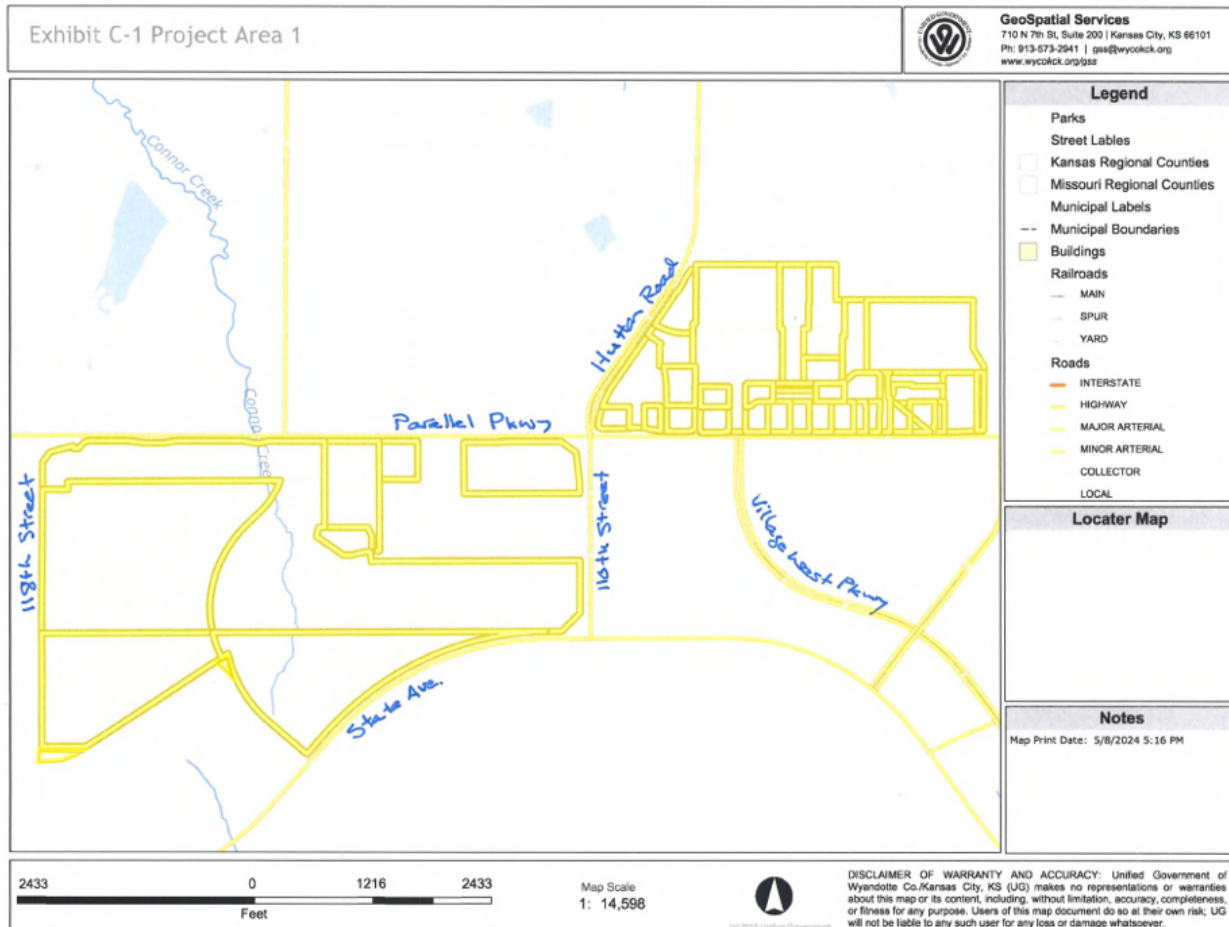


EXHIBIT B-4
Project Area 2

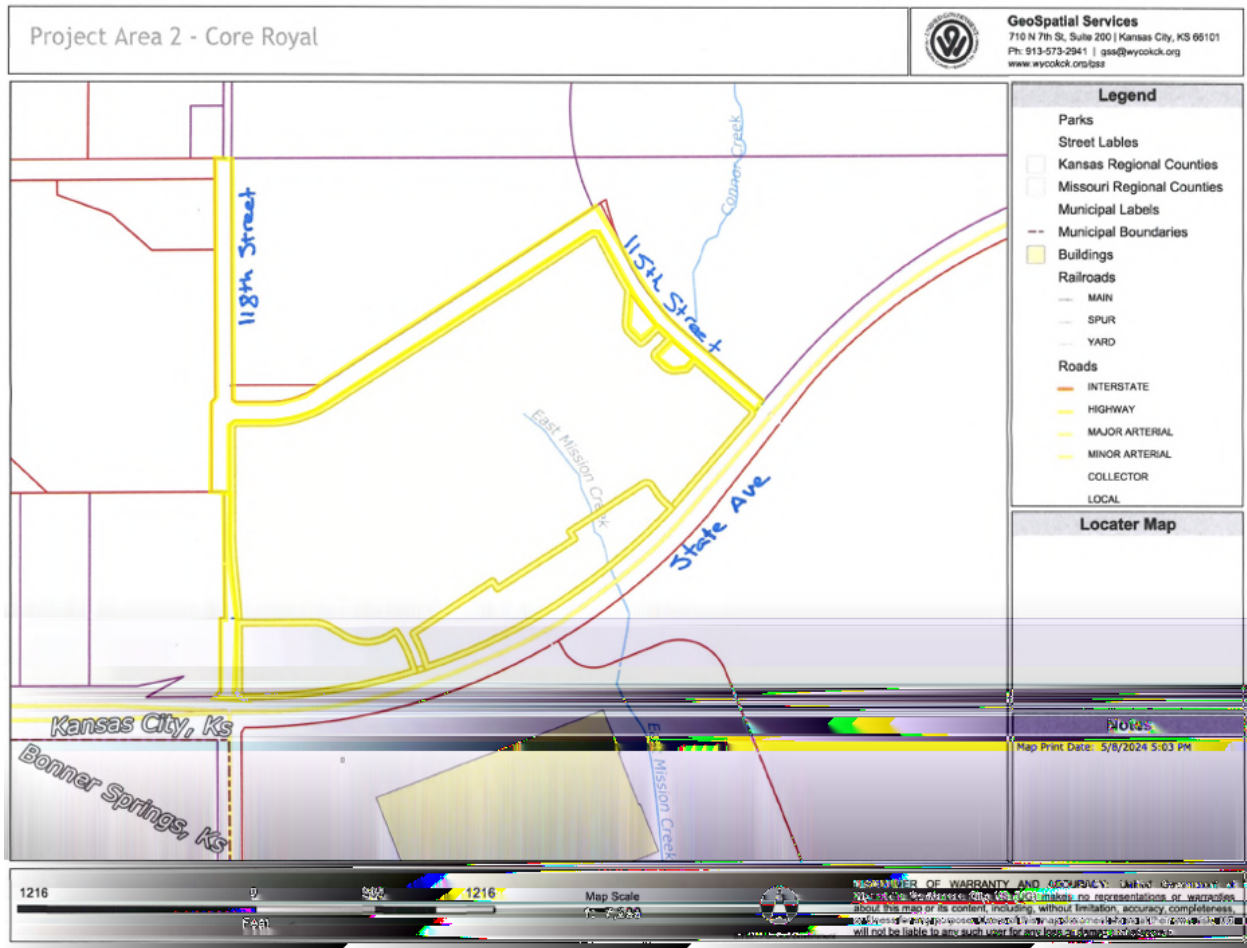


Exhibit B-5
Project Area 3

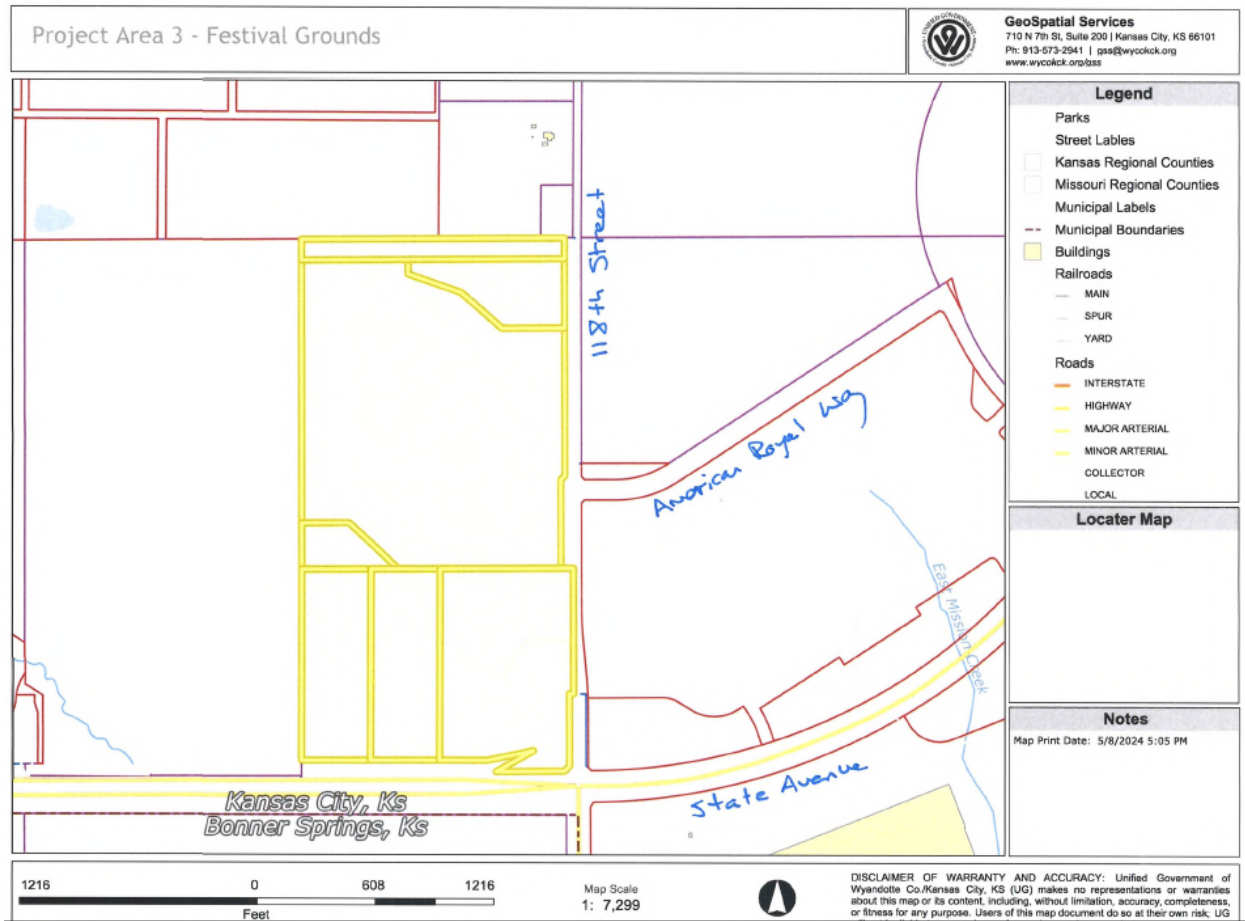


EXHIBIT C
Legal Description of Project Area 2

EXHIBIT D

Estimated Project Costs

GENERAL COST CATEGORIES	EST. PROJECT COSTS		
	Core Royal & Ag. Education Ctr.	Future Festival Grounds	Total Estimated Project Costs
<u>Land Costs</u>			
Property Acquisition	\$ 10,000,000	\$ 3,100,000	\$ 13,100,000
Subtotal:	\$ 10,000,000	\$ 3,100,000	\$ 13,100,000
<u>Sitework</u>			
Grading, Utilities, Paving, Landscaping	\$ 23,000,000	incl.	\$ 23,000,000
Future Festival Grounds Site	\$ -	\$ 47,750,000	\$ 47,750,000
Subtotal:	\$ 23,000,000	\$ 47,750,000	\$ 70,750,000
<u>Infrastructure</u>			
115th - from 118th to 115th	\$ 2,000,000	\$ -	\$ 2,000,000
118th - from State to north end of Site	\$ 3,000,000	\$ -	\$ 3,000,000
Am. Royal Way (from 118th to 115th)	\$ 6,000,000	\$ -	\$ 6,000,000
Future Festival - N/S & E/W Internal Drives	\$ -	\$ 27,000,000	\$ 27,000,000
Subtotal:	\$ 11,000,000	\$ 27,000,000	\$ 38,000,000
<u>Construction</u>			
Exhibition Hall/Barns	\$ 80,000,000		\$ 80,000,000
Arenas (Main/MP/Outdoor)	\$ 85,000,000	\$ -	\$ 85,000,000
Office HQ & Comm/Community Kitchen	\$ 12,000,000	\$ -	\$ 12,000,000
Event Support and Storage Facilities	\$ 8,000,000	\$ -	\$ 8,000,000
Agricultural Education Center	\$ 47,000,000	\$ -	\$ 47,000,000
FF&E (incl. educational exhibits)	\$ 24,000,000	\$ -	\$ 24,000,000
Future Festival - RR/Stage/Support	\$ -	\$ 13,000,000	\$ 13,000,000
Subtotal:	\$ 256,000,000	\$ 13,000,000	\$ 269,000,000
<u>Soft Costs</u>			
Design & Engineering Fees / Design	\$ 29,000,000	\$ 5,000,000	\$ 34,000,000
Professional Services & Fees	\$ 10,000,000	\$ 1,000,000	\$ 11,000,000
OH & Opening Operations	\$ 5,000,000	\$ 150,000	\$ 5,150,000
Planning, Zoning, and Permitting Fees	incl.	incl.	incl.
Utility Development Fees	\$ 1,000,000	incl.	\$ 1,000,000
Subtotal:	\$ 45,000,000	\$ 6,150,000	\$ 51,150,000
<u>Contingency</u>			
Owner Cont.	\$ 5,000,000	\$ 3,000,000	\$ 8,000,000
TOTALS	\$ 350,000,000	\$ 100,000,000	\$ 450,000,000

***Subject to the terms and conditions of the Development Agreement: (i) the above descriptions of project components, project cost and eligible project cost categories, subtotals and totals, and the individual line item descriptions and amounts contained therein, are estimates only and subject to change as the STAR bond project progresses, including, but not limited to, as actual costs are incurred and revenues received; and (ii) reimbursable costs may be shifted among line items and expanded to include other reasonable variations from the descriptions set forth herein, so long as such costs are eligible for payment or reimbursement under K.S.A. 12-17, 160 et seq.*

EXHIBIT E

Estimated Eligible Project Costs

GENERAL COST CATEGORIES	PROJECT COST ESTIMATES	ELIGIBLE PROJECT COST ESTIMATES
<u>Land Costs</u>		
Property Acquisition	\$ 13,100,000	\$ 10,000,000
Subtotal:	\$ 13,100,000	\$ 10,000,000
<u>Sitework</u>		
Grading, Utilities, Paving, Landscaping	\$ 23,000,000	\$ 23,000,000
Future Festival Grounds Site	\$ 47,750,000	\$ 18,799,213
Subtotal:	\$ 70,750,000	\$ 41,799,213
<u>Infrastructure</u>		
115th - from 118th to 115th	\$ 2,000,000	\$ 2,000,000
118th - from State to north end of Site	\$ 3,000,000	\$ 3,000,000
Am. Royal Way (from 118th to 115th)	\$ 6,000,000	\$ 6,000,000
Future Festival - N/S & E/W Internal Drives	\$ 27,000,000	\$ 27,000,000
Subtotal:	\$ 38,000,000	\$ 38,000,000
<u>Construction</u>		
Exhibition Hall/Barns	\$ 80,000,000	\$ 80,000,000
Arenas (Main/MP/Outdoor)	\$ 85,000,000	\$ 85,000,000
Office HQ & Comm/Community Kitchen	\$ 12,000,000	\$ 12,000,000
Event Support and Storage Facilities	\$ 8,000,000	\$ 8,000,000
Agricultural Education Center	\$ 47,000,000	\$ 47,000,000
FF&E (incl. educational exhibits)	\$ 24,000,000	\$ 24,000,000
Future Festival - RR/Stage/Support	\$ 13,000,000	\$ 13,000,000
Subtotal:	\$ 269,000,000	\$ 269,000,000
<u>Soft Costs</u>		
Design & Engineering Fees / Design	\$ 34,000,000	\$ 22,666,667
Professional Services & Fees	\$ 11,000,000	\$ 7,333,333
OH & Opening Operations	\$ 5,150,000	\$ 1,287,500
Planning, Zoning, and Permitting Fees	incl.	incl.
Utility Development Fees	\$ 1,000,000	\$ 1,000,000
Subtotal:	\$ 51,150,000	\$ 32,287,500
<u>Contingency</u>		
Owner Cont.	\$ 8,000,000	\$ -
TOTALS	\$ 450,000,000	\$ 391,086,713

***Subject to the terms and conditions of the Development Agreement: (i) the above descriptions of project components, project cost and eligible project cost categories, subtotals and totals, and the individual line item descriptions and amounts contained therein, are estimates only and subject to change as the STAR bond project progresses, including, but not limited to, as actual costs are incurred and revenues received; and (ii) reimbursable costs may be shifted among line items and expanded to include other reasonable variations from the descriptions set forth herein, so long as such costs are eligible for payment or reimbursement under K.S.A. 12-17, 160 et seq.*

EXHIBIT F
STAR Bond Financing Projections – Scenario 1*

**Excluding Local Sales Tax Revenues from the Plaza at the Speedway*

Year	STAR Bond Revenue			CID Revenue		Total Revenues
	Plaza at the Speedway (Project Area 1)	Phase 1 Core Royal (Project Area 2)	Phase 2 Festival Grounds (Project Area 3)	Phase 1 Core Royal (Project Area 2)	Phase 2 Festival Grounds (Project Area 3)	
2024	\$3,780,552					\$3,780,552
2025	\$4,138,638					\$4,138,638
2026	\$4,505,676	\$7,343,545		\$870,669		\$12,719,890
2027	\$4,881,891	\$7,899,117		\$936,539		\$13,717,547
2028	\$5,267,510	\$8,894,664		\$1,054,574		\$15,216,748
2029	\$5,662,771	\$9,939,226		\$1,178,420		\$16,780,417
2030	\$6,067,912	\$10,992,227	\$1,113,337	\$1,303,266	\$132,000	\$19,608,742
2031	\$6,483,182	\$11,889,443	\$2,304,607	\$1,409,642	\$273,240	\$22,360,114
2032	\$6,908,836	\$12,250,963	\$3,465,260	\$1,452,505	\$410,850	\$24,488,414
2033	\$7,345,128	\$12,557,237	\$3,551,892	\$1,488,818	\$421,121	\$25,364,196
2034	\$7,792,328	\$12,871,167	\$3,640,689	\$1,526,038	\$431,649	\$26,261,872
2035	\$8,250,709	\$13,192,949	\$3,731,706	\$1,564,189	\$442,441	\$27,181,994
2036	\$8,720,549	\$13,522,771	\$3,824,999	\$1,603,294	\$453,502	\$28,125,115
2037	\$9,202,135	\$13,860,840	\$3,920,624	\$1,643,376	\$464,839	\$29,091,814
2038	\$9,695,762	\$14,207,361	\$4,018,639	\$1,684,461	\$476,460	\$30,082,683
2039	\$10,201,728	\$14,562,545	\$4,119,105	\$1,726,572	\$488,372	\$31,098,322
2040	\$10,720,343	\$14,926,609	\$4,222,083	\$1,769,736	\$500,581	\$32,139,352
2041	\$11,251,924	\$15,299,773	\$4,327,635	\$1,813,980	\$513,095	\$33,206,408
2042	\$11,796,795	\$15,682,269	\$4,435,826	\$1,859,329	\$525,923	\$34,300,141
2043	\$12,355,287	\$16,074,325	\$4,546,722	\$1,905,813	\$539,071	\$35,421,218
Totals	\$155,029,656	\$225,967,031	\$51,223,124	\$26,791,223	\$6,073,143	\$465,084,177

EXHIBIT F
STAR Bond Financing Projections – Scenario 2*

**Including Local Sales Tax Revenues from the Plaza at the Speedway*

Year	STAR Bond Revenue			CID Revenue		Total Revenues
	Plaza at the Speedway (Project Area 1)	Phase 1 Core Royal (Project Area 2)	Phase 2 Festival Grounds (Project Area 3)	Phase 1 Core Royal (Project Area 2)	Phase 2 Festival Grounds (Project Area 3)	
2024	\$4,905,625					\$4,905,625
2025	\$5,370,276					\$5,370,276
2026	\$5,846,543	\$7,343,545		\$870,669		\$14,060,757
2027	\$6,334,718	\$7,899,117		\$936,539		\$15,170,374
2028	\$6,835,095	\$8,894,664		\$1,054,574		\$16,784,333
2029	\$7,347,984	\$9,939,226		\$1,178,420		\$18,465,630
2030	\$7,873,693	\$10,992,227	\$1,113,337	\$1,303,266	\$132,000	\$21,414,523
2031	\$8,412,545	\$11,889,443	\$2,304,607	\$1,409,642	\$273,240	\$24,289,477
2032	\$8,964,871	\$12,250,963	\$3,465,260	\$1,452,505	\$410,850	\$26,544,449
2033	\$9,531,002	\$12,557,237	\$3,551,892	\$1,488,818	\$421,121	\$27,550,070
2034	\$10,111,287	\$12,871,167	\$3,640,689	\$1,526,038	\$431,649	\$28,580,831
2035	\$10,706,079	\$13,192,949	\$3,731,706	\$1,564,189	\$442,441	\$29,637,364
2036	\$11,315,742	\$13,522,771	\$3,824,999	\$1,603,294	\$453,502	\$30,720,308
2037	\$11,940,645	\$13,860,840	\$3,920,624	\$1,643,376	\$464,839	\$31,830,324
2038	\$12,581,173	\$14,207,361	\$4,018,639	\$1,684,461	\$476,460	\$32,968,094
2039	\$13,237,712	\$14,562,545	\$4,119,105	\$1,726,572	\$488,372	\$34,134,306
2040	\$13,910,664	\$14,926,609	\$4,222,083	\$1,769,736	\$500,581	\$35,329,673
2041	\$14,600,441	\$15,299,773	\$4,327,635	\$1,813,980	\$513,095	\$36,554,925
2042	\$15,307,463	\$15,682,269	\$4,435,826	\$1,859,329	\$525,923	\$37,810,809
2043	\$16,032,160	\$16,074,325	\$4,546,722	\$1,905,813	\$539,071	\$39,098,091
Totals	\$201,165,720	\$225,967,031	\$51,223,124	\$26,791,223	\$6,073,143	\$511,220,238

EXHIBIT G

**STAR Bond Amortization Schedule:
STAR Bond Project – Scenario 1***

**Excluding Local Sales Tax Revenues from the Plaza at the Speedway*

NPV Revenues				
Year	Plaza at the Speedway (Project Area 1)	Core Royal (Project Area 2)	Festival Grounds (Project Area 3)	NPV @ 5% STAR Bond Revenue
2024	\$2,880,420			\$2,880,420
2025	\$3,003,092			\$3,003,092
2026	\$3,113,740	\$6,258,449		\$9,372,189
2027	\$3,213,073	\$6,411,357		\$9,624,430
2028	\$3,301,785	\$6,875,624		\$10,177,409
2029	\$3,380,515	\$7,317,208		\$10,697,723
2030	\$3,449,880	\$7,707,071	\$948,828	\$12,105,779
2031	\$3,510,457	\$7,939,182	\$1,870,545	\$13,320,184
2032	\$3,562,798	\$7,791,036	\$2,678,665	\$14,032,499
2033	\$3,607,416	\$7,605,534	\$2,614,884	\$13,827,834
2034	\$3,644,809	\$7,424,455	\$2,552,626	\$13,621,890
2035	\$3,675,440	\$7,247,678	\$2,491,849	\$13,414,967
2036	\$3,699,752	\$7,075,114	\$2,432,519	\$13,207,385
2037	\$3,718,163	\$6,906,657	\$2,374,602	\$12,999,422
2038	\$3,731,061	\$6,742,213	\$2,318,065	\$12,791,339
2039	\$3,738,827	\$6,581,690	\$2,262,872	\$12,583,389
2040	\$3,741,803	\$6,424,981	\$2,208,994	\$12,375,778
2041	\$3,740,320	\$6,272,013	\$2,156,398	\$12,168,731
2042	\$3,734,677	\$6,122,677	\$2,105,056	\$11,962,410
2043	\$3,725,267	\$5,976,885	\$2,054,937	\$11,757,089
Totals	\$70,173,293	\$124,679,824	\$31,070,840	\$225,923,957
Less: Bond Issuance Costs (12%)				-\$27,110,875
STAR Bond Proceeds Available for Debt Service				\$198,813,082

EXHIBIT G (CONT'D)

**STAR Bond Amortization Schedule:
STAR Bond Project – Scenario 2***

**Including Local Sales Tax Revenues from the Plaza at the Speedway*

NPV Revenues				
Year	Plaza at the Speedway (Project Area 1)	Core Royal (Project Area 2)	Festival Grounds (Project Area 3)	NPV @ 5% STAR Bond Revenue
2024	\$3,737,619			\$3,737,619
2025	\$3,896,797			\$3,896,797
2026	\$4,040,373	\$6,258,449		\$10,298,822
2027	\$4,169,268	\$6,411,357		\$10,580,625
2028	\$4,284,380	\$6,875,624		\$11,160,004
2029	\$4,386,540	\$7,317,208		\$11,703,748
2030	\$4,476,547	\$7,707,071	\$948,828	\$13,132,446
2031	\$4,555,151	\$7,939,182	\$1,870,545	\$14,364,878
2032	\$4,623,068	\$7,791,036	\$2,678,665	\$15,092,769
2033	\$4,680,965	\$7,605,534	\$2,614,884	\$14,901,383
2034	\$4,729,486	\$7,424,455	\$2,552,626	\$14,706,567
2035	\$4,769,233	\$7,247,678	\$2,491,849	\$14,508,760
2036	\$4,800,781	\$7,075,114	\$2,432,519	\$14,308,414
2037	\$4,824,670	\$6,906,657	\$2,374,602	\$14,105,929
2038	\$4,841,406	\$6,742,213	\$2,318,065	\$13,901,685
2039	\$4,851,484	\$6,581,690	\$2,262,872	\$13,696,045
2040	\$4,855,345	\$6,424,981	\$2,208,994	\$13,489,320
2041	\$4,853,420	\$6,272,013	\$2,156,398	\$13,281,831
2042	\$4,846,098	\$6,122,677	\$2,105,056	\$13,073,831
2043	\$4,833,889	\$5,976,885	\$2,054,937	\$12,865,711
Totals	\$91,056,520	\$124,679,824	\$31,070,840	\$246,807,184
Less: Bond Issuance Costs (12%)				-\$29,616,862
STAR Bond Proceeds Available for Debt Service				\$217,190,322

EXHIBIT G (CONT'D)

**STAR Bond Amortization Schedule:
Plaza at the Speedway (Project Area 1) – Scenario 1***

**Excluding Local Sales Tax Revenues from the Plaza at the Speedway*

Year	Gross STAR Bond Revenue	Present Value 5.0%	Net Present Value	Less: Debt Coverage 1.25	Net STAR Bond Proceeds
2024	\$3,780,552	0.952381	\$3,600,526	\$720,105	\$2,880,420
2025	\$4,138,638	0.907029	\$3,753,865	\$750,773	\$3,003,092
2026	\$4,505,676	0.863838	\$3,892,174	\$778,435	\$3,113,740
2027	\$4,881,891	0.822702	\$4,016,341	\$803,268	\$3,213,073
2028	\$5,267,510	0.783526	\$4,127,231	\$825,446	\$3,301,785
2029	\$5,662,771	0.746215	\$4,225,644	\$845,129	\$3,380,515
2030	\$6,067,912	0.710681	\$4,312,350	\$862,470	\$3,449,880
2031	\$6,483,182	0.676839	\$4,388,071	\$877,614	\$3,510,457
2032	\$6,908,834	0.644609	\$4,453,497	\$890,699	\$3,562,797
2033	\$7,345,128	0.613913	\$4,509,269	\$901,854	\$3,607,416
2034	\$7,792,328	0.584679	\$4,556,011	\$911,202	\$3,644,809
2035	\$8,250,709	0.556837	\$4,594,300	\$918,860	\$3,675,440
2036	\$8,720,549	0.530321	\$4,624,690	\$924,938	\$3,699,752
2037	\$9,202,135	0.505068	\$4,647,704	\$929,541	\$3,718,163
2038	\$9,695,761	0.481017	\$4,663,826	\$932,765	\$3,731,061
2039	\$10,201,728	0.458112	\$4,673,534	\$934,707	\$3,738,827
2040	\$10,720,343	0.436297	\$4,677,254	\$935,451	\$3,741,803
2041	\$11,251,924	0.415520	\$4,675,400	\$935,080	\$3,740,320
2042	\$11,796,795	0.395730	\$4,668,346	\$933,669	\$3,734,677
2043	\$12,355,287	0.376890	\$4,656,584	\$931,317	\$3,725,267
Totals	\$155,029,655		\$87,716,616	\$17,543,323	\$70,173,293
Less: Bond Issuance Costs (12%)					-\$8,420,795
STAR Bond Proceeds Available for Debt Service					\$61,752,498

EXHIBIT G (CONT'D)

**STAR Bond Amortization Schedule:
Plaza at the Speedway (Project Area 1) – Scenario 2***

**Including Local Sales Tax Revenues from the Plaza at the Speedway*

Year	Gross STAR Bond Revenue	Present Value 5.0%	Net Present Value	Less: Debt Coverage 1.25	Net STAR Bond Proceeds
2024	\$4,905,625	0.952381	\$4,672,024	\$934,405	\$3,737,619
2025	\$5,370,276	0.907029	\$4,870,996	\$974,199	\$3,896,797
2026	\$5,846,543	0.863838	\$5,050,466	\$1,010,093	\$4,040,373
2027	\$6,334,718	0.822702	\$5,211,585	\$1,042,317	\$4,169,268
2028	\$6,835,095	0.783526	\$5,355,475	\$1,071,095	\$4,284,380
2029	\$7,347,984	0.746215	\$5,483,176	\$1,096,635	\$4,386,540
2030	\$7,873,693	0.710681	\$5,595,684	\$1,119,137	\$4,476,547
2031	\$8,412,545	0.676839	\$5,693,939	\$1,138,788	\$4,555,151
2032	\$8,964,871	0.644609	\$5,778,837	\$1,155,767	\$4,623,069
2033	\$9,531,002	0.613913	\$5,851,206	\$1,170,241	\$4,680,965
2034	\$10,111,287	0.584679	\$5,911,857	\$1,182,371	\$4,729,486
2035	\$10,706,079	0.556837	\$5,961,541	\$1,192,308	\$4,769,233
2036	\$11,315,742	0.530321	\$6,000,976	\$1,200,195	\$4,800,781
2037	\$11,940,645	0.505068	\$6,030,838	\$1,206,168	\$4,824,670
2038	\$12,581,173	0.481017	\$6,051,758	\$1,210,352	\$4,841,406
2039	\$13,237,712	0.458112	\$6,064,355	\$1,212,871	\$4,851,484
2040	\$13,910,664	0.436297	\$6,069,181	\$1,213,836	\$4,855,345
2041	\$14,600,441	0.415520	\$6,066,775	\$1,213,355	\$4,853,420
2042	\$15,307,463	0.395730	\$6,057,622	\$1,211,524	\$4,846,098
2043	\$16,032,160	0.376890	\$6,042,361	\$1,208,472	\$4,833,889
Totals	\$201,165,720		\$113,820,651	\$22,764,130	\$91,056,521
Less: Bond Issuance Costs (12%)					-\$10,926,783
STAR Bond Proceeds Available for Debt Service					\$80,129,738

EXHIBIT G (CONT'D)

**STAR Bond Amortization Schedule:
Core Royal / Main Complex (Phase 1) (Project Area 2)**

Year	Gross Revenue	Present Value 5.0%	Net Present Value	Less: Debt Coverage 1.25	Net Proceeds
2026	\$8,214,214	0.952381	\$7,823,062	\$1,564,612	\$6,258,449
2027	\$8,835,656	0.907029	\$8,014,196	\$1,602,839	\$6,411,357
2028	\$9,949,238	0.863838	\$8,594,530	\$1,718,906	\$6,875,624
2029	\$11,117,646	0.822702	\$9,146,510	\$1,829,302	\$7,317,208
2030	\$12,295,493	0.783526	\$9,633,838	\$1,926,768	\$7,707,071
2031	\$13,299,085	0.746215	\$9,923,977	\$1,984,795	\$7,939,182
2032	\$13,703,468	0.710681	\$9,738,794	\$1,947,759	\$7,791,036
2033	\$14,046,055	0.676839	\$9,506,918	\$1,901,384	\$7,605,534
2034	\$14,397,206	0.644609	\$9,280,569	\$1,856,114	\$7,424,455
2035	\$14,757,136	0.613913	\$9,059,598	\$1,811,920	\$7,247,678
2036	\$15,126,065	0.584679	\$8,843,892	\$1,768,778	\$7,075,114
2037	\$15,504,216	0.556837	\$8,633,321	\$1,726,664	\$6,906,657
2038	\$15,891,822	0.530321	\$8,427,767	\$1,685,553	\$6,742,213
2039	\$16,289,117	0.505068	\$8,227,112	\$1,645,422	\$6,581,690
2040	\$16,696,345	0.481017	\$8,031,226	\$1,606,245	\$6,424,981
2041	\$17,113,754	0.458112	\$7,840,016	\$1,568,003	\$6,272,013
2042	\$17,541,598	0.436297	\$7,653,347	\$1,530,669	\$6,122,677
2043	\$17,980,138	0.415520	\$7,471,107	\$1,494,221	\$5,976,885
Total	\$252,758,254		\$155,849,780	\$31,169,956	\$124,679,824
					Less: Bond Issuance Costs (12%)
					-\$14,961,579
					STAR Bond Proceeds Available for Debt Service
					\$109,718,245

Source: Canyon Research Southwest, Inc.; February 2024.

EXHIBIT G (CONT'D)

**STAR Bond Amortization Schedule:
American Royal Festival Grounds (Phase 2) (Project Area 3)**

Year	Gross Revenue	Present Value 5.0%	Net Present Value	Less: Debt Coverage 1.25	Net Proceeds
2030	\$1,245,337	0.952381	\$1,186,035	\$237,207	\$948,828
2031	\$2,577,847	0.907029	\$2,338,182	\$467,636	\$1,870,545
2032	\$3,876,110	0.863838	\$3,348,331	\$669,666	\$2,678,665
2033	\$3,973,013	0.822702	\$3,268,606	\$653,721	\$2,614,884
2034	\$4,072,338	0.783526	\$3,190,783	\$638,157	\$2,552,626
2035	\$4,174,147	0.746215	\$3,114,811	\$622,962	\$2,491,849
2036	\$4,278,500	0.710681	\$3,040,649	\$608,130	\$2,432,519
2037	\$4,385,463	0.676839	\$2,968,252	\$593,650	\$2,374,602
2038	\$4,495,099	0.644609	\$2,897,582	\$579,516	\$2,318,065
2039	\$4,607,477	0.613913	\$2,828,590	\$565,718	\$2,262,872
2040	\$4,722,664	0.584679	\$2,761,242	\$552,248	\$2,208,994
2041	\$4,840,730	0.556837	\$2,695,498	\$539,100	\$2,156,398
2042	\$4,961,749	0.530321	\$2,631,319	\$526,264	\$2,105,056
2043	\$5,085,792	0.505068	\$2,568,671	\$513,734	\$2,054,937
Total	\$57,296,265		\$38,838,550	\$7,767,710	\$31,070,840
Less: Bond Issuance Costs (12%)					-\$3,728,501
STAR Bond Proceeds Available for Debt Service					\$27,342,339

Source: Canyon Research Southwest, Inc.; February 2024.

EXHIBIT H

Meeting Minutes

To be included after approval of Project Plan.

EXHIBIT I

Officers of Developer

AMERICAN ROYAL ASSOCIATION

Officers of the Board of Governors

Charlie Tetrick, Chairman
Cynthia Savage, 1st Vice Chairman
Angie Stanland, Vice Chairman
Mariner Kemper, Vice Chairman
John Mitchell, Jr., Vice Chairman

American Royal Officers & Directors

Gordon E. Lansford, III, Chairman
Lindsey Smith, Corporate Secretary
Bradley Bendle, Treasurer
Jackie McClaskey, President/CEO

Directors

Brad Bendle	Bret Borota
Carol Carlson	Tim Congrove
Andrew Fahey	John Fuchs
Walt George	Mark Kolkhorst
Ann Konecny	Brian Illig
Cliff Illig	John Lagemann
Gordon E. Lansford, III	Missy Love
Alex Lowe	Pat Macy
Ford Maurer	Russ Meinhardt
John Moncke	Blake Nelson
Ben Nichols	Jeanette Prenger
Mike Roos	Duke Sand
Jara Settles	Lindsey Smith
Mark Stewart	David Stofer
Sarah Tate	Charlie Tetrick
Ken Wagner	Jack Ward
Ryan Wilkerson	Jeff Yowell

Lifetime Directors

Malcolm M. Aslin	Bryan Beaver
H.D. Cleberg	David Fowler
Mary Hunkeler	Mariner Kemper
Brant Laue	Pete Lemke
Fred W. Lyons Jr.	Greg Maday
John Mitchell, Jr.	Bob Petersen
Cynthia Pistilli Savage	Angie Stanland

STAR BOND FEASIBILITY STUDY

The New American Royal
A Food and Agriculture Epicenter
118th Street and State Avenue
Kansas City, Kansas

February
2024

CANYON RESEARCH SOUTHWEST, INC.

COMMERCIAL REAL ESTATE RESEARCH AND ANALYSIS

**STAR BOND FEASIBILITY STUDY
A NEW AMERICAN ROYAL
A FOOD AND AGRICULTURE EPICENTER
118th STREET AND STATE AVENUE
KANSAS CITY, KANSAS**

February 2024

Prepared for:

Kansas Department of Commerce
1000 SW Jackson, Suite 100
Topeka, KS 66612

Prepared by:

Canyon Research Southwest, Inc.
505 Ellicott Street, Suite A202
Buffalo, NY 14203

PR# 2024.01.01

505 ELLICOTT STREET, SUITE A202 / BUFFALO, NY 14203 / (716) 327-5576

CANYON RESEARCH SOUTHWEST, INC.

COMMERCIAL REAL ESTATE RESEARCH AND ANALYSIS

February 26, 2024

Robert North
Kansas Department of Commerce
1000 SW Jackson, Suite 100
Topeka, KS 66612

Re: STAR Bond Feasibility Study
America Royal in Kansas City, Kansas

Mr. North:

STAR Bond funding is being sought to assist in funding a portion of the new American Royal Food & Agriculture Epicenter at the northeast corner of 118th Street and State Avenue in Kansas City, Kansas. Pursuant to the STAR Bond Financing Act (the “Act”), Canyon Research Southwest, Inc. has prepared the attached *STAR Bond Feasibility Study* for the project.

The American Royal Food & Agriculture Epicenter is designed as a year-round entertainment venue that cater to a market not currently being serviced by other sports and entertainment venues within Village West. The initial phase is scheduled for completion in early 2026 and features two indoor arenas with permanent seating of 3,500 seats and 5,000 seats, 3,500-seat outdoor arena, 1,540-stall barn, 79,400 square foot Education Center with an additional 148,500 square feet of outdoor space, and 50 RV spaces.

Upon review of the report, should any questions arise, or additional information requested, you can contact me at (716) 327-5576.

Respectfully submitted,

CANYON RESEARCH SOUTHWEST, INC.

Eric S. Lander, Principal

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SUMMARY OF MAJOR FINDINGS

Sales Tax Revenue (“STAR”) bond financing is being sought to assist in funding a portion of the new American Royal Food and Agriculture Epicenter at the northeast corner of 118th Street and State Avenue in Kansas City, Kansas.

The new American Royal Food and Agriculture Epicenter is designed as a year-round entertainment venue that cater to a market not currently being serviced by other sports and entertainment venues within Village West. The initial phase is scheduled for completion in early 2026 and features two indoor arenas with permanent seating of 3,500 seats and 5,000 seats, 3,500-seat outdoor arena, 1,540-stall barn, 79,400 square foot Education Center with an additional 148,500 square feet of outdoor space, and 50 RV spaces.

As part of the STAR bond application process Canyon Research Southwest, Inc. has prepared the enclosed *STAR Bond Feasibility Study*. The study evaluates the feasibility of the American Royal Food and Agriculture Epicenter project by addressing each of the evaluation criteria outlined in Kansas statutes. The report’s major findings are summarized in the text below.

Tourism Impact Assessment

The Kansas City MSA serves as a regional tourism destination attracting visitors within a 500-mile radius and beyond. A wide selection of shopping and a host of sports, gaming, entertainment, family, and cultural attractions are the economic engines for the Kansas City tourism market. The Kansas City MSA hosts approximately 24.5 million visitors annually providing a large potential market from which the local attractions can draw from.

Visitation to the Kansas City MSA is comprised of 53 percent day trips (13.3 million visitors) and 47 percent overnight trips (11.9 million visitors). Visitors from outside of Kansas account for 80 percent of day trip visitors and 86 percent of overnight visitors to the Kansas City MSA. About one-third of overnight visitors originate between 200 and 300 miles away and over one-third travel more than 500 miles. The Kansas and Kansas City MSA tourism markets are well on its way to recovery from the COVID 19 pandemic and will assist the new American Royal venue in attracting out-of-state visitors.

Village West is the most visited tourism destination in Kansas, hosting over 12 million annual visitors. The Compass Minerals National Performance Center, Children’s Mercy Park, Wyandotte Sporting Fields, Kansas Speedway, and Legends Field have positioned the Village East and Village West Districts as a major sports and entertainment destination. The addition of new American Royal Food and Agriculture Epicenter will complement these existing venues and elevate the status of Village East and Village West as Kansas’ largest tourism destination.

Visitor expenditures in Wyandotte County rose from \$452.55 million in 2015 to \$557.37 million by 2019, equating to 16.5 percent of the Northeast regions total. During 2020, visitor expenditures declined 23.5 percent to \$426.59 million. By 2021, visitor expenditures rebounded to \$542.34 million. The new American Royal Food and Agriculture Epicenter will benefit from the strong tourism markets in the Kansas City MSA and Wyandotte County.

The new American Royal Food & Agriculture Epicenter is designed as an entertainment venue that will serve as a regional visitor destination. The project will complement the existing attractions operating in the Kansas City MSA and Village West by providing destination attractions capable of generating increased visitation and visitor expenditures to the area. The project will also improve the competitive position of Kansas within the Kansas City MSA tourism market and assist in garnering a larger market share of the visitor market.

Market Study Conclusions

Three indoor arenas were surveyed in eastern Kansas, located 50 to 194 miles from the new American Royal site. The Kansas Star Arena and Stormont Vail Events Center were deemed the most comparable in terms of arena size, seating capacity, on-site restaurants, hotels, and event center. In terms of proximity, number of event venues and seating capacity, and presence of a hotel, food service, and other amenities, the Stormont Vail Events Center in Topeka, Kansas is deemed the most competitive to the new American Royal Food and Agriculture Epicenter.

Six arenas were surveyed in western Kansas that operate indoor arenas. All the surveyed indoor arenas are owned by a public entity or university and are located 106 to 374 miles from the new American Royal site. None of the existing indoor arenas operating in western Kansas were viewed directly competitive to the new American Royal Food and Agriculture Epicenter, lacking in such areas as arena floor area, seating capacity, number of stalls, and absence of a covered warm-up arena, outdoor arena, and on-site RV park and hotel.

Ten comparable high-quality multi-purpose arenas and equestrian centers were surveyed in the western states to determine the competitive positioning of the new American Royal Food and Agriculture Epicenter. When compared to the ten surveyed venues, the design for the new American Royal Food and Agriculture Epicenter affords the necessary location, features, and amenities to be competitive and attract promoters, sponsors, events, and fans.

Of the surveyed multi-purpose arenas, the Lancaster Event Center in Lincoln, Nebraska is the most comparable in terms of property amenities, including a 5,000-seat multi-purpose arena, four pavilions, and exhibit space. The facility hosts 320 events annually, including 200 local events and 120 regional/national/international. This bodes well for the new American Royal Food and Agriculture Epicenter to host regional, national, and international events.

The ten surveyed multi-purpose arenas in the western United States host 27 to 320 annual events, averaging 109 events. The usage of the comparable multi-purpose arenas bodes well for the potential of the new American Royal Food and Agriculture Epicenter to host a suitable number of annual events and event days to support feasible development and operation. The design for the new American Royal Food and Agriculture Epicenter affords the necessary location, features, and amenities to be competitive and attract promoters, sponsors, events, and fans.

Of the surveyed multi-purpose arenas, the Lancaster Event Center in Lincoln, Nebraska is the most comparable in terms of property amenities, including a 5,000-seat multi-purpose arena, four pavilions, and exhibit space. The facility hosts 320 events annually, including 200 local events and 120 regional/national/international. This bodes well for the new American Royal Food and Agriculture Epicenter to host regional, national, and international events.

The new American Royal's Education Center will be approximately 79,400 square feet and will feature a 30,000 square foot to 35,000 square foot event hall, nine classrooms, auditorium, demonstration space, and broadcast studio. An additional 148,500 square feet of outdoor learning space is also planned for Phase 1 of the new American Royal.

Eight of the Village West hotels offer meeting space, most consisting of one small meeting room. Meeting space ranges from 224 to 4,450 square feet with seating capacities of six to 210 people. Only the Great Wolf Lodge has meeting space and on-site food service, with three meeting rooms totaling 4,450 square feet of space and a seating capacity of 50 to 210 people. The Chateau Avalon can accommodate events for up to 22 people. Therefore, none of the existing Village West hotels will serve as direct competition for the meeting space planned for the new American Royal. The American Royal can partner with Village West hotels to host smaller breakout meetings.

Assessment of Potential Markets

The new American Royal Food and Agriculture Epicenter is designed to be a premier rodeo, equestrian, entertainment, and educational venue with the potential to host major events and draw from a regional and national market area. Given the project's location off Interstate 70, facility programming, and proximity to Village West and Village East, the project will serve as a destination attraction. Potential sources of visitation include: 1) area residents, 2) out-of-town visitors, and 3) regional market.

When compared to the demographic characteristics of rodeo, sports, and music fans, the 100-mile and 500-mile radius market areas represent a strong market for rodeo, equestrian, agricultural, sporting, and live music events. Favorable demographic characteristics include large population bases, large populations of residents ages 18 to 44 years, high rate of educational attainment, and high rates middle- and high-income households.

The local market is defined as the geographic area within a 100-mile radius from which supports a population of 3.2 million residents and the population demographics provide a large market for social and business events, consumer and trade shows, education programs, and entertainment and food events.

The Kansas City MSA hosts 24.5 million visitors annually providing a large potential market for entertainment food events. The regional market includes the country's 43 million rodeo fans and a population of 14.4 million people.

An estimated 67.8 million people reside within a 500-mile radius of the new American Royal Food and Agriculture Epicenter site, providing for a large potential regional market.

The existing American Royal is a well-established rodeo, equestrian, agricultural, food, and educational venue that has attracted a growing number of events and attendance in recent years. The new American Royal Food and Agriculture Epicenter's designed attractions and facility programming will expand the event calendar, attendance, and regional draw. Its proximity to Village West and Village East, Kansas' largest tourism destination attracting 12 million visitors annually, increases the exposure of new American Royal Food and Agriculture Epicenter and provides the opportunity to capture area residents, out-of-town visitors, and a regional market.

Market Impact Study Findings

The *Market Impact Study* focused on these issues as they relate to the new American Royal Food and Agriculture Epicenter project:

1. Project positioning and unique quality
2. Project's synergy with area attractions
3. Impact on comparable market area businesses
4. Expected draw of tourists from out-of-state and from more than 100 miles away
5. Estimate the project's retail sales at build-out
6. Impact on active STAR bond projects

Project Positioning and Unique Quality

The new American Royal Food and Agriculture Epicenter is positioned as a premier food and agriculture event, entertainment, and education destination supporting a regional, national, and international draw. Together with the existing visitor destinations within the Village East and West Districts, the new American Royal's uses, concepts, and positioning are designed to create a unique attraction capable of generating large visitor volumes, drawing out-of-town travelers, and enhancing the Kansas City area's status as a regional tourism destination.

Synergy with Area Attractions

Much like business clusters, the clustering of destination attractions creates the critical mass necessary to generate and sustain increased visitation and expenditures. Most tourism clusters also have strong linkages to other closely related and supporting industries such as transportation, lodging, retail, food, and beverage. Therefore, the larger cluster of attractions a tourist destination supports the greater the direct and indirect economic benefits.

The new American Royal Food and Agriculture Epicenter is located adjacent to the Village East and Village West Districts which serve as Kansas' largest and most visited destination attraction.

Village West is home to such major destination attractions as the Kansas Speedway, Children's Mercy Park, JustBats Field, Hollywood Casino, Nebraska Furniture Mart, Cabela's, and Legends Outlets. The principal existing attraction at Village East is the Compass Minerals National Performance Center home of the U.S. Soccer program.

Village East Project Areas 1 and 4 are being developed with Homefield, Homefield Outdoor, and Homefield Youth Baseball Complex. The Margaritaville Hotel is currently under construction on the former Schlitterbahn Water Park site.

To conclude, by increasing the critical mass and scope of destination attractions the new American Royal Food and Agriculture Epicenter will improve Kansas City's competitive position as a sports and entertainment destination as well as complement the existing attractions at Village East and West by creating a unique sports, entertainment, and education destination. Furthermore, the new American Royal Food and Agriculture Epicenter when combined with the Village East and West

attractions will further strengthen the draw and economic impact of Kansas’ largest and most visited tourism destination.

Impact on Comparable Area Businesses

The new American Royal Food and Agriculture Epicenter includes two indoor arenas with permanent seating of 3,500 seats and 5,000 seats, 3,500-seat outdoor arena, and a festival area designed to host 8,000 to 12,000 people for single-day events.

The new American Royal Food and Agriculture Epicenter will introduce new sports, entertainment, and education attractions not currently available in Wyandotte County and the Kansas City MSA. By 2032, at build-out and stabilization, out-of-town visitors to the Project District are forecast to generate \$320 million to \$359 million in annual expenditures on shopping, dining, entertainment, lodging, and transportation, not all of which will be satisfied by the planned on-site attractions.

The new American Royal Food and Agriculture Epicenter will benefit existing sports, entertainment, retail, restaurant, and lodging businesses in Wyandotte County, with businesses operating in the neighboring Village West and Village East STAR Bond Districts being the primary beneficiaries. Therefore, this report concluded that the new American Royal Food and Agriculture Epicenter is not expected to adversely impact the sales of the 5,800-seat Cable Dahmer Arena, 7,739-seat Starlight Theatre, and 18,000-seat Azura Amphitheatre.

Forecast Customer/Visitor Counts

Stabilized year visitation (2032) to the new American Royal Food and Agriculture Epicenter site is estimated at 2.16 million to 2.43 million visitors. Regional visitors traveling more than 100 miles are forecast to account for 36 percent of total visitation, totaling 779,618 to 882,725 visitors.

Out-of-state residents are estimated to account for 71 percent of total visitation, or 1.53 million to 1.73 million visitors per year.

New American Royal Food and Agriculture Epicenter Estimated Stabilized Year (2032) Visitation Patterns

Visitor Origination	Total Visitors	Out-of-State Visitors	Market Share
Conservative Scenario			
Total Visitors	2,156,765		
Outside of a 100-Mile Radius	779,618	1,534,486	71.1%
Optimistic Scenario			
Total Visitors	2,432,500		
Outside of a 100-Mile Radius	882,725	1,734,100	71.3%

Estimated Retail Sales

By 2032, at build-out and stabilization, visitors to the new American Royal Food and Agriculture Epicenter is estimated to generate gross annual sales of \$330 million to \$370 million within the District and captured off-site by businesses throughout the Kansas City MSA. This analysis applied the conservative scenario sales estimates.

Given the on-site attractions and programming, the new American Royal Food and Agriculture Epicenter is estimated to capture 75 percent of day tripper expenditures and 48 percent of overnight visitor expenditures, totaling an estimated \$186 million in on-site expenditures at project stabilization in 2032.

At project stabilization in 2032, the remaining \$144 million in expenditures generated by visitors to the new American Royal Food and Agriculture Epicenter will be captured off-site by businesses operating throughout the Kansas City MSA.

Estimated Retail Sales at Stabilization (2032) New American Royal Food and Agriculture Epicenter

Year	Visitor Days	Day Trippers	Overnight Visitors	Total Visitor Day	Expenditures Overnight	American Day	Royal Capture Overnight	American Royal Expenditures
2026	1,182,340	650,287	532,053	\$45,520,090	\$100,558,017	\$38,799,081	\$48,267,848	\$87,066,929
2027	1,310,918	721,005	589,913	\$51,732,107	\$114,280,928	\$38,799,081	\$54,854,846	\$93,653,926
2028	1,440,133	792,073	648,060	\$58,252,046	\$128,684,066	\$43,689,035	\$61,768,352	\$105,457,386
2029	1,570,008	863,504	706,504	\$65,092,989	\$143,796,330	\$48,819,742	\$69,022,238	\$117,841,980
2030	1,865,565	1,026,061	839,504	\$79,280,546	\$175,137,933	\$59,460,409	\$84,066,208	\$143,526,617
2031	2,134,066	1,173,736	960,330	\$92,958,254	\$205,353,234	\$69,718,691	\$98,569,552	\$168,288,243
2032	2,305,292	1,267,910	1,037,381	\$102,927,121	\$227,375,366	\$77,195,340	\$109,140,176	\$186,335,516

Impact on Active STAR Bond Projects

The new American Royal Food & Agriculture Epicenter will be a year-round entertainment venue and education center. The initial phase will be completed in early 2026 and features two indoor arenas with permanent seating of 3,500 seats and 5,000 seats, 3,500-seat outdoor arena, 1,540-stall barn, 79,400 square foot Education Center, and 50 RV spaces.

By year-end 2022, sixteen active STAR Bond Districts in Kansas possessed an outstanding bond principal balance totaling approximately \$526 million. Active STAR Bond Districts include six in the Kansas City MSA, four projects in the Wichita MSA, and projects in Topeka, Manhattan, Salina, Dodge City, and Garden City. The active STAR Bond Districts support a wide range of destination attractions including professional soccer stadium and training facilities, racetracks, minor league baseball stadium, an arena, indoor and outdoor athletic facilities, waterparks, downtown redevelopment, and others. The destination attractions planned for the new American

Royal Food and Agriculture Epicenter do not exist within any of the active STAR Bond Projects in Kansas.

Village West continues to be the number one tourist attraction in Kansas with more than 12 million annual visitors from throughout the Midwest region and beyond. Village West and Village East together create one of the Midwest's most unique and highly visited sports, entertainment, and shopping destinations. Development of the new American Royal Food and Agriculture Epicenter will have a positive impact on operations of the Kansas Speedway, Village West, and Village East by improving the synergy between the developments through the introduction of additional destination attractions and visitors.

The study concluded that given the noncompeting destination attractions and differing market niche, development of the new American Royal Food and Agriculture Epicenter will not have a measurable adverse impact on visitor volumes, retail sales volumes and STAR bond revenues on those STAR Bond Districts with outstanding bond debt. Therefore, the operation of additional development within the new American Royal Food and Agriculture Epicenter is not anticipated to cause default in the payment of outstanding STAR bonds.

Economic Impact Study Findings

The *Economic Impact Assessment* examines the economic implications of the construction and operation of the new American Royal Food and Agriculture Epicenter in terms of the direct and indirect growth in employment, income, and consumption. The project's economic impact has been measured in terms of both construction-phase and operational-phase.

Construction-Phase

Phase 1 construction costs for the Main Complex are estimated at \$350 million. The economic benefits associated with the construction phase are estimated at a total economic output of \$490 million, direct and indirect job creation of 2,889 full-time equivalent jobs, and \$160 million in payroll. The State of Kansas is estimated to collect \$6.28 million in personal income taxes associated with the construction payroll.

Construction costs for the Festival Grounds are estimated at \$100 million. Economic benefits associated with the construction phase area estimated at a total economic output of \$140 million, direct and indirect job creation of 825 full-time equivalent jobs, and \$45.8 million in payroll. The State of Kansas is estimated to collect \$1.79 million in personal income taxes associated with the construction payroll.

Construction-Phase Economic Impact Estimates New American Royal Food and Agriculture Epicenter

	Main Complex	Festival Grounds	Project Totals
Direct Construction Expenditures	\$350,000,000	\$100,000,000	\$450,000,000
Total Economic Impact	\$490,000,000	\$140,000,000	\$630,000,000
Job Creation			
Direct	2,111	603	2,714
Indirect	778	222	1,000
Total	2,889	825	3,714
Payroll			
Direct	\$114,194,645	\$32,627,041	\$146,821,686
Indirect	\$46,126,085	\$13,178,882	\$59,304,967
Total	\$160,320,730	\$45,805,923	\$206,126,653
State Income Taxes	\$6,280,250	\$1,794,357	\$8,074,607

Source: Canyon Research Southwest, Inc.

Operational-Phase

Operation of the initial phase of the new American Royal is estimated to generate stabilized year net expenditures of \$65.5 million, net economic impact of \$91.7 million in total economic output, 430 direct and indirect jobs, \$16.6 million in annual payroll, and \$490,220 in State personal income tax collections.

The Festival Grounds is estimated to generate stabilized year net expenditures of \$17.9 million, net economic impact of \$25.1 million in total economic output, 142 direct and indirect jobs, \$4.2 in annual payroll, and \$116,582 in State personal income tax collections.

At build-out and stabilized occupancy, the new American Royal Food and Agriculture Epicenter is estimated to attract 2.16 million to 2.43 million annual visitors, including 779,618 to 882,725 visitors from over 100 miles away. Total lodging demand is estimated at 519,745 annual room nights, sufficient to support 2,034 hotel rooms. These lodging supply and demand forecasts illustrate the significant impact the new American Royal Food and Agriculture Epicenter will have on the Kansas City area hotel market and the potential to support additional hotel development.

To conclude, the new American Royal Food and Agriculture Epicenter will contribute significantly to the state and local economy by generating construction and permanent jobs; attracting out-of-state visitors, spending, and lodging demand; strengthening the Kansas City area's status as a tourist destination; and yielding state income tax revenues.

Operational-Phase Economic Impact Estimates New American Royal Food and Agriculture Epicenter

	Main Complex	Festival Grounds	Project Totals
Total Net Economic Impact of Operations			
Stabilized Year Net Expenditures	\$65,487,131	\$17,906,610	\$83,393,741
Total Net Output	\$91,681,984	\$25,069,253	\$116,751,237
Job Creation			
Direct	40	14	54
Indirect	468	128	596
Total	508	142	650
Payroll			
Direct	\$4,000,000	\$698,000	\$4,698,000
Indirect	\$12,636,000	\$3,456,000	\$16,092,000
Total	\$16,636,000	\$4,154,000	\$20,790,000
State Income Taxes	\$490,220	\$163,426	\$653,646

Source: Canyon Research Southwest, Inc.

STAR Bond Revenue Projections

The STAR bond revenue projections and supportable bond debt estimates contained in this study are derived exclusively from four sources within the Northwest Speedway STAR Bond District: 1) incremental sales from the Plaza at the Speedway (over and above the “base year” sales), 2) the new American Royal complex to be developed at the northeast and northwest corners of 118th Street and State Avenue, 3) the American Royal festival grounds anticipated to be developed on the west side of 118th Street, and 4) a Community Improvement District sales tax levy.

The STAR Bond funding capacity of the new American Royal Food and Agriculture Epicenter Phases 1 and 2 was quantified through calculating the net present value of the annual Sales Tax Special Obligation Bond (“STAR”) revenues and Community Improvement District (CID) Sales Tax revenue throughout the maturity of the project plan. This report assumed that all STAR bond revenue would be used to pay bond debt. The net present value was calculated using an annual sales growth rate of 2.5 percent, debt service reserve and bond issuance costs of 12.0 percent, debt coverage ratio of 1.25 and a discount (“yield”) rate of 5.0 percent.

This analysis assumes that STAR Bond and CID revenues generated by the new American Royal Food and Agriculture Epicenter Phases 1 and 2 will commence in 2024 with maturity in 2043. Phases 1 and 2 will be designated separate Project Areas with STAR Bond revenues commencing in 2026 for Phase 1 and 2030 for Phase 2.

As outlined in the tables on pages xiii to xiv, throughout the statutory 20-year STAR bond maturity period the gross Sales Tax Special Obligation Bond and CID Sales Tax revenues generated by the Plaza at the Speedway and new American Royal Food and Agriculture Epicenter Phases 1 and 2 are estimated at \$465 million.

Accounting for bond issuance costs and reserve fund allocation, net present value proceeds of \$198.8 million are available to service bond principal and interest payments. Net proceeds amount to \$61.8 million for the Plaza at the Speedway, \$109.7 million for Phase 1 (Main Complex) and \$27.3 million for Phase 2 (Festival Grounds).

**Supportable STAR Bond Debt Estimates
Plaza at the Speedway and American Royal
Food and Agriculture Epicenter Phases 1 & 2**

NPV Revenues				
Year	Plaza at the Speedway	Main Complex	Festival Grounds	NPV @ 5% STAR Bond Revenue
2024	\$2,880,420			\$2,880,420
2025	\$3,003,092			\$3,003,092
2026	\$3,113,740	\$6,258,449		\$9,372,189
2027	\$3,213,073	\$6,411,357		\$9,624,430
2028	\$3,301,785	\$6,875,624		\$10,177,409
2029	\$3,380,515	\$7,317,208		\$10,697,723
2030	\$3,449,880	\$7,707,071	\$948,828	\$12,105,779
2031	\$3,510,457	\$7,939,182	\$1,870,545	\$13,320,184
2032	\$3,562,798	\$7,791,036	\$2,678,665	\$14,032,499
2033	\$3,607,416	\$7,605,534	\$2,614,884	\$13,827,834
2034	\$3,644,809	\$7,424,455	\$2,552,626	\$13,621,890
2035	\$3,675,440	\$7,247,678	\$2,491,849	\$13,414,967
2036	\$3,699,752	\$7,075,114	\$2,432,519	\$13,207,385
2037	\$3,718,163	\$6,906,657	\$2,374,602	\$12,999,422
2038	\$3,731,061	\$6,742,213	\$2,318,065	\$12,791,339
2039	\$3,738,827	\$6,581,690	\$2,262,872	\$12,583,389
2040	\$3,741,803	\$6,424,981	\$2,208,994	\$12,375,778
2041	\$3,740,320	\$6,272,013	\$2,156,398	\$12,168,731
2042	\$3,734,677	\$6,122,677	\$2,105,056	\$11,962,410
2043	\$3,725,267	\$5,976,885	\$2,054,937	\$11,757,089
Totals	\$70,173,293	\$124,679,824	\$31,070,840	\$225,923,957
Less: Bond Issuance Costs (12%)				-\$27,110,875
STAR Bond Proceeds Available for Debt Service				\$198,813,082

Source: Canyon Research Southwest, Inc.; February 2024.

**STAR BOND FEASIBILITY STUDY
A NEW AMERICAN ROYAL
A FOOD AND AGRICULTURE EPICENTER
118th STREET AND STATE AVENUE
KANSAS CITY, KANSAS**

February 2024

INTRODUCTION

Study Objective and Organization

Sales Tax Revenue (“STAR”) bonds as authorized by the STAR Bond Financing Act, K.S.A. 12-17,160, et seq. are being sought to assist in funding a portion of the new American Royal Food and Agriculture Epicenter at the northeast corner of 118th Street and State Avenue in Kansas City, Kansas.

STAR bonds provide Kansas municipalities the opportunity to issue bonds to finance the development of major commercial entertainment and tourism areas and use revenues received by the city and county from any transient guest taxes, local sales taxes and use taxes generated by the development to pay off the bonds. STAR bonds possess a 20-year term. To be considered a major commercial entertainment and tourism area, a proposed project must be capable of being characterized as a statewide and regional destination and include a high-quality innovative entertainment and tourism attraction, containing unique features which will increase tourism, generate significant positive and diverse economic and fiscal impacts and be capable of sustainable development over time. The STAR bond program in Kansas was scheduled to expire on July 1, 2017. In June 2017, Gov. Brownback signed a bill reauthorizing the STAR Bond program for three more years, with a sunset date of July 1, 2020. During the 2020 Kansas Legislative Session, the STAR Bond program was extended until July 1, 2021. During the 2021 Kansas Legislative Session, the STAR Bond program was extended until July 1, 2026.

The Kansas Secretary of Commerce approves the use of STAR bond proceeds within a STAR Bond Project District once the District is established by a governing body.

Pursuant to the STAR Bond Financing Act, STAR Bond Project Plans must be accompanied by a *Feasibility Study* that examines the impact of the proposed development or special bond project upon similar businesses in the project market area, quantifies out-of-state visitation, forecasts the project’s economic impact and evaluates the project’s ability to remain profitable past the term of the STAR bonds. According to K.S.A. 12-17,116(b) the *Feasibility Study* should contain the following:

- Whether a STAR bond project’s revenue and tax increment revenue and other available revenues are expected to exceed or be enough to pay for the project costs.
- The effect, if any, a STAR bond project will have on any outstanding special obligation bonds payable from the revenues described in K.S.A. 12-17,169.
- A statement of how the jobs and taxes obtained from the STAR bond project will contribute significantly to the economic development of the state and region.
- Visitation expectations; the unique quality of the project; economic impact study; and integration and collaboration with other resources or businesses.

- The quality of service, and experience provided, as measured against national consumer standards for the specific target market.
- Project accountability measured according to best industry practices.
- The expected return on state and local investment that the project is anticipated to produce.
- A statement concerning whether a portion of the local sales and use taxes are pledged to other uses and are unavailable as revenue for the project and, if the revenues are so committed, a detailed explanation of the commitment and the effect.
- An anticipated principal and interest payment schedule on the bond issue.

The *Market Study* component of the *Feasibility Study* determines the ability of the STAR bond project to gain market share locally, regionally, and nationally and the ability of the project to gain enough market share to:

- Remain profitable past the term of repayment; and
- Maintain status as a significant factor for travel decisions.

The *Marketing Impact Study* component of the *Feasibility Study* examines the impact of the special bond project upon similar businesses in the project's market area (i.e., that the project will increase total sales in the surrounding area, not diminish sales from existing retailers).

American Royal Project Plan

STAR Bond financing is being sought to fund a portion of the proposed new American Royal Food & Agriculture Epicenter at the northeast corner of 118th Street and State Avenue in Kansas City, Kansas. An aerial photo of the property is depicted on page 5 with the Project Plan depicted on page 6 and Phase 1 of the project on page 7.

Approvals already completed in the creation and execution of the Northwest Speedway STAR Bond District and changes currently under consideration are outlined in the text below.

- In December 2016, the Northwest Speedway STAR Bond District was established pursuant to Ordinance No. O-75-16 adopted by the Unified Government.
- In October 2017, the Northwest Speedway STAR Bond District STAR Bond Financing Project Plan was adopted pursuant to Ordinance No. O-62-17 approved by the Unified Government.
- In December 2018, the Amended Project Plan was adopted pursuant to Ordinance No. O-52-18 approved by the Unified Government.
- A Second Amended Project Plan is currently being considered for adoption to repeal and replace the first Amended Project Plan. As amended, the 20-year STAR bond term will commence upon the adoption of the Second Amended Project Plan.

The American Royal Food & Agriculture Epicenter property is located immediately west of Village West, a 1,500-acre retail, dining, and entertainment destination that opened in 2002 at the intersection of Interstate 70 and 435 in Kansas City, Kansas. Village West is the most popular tourist destination in Kansas attracting 12 million annual visitors. Major attractions at Village West include the Kansas Speedway, Children's Mercy Park, Legends Field, Great Wolf Lodge, Nebraska Furniture Mart, and Legends at Village West.

The American Royal, which began in 1899 as the National Hereford Show, has evolved into a year-round entertainment, food, and education center. American Royal is now home to a nationally competitive youth and open livestock show, the world's largest barbecue competition, a national equine championship, youth and professional rodeos, elementary and secondary education outreach, and a collegiate scholarship program. Attendance originates from 46 states and 14 countries. With a long-standing history in Kansas City and brand prominence around the world, the new 1.0 million square foot American Royal will be a destination for national and global events, transforming from a 14-week season of events to a year-round event destination.

The new American Royal Food & Agriculture Epicenter will be a year-round entertainment venue and education center that caters to a market not currently being serviced by other sports and entertainment venues within Village East or West. The initial phase is scheduled for completion in early 2026 and features two indoor arenas with permanent seating of 3,500 seats and 5,000 seats, 3,500-seat outdoor arena, 1,540-stall barn, 79,400 square foot Education Center, 148,500 square feet of outdoor learning space, and 50 RV spaces.

The Education Center will be approximately 80,000 square feet and will feature a 30,000 square foot to 35,000 square foot event hall, nine classrooms, auditorium, demonstration space, and broadcast studio. The event hall and auditorium will be available for rent to host such events as corporate and executive meetings.

A second phase of the American Royal project will include a 120-acre festival site scheduled to open by 2030. The project will include a festival area with a concert lawn and 1,000 RV/trailer parking spaces. A permanent building will feature showers, restrooms, hospitality, climate control, guest services, concessions, convening area, green room, and multi-use space. The festival area will be designed for multiple types of events with attendance ranging from 8,000 to 12,000 people for single-day events to as much as 100,000 for multi-day events. The festival area is anticipated to host one to three events per month.

In recent years, the existing American Royal venue has hosted a growing number of events, event days, and attendance. During 2011, the American Royal hosted 54 events encompassing 165 event days and a total attendance of 266,900 people. In 2020 and 2021, the American Royal held many of its events but was unable to function at full capacity due to the pandemic. By 2022, the American Royal exceeded pre-pandemic levels, hosting 129 events encompassing 295 event days and a total attendance of 390,910 people. The event schedule by event type for 2022 is outlined in the table below.

Existing American Royal 2022 Event Schedule

Event Type	# of Events	Event Days	Total Attendance
Livestock, Equine & Pet Events	22	86	207,863
Branded Social Events/Meetings	46	99	7,819
Business/Professional Events	18	21	1,120
Consumer/Trade Shows	2	6	62,625
Education Programs & Events	26	46	10,749
Entertainment & Food Events	15	37	100,734
Totals	129	295	390,910

It is estimated that all events in the existing American Royal complex will move to the new venue or be replaced by a similar event. The new state-of-the-art complex with additional services, space, and venues is expected to generate increased attendance for existing events. In addition, some existing events will be held simultaneously to increase participation from new attendees across all events.

Site work is currently underway on the American Royal Food & Agriculture Epicenter property. Off-site improvements include four lanes of traffic, curbing, and streetlights on State Avenue and four lanes of traffic on 118th Street. A traffic signal controls the intersection of 118th Street and State Avenue. The Urban Outfitters distribution center and Kansas Speedway are located to the south on State Avenue.

American Royal Food & Agriculture Epicenter Property

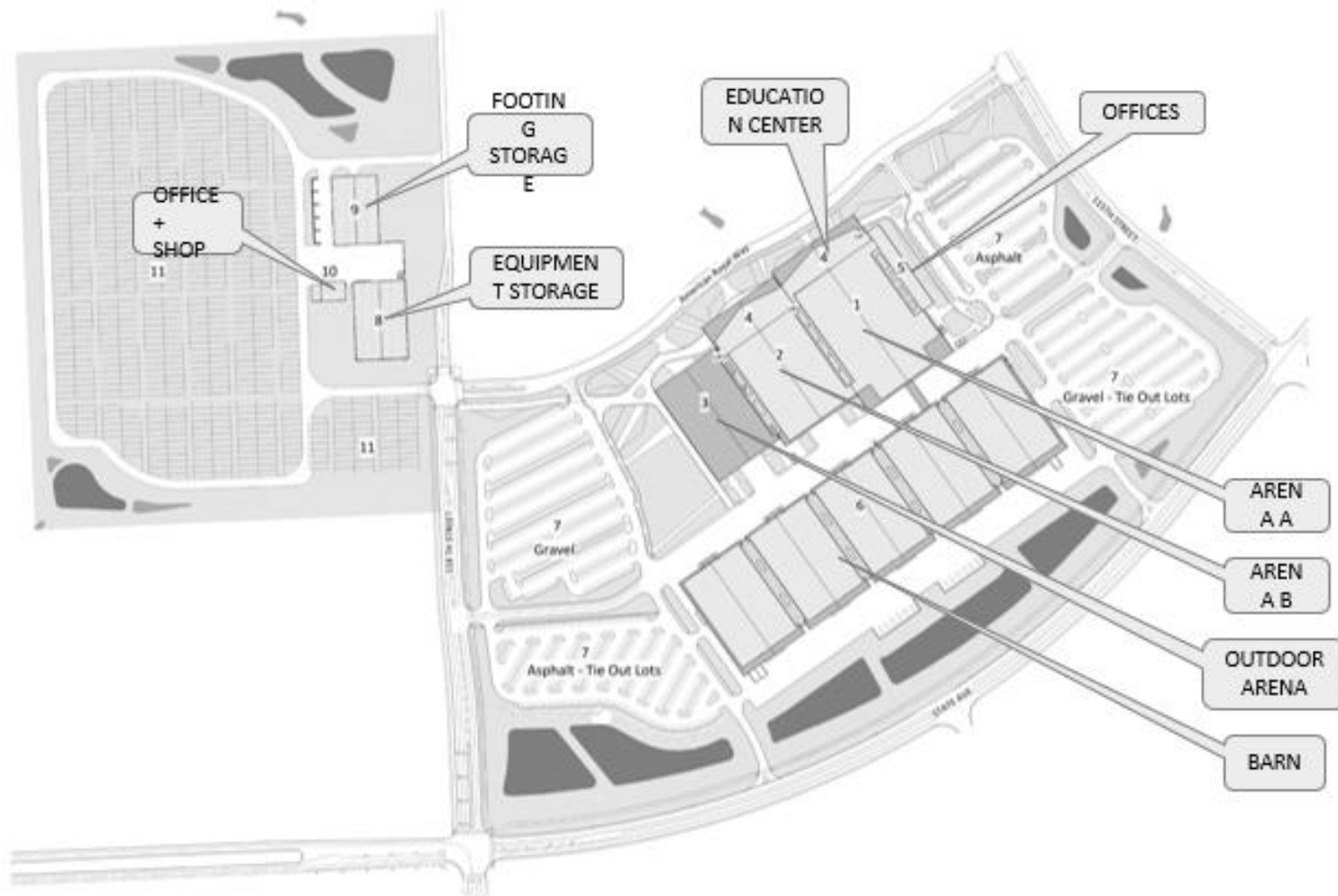


American Royal Food & Agriculture Epicenter Project Plan



American Royal Food & Agriculture Epicenter Phase 1

Site Plan



TOURISM IMPACT ASSESSMENT

Kansas City is a regional tourist and family destination, drawing visitors from throughout the Midwest and beyond. The *Tourism Impact Assessment* examined the potential of the new American Royal Food and Agriculture Epicenter to serve as a regional tourism destination capable of drawing out-of-town visitors and capturing visitor expenditures. This analysis quantifies trends in visitation and spending for both Kansas and the Kansas City area.

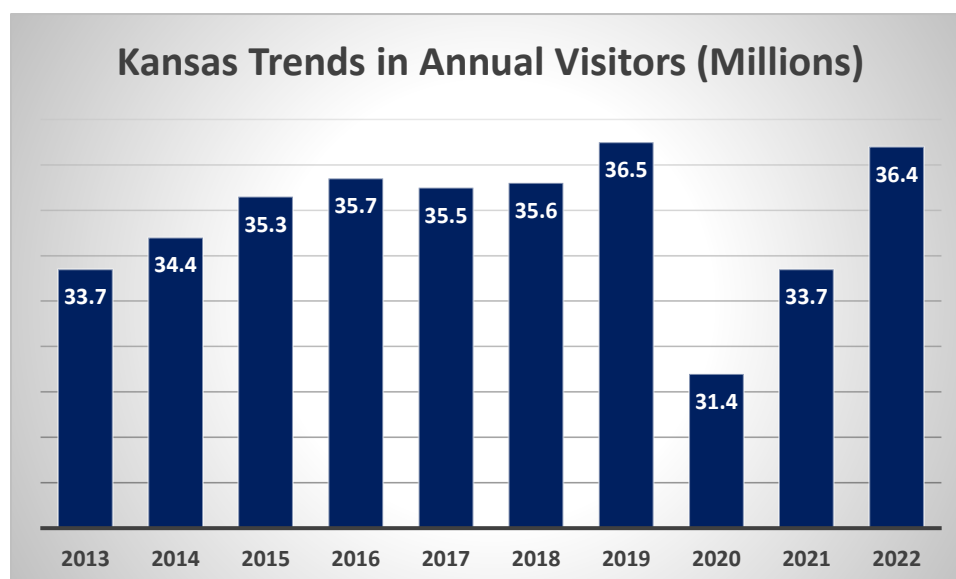
Tourism Market Trends

Kansas Tourism Market Trends

According to the latest *Economic Impact of Travel in Kansas 2022* prepared by Tourism Economics, during 2022 direct visitor spending of \$7.7 billion in Kansas generated a total economic impact of \$12.5 billion, 88,509 jobs, and wages of \$3.4 billion.

During 2020, the COVID 19 pandemic had an adverse impact on tourism's impact on the Kansas economy yielding sharp declines in visitation, spending, jobs, and tax revenues. By 2022, the state's tourism industry had recovered, with visitation, spending, jobs, and tax revenues near or exceeding pre-pandemic levels.

From 2013 through 2019, annual visitation to Kansas increased by 2.8 million visitors. During 2019, visitation to Kansas grew by 2.5 percent to 36.5 million visitors, including 21.6 million day-travelers and 14.9 million overnight visitors. Resulting from the adverse impact of the COVID 19 pandemic on the tourism industry, during 2020 total visitation to Kansas declined by 14.1 percent to 31.4 million visitors. Over the past two years visitation to Kansas rebounded, reported at 33.7 million visitors in 2021 and 36.4 million visitors by 2022. The recent recovery in visitation will assist the new American Royal Food and Agriculture Epicenter to garner increased attendance and revenues.



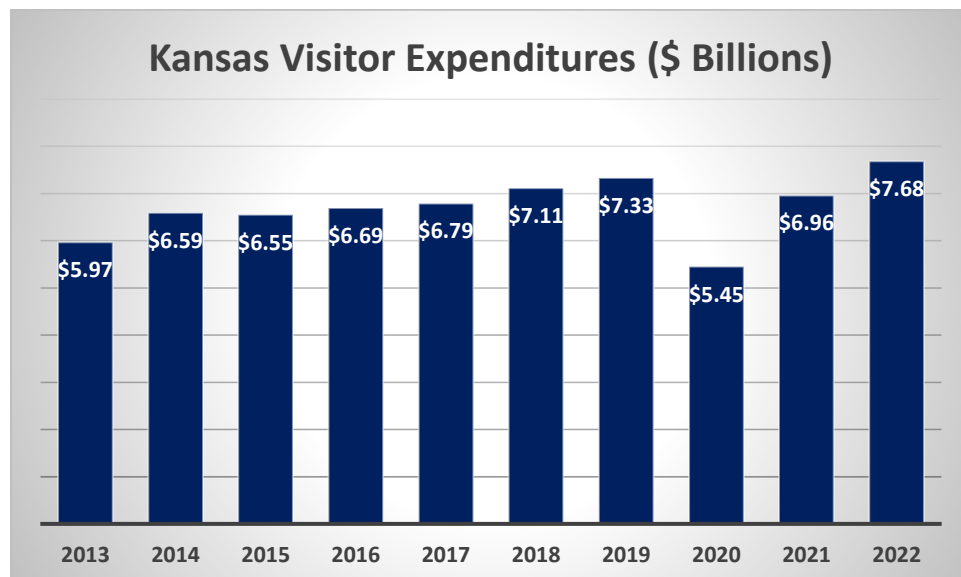
During 2020, day trippers to Kansas City totaled 19.4 million, spending an average of \$70 per visitor with overnight visitors totaling 15.9 million and spending \$340 per visitor. By 2022, day trippers to Kansas City totaled 20.5 million with overnight visitors totaling 15.9 million. Overnight visitors comprised about 44 percent of all visitors but accounted for 76 percent of all visitor expenditures. Day trippers on average spent \$90 during their stay while overnight visitors spent \$367.

Trips and Visitor Spending; 2017-2022

	2017	2018	2019	2020	2021	2022
Total Visitors (Millions)	35.5	35.6	36.5	31.4	33.7	36.4
Day	21.1	21.0	21.6	19.4	19.4	20.5
Overnight	14.4	14.5	14.9	12.0	14.3	15.9
Total Visitor Spending (\$ Millions)	\$6,794	\$7,107	\$7,327	\$5,446	\$6,960	\$7,677
Day	\$1,684	\$1,747	\$1,695	\$1,352	\$1,701	\$1,840
Overnight	\$5,110	\$5,360	\$5,632	\$4,093	\$5,259	\$5,836
Per Traveler Trip Spending	\$192	\$200	\$200	\$173	\$207	\$211
Day	\$80	\$83	\$78	\$70	\$88	\$90
Overnight	\$355	\$368	\$378	\$340	\$368	\$367

Source: Tourism Economics.

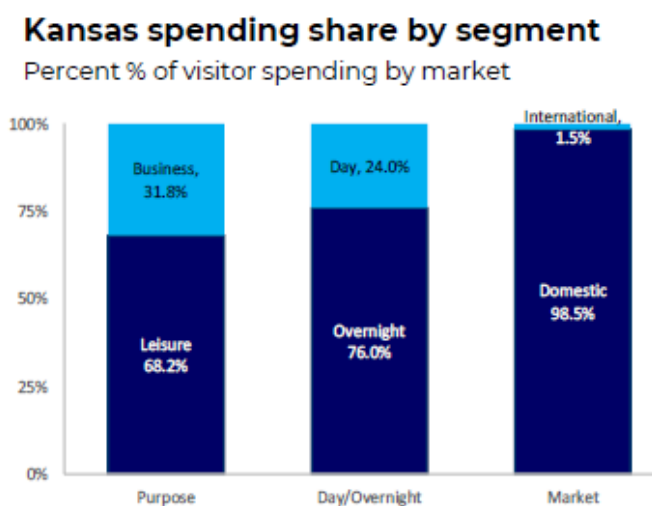
Visitor spending in Kansas grew from \$5.97 billion in 2013 to \$7.33 billion in 2019, an increase of 22.8 percent. During 2020, visitor expenditures declined by 25.6 percent to \$5.45 billion as the pandemic placed constraints on travel and tourism. During 2021, visitor expenditure in Kansas began to recover, increasing 27.7 percent to \$6.96 billion. By 2022, visitor expenditures reached \$7.68 billion, exceeding pre-pandemic levels.



During 2022, leisure travelers accounted for 68.2 percent of all visitor expenditures in Kansas, or \$5.24 billion, up from \$3.65 billion in 2020. Business travelers accounted for 31.8 percent of all visitor expenditures, or \$2.44 billion, up from \$1.8 billion in 2020.

During 2022, spending per visitor to Kansas averaged \$211, up from \$173 in 2020. Day travelers spent on average \$90 and overnight visitors spent \$367. Overnight travelers accounted for 76 percent of all visitor spending, or \$5.84 billion. Day travelers accounted for 24 percent of total visitor expenditures in 2022, equating to \$1.84 billion.

Domestic travelers to Kansas accounted for 98.5 percent of all visitor expenditures, or \$7.56 billion, up from \$5.4 billion in 2020. Foreign travelers accounted for just 1.5 percent of statewide visitor expenditures, or \$115 million, up from \$39 million in 2020.



Source: Tourism Economics

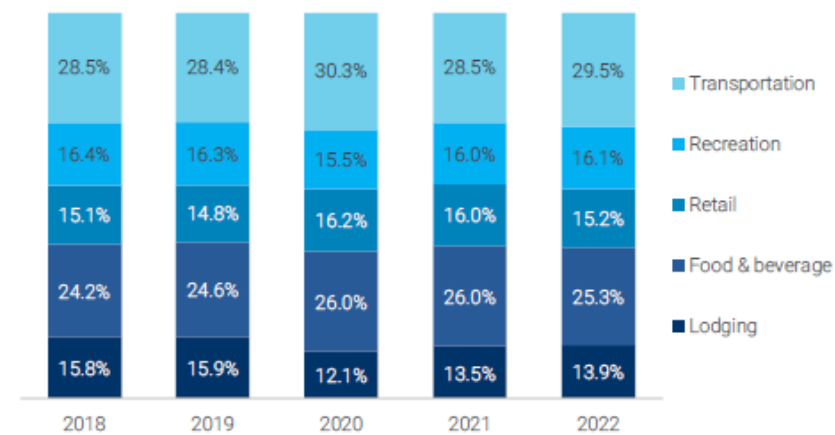
During 2021, the Northeast Region (includes Kansas City MSA) and South Central (includes Wichita MSA) captured the State's highest levels of tourism expenditures, accounting for market shares of 45.7 percent (\$3.178 billion) and 28.6 percent (\$1.988 billion), respectively.

The bar chart on the following page illustrates annual tourism expenditure patterns in Kansas by sector from 2018 through 2022. During 2022, tourism expenditures in Kansas amounted to \$7.677 billion with local transportation accounting for the largest share (29.5%). Collectively, food and beverage, retail, and lodging represented 54.4 percent of total visitor expenditures.

From 2018 to 2022, transportation (1.0 percentage point), food and beverage (0.9 percentage point), and retail (0.1 percentage point) expenditures experienced gains in market share. The tourism expenditure sectors experiencing declines in market share were lodging and recreation, declining by 1.9 and 0.3 percentage points, respectively.

Visitor spending shares in Kansas, 2018-2022

By category, %



Source: Tourism Economics

From 2017 to 2019, tourism expenditures in Kansas rose by 7.9 percent. Recreation accounted for the largest percentage increase in expenditures totaling 10.5 percent, followed by food and beverage at 8.9 percent and transportation at 8.2 percent. In terms of absolute growth in sales, transportation led all categories with an increase of \$158 million, followed by food and beverage rose at \$147 million and recreation at \$113 million.

During 2020, visitor expenditures declined by 25.7 percent as the pandemic placed constraints on travel and tourism. Those categories experiencing the largest declines in expenditures included lodging (-\$505 million), transportation (-\$431 million), and food and beverage (-\$389 million).

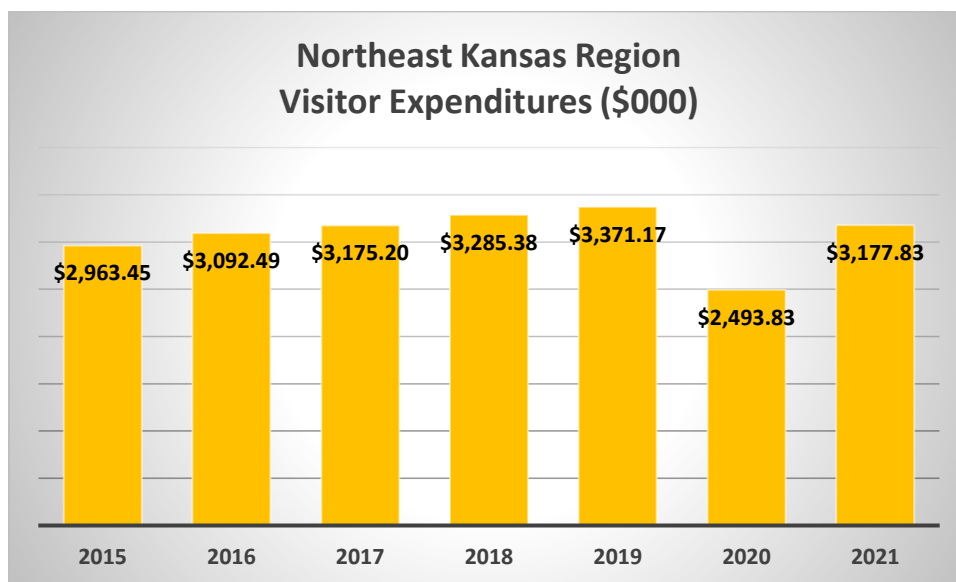
By 2022, overall visitor expenditures in Kansas exceeded pre-pandemic levels. Of the major tourism sectors, only lodging had not achieved pre-pandemic expenditure levels. From 2019 to 2022, those categories reporting the largest gains in expenditures included transportation (+\$184 million), food and beverage (+\$137 million), and retail (+\$81 million).

Kansas Trends in Tourism Expenditures by Category

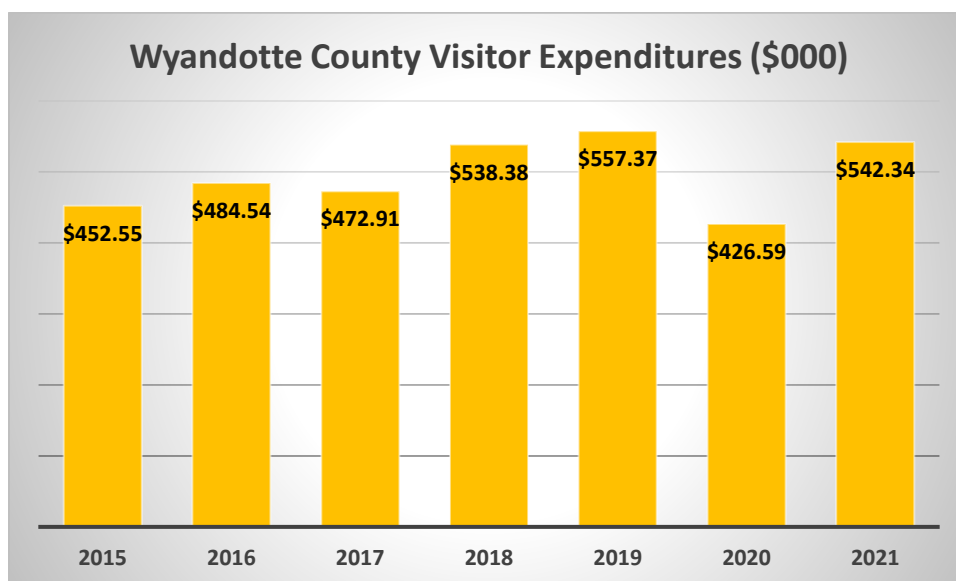
	Expenditures (\$ Billions)						Change to 2019
	2017	2018	2019	2020	2021	2022	
Lodging	\$1,100	\$1,122	\$1,163	\$658	\$937	\$1,065	91.6%
Food & Beverage	\$1,657	\$1,723	\$1,804	\$1,415	\$1,809	\$1,941	107.6%
Retail	\$1,028	\$1,076	\$1,086	\$880	\$1,114	\$1,167	107.5%
Recreation	\$1,079	\$1,135	\$1,192	\$842	\$1,114	\$1,237	103.8%
Transportation	\$1,924	\$2,022	\$2,082	\$1,651	\$1,986	\$2,266	108.9%
Totals	\$6,788	\$7,077	\$7,327	\$5,446	\$6,960	\$7,677	104.8%
Percentage Change	1.4%	4.3%	3.5%	-25.7%	27.8%	10.3%	

Source: Tourism Economics.

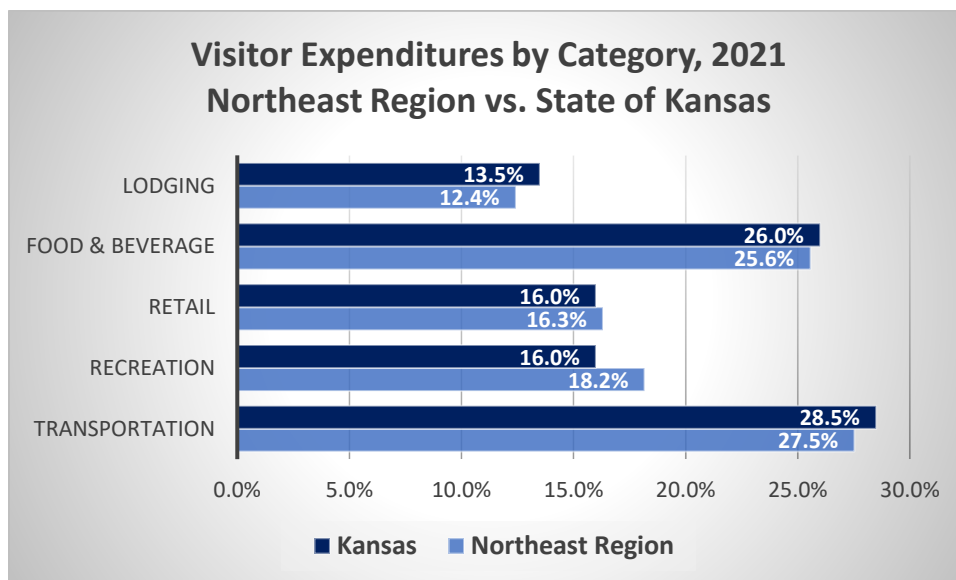
The new American Royal Food and Agriculture Epicenter site is located within Kansas' Northeast Region (includes Kansas City MSA). From 2015 through 2019, the Northeast region experienced steady gains in visitor expenditures. By 2019, visitor expenditures within the region reached \$3.37 billion, equating to 46 percent of the statewide total. During 2020, visitor expenditures in Northeast Kansas dipped 26 percent to \$2.49 billion as the COVID 19 pandemic placed restrictions on travel and tourism. By 2021, visitor expenditures rebounded to \$3.18 billion.



The new American Royal Food and Agriculture Epicenter site is in Wyandotte County whose visitor expenditure rose from \$452.55 million in 2015 to \$557.37 million by 2019, equating to 16.5 percent of the Northeast regions total. During 2020, visitor expenditures declined 23.5 percent to \$426.59 million. By 2021, visitor expenditures rebounded to \$542.34 million. The new American Royal Food and Agriculture Epicenter will benefit from the strong tourism markets in Northeast Kansas and Wyandotte County.

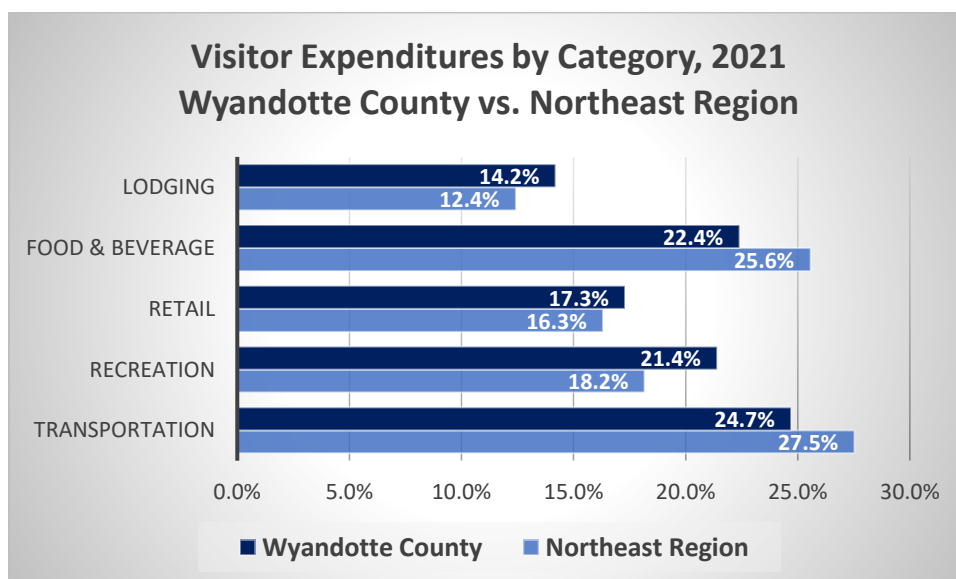


During 2021, tourism expenditures within the 14-county Northeast Kansas region were led by transportation at \$874.8 million, food and beverage at \$812.5 million, and recreation at \$577.4 million.



When compared to statewide norms, as a percentage of total sales the Northeast region supported above average visitor expenditures on retail and recreation. Tourism expenditures on lodging, food and beverage, and transportation recreation in the Northeast region fall below the statewide norms.

During 2021, tourism expenditures within Wyandotte County were led by transportation at \$133.8 million, food and beverage at \$121.4 million, and recreation at \$116.3 million. When compared to the Northeast region norms, as a percentage of total sales supported above average visitor expenditures on lodging, retail, and recreation. Tourism expenditures on food and beverage and transportation recreation in Wyandotte County fall below the statewide norms.



Kansas City Visitor Attractions

The Kansas City MSA is a regional tourist and family destination boasting a wide selection of shopping and a host of sports, gaming, entertainment, family, and cultural attractions. The Kansas City MSA hosts approximately 24.5 million visitors annually providing a large potential market from which the local attractions can draw from.

Major art and cultural attractions include the Nelson-Atkins Museum of Art, Kauffman Center for the Performing Arts, and Kansas City Repertory Theatre. The most well attended family attractions include Oceans of Fun / Worlds of Fun (1.1 million annual visitors), Kansas City Zoo (1.0 million annual visitors), and Science City @ Union Station (200,000 annual visitors). Principal sports venues in the Kansas City area that are home to major sports teams include Arrowhead Stadium, Kauffman Stadium, and Children's Mercy Park. Other major sports venues include T-Mobile Arena and Kansas Speedway. Major cultural, family and sporting attractions operating in the Kansas City MSA are listed in the table on the following page.

Over the last twenty years, several high-profile tourism attractions opened in the Kansas City MSA have produced a measurable increase in tourism visitation. The largest tourism attraction on the Kansas side of the metropolitan area is Village West located at the confluence of Interstates 70 and 435. Village West is now home to the Kansas Speedway, Children's Mercy Park home to Sporting KC, Legends Field, Nebraska Furniture Mart, Cabela's, and Legends Outlet Center. An estimated 12 million people visit Village West each year to shop, dine, and attend sporting events.

The Compass Minerals National Performance Center located within the Village East Project District is the \$75 million, 81,000 square foot training home of Sporting Kansas City as well as Children's Mercy Sports Medicine Center and the U.S. Soccer National Coaching Education Center. Opened in March 2018, the facility includes a 12,870 square foot sports performance gym, four hydrotherapy and recovery hydrotherapy pools, three natural grass soccer fields, and two synthetic lighted fields. The facility is capable of hosting clubs and national teams, making Kansas City the hub for youth soccer development and sports medicine services in the United States.

New tourism attractions on the Missouri side of the border include the \$325 million Kauffman Center for the Performing Arts, a \$135 million upgrade to the Kansas City's Bartle Hall convention center, 18,500-seat T-Mobile Arena, College Basketball Experience, \$200 million expansion to the Nelson-Atkins Museum of Art, Sealife Aquarium and LegoLand Discovery Center at Crown Center, and the Kansas City Power & Light District that occupies a nine-block area downtown housing restaurants, night clubs, entertainment venues, shopping and offices.

The 11,500-seat CPKC Stadium now under construction at Berkley Riverfront Park in Kansas City, Missouri will be the first soccer stadium purpose-built for a professional women's soccer team. As part of a 50-year lease agreement with Port KC, the stadium will occupy a 7.08-acre site on the east end of the park. The stadium is scheduled for completion by March 2024.

The Compass Minerals National Performance Center, Children's Mercy Park, Wyandotte Sporting Fields, Kansas Speedway, and Legends Field have positioned Village East and West as a major sports and entertainment destination. The addition of new American Royal Food and Agriculture Epicenter will complement these existing venues and elevate the status of Village East and West as Kansas' largest tourism destination.

Kansas City Area Major Attractions

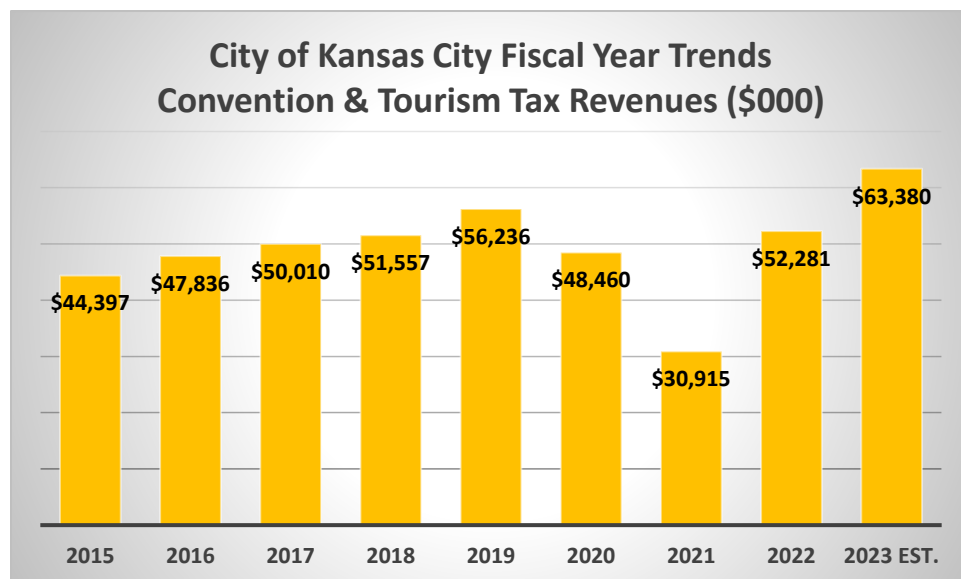
Attraction	Location
Art & Cultural Attractions	
Kauffman Center for the Performing Arts	Kansas City, Missouri
Kemper Museum of Contemporary Art	Kansas City, Missouri
Nelson-Atkins Museum of Art	Kansas City, Missouri
Kansas City Repertory Theatre	Kansas City, Missouri
Municipal Auditorium Music Hall	Kansas City, Missouri
Arvest Bank Theatre at The Midland	Kansas City, Missouri
American Royal Museum	Kansas City, Missouri
American Jazz Museum	Kansas City, Missouri
Harry S. Truman Library & Museum	Independence, Missouri
Johnson County Arts & Heritage Center	Overland Park, Kansas
Museum at Prairiefire	Overland Park, Kansas
Nerman Museum of Contemporary Art	Overland Park, Kansas
Family Attractions	
Kansas City Zoo	Kansas City, Missouri
Oceans of Fun / Worlds of Fun	Kansas City, Missouri
Adventure Oasis Water Park	Kansas City, Missouri
Science Center @ Union Station	Kansas City, Missouri
Sealife Aquarium & LegoLand Discovery Center	Kansas City, Missouri
Sports Venues	
Arrowhead Stadium (Kansas City Chiefs)	Kansas City, Missouri
Kauffman Stadium (Kansas City Royals)	Kansas City, Missouri
Children's Mercy Park (Sporting KC)	Kansas City, Kansas
T-Mobile Arena	Kansas City, Missouri
Legends Field (Kansas City Monarchs)	Kansas City, Kansas
Cable Dahmer Arena (Kansas City Mavericks)	Independence, Missouri
Kansas Speedway	Kansas City, Kansas
Compass Minerals National Performance Center	Kansas City, Kansas
CPKC Stadium (Kansas City Current)	Kansas City, Missouri
Swope Soccer Village	Kansas City, Missouri
Wyandotte Sporting Fields	Kansas City, Kansas
Olathe Soccer Complex	Olathe, Kansas
Overland Park Soccer Complex	Overland Park, Kansas

Kansas City Tourism Market

The City of Kansas City, Missouri levies a Convention & Tourism Tax of 7.5 percent on hotel room revenues. The City of Kansas City fiscal year runs from May 1st through April 30th.

From FY 2015 through FY 2019, the Kansas City hospitality market experienced strong gains in Convention & Tourism Tax revenues, an indication of growing inventory of guest rooms, room demand, and average daily rates. Tax revenues generated by Kansas City, Missouri hotels increased from \$44.4 million in FY 2015 to \$56.2 million by FY 2019, up 49.2 percent.

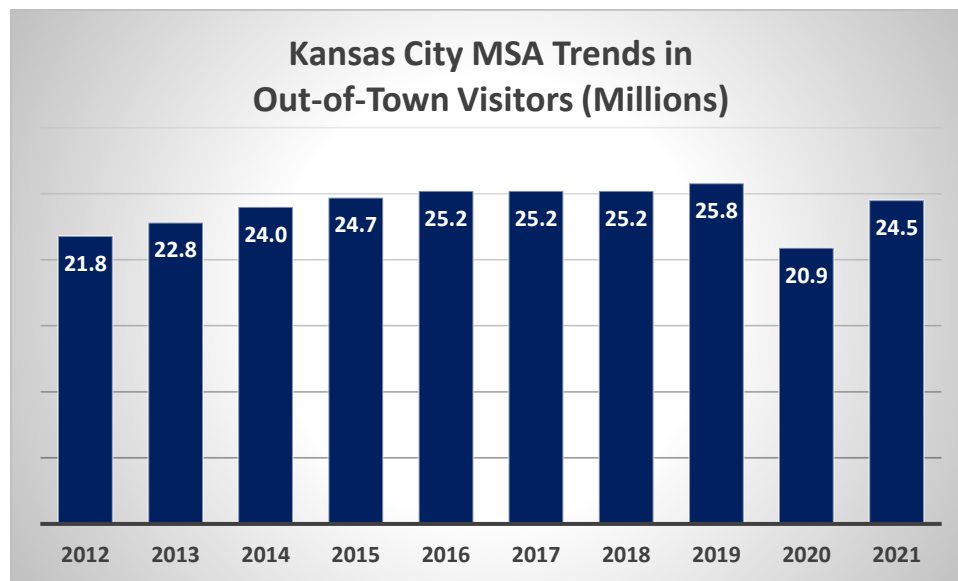
Since April 2020, dramatic declines in business and leisure travel as well as business shutdowns stemming from the COVID-19 pandemic resulted in sharp declines in lodging revenues. During FY 2020 tax revenues declined 13.8 percent to \$48.5 million as the pandemic took hold. Tax revenues continued to decline during FY 2021, down 36.2 percent to \$30.9 million.



During FY 2022, Convention & Tourism Tax revenues rebounded to \$52.3 million, up 69.1 percent to \$63.4 million. The City of Kansas City estimated FY 2023 Convention & Tourism Tax revenues at \$63.38 million which exceeded pre-pandemic levels.

According to the *2021 Economic Impact Study & Visitor Profile* prepared for VisitKC by Tourism Economics, out-of-town visitation to the Kansas City MSA, defined as the 5-county region of Clay, Jackson, and Platte counties in Missouri and Johnson and Wyandotte counties in Kansas, grew steadily from 2012 through 2019 reaching a high of 25.8 million visitors during 2019. During this 8-year period, annual visitation to the Kansas City MSA rose by 18.3 percent, or an increase of 4.0 million annual visitors.

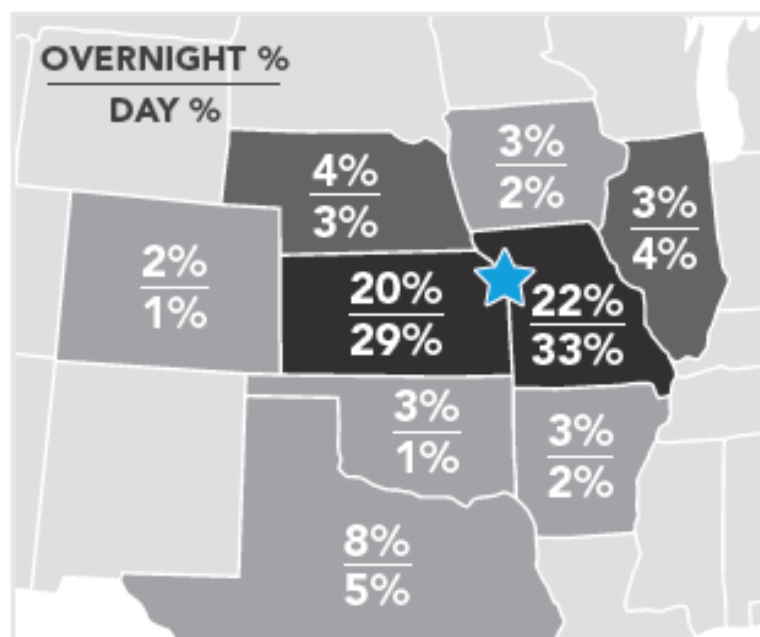
During 2020, visitation to the Kansas City MSA declined 19.0 percent to 20.9 million visitors as the COVID-19 pandemic placed travel restrictions. By 2021, visitation began to recover reaching 24.5 million, a 17.2 percent increase over 2020.



Tourism has a profound impact on the Kansas City MSA, generating 40,983 local jobs, direct expenditures of \$3.1 billion, a total economic impact of \$5.3 billion, and \$215.2 million in local tax revenue.

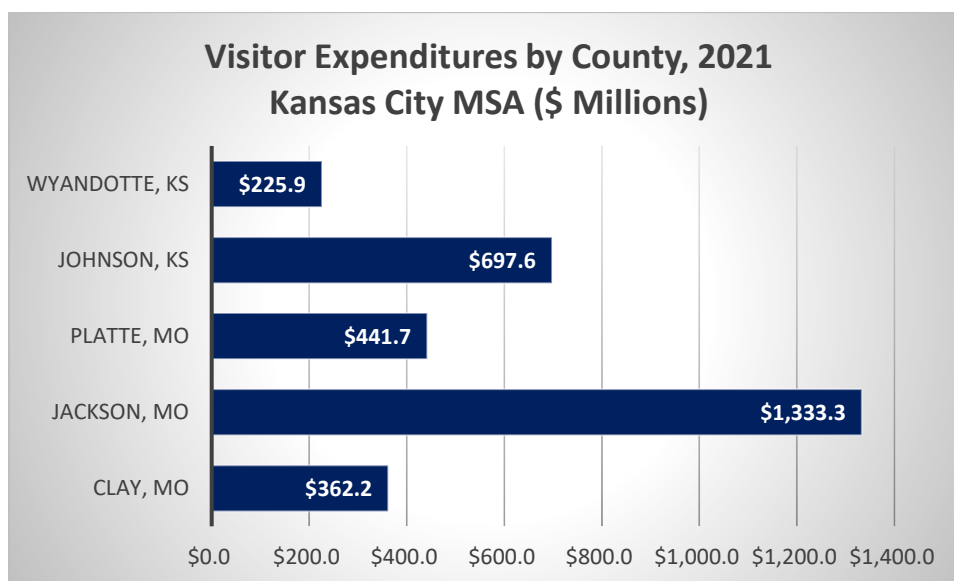
During 2021, visitors from outside of Kansas accounted for 71 percent of day trip visitors and 80 percent of overnight visitors to the Kansas City MSA. Leading states of origin for overnight visitors to the Kansas City MSA included Missouri (22%), Texas (8%), Nebraska (4%); Iowa (3%); and Illinois (3%). Overall, about one-third of overnight visitors originate between 200 and 300 miles away and over one-third travel more than 500 miles. These visitation patterns support Kansas City's status as a regional tourism destination which will assist the new American Royal venue in attracting visitors from outside of Kansas and the Kansas City MSA.

VISITORS BY STATE



Visitation to the Kansas City MSA is comprised of 56 percent day trips (13.7 million visitors) and 44 percent overnight trips (10.8 million visitors). Leisure visitors to the Kansas City region accounted for 88 percent of all overnight visitors (9.5 million visitors). These visitation patterns bode well for the opportunity of the new American Royal venue to attract high volumes of out-of-state visitors.

The portion of the Kansas City MSA in Kansas includes both Johnson and Wyandotte counties. Tourism expenditures within these two counties amounted to \$923.5 million, equating to just 30.2 percent of total direct visitor spending in the Kansas City MSA. Johnson County accounted for three-quarters of tourism expenditures on the Kansas side of the Kansas City MSA, or \$697.6 million. Meanwhile, Missouri garnered 69.8 percent of the MSA tourism expenditures, or \$2.14 billion. The bar chart below illustrates visitor expenditures in the Kansas City MSA by county.



The top activities of overnight leisure visitors to Kansas City included shopping (25%); convention/conference (17%); museum (14%); youth sports (15%); sightseeing (15%); and bar/nightclub (13%). The high visitor counts, tourist characteristics, and preferred activities provide the opportunity for the Kansas City MSA to support specialty retail, restaurants, entertainment venues, and destination attractions.

Conclusions

The Kansas City MSA is a regional tourist and family destination boasting a wide selection of shopping and a host of sports, gaming, entertainment, family, and cultural attractions. The Kansas City MSA hosts approximately 24.5 million visitors annually providing a large potential market from which the local attractions can draw from.

Visitation to the Kansas City MSA is comprised of 53 percent day trips (13.3 million visitors) and 47 percent overnight trips (11.9 million visitors). Visitors from outside of Kansas account for 80 percent of day trip visitors and 86 percent of overnight visitors to the Kansas City MSA. About one-third of overnight visitors originate between 200 and 300 miles away and over one-third travel

more than 500 miles. These visitation patterns support Kansas City's status as a regional tourism destination.

The Compass Minerals National Performance Center, Children's Mercy Park, Wyandotte Sporting Fields, Kansas Speedway, and Legends Field have positioned Village East and West as a major sports and entertainment destination. The addition of new American Royal Food and Agriculture Epicenter will complement these existing venues and elevate the status of Village East and West as Kansas' largest tourism destination.

The new American Royal Food and Agriculture Epicenter site is in the Northeast Kansas region. Prior to the COVID 19 pandemic the Northeast Kansas region was experiencing steady gains in visitor expenditures. During 2020, visitor expenditures in Northeast Kansas dipped 26 percent to \$2.49 billion as the COVID 19 pandemic placed restrictions on travel and tourism. By 2021, visitor expenditures rebounded to \$3.18 billion.

Visitor expenditures in Wyandotte County rose from \$452.55 million in 2015 to \$557.37 million by 2019, equating to 16.5 percent of the Northeast regions total. During 2020, visitor expenditures declined 23.5 percent to \$426.59 million. By 2021, visitor expenditures rebounded to \$542.34 million. The new American Royal Food and Agriculture Epicenter will benefit from the strong tourism markets in Northeast Kansas and Wyandotte County.

The Kansas City MSA serves as a regional tourism destination attracting visitors within a 500-mile radius and beyond. Village West is the most visited tourism destination in Kansas, hosting over 12 million annual visitors. The Kansas and Kansas City MSA tourism markets are well on its way to recovery from the COVID 19 pandemic and will assist the new American Royal venue in attracting out-of-state visitors.

The American Royal Food & Agriculture Epicenter is designed as an entertainment venue that will serve as a regional visitor destination. The new American Royal will complement the existing attractions operating in the Kansas City MSA and Village West by providing destination attractions capable of generating increased visitation and expenditures to the area. The project will also improve the competitive position of Kansas within the Kansas City MSA tourism market and assist in garnering a larger market share of the visitor market.

MARKET STUDY

The *Market Study* portion of the report evaluates the ability of the new American Royal Food & Agriculture Epicenter to gain market share locally, regionally, and nationally and the ability of the project to gain market share to:

- Remain profitable past the term of repayment, and
- Maintain status as a significant factor for travel decisions.

The *Market Study* portion of the report evaluates the suitability of the new American Royal Food & Agriculture Epicenter to facilitate development of a multi-use arena and event space. In doing so, the *Market Study* examined Kansas City's tourism market and the ability of the local market to support additional retail, hotel, and auto mall development.

The new American Royal Food and Agriculture Epicenter will feature two indoor arenas and one outdoor arena. During 2022, the existing American Royal hosted 22 livestock, equine, and pet events with total attendance of 207,863. The section of the study provides an overview of the competitive rodeo arena industry by discussing: 1) rodeo industry overview, 2) list of Kansas rodeos, 3) survey of rodeo arenas in Kansas, and 4) survey of comparable multi-use arenas.

Based on the findings of the Market Study the report determined the viability of the new American Royal Food & Agriculture Epicenter to support future development and continued operation of a multi-purpose arena and event space.

Rodeo Industry Overview

Rodeo is a competitive equestrian sport that arose out of the working practices of cattle herding in Spain and Mexico, expanding throughout the Americas and to other nations. It was originally based on the skills required of the working vaqueros and later, cowboys, in what today is the western United States, western Canada, and northern Mexico. Today, it is a sporting event that involves horses and other livestock, designed to test the skill and speed of the cowboys and cowgirls. American-style professional rodeos generally comprise the following events: tie-down roping, team roping, steer wrestling, saddle bronc riding, bareback bronc riding, bull riding and barrel racing. The events are divided into two basic categories: the rough stock events and the timed events. Depending on sanctioning organization and region, other events such as breakaway roping, goat tying, and pole bending may also be a part of some rodeos.

American rodeo, particularly popular today throughout the western United States, and in the Canadian province of Alberta, is the official state sport of Wyoming, South Dakota, and Texas. The iconic silhouette image of a "Bucking Horse and Rider" is a federal and state-registered trademark of the State of Wyoming.

In the United States, professional rodeos are governed and sanctioned by the Professional Rodeo Cowboys Association ("PRCA") and Women's Professional Rodeo Association ("WPRA"), while other associations govern assorted children's, high school, collegiate, and other amateur or semi-

professional rodeos. Associations also exist for Native Americans and other minority groups. The traditional season for competitive rodeo runs from spring through fall, while the modern professional rodeo circuit runs longer, and concludes with the PRCA National Finals Rodeo (“NFR”) in Las Vegas, Nevada, held every December.

The Professional Rodeo Cowboys Association is the largest rodeo organization in the world. The PRCA sanctions events in the United States, Canada, and Mexico, with the championship event being the National Finals Rodeo. The PRCA sanctions approximately 650 multi-event rodeos each year in 38 states and Canada. PRCA’s membership totals 4,727 cowboys and 1,195 contract personnel (performers and workers). The PRCA’s 6.3 million rodeo attendees across the country are about 47 percent male and 53 percent female, 51 percent have household income of \$50,000 or more, and 77 percent own their home.

The International Pro Rodeo Association (“IPRA”) is the sports second largest professional rodeo association sanctioning nearly 300 rodeos. The IPRA has a membership base of over 2,400 members and currently sanctions rodeos across the United States with 26 rodeos held in Oklahoma, eleven in Missouri, one in Nebraska, and five in Kansas (Gyp Hills Roundup Rodeo, Columbus Saddle Club Rodeo, Lakin KPRA Rodeo, Sedan Round-up Club Rodeo, and Barber County Rodeo).

The United Rodeo Association is a non-profit organization established in 1962 that sanctions rodeos primarily in the nine-state area of Illinois, Iowa, Kansas, Missouri, Minnesota, Nebraska, Oklahoma, South Dakota, and Wisconsin. The URA has averaged 800 members each of the past few years and annually approves or co-approves an average of more than 100 rodeos.

Rodeo sports have come a long way since their birth and have remained popular in the U.S., not just in rural and Western areas, but as family entertainment events in large cities east of the Mississippi River. Professional events draw large crowds, and youth participation has seen steady growth, with the National High School Rodeo Association (“NHSRA”) reporting about 12,000 members. The NHSRA produces two of the largest rodeos in the world: The National High School Finals Rodeo and the National Junior High Finals Rodeo. Both finals rodeos are comprised of the top four athletes in each rodeo event qualifying from 43 U.S. states, five Canadian provinces, Australia, and Mexico.

Rodeo is extremely popular within the western states of Texas, Oklahoma, Kansas, Nebraska, South Dakota, Wyoming, and Colorado. Kansas Professional Rodeo Association’s 40+ sanctioned annual rodeos draw heavily from these surrounding states. The new American Royal Food and Agriculture Epicenter is well positioned geographically to cater to the western United States rodeo participants and fan base.

Kansas Rodeos

The Professional Rodeo Cowboys Association (“PRCA”), Kansas Professional Rodeo Association (“KPRA”), and United Rodeo Association (“URA”) sanction rodeo events in Kansas. Collectively, the three organizations sanction 40 rodeos annually in Kansas, including 19 rodeos by the PRCA, 18 rodeos by the KPRA, and 13 rodeos by URA. The table on the following page provides a list of cities in Kansas hosting PRCA and KPRA rodeo events.

PRCA and KPRA Sanctioned Kansas Rodeos – 2023

Rodeo Date	Rodeo Name	Location	Miles to KCKS	Sponsor Purse
	PRCA Sanctioned Rodeos			
Jan. 20-21	PRCA Championship Rodeo	Park City, KS	182	\$20,761
May 5 - 6	Haysville Saddle Club Rodeo	Haysville, KS	191	\$9,600
May 19 - 20	Abbyville Frontier Days	Abbyville, KS	224	\$23,750
June 1 - 3	Bennington PRCA Rodeo	Bennington, KS	158	\$19,999
June 1 - 3	Flint Hills Rodeo	Strong City, KS	119	\$21,000
July 19 - 22	Kansas' Largest Night Rodeo	Pretty Prairie, KS	230	\$30,000
July 27 - 29	Kaw Valley Rodeo	Manhattan, KS	106	\$27,000
July 28 - 29	Wilson County Pro Rodeo	Fredonia, KS	152	\$11,250
August 1 - 6	Dodge City Roundup Rodeo	Dodge City, KS	323	\$198,000
August 1 - 4	Wild Bill Hickok Rodeo	Abilene, KS	138	\$39,000
August 2 - 6	Dodge City Breakaway	Dodge City, KS	323	\$15,000
August 3 - 5	Kansas' Biggest Rodeo	Phillipsburg, KS	280	\$71,500
August 11 - 12	Linn County Fair & Rodeo	Mound City, KS	80	\$14,904
August 16 - 17	Inter-State Rodeo	Coffeyville, KS	168	\$27,000
August 18 - 19	Eureka Pro Rodeo	Eureka, KS	153	\$21,450
August 18 - 19	Seward County PRCA Rodeo	Liberal, KS	396	\$20,761
August 25 - 26	Big 94.5 Country Topeka PRCA Rodeo	Topeka, KS	50	\$10,500
Sept. 1-2	Longford PRCA Rodeo	Longford, KS	154	\$13,913
Sept. 9th	Burden PRCA Rodeo	Burden, KS	200	\$8,115
	KPRA Sanctioned Rodeos			
May 19 - 20	Greensburg Rodeo	Greensburg, KS	293	
May 27 - 28	Ft. Wallace Rodeo	Ft. Wallace, KS	381	
June 2 - 3	Gyp Hills Roundup Rodeo	Medicine Lodge, KS	270	
June 2 - 3	Syracuse Saddle Club Rodeo	Syracuse, KS	413	
June 9 - 10	Plainville Saddle Club Rodeo	Plainville, KS	268	
June 10th	Meade County Rodeo	Meade, KS	356	
June 16 - 17	Gove County Rodeo Club Rodeo	Park, KS	313	
July 13 - 15	McCracken Rodeo	McCracken, KS	286	
July 14 - 15	Lakin KPRA Rodeo	Lakin, KS	385	
July 15th	Clark County Fair & Rodeo	Ashland, KS	340	
July 18 - 19	Ellis County Fair Rodeo	Hays, KS	255	
July 21 - 22	Lane County Rodeo	Dighton, KS	351	
July 21 - 22	Sheridan County Fair Rodeo	Hoxie, KS	333	
July 22nd	Scott County Stampede	Scott City, KS	374	
July 27th	Haskell County Rodeo	Sublette, KS	373	
July 28 - 29	Leoti Rodeo	Leoto, KS	404	
August 11 - 12	Morton County Fair & Rodeo	Elkhart, KS	451	
Sept. 22 - 24	KPRA Finals	Dodge City, KS	323	

Source: PRCA and KPRA.

The PRCA sanctions more than 650 top-of-the-line, multiple-event rodeos in 44 states and four Canadian provinces. The PRCA sanctions 19 rodeos in Kansas with the season running from May through January. The closest sanctioned rodeos to the new American Royal site are in Topeka (50 miles), Mound City (80 miles), and Manhattan (106 miles). Most sanctioned rodeos are in central and west Kansas. Conversations with the PRCA indicated given the distance in Kansas of sanctioned rodeos and design of the proposed indoor and outdoor arenas, the PRCA would be interested in sanctioning a rodeo at the new American Royal Food and Agriculture site.

The KPRA has over 500 members and sanctions 18 rodeo events in Kansas. Kansas sanctioned rodeo events comprise a regional market area with participants and spectators traveling from Colorado, Nebraska, South Dakota, Wyoming, Oklahoma, and Texas. No rodeo events in Kansas operate within a 100-mile radius of the new American Royal Food and Agriculture Epicenter site. Conversation with the KPRA indicated that the new American Royal's indoor arenas would be suitable for hosting a winter series event that runs five weekends.

The United Rodeo Association ("URA") is a non-profit organization established in 1962 that sanctions rodeos primarily in the nine-state area of Illinois, Iowa, Kansas, Missouri, Minnesota, Nebraska, Oklahoma, South Dakota, and Wisconsin. The URA has averaged 800 members each of the past few years and annually approves or co-approves an average of more than 100 rodeos. For 2023, the URA has approved 13 rodeos in Kansas, including:

- 52nd Annual Burlingame Saddle Club Rodeo (May 19-20)
- Abdallah Shriners Rodeo (June 15-16)
- Doniphan County Fair Association Rodeo (June 16-17)
- Chief White Cloud Rodeo (June 30 & July 1)
- Louisburg Stampede (July 1st)
- Hepler Ruritarian Rodeo (July 3-4)
- N.E. Kansas Rodeo (July 14-15)
- Miami County Fair & Rodeo (July 28-29)
- Crawford Co Fair Rodeo (August 2-3)
- Johnson County Fair Rodeo (August 3rd)
- Rodeo Gold (September 2-3)
- Chanute Bit & Spur Saddle Club Rodeo (September 29-30)
- URA Finals in Topeka, Kansas (November 3-5)

The table on page 24 identifies the number of entries by event in Kansas Pro Rodeo Association ("KPRA") sanctioned rodeos held in Kansas During 2022. The number of entries ranged from a low of 41 to a high of 200, averaging 107 entries per rodeo.

During 2022, the most participated events at KPRA rodeos included breakaway roping (627 entries), open team roping (539 entries), barrel racing (511 entries), toe down roping (269 entries, and 40/40 team roping (244 entries).

KPRA Sanctioned Kansas Rodeo Entries – 2022

Rodeo Name	Location	Tie Down Roping	Breakaway Roping	Barrel Racing	Open Team Roping	40/40 Team Roping	Steer Wrestling	Ranch Broncs	Saddle Broncs	Bull Riding	Barebacks	Total Entries
Triangle Rodeo Club Rodeo	Greensburg	19	38	31	30	41						159
Ft. Wallace Rodeo	Wallace	8	16	20	11		7	4	5	11		82
Gyp Hills Roundup Rodeo	Medicine Lodge		30	22	27	5						84
Plainville Saddle Club Rodeo	Plainville	8	14	11	14	5	7	7	4	15	2	87
Meade County Rodeo	Meade		20	19	21	10	13					83
Gove County Rodeo	Park	7	14	16	15		12	7	6	8		85
Elk County Rodeo	Moline	10	45	26	68		14		12	18	7	200
McCracken Rodeo	McCracken	21	29	31	26	15						122
American Legion Rodeo	Erie	15	26	25	23		9		9	7	3	117
Lakin KPRA Rodeo	Lakin	25	39	38	32	15						149
Clark County Fair & Rodeo	Ashland	8	33	22	25	16	9					113
Scott County Stampede Rodeo	Scott City	11	23	16	14	12						76
Ulysses Stampede	Ulysses	27	48	34	30	16						155
Ellis County Fair & Rodeo	Hays	9	21	22	19	10	8	5		14		108
Lane County Rodeo	Dighton	12	30		19	13						74
Sheridan County Fair & Rodeo	Hoxie	12	28	26	18	9						93
Thomas County Fair & Rodeo	Colby	9	28	17	17	11	3	3	2	9	2	101
Sublette KPRA Rodeo	Sublette		24	24	28							76
Barber County Rodeo	Hardtner	28	38	38	32	12	16					164
Leoti KPRA Rodeo	Leoti	11	18	16	13	12	3	14	1	11	1	100
Morton County Fair & Rodeo	Elkhart		27	29	17	15						88
Knock the Dust Off Rodeo	Odin	4	6	7	3		4	5	2	9	1	41
Gray County Rodeo	Cimarron	13	32	21	25	14	15					120
KPRA Finals Rodeo	Dodge City	12			12	13	12	6	12	12	6	85
Totals		269	627	511	539	244	132	51	53	114	22	2,562

Kansas Indoor Rodeo Arenas

This section of the study identifies indoor rodeo arenas operating in Kansas that are considered competition to the three arenas planned for the new American Royal site.

Eastern Kansas Indoor Rodeo Arenas

Three indoor arenas were surveyed in the eastern portion of Kansas, including the Kansas Star Arena, Stormont Vail Events Center, and Arnold Arena. A description of each indoor arena is provided in the text below.

Kansas Star Arena

The Kansas Star Arena is part of the Kansas Star Casino complex in Mulvane, Kansas, located south of the Wichita MSA and 194 miles from the new American Royal site. The Kansas Star Arena is 42,000 square feet with a seating capacity of 3,400 people and up to 6,000 for concerts. Owned by Boyd Gaming, the Kansas Star Casino offers over 1,300 slot machines, over 43 table games, and four restaurants. A 300-room Hampton Inn & Suites is connected to the casino. The Kansas Star Event Center opened in 2011 and features six meeting rooms totaling 57,095 square feet of meeting/event space. The Kansas Star Equestrian Pavilion consists of an open-air practice arena, 183 stalls, wash racks, and show offices.

The Kansas Star Arena is a multi-purpose entertainment venue that has hosted concerts by notable performing artists, as well as the Miss Kansas USA pageant, mixed martial arts events by Bellator MMA, and equestrian events such as the Professional Rodeo Cowboys Association's National Finals Steer Roping which in 2022 had a record purse of \$500,000. The National Finals Steer Roping is being held again on November 17 and 18, 2023 with a purse of \$455,000. For 2021, the Wichita Force indoor football team officially relocated to the Kansas Star Arena.



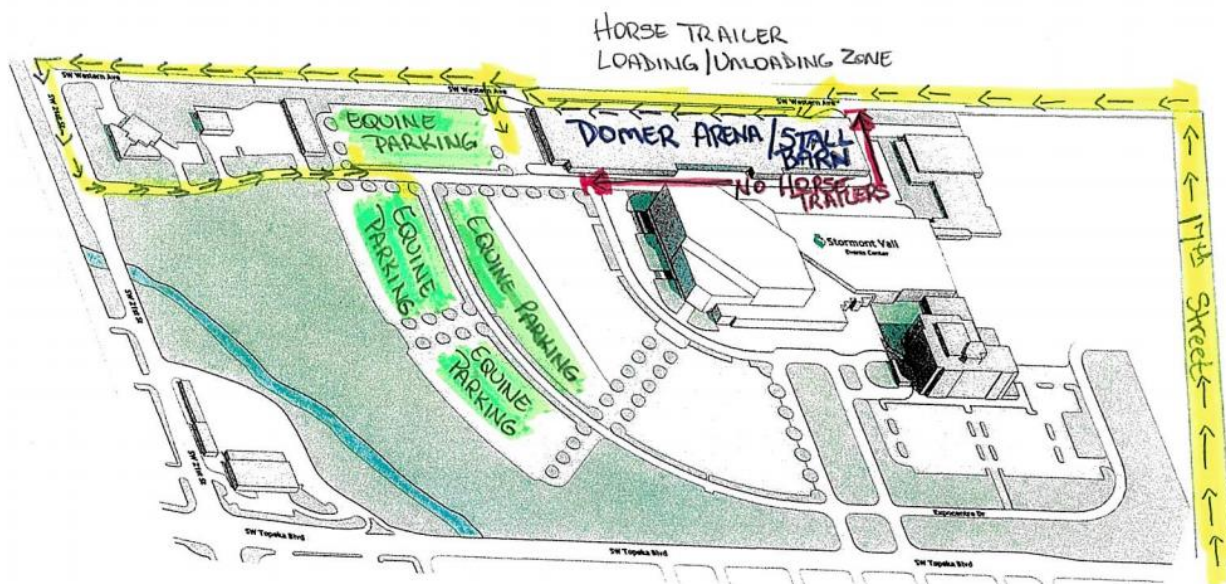
The Kansas Star Arena features an indoor arena with permanent seating for 3,400 spectators, concessions, and an on-site hotel, RV park, and restaurants. However, the facility lacks the number of stalls and there is also no outdoor arena. Given its distance away, it has been determined that the Kansas Star Arena poses as moderate competition to the new American Royal venue.

Stormont Vail Events Center

The Stormont Vail Events Center campus in Topeka (50 miles west of the new American Royal site), formerly known as the Kansas Expocentre, is Topeka's largest event complex and has long hosted agriculture, farming, exhibitions, education, sports, and entertainment events. The 80-acre campus includes the Domer Livestock Arena, 7,100-seat Landon Arena, Exhibition Hall, Heritage Hall, and Agriculture Hall. Stormont Vail Health signed a 10-year contract in June 2020 with Shawnee County and managing partner Spectra to rebrand the Expocentre as Stormont Vail Events Center. After a first-year payment of \$325,000, Stormont Vail will pay \$250,000 annually over the next decade.

The Domer Livestock Arena is used for horse shows such as roping, team penning, reining horse shows, barrel racing, sales, and rodeo competitions. The arena also hosts exotic animal shows, dog shows, the Shawnee County 4-H Fair, and other livestock events. During 2022, the Domer Livestock Arena hosted eight rodeo events. During 2023, the arena hosted the Topeka Breakaway Roping on August 25th and 26th and United Rodeo Association Finals from November 3rd through 5th. The arena offers the following features:

- 240'x120' competition arena floor
- 200'x150' covered exercise area
- 1,400 bleacher seats
- Stall Barn with 223, 10'x10' stalls
- 106 electrical hook-ups for trailers and campers with dump station
- Full-service café
- Paved parking lot
- Wash bays



The Stormont Vail Events Center campus underwent a \$48 million renovation project that was completed in May 2021. The two-year project involved improvements and additions to the Domer Livestock Arena, Landon Arena, and Exhibition Hall. Renovations to the Domer Livestock Arena included new stalls and panels, fully closed-in exercise arena, new box office, remodeled café, LED lighting, sound system, bleachers, bathroom, and plumbing upgrades.

Built in 1987, the Landon Arena boasts 7,100 permanent seats, 2,550 floor seats, 22,500 square foot floor space, and a state-of-the-art sound system and LED lighting. The venue hosts sporting events, concerts, ice shows, family shows, and exhibitions. Renovations to Landon Arena included new seating and premium seating options, a party deck bar, and additional suites.

The Exhibition Hall features a seating capacity for 6,200 spectators, 73,500 square foot floor space, show office, concessions, three restroom areas, six loading docks, and space for over 300, 10'x10' booths. The Exhibition Hall was expanded by 40 percent and now can accommodate growing events. The venue hosts trade shows, conventions, conferences, banquets, and sporting events.

Heritage Hall has 5,750 square feet of climate-controlled space, a stage, and seating capacity for 350 people. The venue hosts weddings, receptions, private parties, and meetings.

The Agriculture Hall offers 17,800 square feet of climate-controlled space and a seating capacity of 2,400 people. The venue hosts parties, dances, dinners, and events.

A 5.0-acre parcel is reserved on the Expo grounds for the location of a privately built hotel, and in 1998 John Q. Hammons opened the 224-room Capital Plaza Hotel featuring a restaurant, lounge, pool, fitness center, ballroom, and a climate-controlled walkway connecting to the Expocentre.

When compared to the new American Royal Food and Agriculture Epicenter, the Stormont Vail Events Center operates a hotel and several flexible event venues with varying seating capacity capable of hosting a wide range of livestock events, sporting events, concerts, ice shows, family shows, trade shows, conferences, and banquets. Facility deficiencies include its age, the absence of an outdoor arena, and a small inventory of stalls and RV hookups.

Arnold Arena

Arnold Arena is located on the Fort Scott Community College Campus south of the Kansas MSA along U.S. Highway 69, approximately 96 miles from the new American Royal site. Home to the Fort Scott Community College rodeo team, Arnold Arena features an indoor arena, complete with roping and bucking cuts, an outdoor roping arena, and new offices with a practice facility in the rear. The indoor arena allows students the ability to practice all year round.

The outdoor arena is capable of hosting larger outside rodeos in the fall and spring seasons. The indoor practice facility has a bucking machine and room for roping and tying dummies. The bucking machine allows rough stock practice while the dummies allow timed event student athletes to rope and tie as well. The new office facility includes two coaches' offices, and a small computer lab for the rodeo student athletes to do homework and research. It also includes an area for meetings and an area to study film from practice or rodeos.

Compared to the new American Royal Food and Agriculture Epicenter, the Arnold Arena lacks the number of stalls, covered warm-up arena, and on-site hotel to be viewed directly competitive.

Western Kansas Indoor Rodeo Arenas

Conversations with the Kansas Professional Rodeo Association identified six indoor rodeo arenas operating in western Kansas, including facilities in Dodge City, Lyons, Scott City, Kingman, Manhattan, and Hutchinson. A description of each indoor arena is provided below.

Western State Bank Expo Center

Opened during 2012 in Dodge City, the Western State Bank Expo Center is multi-purpose event facility that features an indoor rodeo arena and hosts a wide range of events, including:

- Business Meetings
- Equine Events
- Equipment and Product Demonstrations
- Farm and Ranch Shows
- Livestock Sales and Shows
- Private Parties
- Training and Educational Seminars

The Western State Bank Expo Center is located 323 miles southwest of the new American Royal site and is owned and operated by Ford County. The rodeo arena features a 244' x 122' dirt floor, covered stall barn with wash rack, electricity, and water for 120 stalls, concession area with a kitchen and seating for 40 people, and 75-seat capacity conference room. The exhibit hall offers 90,000 square feet of indoor exhibit space with concrete flooring and a one million square foot outdoor exhibit area offers electricity for exhibits and trailer/RV parking. During 2022, the Western State Bank Expo Center hosted eight rodeos.

The Western State Bank Expo Center hosts more than 100 equine and equine-related events and activities each year, including multi-day events and single day private rentals. Nationally sanctioned events include the World Series of Team Roping and Patriot Team Roping qualifiers, and the Women's Ranch Rodeo World Finals. Also, the Young Guns Timed Event Extravaganza is held each winter. Events draw participants from more than a dozen states.

Compared to the new American Royal venue, the Western State Bank Center's floor area and number of stalls are insufficient to be considered directly competitive. In addition, the facility lacks an outdoor arena, warm up arena, RV park, and on-site hotel.

Bar K Bar Arena

The Bar K Bar Arena in Lyons, Kansas (225 miles southwest of the new American Royal site) is a 64,500 square foot building featuring a 240' x 125' arena floor with two wash racks, and bleacher seating. Additional amenities include a lighted outdoor arena, RV parking, 140 stalls (92 stalls inside the arena and 48 stalls outside under cover), restaurant, showers, and show office. The arena hosts horse shows, livestock shows, agriculture shows, auctions, ropings, team pennings, exhibits, rodeos, and barrel racing. The facility was built by the citizens of Rice County and operates under Celebration Centre LLC. During 2022, the Bar K Arena hosted 54 rodeo events.



Compared to the new American Royal venue, the Bar K Bar Arena's floor area and number of stalls are insufficient to be considered directly competitive. In addition, the facility lacks an outdoor arena, warm up arena, and on-site hotel.

Scott County Rodeo Arena

The Scott County Indoor Arena and Activities Center is located 374 miles west of the new American Royal site on the Scott County Fairgrounds in Scott City, Kansas. The 37,180 square foot arena opened during the summer of 2000 and is home to the Scott County Stampede Rodeo that drew 76 entries in 2022. The stall barn and enclosed addition were added in 2007, providing cover for livestock and competitors during inclement weather and making it possible to host large events year around. For 2023, 181 public and private events are booked. Arena facilities include:

- 100' x 220' arena floor
- Meeting room with kitchen
- Restrooms with showers
- Large crow's nest on west end of the arena and smaller crow's nest on east side
- Laser lights for barrels and computerized scoreboard
- Radiant heaters over bleacher area
- Covered roping area
- Stall barn with 43 stalls with covered 12' lean-to
- Four covered pens
- RV sites on fair grounds

The arena is used year around and hosts high school rodeos, barrel races, team ropings, mounted shootings, ranch rodeos, clinics, all school reunions, and a circus.

Compared to the new American Royal venue, the Scott County Indoor Arena's floor area, seating capacity, and number of stalls are insufficient to be considered directly competitive. The facility's distance, location off Interstate 70 and absence of a covered warm up arena, outdoor arena, and on-site hotel also greatly reduces its competitiveness.

Kingman Expo Center

Kingman Expo Center located west of Wichita in Kingman, Kansas (228 miles southwest of the new American Royal site) is home to an indoor rodeo arena, and outdoor rodeo arena and event space that will accommodate community events as well as private events. Kingman County and the City of Kingman partnered to fund upgraded facilities at the Kingman Expo Center. Both governments have invested hundreds of thousands of dollars to create first class indoor and outdoor facilities for the community.

The indoor arena is 100' x 200' with seating for 750 and a heating system. The arena is equipped with permanent bucking chutes along with roping boxes, catch pens and a return alley for cattle events. A public announcer system is available with many options for hookup to accommodate specific needs. An announcer's box is located near the bucking chutes.



There are stalls for 110 animals, 42 camper hookups and three meeting rooms along with a commercial kitchen. The meeting rooms are climate controlled to get out of the heat on summer days or warm up during those winter months. Restrooms are located both inside as well as outside.

The outdoor arena features 127' x 240' of floor area with brand new Priefert rodeo panels and chutes. The ground is completely new and perfect for any of your rodeo, roping and horse show needs. Bleacher seating accommodates up to 450 people.

Compared to the new American Royal venue, the Kingman Center's floor area for both the indoor and outdoor arenas, seating capacity, and number of stalls are insufficient to be viewed directly competitive. In addition, the facility lacks a covered warm-up arena and on-site hotel.

Weber Arena

Kansas State University in Manhattan, Kansas offers a variety of facilities for the KSU Rodeo Team/Club. The facilities include:

- 21-stall horse barn
- Burtis Arena- large outdoor arena & calf lane
- Round pen
- Weber Arena- indoor arena located on campus inside Weber Hall

The 3,500-seat Weber Arena that is a part of Weber Hall and was designed to serve research, teaching, and extension through use as a feeding laboratory for nutrition studies, a class laboratory for animal evaluation, a site for student activities such as The Little American Royal and a Collegiate Rodeo, a place for National Breed Associations to hold meetings and a place where state breed associations could hold shows and sales. The building was built in 1958 and renovated in 1985.

Weber Arena is located 106 miles west of the new American Royal site. The annual Kansas State University Intercollegiate Rodeo is held at Weber Arena. The rodeo is in its 76th year and is sanctioned through the National Intercollegiate Rodeo Association. The event draws more than 450 contestants from the 20 schools and more than 10,000 spectators.



A list of Kansas State University rodeo events for 2023 are listed below.

- Bull Clinic (Manhattan, KS) - January 20-22
- Ranch Rodeo (Manhattan, KS)- January 27-28
- Kansas State University Iron Woman (Manhattan, KS)- February 4
- Kansas State University Queen Contest (Manhattan, KS)- February 10-11
- Kansas State University Rodeo (Manhattan, KS)- February 17-19
- Fort Scott Community College Rodeo (Fort Scott, KS)- March 10-12
- Garden City Community College Rodeo (Garden City, KS)- March 31- April 2
- South Western Oklahoma State University Rodeo (Weatherford, OK)- April 13-15
- Fort Hays State University Rodeo (Hays, Kansas)- April 20-22
- Oklahoma Panhandle State University Rodeo (Guymon, OK)- April 27-29

Compared to the new American Royal venue, the Weber Arena lacks the floor area and number of stalls to be viewed directly competitive. In addition, the facility lacks a covered warm-up arena and on-site hotel.

The Kansas State Department of Animal Science has raised \$81.4 million for upgrades to several departments and is hoping to raise additional funds to build a world-class livestock arena that would replace the Weber Arena. The proposed 3,000-seat arena would include luxury boxes, a full-plan parking lot with utility hookups and other amenities needed to host livestock events.

Expo Center at Kansas State Fairgrounds, Hutchinson

The 280-acre Kansas State Fairgrounds in Hutchinson, Kansas (211 miles southwest of the new American Royal site) includes several event buildings and livestock facilities, making it one of the largest events and show venues in the state. The fairground event facilities host more than 500 events every year with local, regional, national, and international appeal, including:

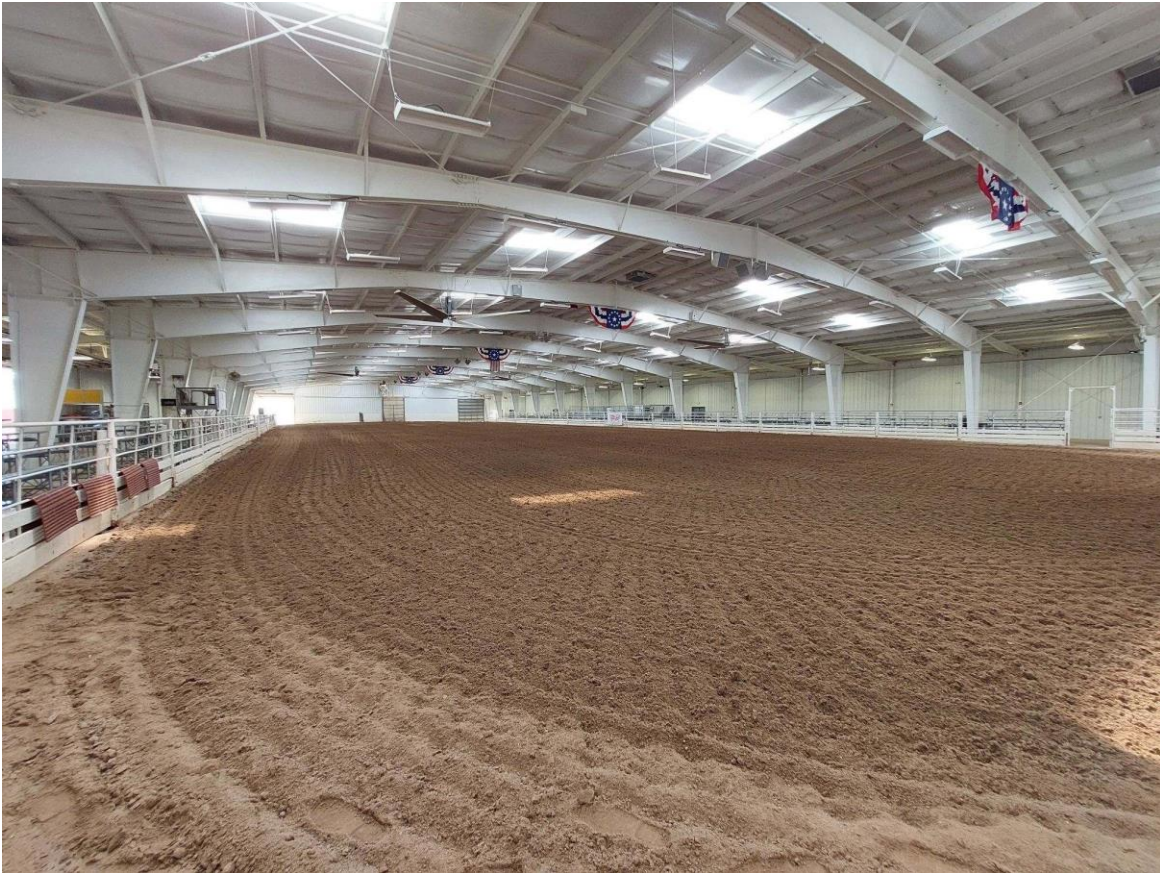
- Corporate Parties, Meetings and Picnics
- Auctions
- Craft and Antique Fairs
- Equestrian and Livestock Shows
- Sporting Events
- RV Camping
- RV and Motorcycle Rallies
- Trade Shows and Conventions
- Concerts and Festivals
- Weddings and Receptions

The Expo Center is located at the southeast end of the fairgrounds. The Expo Center opened in 1964 and renovated in 2003. The building offers ADA accessible restrooms, wheelchair accessible seating, concessions, a large office, and a modern look outside. The arena can accommodate a variety of events including horse shows, rodeos, dog shows, team roping, cutting events, heavy equipment demonstrations, circuses, and trade shows.

- Heated indoor 98' x 270' arena
- Covered Open Air Expo II 187' x 95' arena
- Covered walk-way between arenas
- Contract Concessionaire
- 200 permanent stalls
- Other converted stalls available
- Seating for 900
- PA system

The Kansas State Fair RV Park contains 211 full-service 50amp hook-ups.

Much like the new American Royal venue, the Expo Center and Expo II at the Kansas State Fairgrounds in Hutchinson offers both indoor and outdoor arenas, stalls, concessions, permanent seating, and an RV park. However, the Expo Center and Expo II do not compare in terms of arena floor sizes, seating capacity, and the number of stalls. There is also no outdoor arena and an on-site hotel. Therefore, it has been determined that the Expo Center and Expo II are not directly competitive.



Conclusions

Three indoor arenas were surveyed in eastern Kansas, located 50 to 194 miles from the new American Royal site. Two of the indoor arenas are owned by a public entity or community college, with the Kansas Star Arena a privately-owned facility.

The Kansas Star Arena and Stormont Vail Events Center are deemed the most comparable to the new American Royal facility, in terms of arena size, seating capacity, on-site restaurants, hotels, and event center. In terms of proximity, number of event venues and seating capacity, and presence of a hotel, food service, and other amenities, the Stormont Vail Events Center is deemed the most competitive to the new American Royal Food and Agriculture Epicenter.

Six arenas were surveyed in western Kansas that operate indoor arenas. All the surveyed indoor arenas are owned by a public entity or university and are located 106 to 374 miles from the new American Royal site. None of the existing indoor arenas operating in western Kansas were viewed directly competitive to the new American Royal Food and Agriculture Epicenter, lacking in such areas as arena floor area, seating capacity, number of stalls, and absence of a covered warm-up arena, outdoor arena, and on-site RV park and hotel.

Comparable Multi-Use Arenas

Comparable high-quality indoor rodeo arenas and equestrian centers were surveyed in the western states to determine the competitive positioning of the new American Royal Food and Agriculture Epicenter. Our research identified ten comparable indoor arenas, each described below.

Tri State Expo

The Tri State Expo in Amarillo, Texas is a multi-building event center on 129 acres that hosts the Tri-State Fair and Rodeo. During 2023, the facility will host 58 major events that include the PRCA Rodeo, team roping, barrel racing, horse sales, horse shows, cooking competitions, shooting events, circus, and banquets. Chartered in 1923, the Amarillo Tri-State Exposition is a public non-profit 501(c)(3) organization operated under the supervision of a volunteer Board of Directors.

The 5,000-seat Amarillo National Center includes a 150' x 300' dirt floor, floor seating for an additional 5,000 spectators, private club, PA system, video board, restrooms, vendor spaces, six bucking chutes, and covered livestock holding pens. Adjacent to the Amarillo National Center is the Tommy Grant Arena which is a covered 107' x 173' venue and the Vance Reed Livestock Center featuring a 54,000 square foot asphalt floor, 300 temporary stalls, wash rack, and restrooms.

The 44,000 square foot Rex Baxter Exhibit Building has 2,188 seats, concrete floor, heated and insulated, restrooms, PA system, and offices. The 14,430 square foot Commercial Exhibits Hall has banquet seating for 400 to 600 people, full kitchen, tile floor, restrooms, and climate-control.

The Bill Cody Equestrian Center is a dirt arena with heating in grandstands, 235 permanent stalls, and livestock holding pens. The Glenn McMennamy Livestock Building features a 55,000 square foot asphalt floor, partial heat, restrooms, 320 temporary stalls, and wash rack. The South Warm-up Arena is a 90' x 250' sand-based arena with 6-foot side fencing, open sides, and sound and lighting. The Stall Barns have 203 permanent stalls.



Stephens County Fair and Expo

The Stephens County Fair and Expo in Duncan, Oklahoma features such equine facilities as a 1,100-seat main indoor arena, 900-seat livestock arena, two barns, stall barn, and warm-up area. Both indoor and outdoor arenas with seating for 500 to 2,000 are available to reserve for rodeos and other Western events. The fairgrounds host numerous events and activities throughout the year, including:

- Professional and Youth Rodeos
- Calf Roping
- Team Roping Competitions
- Barrel Racing
- The National Swine Registry "Fall Classic"
- Craft Shows
- Coin Shows
- Family Reunions
- Birthday Parties
- Fish and Tackle Shows
- Stephens County Junior Livestock Show
- Stephens County Free Fair
- Circus

The Stephens County Expo Arena features 89,600 square feet under roof, a 17,289 square foot arena floor of concrete on the north end, and a 130' x 250' dirt floor. The concrete area is primarily used for vendor booths and livestock pens and horse stalls. The arena is heated and air conditioned for year around use with a lobby, permanent seating for 1,100 and portable seating for 900. Adjoining the arena to the north is the South Barn, a 25,500 square foot building with a concrete livestock holding area with wash racks and restrooms. Extending south of the arena is a covered warm-up area and cattle holding area.

The Livestock Arena is a 21,000 square foot building with a 66' x 125' concrete arena floor, permanent seating for 700, concessions, and restrooms. To the north of the Livestock Arena is the North Barn, an 18,000 square foot heated building housing a concrete livestock holding area, wash racks, an office, concessions, and restrooms.

The facility has a total of 215, 10' x 10' horse stalls. A covered area adjacent to the wash racks has 72 horse stalls.

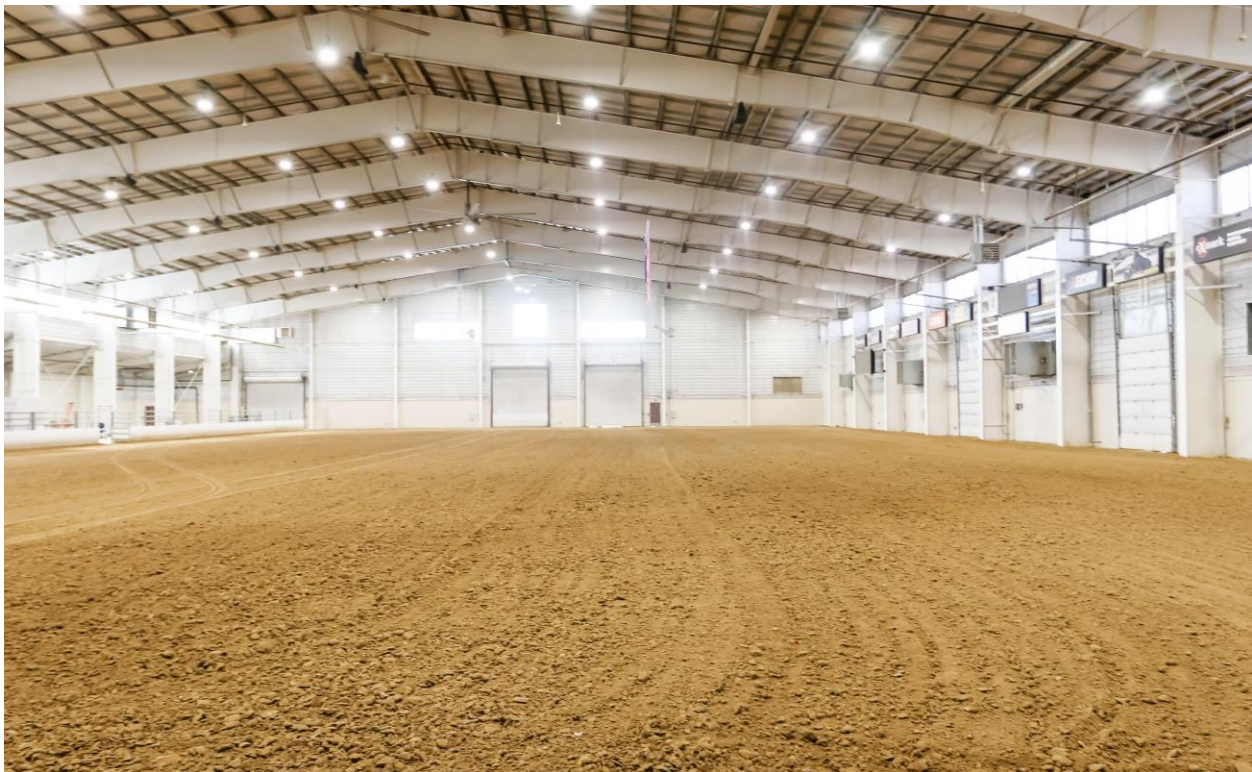
During 2023, 81 events were held for a total of 143 event days. Fourteen rodeos are scheduled with signature rodeo events including the Red River Ranch Rode (2 days), PRCA Rodeo (3 days), Tri-K Barrel Race (3 days), WSPBR Bull Riding (3 days), Cord McCoy Pro Rodeo (2 days), American Heritage Bucking Bull (3 days), and Noon Lions Club Rodeo (2 days).

The Ranch Events Complex

Originally constructed in 2003, The Ranch Events Complex in Loveland, Colorado has undergone significant phases of development and today offers over 375,000 square feet of indoor and outdoor event space, including six event halls and five arenas. Key facilities operating within The Ranch Events Complex include the following:

- Budweiser Events Center – multi-purpose arena, 7,200 seats, concrete floor, 25 suites
- First National Bank Exposition Building – 36,000 sf exhibition space and 2,900 sf meeting space
- MAC Equipment Inc. Indoor Arena – 150' x 300' arena, 1,000 seats, dirt floor
- MAC Equipment Inc. Livestock Pavilions – 96,000 sf, 360 horse stalls, dirt floor
- The Ranch Arena – 90' x 100', dirt floor
- Round Up Outdoor Arena – 120' x 240' arena, 100 seats, dirt floor
- Long Horn Outdoor Arena – 120' x 240' arena, 100 seats, dirt floor
- Thomas M. McKee 4-H Youth & Community Building – 12,500 sf exhibition space, 5,950 sf meeting space
- Embassy Suite – 263 rooms, 40,000 sf of flexible meeting space

The MAC Equipment, Inc. Indoor Arena & Livestock Pavilions features 180,000 square feet of space, including a 45,000 square foot indoor arena with a 150' x 300' arena floor, 1,000 seats, food service area, four sets of restrooms, and 90' x 100' warm-up arena. The East and West Pavilions each occupy 48,000 square feet, 180 stalls, and heated wash-racks. Fifty RV hookups accompany the arena and livestock pavilions. During 2019, the MAC Equipment, Inc. Indoor Arena & Livestock Pavilions hosted 71 horse shows, livestock events, and small animal shows.



Secondary equestrian and livestock event venues within The Ranch Event Complex include The Ranch Arena, an indoor facility with a 90' x 100' arena floor and a dirt floor and Round Up Outdoor Arena and Long Horn Outdoor Arena, both with a 120' x 240 arena floor, dirt floor, and 100 seats.

Midland County Horseshoe Arena

Midland County Horseshoe Arena in Midland, Texas is a 100+ acre multi-purpose facility that is county-owned and managed by Horseshoe Hospitality Services. The county is responsible for maintenance and capital improvements to the property. The facility opened in 2006 and in 2014 underwent a \$24 million expansion that added a 52,998 square foot exhibit hall and in 2016 an amphitheater with seating. An aerial of the existing facility appears below.



The Horseshoe Arena is climate-controlled, with 34,628 square feet (125' x 280') of floor area, dirt floor, holding pens, 2,000 fixed bleacher seats, concessions, two barns with 351, 10' x 10' stalls, and indoor livestock barn with 280' x 110' floor area. The venue is used for equine and livestock events and is available for rent at \$1,000 to \$4,000 per event. The Livestock Barn rents for \$500 per event. The facility operates 75 RV hookups with water, sewer, and electricity.

The Pavilion is a 52,998 square foot exhibition hall divisible into three sections with a seating capacity from 450 to 5,648 guests. The venue hosts performances, meetings, conferences, holiday parties, and more. An amphitheater opened in 2016 with floor seating for 1,300 and lawn seating for 3,000. Pavilion and amphitheater rentals run \$500 to \$2,500 per event.

The venue has played host to Championship rodeos, equestrian competitions, concerts, sporting events, trade shows, conventions, and community events. During 2022 the venue hosted 149 events for a total of 240 event days.

Mallet Event Center & Arena

The Mallet Event Center & Arena (“MECA”) in Levelland, Texas is a \$15 million multi-purpose project that was completed in January 2012. Hockley County operates the facility. MECA offers a climate-controlled, Kiser designed arena of 150’ x 300’ with 1,933 seats. There is also an attached indoor, warm-up arena that is 150’ x 100’ and covered penning of 145’ x 100’.



The banquet hall can be divided into three sections for a total seating of over 600 people. The facility also offers a patio area with two gas fire pits for guest use.

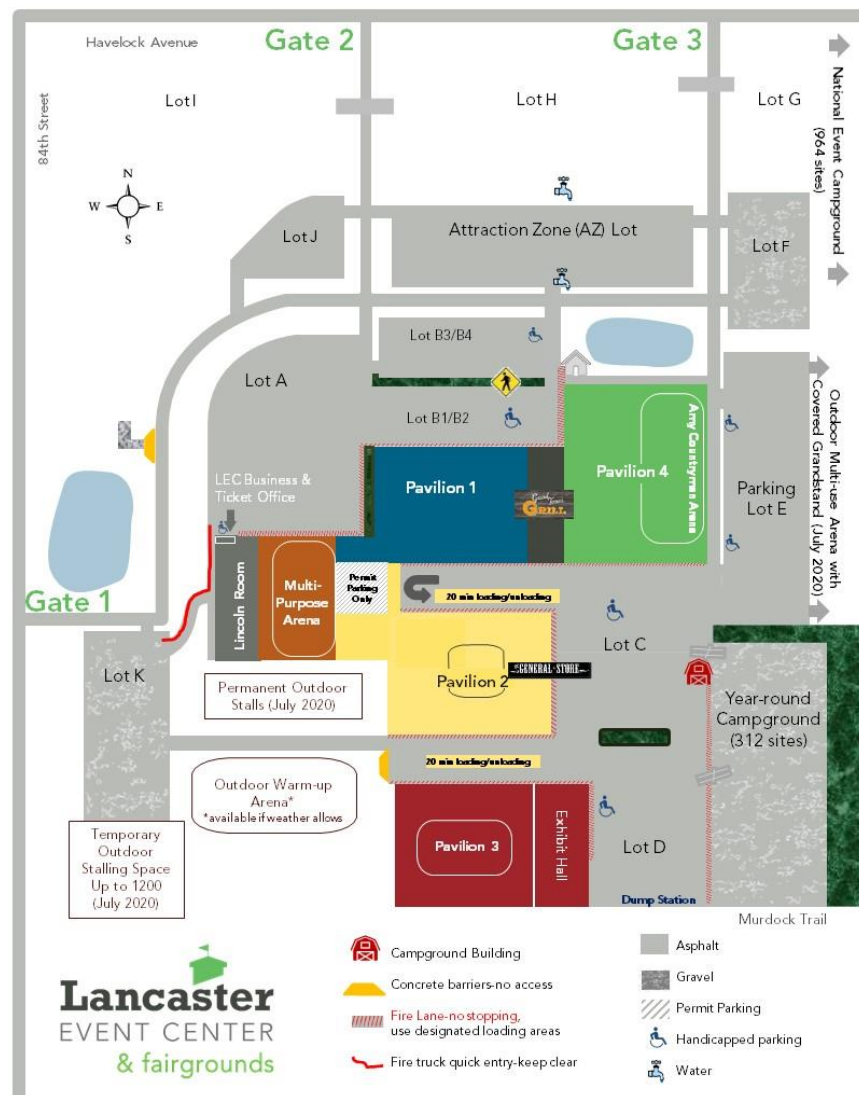
Additional amenities include 288 horse stalls in a covered outdoor horse barn with lights and water and 84 self-contained RV spaces. Hockley County is exploring the opportunity to develop an on-site hotel and related facilities.



During 2023, the MECA hosted 119 events. Equine events included roping (22 events), horse sales (12 events), barrel racing (10 events), rodeos (4 events), and livestock shows (3 events). Notable events include the JRCA Finals (3 days), World Series Team Roping (3 days), ABC Pro Rodeo (2 days), and Clovis Horse Sale (4 days).

Lancaster Event Center

The Lancaster Event Center (“LEC”) in Lincoln, Nebraska is home to the Lancaster County Super Fair as well as hosts trade shows, equine shows, and receptions. The property is 160 acres and includes a multi-purpose arena, four pavilions, exhibit space, and a 312-site campground.



The Ag Society opened the LEC in 2001 to be home of the Lancaster County Fair as its needs outgrew borrowed buildings on the former State Fairgrounds. LEC has grown to be a nationally recognized multi-use event center with over 320 events bringing 500,000 visitors who stay over 1.2 million visitor days for regional/national events.

Multi-Purpose Arena – the 36,500 square foot indoor arena features a 110’ x 215’ floor area and seating for up to 5,000 spectators.

Pavilion 1 - This 80,850 square foot indoor venue features a 70’ x 200’ arena floor, 400 livestock stalls, and seating for up to 11,000 spectators.

Pavilion 2 - This 80,850 square foot indoor venue features a 70' x 200' arena floor, 382 livestock stalls, and seating for up to 11,000 spectators.

Pavilion 3 - This 72,657 square foot indoor venue features a 115' x 220' arena floor, 64 livestock stalls, and seating for up to 10,000 spectators. An outdoor warm-up arena is located adjacent to Pavilion 3.

Pavilion 4 - This 87,596 square foot indoor venue features a 125' x 300' arena floor, 99 livestock stalls, and seating for up to 12,000 spectators.

Lincoln Room – This 17,200 square foot event space adjacent to the Multi-Purpose Arena possesses a seating capacity of 1,800.

Exhibit Hall – This 11,500 square foot event space is part of Pavilion 3 and accommodates up to 1,225 guests.

Major Events

- 320 events annually—200 local, 120+ regional/national/international
- Nebraska's largest county fair – 120K visitors over 10 days
- 2nd largest indoor ag show—1,700 ag experts from 27 states & Canada attract 20K ag producers from 5 states
- 125+ horse show event days
- 75+ trade show/sale event days
- 20+ motorsports events (indoor & outdoor)
- 80+ ag business & ag education events
- 150+ non-profit event days
- Won four years of World's largest rodeo - National High School Finals Rodeo (NHSFR) vs. venues nationwide –2020 (canceled), 2021, 2026, and 2027
- World's largest RV event: Family Motor Coach Association (FMCA) International RV Convention (postponed from 2020 to 2022) with 1,000-2,000 RVs

Annual Economic Impact

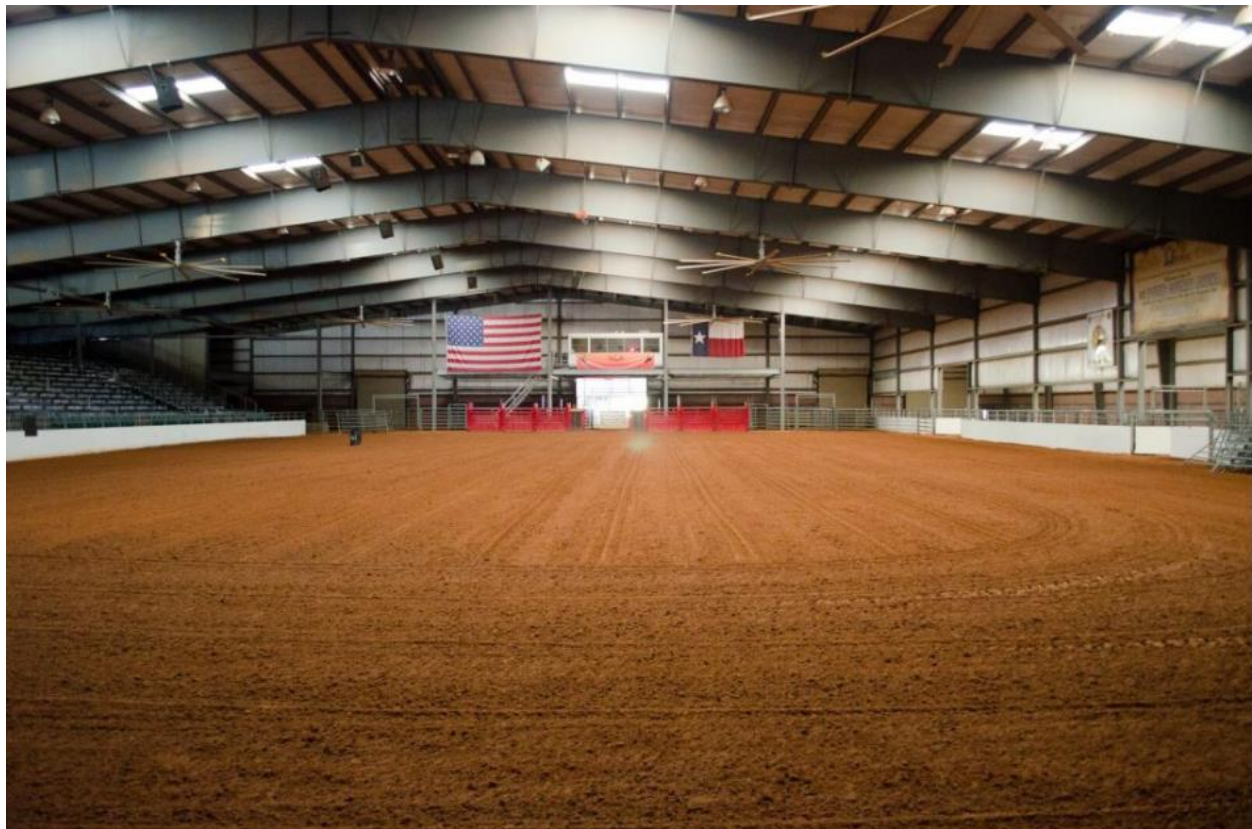
- Nebraska's 3rd largest out-of-state visitor attraction
- 67 percent of visitors at 120 regional/national events from outside of county/state
- Draws visitors from 40+ states annually
- \$50 -60 Million economic visitor impact per year for Lancaster County & Nebraska
- LEC's visitor spending adds 700 full-time equivalent jobs-majority off grounds
- 98 percent of 1,623 participant families from out of state at NHSFR (43 states, 5 Canadian provinces, Mexico, Australia & New Zealand)

Young County Arena

Young County Arena, Graham, Texas Located in Graham, Texas, the Young county Arena is a multi-purpose event center that sits on 6.2 acres of land. It is co-operated by the city of Graham and Young County. The facility has two different arenas that host a variety of large events such as rodeos, bull riding competitions, barrel racing, team ropings, concerts, motocross, circuses, dog shows, livestock shows and more.

The Young County Arena was a community project. Construction began in 2000 and has progressed in phases. In 2004, the City of Graham contracted with Young County to manage the facility. The initial phase was the construction of the main covered arena. In 2006, the outdoor arena and stall area were added. The parking lot and landscaping beds were completed in 2007.

The indoor arena is a fully enclosed 250' x 150' venue with seating for 2,500 spectators. The arena offers six bucking chutes, a press box, a concession area, and heating for the winter and fans for the summer.



The outdoor Outback Arena is a covered 120' x 250' venue that offers seating for 250 spectators and a mobile concession stand. In addition to the arenas, the facility offers six large livestock pens, 60 RV parking spaces, 300, 12' x 12' stalls, a 5,000 square foot banquet room, and a 10,000 square foot foyer that is used for trade show vendor booths.

The largest segment of users are rodeo/action events, accounting for 56 percent of total events last year. The second largest segment is social events. A total of 139 events were hosted in 2023.

McGee Park

McGee Park in Farmington, New Mexico consists of several different facilities operated by San Juan County. The facility contains a Convention Center, a Multi-Use Building with three classrooms, and 14,000 square feet of convention space that can be sectioned off for various uses.

The 49,500 square foot Convention Center has a 40' x 60' stage food service, and a seating capacity of 800 to 5,000 guests depending on the layout. The Convention Center rental includes tables and chairs, a distribution panel (two 400 amp, three-phase service), portable PA system, podium, patio area, stereo with radio tuner, cassette, and CD player. For other events and meetings, the facility also has a 5-room, 18,750 square foot multi-use building.

The 68,000 square foot Memorial Coliseum is one of only four indoor arenas in New Mexico and the second largest arena in the state with an area that measures 29,000 square feet. The facility has 5,137 grandstand seats, along with up to 3,000 seats on the arena floor, depending on the event. It also has an attached 130' x 30' pavilion, a 180' x 38' patio, and two concession stands. The Coliseum is a complete rodeo facility that contains a roping chute, holding and sorting pens, an announcers stand at both ends of the arena, remote lighting & restroom facilities. The building has a ceiling peak of 38 feet and can hold a 24' x 40' portable stage. The Memorial Coliseum hosts such equine events as rodeos, bull riding, barrel racing, cutting horse competitions, horse shows, horse sales, roping events, and livestock sales and shows.

Located adjacent to the Coliseum is the Indoor Riding arena that is used for events such as beef shows, clinics, and rodeos. The 128' x 220' arena has seating for 1,250, is equipped with a cooling and heating system, and an announcer stand. In addition to the two indoor arenas, McGee Park also has an Outdoor Arena. The arena is 100' x 200' and has seating for 1,250. Used in the spring and summer, the arena is used for events such as barrel races, ropings, and clinics. In addition to the arenas McGee Park has 100 permanent covered horse stalls along with more than 500 pony pens just outside the facility on the San Juan County Fairgrounds.

Within the Fairground complex are 574 on-site RV spaces with electricity and water and more than 200 dry RV spaces.

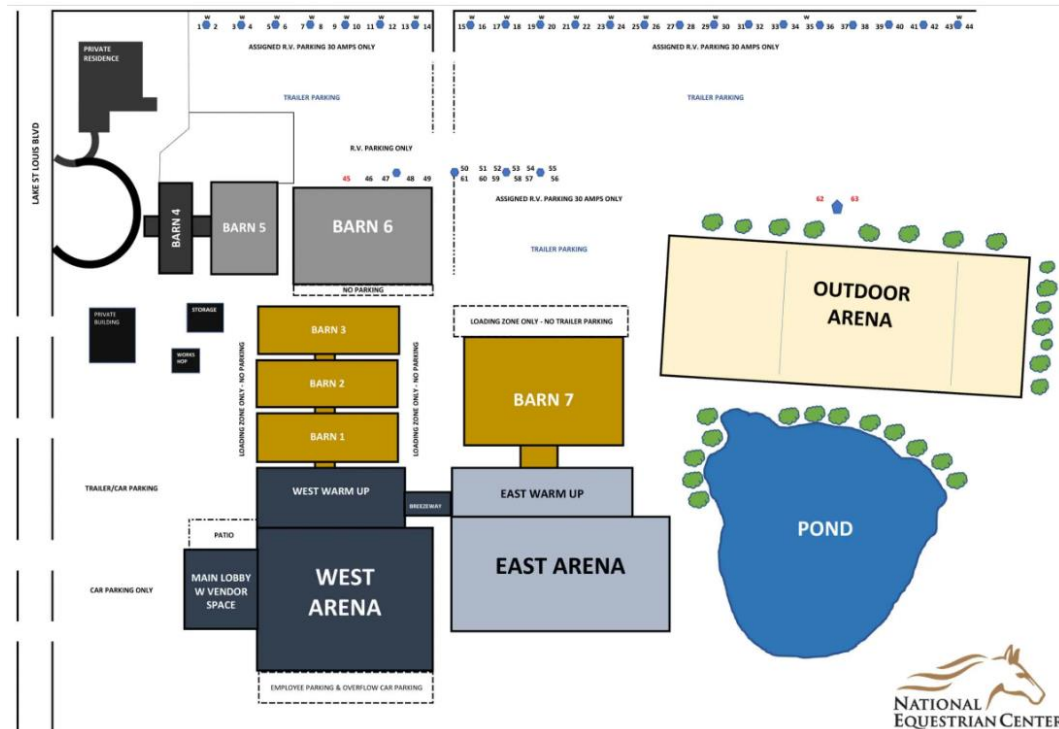
McGee Park has hosted to a variety of events including the following:

- Rocky Mountain Ramble RV Rally (a division of Family Motor Coach)
- National High School Finals Rodeo (World's Largest Rodeo)
- Jordan World Circus
- Four Corners Oil & Gas Conference
- Concerts by Clay Walker, George Strait, Toby Keith, Tracy Byrd and many more!
- Fraziers Carnival

According to their 2022 event calendar, the facility generated a total of 77 events and over 200 event days last year. Sixty-one (61 percent) of these events were rodeo/action activities, followed by the "other" category (21 percent), which primarily consists of public riding and practice sessions. Types of events hosted at Memorial Coliseum include rodeos, barrel racing, bull riding, livestock shows/sales, horse shows, dog shows, concerts, circuses, home and garden shows, wrestling matches, classic car shows, cage fights, and gymnastics.

National Equestrian Center St. Louis

The West Arena is the National Equestrian Center's ("NEC") premier competition space with two indoor arenas, an outdoor arena, permanent VIP boxes, grandstand seating, and a banquet hall. A total of 27 major public equestrian events were hosted in 2023. Events hosted by the NEC include signature events, regional and national horse shows, rodeos, livestock competitions, community events, dog shows, and open rides.



The West Arena features a 120' x 240' arena floor and adjoining 100' x 200' warm-up. Both arenas offer equines the benefits of world-class GGT™ Fiber Footing installed over GGT™ Butterfly Mats. The climate-controlled indoor West Arena features grandstand seating for 1,500 and 26 VIP boxes for a total capacity of 2,250 spectators.

- 120' x 240' West Arena
- 100' x 200' West Warm Up
- World-Class GGT™ Fiber Footing
- 26 Permanent ringside VIP Boxes
- NEC's Canter Cafe & Grill
- Overlook Mezzanine Banquet Hall
- Grandstand seating up to 1,500
- Total Spectator Occupancy 2,250

NEC's East Arena offers a 140' x 225' competition space and an adjoining 65' x 80' warm-up. In 2019, NEC restored its cattle loading chute and installed semi-permanent holding and working pens just outside the East Warm-Up, making the delivery, use and departure of cattle more efficient. In 2020, NEC added shade-cover over the cattle holding pens to shelter livestock from full-sun conditions. The East Arena's south-side concourse now has increased grandstand seating for up to 350 people and provides more convenient access to the East Show Office as well as to

food and drink in NEC's Side Pass Standing Cafe. The wide packed-dirt concourse on the north-side is utilized for portable VIP booths, pop-up bars and catering, additional temporary seating, vendors, awards displays and more.

- 140' x 225' East Arena
- 65' x 80' East Warm Up
- Eureka HG Sugar Sand Footing
- Crow's Nest for Exclusive Guests
- NEC's Side-Pass Standing Cafe
- Grandstand seating up to 350
- Total Spectator Occupancy 700

The NEC's Outdoor Arena is 240' x 700' and can be sub-divided to meet the needs of specific events. Six double-gated entrances, each 12' wide, allow horses, equipment trailers, and motorized vehicles to enter and exit the arena easily. The NEC's portable PA system operates with wireless microphones and reaches dual zones for messaging into separate riding areas. The two-way radio system enables barn calls to air remotely into all stabling barns on the property. Several tail-gating spots are located along the Outdoor Arena's north and west sides, making for a festive, social environment for VIP guests and fundraising campaigns.

- 240' x 700' Outdoor Arena
- Divisible for Multiple Rings
- Blended All Weather Sand and Screenings Footing
- Multiple Tailgating Spots
- Open Pavilions with Table Seating
- Total Spectator Occupancy Variable

The NEC's Clinician's Arena is a 75' x 135' riding barn with six 10' x 10' permanent stalls. Fully enclosed with gate-access on all sides, it is ideal for small group instruction, demonstration rides, one-on-one private lessons, and other training/learning activities. Organizers can choose to add limited bleacher seating, schooling equipment, food and beverage service, and other equipment and services to meet the needs of the event.

- 75' x 135' Clinician's Arena
- (6) 10' x 10 Stalls
- River-Sand Footing
- LED Lighting
- Multiple entrance and egress gates
- Total Spectator Occupancy 30-40

The three stabling barns are joined under continuous roof and connect directly to NEC's West Arena. Each barn features 80 stalls in a climate-controlled environment with overhead heating units and ventilation fans; no-slip packed dirt floors; multiple wash racks with free-standing hand washing stations, nearby permanent restroom, and shower facilities. Accommodating a total of 240 stalls, these barns contain permanent 10'x10' stalls with rubber mat and/or limestone chat floors, electrical outlets at each stall, and sliding door fronts.

NEC offers 63 RV spaces with electrical and water hookups, with scheduled dump services available upon request.

Andrews County Expo Center

The Andrews County Expo Center in Andrews, Texas was built with county funds consisting of a main arena, warm-up arena, stall barn, and RV hookups.

The main ACE Arena is a 150' x 300' climate-controlled venue with 1,800 seats, six bucking chutes, scoreboard, announcer stand, PA system, concessions, and an adjacent 160' x 120' enclosed warm-up arena. The footing in the indoor arena is sandy loam and can be hardened to do circuses and weddings, though 80 percent of their estimated annual 52 events consist of rodeos, roping and barrel racings. Other hosted events include concerts, motocross, church events, and youth events.



Other on-site amenities include 57 RV spaces and 195 indoor stalls in a barn.

Conclusions

The table on the following page summarizes the amenities available for the ten comparable equestrian and multi-purpose arenas as well as the number of annual events hosted.

The new American Royal Food and Agriculture Epicenter will feature two indoor arenas, an outdoor arena, 1,540 stalls, and 1,050 RV spaces. The main indoor arena includes a 130' x 260' arena floor and seating for 1,500 spectators. The outdoor arena will feature a 150' x 350' arena floor and seating for 300 spectators.

The new American Royal Food and Agriculture Epicenter will feature two indoor arenas with permanent seating for 3,500 and 5,000 spectators, an outdoor arena with 3,500 permanent seats. All the surveyed facilities include an indoor arena with seating capacity ranges from 350 to 5,000, averaging 2,918 seats. The proposed arena's seating capacity falls comfortably within the range of the surveyed arenas with the most comparable arenas including the 5,000-seat Tri State Expo, 5,000-seat Lancaster Event Center, and 2,500-seat Young County Arena.

The new American Royal Food and Agriculture Epicenter is designed with 1,540 stalls. The ten surveyed multi-purpose arenas maintain 100 to 945 stalls, averaging 342 stalls. The proposed arena's inventory of stalls falls significantly exceeds that of the surveyed arenas largely because the three planned arenas need the capacity should multiple events occur simultaneously. The large inventory of stalls affords the new American Royal a significant competitive advantage when bidding for large-scale events.

The new American Royal Food and Agriculture Epicenter is designed with 1,250 RV spaces, including 50 spaces in Phase 1 and 1,200 spaces in Phase 2. All but two of the surveyed multi-purpose arenas maintain on-site RV spaces ranging from 50 to 574 stalls, averaging 159 stalls. The large inventory of RV spaces affords the new American Royal a significant competitive advantage when hosting large-scale events.

The ten surveyed multi-purpose arenas host 27 to 320 annual events, averaging 109 events. The usage of the comparable multi-purpose arenas bodes well for the potential of the new American Royal Food and Agriculture Epicenter to host a suitable number of annual events and event days to support feasible development and operation.

To conclude, when compared to the ten surveyed comparable arena venues, the design for the new American Royal Food and Agriculture Epicenter affords the necessary location, features, and amenities to be competitive and attract promoters, sponsors, events, and fans.

Of the surveyed multi-purpose arenas, the Lancaster Event Center in Lincoln, Nebraska is the most comparable in terms of property amenities, including a 5,000-seat multi-purpose arena, four pavilions, and exhibit space. The facility hosts 320 events annually, including 200 local events and 120 regional/national/international. This bodes well for the new American Royal Food and Agriculture Epicenter to host regional, national, and international events.

Comparable Equestrian and Multi-Purpose Arenas

Facility	Location	Year Opened	Indoor Arena	Climate	Permanent Seating	Additional Arena	# of Stalls	RV Spaces	Annual Events
American Royal	Kansas City, KS	Planned	(2) Indoor	HVAC	3,500-5,000	(1) Outdoor	1,540	1,050	
Tri State Expo	Amarillo, TX		150' x 300'	HVAC	5,000	170' x 274' Indoor	428		58
Stephans County Fair & Expo	Duncan, OK		130'x250'	HVAC	1,100	66'x125' Indoor	215		81
The Ranch Events Complex	Loveland, CO	2003	150'x300'	HVAC	1,000	(2) 120'x240' Indoor	360	50	71
Indoor Arena & Livestock Pavilions									
Midland County Horseshoe Arena	Midland, TX	2006	125'x280'	HVAC	2,000	110'x280' Indoor	351	75	149
Mallet Event Center & Arena	Levelland, TX	2012	150'x300'	HVAC	1,933	100'x150' Indoor	288	84	119
Lancaster Event Center	Lincoln, NE		110'x215'		5,000	(2) 70'x200 Indoor	945	312	320
						(1) 115'x220' Indoor			
						(1) 125'x300' Indoor			
Young County Arena	Graham, TX	2004/06	150'x250'	Heat	2,500	120'x250' Outdoor	300	60	139
McGee Park	Farmington, NM	2006	128'x220'	HVAC	1,250	100'x200' Outdoor	100	574	77
National Equestrian Center	St. Louis, MO		120'x240'	HVAC	2,250	240'x700' Outdoor	240	63	27
			140'x240'	HVAC	350				
Andrews County Expo Center	Andrews, TX	2006	150'x300'	HVAC	1,800	120'x160' Outdoor	195	57	52

Source: Canyon Research Southwest.

Village West Hotel and Conference Market

The new America Royal's Education Center will be approximately 80,000 square feet and will feature a 30,000 square foot to 35,000 square foot event hall, nine classrooms, auditorium, demonstration space, and broadcast studio. The event hall and auditorium will be available for rent to host such events as corporate and executive meetings. This section of the study inventories hotels in Village West that operate meeting and banquet space to gauge the level of competition in the immediate area. The convenient availability of hotel rooms will also assist in supporting major events hosted by the new American Royal Food and Agriculture Epicenter.

Village West attracts over 12 million annual visitors and the principal attractions (i.e., Kansas Speedway, Hollywood Casino, Children's Mercy Park, Nebraska Furniture Mart, etc.) supporting expanded geographic trade area and large out of town visitation and lodging demand. Therefore, Village West supports a large concentration of hotel properties offering a wide range product types and lodging demand segments. Most of the existing hotels were built over 15 years ago with Homewood Suites the newest hotel built in 2018.

Ten hotel properties totaling 1,107 guest rooms now operate within Village West (see table on the following page). A wide range of hotel products and price ranges are available within Village West including limited-service, all-suites, and boutique hotels.

Limited-service properties operating within Village West include Hampton Inn (built in 2003), Holiday Inn Express (built in 2005), and Best Western Premier (built in 2011). Property amenities include an indoor pool, business center, fitness center, and small meeting space. These properties total 254 guest rooms offering current daily rooms rates of \$92 to \$157.

All-suite hotel properties operating within the Village West submarket include Candlewood Suites, Comfort Suites, Country Inn & Suites, Homewood Suites, and Residence Inn by Marriott. Totalling 511 guest rooms, these all-suite properties reported current daily room rates ranging from \$81 to \$413. Common property amenities among these hotel properties include an indoor pool, fitness center, business center, and meeting space.

The 61-room Chateau Avalon opened in 2004 is an upscale boutique hotel operating a full-service spa with current daily room rates of \$140 to \$389. The 281-room Great Wolf Lodge was built in 2003 whose principal attraction is an indoor waterpark. Additional properties amenities include four indoor pools, four restaurants, two lounges/bars, spa, and 4,450 square feet of meeting space. Daily room rates currently range from \$149 to \$299 for 448 to 836 square foot suites.

No full-service hotels currently operate at Village West.

Eight of the Village West hotels offer meeting space, most consisting of one small meeting room. Meeting space ranges from 224 to 4,450 square feet with seating capacities of six to 210 people. Only the Great Wolf Lodge has meeting space and on-site food service, with three meeting rooms totaling 4,450 square feet of space and a seating capacity of 50 to 210 people. The Chateau Avalon can accommodate events for up to 22 people. Therefore, none of the existing Village West hotels will serve as direct competition for the meeting space planned for the new American Royal. The American Royal can partner with Village West hotels to host smaller breakout meetings.

Village West Hotel Properties

Hotel Property	Year Built	# of Rooms	Daily Rate	Pool	Business Center	Fitness Center	Bar/Lounge	Restaurant	Meeting Space	Seating Capacity
Boutique Properties										
Chateau Avalon	2004	61	\$140-\$389		X	X	X		240 SF	22
Great Wolf Lodge	2003	281	\$149-\$299	Indoor	X	X	X	X	4,450 SF	50 to 120
All-Suite Properties										
Candlewood Suites	2007	95	\$91-\$104		X	X			None	
Comfort Suites	2007	84	\$83-\$105	Indoor	X	X			224 SF	6 to 24
County Inn & Suites	2008	116	\$81-\$106	Indoor	X	X			1 Room	40
Homewood Suites by Hilton	2018	108	\$182-\$195	Indoor	X	X			720 SF	
Residence Inn by Marriott	2016	108	\$214-\$413	Indoor	X	X			566 SF	40
Limited-Services Properties										
Best Western Premier	2011	82	\$92-\$139	Indoor	X	X	X		1 Room	
Hampton Inn by Hilton	2003	76	\$101-\$157	Indoor	X	X			None	
Holiday Inn Express	2005	96	\$99-\$113	Indoor	X	X			1 Room	
Total Guest Room		1,107								

Source: Canyon Research Southwest, Inc.; January 2024.

Since 2016, two hotel properties totaling 216 guest rooms have opened at Village West, including Residence Inn by Marriott and Homewood Suites by Hilton. As the hotel market absorbed these new additions to supply the overall room demand, ADR, RevPAR, and revenue levels improved while occupancies suffered a slight decline.

The COVID 19 pandemic hit the local and national hospitality markets hard marked by declining demand, occupancies, and revenues. The Village West hotel market is no different with operating performance in 2020 down significantly over 2019 levels. Recent operating trends suggest that the Village West hotel market has rebounded, posting steady gains in room demand, occupancy, ADR, RevPAR, and total revenue.

Despite the recent interruption in the lodging business, the fundamentals of the Village West hotel market remain strong supported by an Interstate 70 location host of destination shopping, dining, sports, and entertainment attractions that draw over 12 million annual visitors.

Two hotels are currently under construction within the Homefield project at Village East, including an 87-room Fairfield Inn by Marriott and 230-room Margaritaville resort hotel. Named after Jimmy Buffet's song of the same name, the hotel will include a "Land Shark" restaurant and an indoor pool with a rock-climbing wall and a ninja course. Margaritaville has resorts at popular destinations like Lake of the Ozarks, Nashville, Palm Springs, and the Bahamas.

ASSESSMENT OF POTENTIAL MARKETS

The *Assessment of Potential Markets* examines the proposed new American Royal Food and Agriculture Epicenter's potential sources of visitation and defines market area socioeconomic characteristics such as population and household growth trends, household types, age composition, household incomes, and educational attainment.

Socio-Economic Characteristics

During 2022, the existing American Royal venue hosted 22 livestock, equine, and pet events yielding 86 event days and total attendance of 207,863 people. These events accounted for over 53 percent of American Royal's attendance. Entertainment and food events accounted for 15 events, 37 event days, and attendance of 100,734 people. The new American Royal venue will also host sporting events. The socio-economic characteristics of these primary attendance groups are provided in the text to follow.

Rodeo Fans

The Professional Rodeo Cowboys Association ("PRCA") estimates the United States fan base at 43 million people, of which 6.3 million annually attend a PRCA rodeo event. The socio-economic profile of the PRCA rodeo attendee fan base includes:

Gender: 49% male and 51% female

Age: 30% are ages 18 to 34 years, 53% are ages 25 to 54 years, and 44% 50 years and older

Marital Status: 58% are married and 47% have children at home

Education: 57% have some college and 26% are college graduates

Household Income: 51% earn \$50,000+, 34% earn \$75,000+, and 20% earn \$100,000+

Homeownership: 70% own their home

Pro rodeo fans come from all walks of life, but as a group, they are demographically like NASCAR fans, and are likely to enjoy hunting, fishing, camping, country music, and professional sports.

Entertainment Fans

MusicWatch, Inc., surveyed over 1,000 18 to 49 year-olds in North America who have attended at least one music festival in the past 12 months. Based on music festival demographics, their average age is 32, and they are more likely to be male (59%) than female (41%). They are affluent, earning more than \$75,000 a year, and their favorite genres are alternative, modern rock, classic rock, and pop.

Sports Fans

Sports fans are individuals who are interested in and follow a sport, team, and/or athlete. Sport spectators are those individuals who actively witness a sporting event in person or through some form of media. Overall, sports fans are more likely to be male (60% male and 40% female), two-

thirds are college educated, are between the ages of 18 and 49 years, and earn over \$75k annually. The percentage of avid sports fans by age include 18 to 34 years (36%), 35 to 44 years (47%), 45 to 64 years (37%), and 65+ years (17%).

Seventy percent of Americans say they are sports fans, according to a new national survey of more than 3,200 United States residents released in February 2023 by the Siena College Research Institute and St. Bonaventure University's Jandoli School of Communication. Twenty-one percent of Americans are "Avid" fans who watch sports, sports news, talk about sports, check scores and in many cases play fantasy sports almost every single day, while another 26 percent of "Involved" fans engage with sports at least several times weekly.

Market Area Demographics

The new American Royal Food and Agriculture Epicenter is capable of hosting rodeos, equestrian events, agricultural events, consumer and trade shows, education programs, sporting events, entertainment events, and food events.

According to the Professional Rodeo Cowboys Association, 18 percent of rodeo fans have driven 250 to 499 miles to attend a rodeo event. Attendance for the existing American Royal originates from 46 states and 14 countries. The Market Area for the new American Royal Food and Agriculture Epicenter will depend on the event type (i.e., rodeo, agricultural event, entertainment event etc.) and size (i.e., local, regional, or national event).

A market area's demographic factors play a significant role in the travel industry in terms of frequency of travel and expenditures. This section of the report examines demographic factors impacting the new American Royal Food and Agriculture Epicenter, including population and household growth trends, age distribution, educational attainment, and household income. Demographic data was provided by Esri Business Analyst, a national demographic research firm. Quantifying these demographic characteristics will assist in estimating the impact the surrounding population will have on attendance at the new American Royal Food and Agriculture Epicenter.

This analysis defined the primary market area as a 100-mile radius for a local event and 500-mile radius for regional events. National events can draw participants and spectators from throughout the county, with some larger rodeo events drawing from thousands of miles. The new American Royal Food and Agriculture Epicenter's market areas are illustrated in the map on the following page with demographic trends depicted in the table on page 55.

The 100-mile radius market area includes the metropolitan areas of Kansas City and Topeka. Metropolitan areas within a 250-mile radius include St. Louis, Wichita, Omaha, and Des Moines. The 500-mile market area includes the metropolitan areas of Chicago, Milwaukee, Minneapolis, Indianapolis, Louisville, Nashville, Memphis, Tulsa, Oklahoma City, and Dallas.

New American Royal Market Areas



The demographic factors are favorable for daytrip visitation to the Kansas City MSA by residents residing within a 100-mile radius from the new American Royal site. The local market area within a 100-mile radius from the new American Royal site supports a population of 3.2 million residents. The population has increased from 3.0 million residents in 2010. By gender, males account for 49.8 percent of the population with females totaling 50.2 percent. Residents ages 15 to 34 years account for 26.5 percent, those 35 to 44 years representing 13.2 percent, and residents 45 to 64 years accounting for 24.2 percent. The educational attainment of adults 25+ years of age equals 45.9 percent are college graduates. The \$98,329 income for the 100-mile radius population is \$60,596, with 47.5 percent earning \$75,000 or more annually and 33.4 percent earning \$100,000 or more annually. The high income and educational attainment levels increase the frequency of travel and expenditures, as well as attendance at sports and entertainment events.

The population located within a 250-mile radius from the new American Royal site is currently 14.4 million. Since 2010, the population has increased by 6.7 percent. The population within a 250-mile radius provides a for a large potential market for weekend and overnight trips to the Kansas City MSA. By gender, males account for 49.6 percent of the population with females

totaling 50.4 percent. Residents ages 15 to 34 years account for 26.4 percent, those 35 to 44 years representing 12.9 percent, and residents 45 to 64 years accounting for 24.1 percent. The educational attainment of adults 25+ years of age equals 43.6 percent are college graduates. The household income for the 250-mile radius population is \$93,837, with 44.4 percent earning \$75,000 or more annually and 30.7 percent earning \$100,000 or more annually. The high income and educational attainment levels increase the frequency of travel and expenditures, as well as attendance at sports and entertainment events.

The current population within a 500-mile radius of 67.8 million residents represents a growth rate of 6.7 percent since 2010. By gender, within the regional market area males account for 49.5 percent of the population with females totaling 50.5 percent. Residents ages 15 to 34 years account for 26.5 percent, those 35 to 44 years representing 13.2 percent, and residents 45 to 64 years accounting for 24.3 percent. The educational attainment of adults 25+ years of age equals 44.1 percent are college graduates. The household income for the 500-mile radius population is \$98,338, with 46.1 percent earning \$75,000 or more annually and 32.8 percent earning \$100,000 or more annually. The high income and educational attainment levels increase the frequency of travel and expenditures, as well as attendance at sports and entertainment events.

To conclude, the Kansas City MSA and new American Royal site benefit from a central location within the Midwest which provides convenient access to a large and growing population. When compared to the demographic characteristics of rodeo, sports, and music fans, the 100-mile and 500-mile radius market areas represent a strong market for rodeo, equestrian, agricultural, sports, and music events. Favorable demographic characteristics include large population bases, large populations of residents ages 18 to 44 years, high rate of educational attainment, and high rates middle- and high-income households.

Market Area Demographic Trends

Demographic Characteristic	100-Mile Radius	250-Mile Radius	500-Mile Radius
Population			
2010 Census	2,998,454	13,492,810	63,520,199
2020 Census	3,175,644	14,193,318	66,847,164
2023 Estimate	3,219,914	14,398,342	67,794,678
2028 Forecast	3,250,121	14,557,311	68,731,742
Households by Type (2023)			
Total Households	1,286,947	5,734,478	26,686,665
Family Households	62.8%	63.4%	64.0%
Married Couple Family	46.7%	47.7%	46.7%
With Own Children	18.2%	18.2%	18.0%
Nonfamily Households	7.0%	6.9%	6.8%
Householder Living Alone	29.4%	29.2%	28.8%
All Households with Children	27.2%	26.9%	27.2%
Distribution of Population by Age (2023)			
0-14 Years	18.8%	18.6%	18.6%
15-24 Years	13.1%	13.1%	12.9%
25-34 Years	13.4%	13.3%	13.6%
35-44 Years	13.2%	12.9%	13.2%
45-64 Years	24.2%	24.1%	24.3%
65+ Years	17.4%	18.2%	17.3%
Distribution in Household Income (2023)	1,286,845	5,734,330	26,686,037
Less than \$15,000	8.5%	9.2%	9.4%
\$15,000 - \$24,999	6.9%	7.6%	7.4%
\$25,000 - \$34,999	7.8%	8.3%	8.0%
\$35,000 - \$49,999	11.8%	12.4%	11.7%
\$50,000 - \$74,999	17.7%	18.1%	17.5%
\$75,000 - \$99,999	14.1%	13.7%	13.3%
\$100,000 - \$149,999	17.2%	16.2%	16.7%
\$150,000 - \$199,999	8.4%	7.4%	7.8%
\$200,000+	7.8%	7.1%	8.3%
Average Household Income	\$98,329	\$93,837	\$98,338
Educational Attainment for Residents 25+ Years (2023)			
Total Population 25+	2,194,645	9,844,880	46,424,745
Less than 9th Grade	2.1%	2.6%	3.4%
9th - 12th Grade, No Diploma	4.3%	4.9%	5.3%
High School Graduate	24.3%	25.0%	24.2%
GED/Alternative Credential	3.9%	4.4%	4.4%
Some College, No Degree	19.4%	19.5%	18.7%
Associate Degree	8.6%	9.8%	9.8%
Bachelor's Degree	23.4%	21.7%	22.0%
Graduate/Professional Degree	13.9%	12.1%	12.3%

Source: Esri Business Analyst and U.S. Census.

Potential Sources of Visitors/Customers

The potential sources of visitors and customers to the new American Royal Food and Agriculture Epicenter are influenced by a variety of factors, including:

- The Kansas tourism industry supports a regional trade area.
- The Kansas City MSA supports a wide variety of attractions that draw visitors to the region.
- The existing American Royal is an established entertainment and food destination.
- The American Royal site's mix of attractions and events will create a visitor destination and heighten visitor volumes.
- Property location near the interchange of Interstates 70 and 435.
- Site accessibility and travel times to major markets.
- The country's large rodeo fan base and rodeo associations that sponsor rodeo events.

Given the new American Royal Food and Agriculture Epicenter site's location off Interstate 70, facility programming, and proximity to Village West, the project will serve as a destination attraction. Potential sources of visitation include: 1) area residents, 2) out-of-town visitors, and 3) regional market.

Resident Market

The new American Royal Food and Agriculture Epicenter's social and business events, consumer and trade shows, education programs, and entertainment and food events are expected to draw residents residing within a 100-mile radius.

According to Esri Business Analyst, demographic characteristics of the population within a 100-mile radius includes 3.2 million residents, of which 26.5 percent are ages 15 to 34 years, 13.2 percent are 35 to 44 years of age, and 24.2 percent are 45 to 64 years of age. The educational attainment of adults 25+ years of age equals 45.9 percent are college graduates. The average household is \$98,329, with 47.5 percent earning \$75,000 or more annually and 33.4 percent earning \$100,000 or more annually. These 100-mile radius demographics provide for a large potential market from which the new American Royal Food and Agriculture Epicenter can draw.

Tourist Market

The new American Royal Food and Agriculture Epicenter site is located within the Kansas City MSA. According to a recent study published by VisitKC, the Kansas City MSA hosts 24.5 million visitors annually, generating an economic impact of \$5.3 billion. The place of origination by day trippers is led by Kansas City (35%), St. Louis (11%), Springfield, MO (10%), St. Joseph, MO (7%), and Topeka, KS (7%). Overnight visitors originate from Kansas City (9%), St. Louis (8%), Wichita (7%), Columbia/Jefferson City (6%), and Omaha (5%).

The new American Royal Food and Agriculture Epicenter site has the potential to serve as a major tourism destination for the Kansas City MSA, generating visitation and visitor expenditures. The site benefits from the vehicular traffic on Interstate 70 and proximity to Village West, Kansas' largest tourism destination attracting 12 million annual visitors.

Regional Market

The new American Royal Food and Agriculture Epicenter will be a premier rodeo, equestrian, entertainment, and educational venue with the potential to host major events and draw from a regional and national market area. In 2020, the Travel Industry Association of America estimated that sports travel made up 8 percent of the total domestic travel market in the same year, resulting in 190 million domestic trips. Rodeo has 43 million fans nationwide, providing a large potential market to draw fan attendance. From February through December, 50 rodeo events are held in Kansas. The Professional Rodeo Cowboy Association (“PRCA”) has 4,727 members and sanctions more than 600 rodeos per year while the KPRA has over 500 members and sanctions 40+ rodeos per year, providing the new American Royal Food and Agriculture Epicenter with a source for hosting rodeo events, participants, and spectators.

According to Travel Leaders Group, 39.5 percent of people travel within their home state while 33.1 percent travel to a border state. Kansas supports a regional visitor market with the largest sources of overnight visitors residing in the surrounding states of Missouri, Nebraska, Iowa, and Oklahoma. A 500-mile radius from the Kansas City MSA includes such metropolitan markets as St. Louis, Wichita, Topeka, Omaha, Denver, Des Moines, Chicago, Milwaukee, Minneapolis, Indianapolis, Louisville, Nashville, Memphis, Tulsa, Oklahoma City, and Dallas. According to Esri Business Analyst, 67.8 million people reside within a 500-mile radius of the new American Royal Food and Agriculture Epicenter site, providing for a large potential regional market.

Conclusions

The Kansas City MSA supports a sizable tourism market supported by a wide range of cultural, family, and sports attractions. The Kansas City MSA hosts 24.5 million visitors annually, generating an economic impact of \$5.3 billion. The new American Royal Food and Agriculture Epicenter is designed to be a premier rodeo, equestrian, entertainment, and educational venue with the potential to host major events and draw from a regional and national market area.

Given the new American Royal Food and Agriculture Epicenter site’s location off Interstate 70, facility programming, and proximity to Village West, the project will serve as a destination attraction. Potential sources of visitation include: 1) area residents, 2) out-of-town visitors, and 3) regional market.

When compared to the demographic characteristics of rodeo, sports, and music fans, the 100-mile and 500-mile radius market areas represent a strong market for rodeo, equestrian, agricultural, sporting, and live music events. Favorable demographic characteristics include large population bases, large populations of residents ages 18 to 44 years, high rate of educational attainment, and high rates middle- and high-income households.

The local market includes the geographic area within a 100-mile radius from which supports a population of 3.2 million residents and the population demographics provide a large market for social and business events, consumer and trade shows, education programs, and entertainment and food events.

The Kansas City MSA hosts 24.5 million visitors annually providing a large potential market for entertainment food events. The regional market includes the country's 43 million rodeo fans and a population of 14.4 million people.

An estimated 67.8 million people reside within a 500-mile radius of the new American Royal Food and Agriculture Epicenter site, providing for a large potential regional market.

To conclude, the existing American Royal is a well-established rodeo, equestrian, agricultural, food, and educational venue that has attracted a growing number of events and attendance in recent years. The new American Royal Food and Agriculture Epicenter's designed attractions and facility programming will expand the event calendar, attendance, and regional draw. Its proximity to Village West, Kansas' largest tourism destination attracting 12 million visitors annually, increases the exposure of new American Royal Food and Agriculture Epicenter and provide the opportunity to capture area residents, out-of-town visitors, and a regional market.

SITE EVALUATION

The Site Evaluation section determined the suitability of the new American Royal Food and Agriculture Epicenter site in Kansas City, Kansas to accommodate development of the three proposed multi-purpose arenas.

Multi-Purpose Arena

The initial phase of the new American Royal Food and Agriculture Epicenter will feature two indoor arenas with permanent seating of 3,500 seats and 5,000 seats and a 3,500-seat outdoor arena.

Rodeo requires a large multi-purpose venue with open space, lots of seating and outbuildings to accommodate large animals in a manner consistent with animal welfare rules. For the NHSRA's events, organizers look for several factors. Two important venue requirements are enough camping spots and horse stalls.

The site characteristics were evaluated to determine the potential of the new American Royal Food and Agriculture Epicenter site. Factors include:

1. Site Size and Configuration
2. Site Access and Visibility
3. Available Infrastructure
4. Market Area Demographics
5. Lodging Accommodations
6. Inventory of Horse Stalls

Site Size and Configuration

The property possesses the size and configuration to accommodate development of the three planned indoor and outdoor arenas at the new American Royal Food and Agriculture Epicenter site as well as the associated 1,540-stall barn, 79,400 square foot Education Center, 148,500 square feet of outdoor learning space, and 1,050 RV spaces.

Site Access and Visibility

Convenient vehicular access and visibility are paramount to the project's success. The proposed Multi-Purpose Arena and Equestrian Center property is located near the intersection of Interstates 70 and 435 with direct access to Interstate 70 via the 110th Street interchange, providing suitable site access and visibility.

According to the Kansas Department of Transportation, average daily traffic counts in 2021 on Interstate 70 at the 110th Street interchange totaled 56,700 vehicles. On State Avenue adjacent to the American Royal site average daily traffic counts total 10,795 vehicles. These high traffic counts provide a captive audience for the planned arenas, hotels, restaurants, and retail shops.

Available Infrastructure

The property possesses the infrastructure needed to facilitate development of the new American Royal Food and Agriculture Epicenter site. Off-site improvements include four lanes of traffic, curbing, and streetlights on State Avenue and four lanes of traffic on 118th Street. A traffic signal controls the intersection of 118th Street and State Avenue. All utilities are to the site.

Market Area Demographics

The new American Royal Food and Agriculture Epicenter is capable of hosting rodeos, equestrian events, agricultural events, consumer and trade shows, sporting events, entertainment events, and food events. Market area demographics directly impact fan participation in such events as rodeos, equestrian activities, entertainment, and sports.

The demographic characteristics within the 100-mile and 500-mile radius from the new American Royal Food and Agriculture Epicenter site represent a strong market for rodeo, equestrian, agricultural, entertainment, and sporting events. Favorable demographic characteristics include large population bases, high percent of married couples with children, large populations of residents ages 25 to 54 years, high rate of educational attainment, and high rates middle- and high-income households.

Lodging Accommodations

The new American Royal Food and Agriculture Epicenter will attract out-of-town visitors. Therefore, lodging will be needed to accommodate visitors to the project.

Ten hotel properties totaling 1,107 guest rooms operate within Village West including limited-service, all-suites, and boutique hotels.

The two mixed-use developments immediately adjacent to the new American Royal Food and Agriculture Epicenter site are designed for three full-service hotels totaling 500 guest rooms.

Inventory of Horse Stalls

The Project Plan for the new American Royal Food and Agriculture Epicenter site calls for a total of 1,540 stalls which are sufficient to support multiple events held simultaneously at the three arenas.

Conclusions

The new American Royal Food and Agriculture Epicenter site at 118th Street and State Avenue possesses the necessary size, configuration, access, visibility, infrastructure, market area demographics, availability of lodging, and planned inventory of horse stalls to accommodate feasible development and continued operation of the three arenas planned for the new American Royal Food and Agriculture Epicenter.

MARKET IMPACT STUDY

The *Market Impact Study* examined the impact the new American Royal Food and Agriculture Epicenter will have on the local economy and tourism industry. Specific issues examined include:

1. Project positioning and unique quality.
2. Project's synergy with area attractions.
3. Expected draw of tourists from out-of-state and from more than 100 miles away.
4. Estimate the project's retail sales at build-out.
5. Impact on comparable market area businesses.
6. Impact on active STAR bond projects in the Kansas City area.

Project Positioning and Unique Quality

The Village East and Village West Districts serve as a regional visitor destination anchored by such attractions as the Kansas Speedway, two sports stadiums, state-of-the-art multi-sport athletic training complex, Nebraska Furniture Mart, Cabela's, Great Wolfe Lodge, and Hollywood Casino. The addition of the new American Royal Food and Agriculture Epicenter will complement these existing attractions and elevate the status of Village East and Village West Districts as Kansas' most visited tourism destination.

The mission of the new American Royal Food and Agriculture Epicenter is to be the nation's leader for food and agriculture education, events, and engagement. The vision is a world where food and agriculture are celebrated, and all generations are committed to its future. The purpose of American Royal is to champion food and agriculture.

The American Royal Board of Directors identified that a pivotal moment and a tremendous opportunity exists to build a state-of-the-art agricultural showcase, entertainment venue, and learning environment unmatched in the United States. The quality and size of the current American Royal facility limits the organization from achieving its full potential and having the difference-making impact of which it is capable. The new facility will revitalize American Royal as a forward-leaning industry partner. The goal is simple, build the nation's premiere food and agricultural epicenter.

With the opportunity to own and operate its own facility for the first time in its history, the new American Royal Food and Agriculture Epicenter will be committed to operational excellence based on four value-add principals of leadership, teamwork, customer experience, and continuous improvement.

The American Royal engaged in an experiential design process to build a state-of-the-art events and educational complex. By visiting numerous facilities across the United States and Canada, holding focus groups with existing and potential customers, and collecting feedback through hundreds of interviews, the design-built team and American Royal staff developed a design intended to create and shape an incredible attendee experience. Facilities across North America were evaluated to identify pros and cons of designs and experiences. The resulting purpose-built facility will create a premier experience and attract food and agricultural activities, educational exhibits and programs, and a variety of events year-round.

The new American Royal Food and Agriculture Epicenter will be a world-class, purpose-built facility featuring over one million square feet of indoor and outdoor event and educational space allowing for an expansion of the current 14-week programming to a year-round events and activities center. The new facility will cater to a market not currently being serviced by other sports and entertainment venues within the Village East and Village West Districts. When fully developed, the new American Royal will function as a food, entertainment, and educational destination serving a regional and national market with a principal market area within a 500-mile radius.

The principal attractions that will distinguish the new American Royal Food and Agriculture Epicenter as a destination development capable of generating out-of-town visitation and expenditures include two indoor arenas with permanent seating of 3,500 seats and 5,000 seats, 3,500-seat outdoor arena, 79,400 square foot Education Center, and 148,500 square feet of outdoor learning space. Phase 2 will include a 120-acre festival area designed to host 8,000 to 12,000 people for single-day events to as much as 100,000 for multi-day events.

The new American Royal Food and Agriculture Epicenter will be situated within 500 miles from the states that produce more than half of the United States agriculture. Over fifteen (15) land-grant universities are within a one-day drive. It will be a focal point in the Animal Health Corridor.

The new American Royal Food and Agriculture Epicenter is designed to host food and agriculture education and entertainment events with a national and global reach. The new facility will enable the growth of existing events and the versatile facilities will allow for the expansion of events and scope of offerings. The event facilities will be larger in size than the current space with more space for exhibitors, vendors, and spectators. Design features will provide a home for competitive events, entertainment and gatherings of scale and scope not presently attainable in the current facility. Strategic objectives of the new American Royal Food and Agriculture Epicenter are summarized below.

Produce High-Quality Agricultural Events and Experiences: The new American Royal will be America's destination of choice for livestock shows, BBQ competitions, equine events, rodeos, and other high-quality competitive food and agriculture events and experiences.

Deliver Agricultural Discovery, Learning, and Engagement: The new American Royal will create a learning experience for all ages that will tell the agriculture story and create pride in the agricultural heritage of the region and nation.

Inspire and Develop Talent for Food and Agriculture: The new American Royal will help develop the next generation of leaders for the food, agriculture, and natural resources industries.

Build the Nation's Premier Agriculture Event, Entertainment, and Engagement Campus: The new American Royal will be an agriculture showcase, competition venue, and learning environment unmatched in the nation.

Lead and Influence Food and Agriculture: The new American Royal will be a trusted convener, meaningful partner, respected resource, and influential leader for food, natural resources, and agriculture.

Be a High-Performance Organization: The new American Royal will be an authentic and high-performance non-profit organization that provides exceptional stakeholder experiences, engages and adds value to the community, stewards the resources entrusted to it, and is committed to operational excellence that leads to short-term acceleration and long-term, sustainable growth of the organization.

To conclude, the new American Royal Food and Agriculture Epicenter is positioned as a premier food and agriculture event, entertainment, and education destination supporting a regional, national, and international draw. Together with the existing visitor destinations within the Village East and West Districts, the new American Royal's uses, concepts, and positioning are designed to create a unique attraction capable of generating large visitor volumes, drawing out-of-town travelers, and enhancing the Kansas City area's status as a regional tourism destination.

Synergy with other Area Attractions

According to the World Tourism Organization (WTO), tourism and travel is the world's largest industry. Hence it is an important vehicle for regional and national economic development. Attractions are an extremely important part of the tourism industry and serve as a primary driver of tourism activity. According to Swarbrooke (1995, p. 3) tourist attractions are the most important component in the tourism industry. Without attractions there would be no need for other tourism services. Many tourist attractions possess strong entertainment connections, including sports venues, theatres, and museums.

Much like business clusters, the clustering of destination attractions creates the critical mass necessary to generate and sustain increased visitation and expenditures. Most tourism clusters also have strong linkages to other closely related and supporting industries such as transportation, lodging, retail, food and beverage. Therefore, the larger cluster of attractions a tourist destination supports the greater the direct and indirect economic benefits.

The Kansas City MSA serves as a regional tourist destination given its central location within the Midwest and wide selection of sports, entertainment, cultural, upscale shopping and dining, gaming, and recreational attractions. During 2018, out-of-town visitation to the Kansas City area totaled a record level of 25.2 million visitors generating an overall \$5.6 billion economic impact. Based on the theory of tourism clusters, the introduction of additional complimentary destination attractions will improve the Kansas City area's status as a regional destination and generate increased visitation counts, expenditures, and economic activity.

The new American Royal Food and Agriculture Epicenter is located adjacent to the Village East and Village West Districts which serve as Kansas' largest and most visited destination attraction.

Village West is home to such major destination attractions as the Kansas Speedway, Children's Mercy Park, JustBats Field, Hollywood Casino, Nebraska Furniture Mart, Cabela's, and Legends Outlets. The principal existing attraction at Village East is the Compass Minerals National Performance Center home of the U.S. Soccer program. The facility has five full-size soccer fields and the 81,100-square-foot building houses professional training facilities, U.S. Soccer National Coaching Education Center, and Children's Mercy Sports Medicine and Rehabilitation Center.

U.S. Soccer signed a 20-year lease to be the primary tenant of the training center with Sporting KC using it as a training home.

Village East Project Areas 1 and 4 are being developed with Homefield, Homefield Outdoor, and Homefield Youth Baseball Complex. The Margaritaville Hotel is currently under construction on the former Schlitterbahn Water Park site.

Homefield is designed as an indoor/outdoor sports facility featuring twelve volleyball courts that can be converted to ten basketball courts, physical therapy center, parents lounge, food service, and other multi-functional spaces. The \$60 million, 150,000 square foot venue is under construction and scheduled to open in March 2024.

Homefield Outdoor is designed as a multi-sport adventure and training complex. Homefield Outdoor will include outdoor recreation space, which may include camping, a ropes course, zip line, and various water sports.

The Homefield Youth Baseball Complex is under construction and will feature an eight-field all-turf baseball complex.

The synergy created by Children's Mercy Park, Sporting KC, and the Compass Minerals National Performance Center has profoundly impacted Kansas City's status as a regional, national, and international soccer destination. The Kansas Speedway, JustBats Field, and Hollywood Casino offer complementary sports and entertainment venues that have elevated the status of Village East and West as Kansas' leading visitor destination.

The major attractions operating at Village East and West have established a major sports and entertainment destination with a regional and national draw. The addition of the new American Royal Food and Agriculture Epicenter will complement the existing sports and entertainment venues by offering differing content and expanding the sports and entertainment market.

To conclude, by increasing the critical mass and scope of destination attractions the new American Royal Food and Agriculture Epicenter will improve Kansas City's competitive position as a sports and entertainment destination as well as complement the existing attractions at Village East and West by creating a unique sports, entertainment, and education destination. Furthermore, the new American Royal Food and Agriculture Epicenter when combined with the Village East and West attractions will further strengthen the draw and economic impact of Kansas' largest and most visited tourism destination.

Estimated Customer/Visitor Counts

STAR bond financing is being sought to assist in the development of the new American Royal Food and Agriculture Epicenter in Kansas City, Kansas. To assist in evaluating STAR bond applications the Kansas Secretary of Commerce has published guidelines regarding a proposed project's economic impact. The following criteria were applied when considering the tourism potential of a project applying for STAR bond financing:

- Out-of-state visitation from multiple states should have a target of 20 percent of total annual visitation to be considered a major, unique, destination attraction.
- A target of 30 percent of total annual visitation should be drawn from greater than 100 miles distance from the attraction community.

The Kansas STAR Bond Act requires that the Feasibility Study include visitation expectations and a plan describing how the number of visitors to the STAR bond project district will be tracked and reported to the Secretary on an annual basis and such plan shall include, but not limited to, obtaining and reporting visitor residence zip code data to the Secretary.

In 2018, the American Royal began an event visitor tracking system that tracks all participants, exhibitors, contestants, and public attendees. Cities and states are collected for all participants who register through American Royal registration systems. Ticket sales data is also able to track locations of purchasers. Parking and concession sales will all be cashless and thus allow for collection of location data. Wi-Fi systems will also require registration for access. Zip codes will be collected through all of these sources and provided to the Kansas Secretary of Commerce on an annual basis as required per KSA 12-17,166(b)(4).

Visitation estimates for the proposed new American Royal Food and Agriculture Epicenter are segmented into two sources, including: 1) increased attendance of existing American Royal events and 2) attendance of new events and project components. Estimating stabilized year visitation involved: 1) estimated 2025 attendance for the existing events and stabilized year attendance in the new American Royal and 2) estimating the annual number, mix, and attendance of new events hosted at the new American Royal Food and Agriculture site.

Attendance Growth of Existing Events

In recent years, the existing American Royal venue has hosted a growing number of events, event days, and attendance. During 2011, the American Royal hosted 54 events encompassing 165 event days and a total attendance of 266,900 people. In 2020 and 2021, the American Royal held many of its events but was unable to function at full capacity due to the pandemic. By 2022, the American Royal exceeded pre-pandemic levels, hosting 129 events encompassing 295 event days and a total attendance of 390,910 people. The event schedule by event type for 2022 is outlined in the table on the following page.

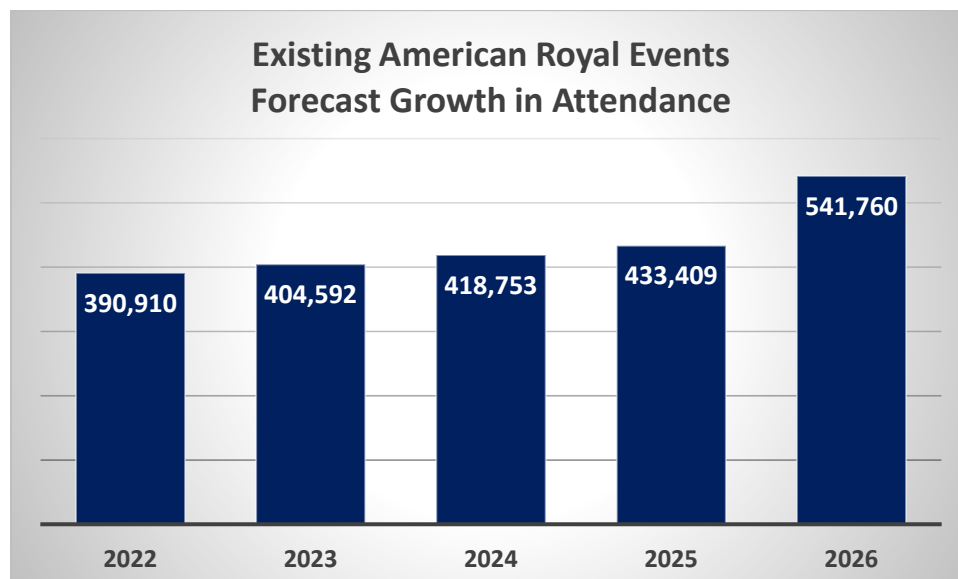
Existing American Royal 2022 Event Schedule

Event Type	# of Events	Event Days	Total Attendance
Livestock, Equine & Pet Events	22	86	207,863
Branded Social Events/Meetings	46	99	7,819
Business/Professional Events	18	21	1,120
Consumer/Trade Shows	2	6	62,625
Education Programs & Events	26	46	10,749
Entertainment & Food Events	15	37	100,734
Totals	129	295	390,910

It is estimated that all events in the existing American Royal complex will move to the new venue or be replaced by a similar event. The new state-of-the-art complex with additional services, space, and venues is expected to generate increased attendance for existing events. In addition, some existing events will be held simultaneously to increase participation from new attendees across all events.

During 2011, the existing American Royal hosted 54 events, 165 event days, and total attendance of 266,900 spectators. By 2022, operations improved to 129 events, 295 event days, and total attendance of 390,910 spectators. During this 12-year timeframe attendance grew at an average annual rate of 3.5 percent. The new American Royal Food and Agriculture Epicenter is scheduled to open by early 2026. Based on an annualized growth rate of 3.5 percent, by 2025 the existing American Royal is estimated to support attendance of 433,409 spectators.

The increased capacity and programming of the three arenas planned for American Royal Food and Agriculture Epicenter is anticipated to generate escalated attendance to existing events once they move to the new location. Attendance of existing events when moved to the new location is expected to increase 20 to 25 percent during the initial year of operation in 2026, equating to total attendance of 520,090 to 541,760. **This is an increase of 129,180 to 150,850 spectators over 2022 levels.**



Attendance of New Events

The new American Royal Food and Agriculture Epicenter will operate as a year-round event venue designed to accommodate a variety of equestrian and non-equestrian events. Phase 1 with two indoor arenas with permanent seating for 3,500 to 5,000 spectators with 3,000 additional floor seats and a 3,500-seat outdoor arena, the new American Royal Food and Agriculture Epicenter will have the capacity to host significantly more annual events and spectators. The initial phase is scheduled to open by 2026 with operations ramping up to stabilization by Year 5 in 2030. This section of the study estimates stabilized year attendance levels for the initial phase.

Events currently held at the existing American Royal will account for approximately one-third of the new facility's event calendar. The increased physical capacity and a year-round event calendar will allow the new American Royal Food and Agriculture Epicenter to host multiple events simultaneously, providing the opportunity for significant growth in the number of annual events and total attendance. A second phase of the American Royal project will include a 120-acre festival site scheduled to open by 2030.

To estimate the number and types of new events that could potentially be held at the new American Royal Food and Agriculture Epicenter, comparable multi-purpose arenas were researched. There are several types of touring events that could potentially utilize the proposed arena, such as concerts, circuses, stage productions, religious events, and conferences. Based on the seating capacity and amenities of the new American Royal Food and Agriculture Epicenter and associated project components, prospective event types include:

- Rodeos
- Livestock Shows
- Equestrian Clinics
- Agricultural Equipment Shows
- Shooting Sports
- Concerts
- Car Shows
- Circus
- Rodeos
- Conferences
- Trade Shows
- BBQ Competitions
- Arts and Crafts Shows
- Antique Shows
- RV and Boat Shows
- Religious Events

The United States and Kansas rodeo markets will provide the new American Royal Food and Agriculture Epicenter with a source for hosting rodeo events. From February through December, 50 pro rodeo events are held in Kansas, including 40 pro rodeo events sanctioned collectively by the Professional Rodeo Cowboys Association ("PRCA"), Kansas Professional Rodeo Association ("KPRA"), and United Rodeo Association ("URA"). The PRCA has 4,727 national members and sanctions more than 650 rodeos per year while the KPRA has over 500 members and sanctions 40+ rodeos per year.

Surveyed indoor arenas operating in Kansas hosted 54 to 181 events during 2022. The Western State Bank Expo Center in Dodge City, Kansas hosted more than 100 equine and equine-related events drawing participants from more than a dozen states. The Bar K Bar Arena in Lyons, Kansas hosted 54 rodeo events. In 2023, the Scott County Indoor Arena and Activities Center located on the Scott County Fairgrounds hosted a total of 181 public and private events.

The ten surveyed multi-purpose arenas host 27 to 320 annual events, averaging 109 events. The usage of the comparable multi-purpose arenas bodes well for the potential of the new American Royal Food and Agriculture Epicenter to host a suitable number of annual events and event days to support feasible development and operation.

Of the surveyed multi-purpose arenas, the Lancaster Event Center in Lincoln, Nebraska is the most comparable in terms of property amenities, including a 5,000-seat multi-purpose arena, four pavilions, and exhibit space. The facility hosts 320 events annually, including 200 local events and 120 regional/national/international. This bodes well for the new American Royal Food and Agriculture Epicenter to host regional, national, and international events.

Based on the capacity of the three planned arenas the new American Royal Food and Agriculture Epicenter is estimated to host 110 to 120 additional annual events at stabilized operations. This estimate includes events hosted by the American Royal Association as well as rentals to outside groups and promoters. Combined with the 129 current events, the new American Royal Food and Agriculture Epicenter is estimated host 239 to 249 annual events.

Potential events capable of being hosted by the new American Royal Food and Agriculture Epicenter are broken into six categories, including: 1) rodeos, livestock, and other equestrian events, 2) consumer and trade shows, 3) social and business events, 4) educational events, 5) sports events, and 6) entertainment events such as concerts, arts and crafts festivals, car shows, and RV and boat shows. The mix and distribution of events was based on the venue's planned features and amenities as well as the actual distribution of events for comparable multi-purpose arenas.

Professional rodeo events hosted by the new American Royal Food and Agriculture Epicenter will originate from sanctioned events by Professional Rodeo Cowboys Association ("PRCA"), Kansas Professional Rodeo Association ("KPRA"), and United Rodeo Association ("URA"). College rodeo events would originate from the National Collegiate Rodeo Association which has 17 colleges and universities in the Central Plains Region. Kansas member schools include Kansas State University, Colby Community College, Dodge City Community College, Fort Scott Community College, Garden City Community College, Coffeyville Community College, and Fort Hays State University. Kansas High School and Junior High School Rodeo Association could sponsor rodeo events at the new American Royal Food and Agriculture Epicenter.

The table on page 70 provides the event mix for comparable multi-purpose arenas and equestrian centers. The share by event is summarized below.

- Rodeos accounted for 16.0 to 80.0 percent of the events held at each venue, averaging 39.5 percent.
- Horse shows accounted for 1.0 to 39.1 percent of the events held at each venue, averaging 10.2 percent.

- Livestock and agriculture events accounted for 1.0 to 25.0 percent of the events held at each venue, averaging 9.7 percent.
- Dog shows accounted for 1.0 to 5.0 percent of the events held at each venue, averaging 2.8 percent.
- Consumer and trade shows accounted for 2.0 to 23.4 percent of the events held at each venue, averaging 7.0 percent.
- Entertainment shows accounted for 5.0 to 13.0 percent of the events held at each venue, averaging 7.7 percent.
- All other events accounted for 5.0 to 68.0 percent of the events held at each venue, averaging 32.7 percent.

Rodeos, livestock, and equine events are held over a 1- to 3-day period. By the stabilized year rodeos, livestock, and equine events are estimated to account for 20 percent of all new events held at the new American Royal Food and Agriculture Epicenter, equating to 20 to 22 annual events. Based on the rodeo and equine event schedule hosted by the comparable multi-purpose arenas, by the stabilized year the mix of equine events held at the new American Royal Food and Agriculture Epicenter is estimated yield 90 to 99 event days and average attendance of 4,200 spectators.

Potential consumer and trade shows include such events as car shows, boat and RV shows, and agriculture, healthcare, technology, and food industry trade shows. Such events accounted for 10 percent of the events hosted by the surveyed comparable multi-purpose arenas. By the stabilized year, consumer and trade shows held at the new American Royal Food and Agriculture Epicenter are estimated at 8 to 9 events annually, generating 24 to 27 event days and average attendance of 196,800 to 221,400 attendees.

Social and business events include weddings, banquets, conferences, and seminars. Based on the meeting and conference space capacity of the new American Royal Food and Agriculture Epicenter, by the stabilized year social and business events are estimated to account for 40 percent of the entire event schedule, translating to 42 to 44 annual events. Social events are estimated to account for 20 to 21 annual events, producing 250 to 262 event days and a total attendance of 2,200 to 2,300 attendees. Business events are estimated to account for 22 to 23 annual events, producing 50 to 53 event days and total attendance of 21,250 to 22,525 attendees.

Comparable Multi-Purpose Event Mix

Venue	Rodeo / Action	Horse Shows	Livestock AG	Dog Shows	Consumer Trade	Entertain	Carnival / Circus	Concerts	Arts & Crafts	Other
Stephens County Fair & Expo	17.3%	4.9%	23.5%		2.5%	8.6%	3.7%	3.7%	2.5%	33.3%
Midland County Horseshoe Arena	16.0%	4.0%	3.0%	3.0%	7.0%	13.0%				54.0%
Mallet Event Center & Arena	17.0%	1.0%	12.0%		2.0%					68.0%
Expo Center of Taylor County	28.0%	4.0%	6.0%		7.0%	5.0%				50.0%
Young County Arena	56.0%	8.0%	2.0%	2.0%	2.0%	7.0%				23.0%
McGee Park	62.0%		1.0%	1.0%	5.0%	9.0%				22.0%
Andrews County Expo Center	80.0%		5.0%	5.0%		5.0%				5.0%
Lancaster Event Center		39.1%	25.0%		23.4%	6.3%				6.3%
Averages	39.5%	10.2%	9.7%	2.8%	7.0%	7.7%	3.7%	3.7%	2.5%	32.7%

The presence of a 79,400 square foot Education Center and 148,500 square feet of outdoor learning space will assist in driving educational events. By the stabilized year, the new American Royal Food and Agriculture Epicenter is estimated to host 25 to 28 educational exhibits and programs annually, generating 100 to 112 event days and 42,500 to 47,600 attendees.

Sports events and tournaments capable of being hosted by the new American Royal Food and Agriculture Epicenter include basketball, volleyball, wrestling, soccer, tennis, and others. By the stabilized year sports events are estimated to account for 7 percent of all events held at the new American Royal Food and Agriculture Epicenter. The 7 to 8 annual events are estimated to generate 21 to 24 event days and 63,000 to 72,000 attendees.

Potential entertainment events to be held at the new American Royal Food and Agriculture Epicenter include concerts, circus, food festivals, dog shows, BMX and monster truck competitions, antique fairs, and demolition derbies. Such events accounted for 10 percent of the events hosted by the surveyed comparable multi-purpose arenas. By the stabilized year, the new American Royal Food and Agriculture Epicenter is estimated to host 8 to 9 entertainment events, generating 40 to 45 event days and 260,000 to 292,500 attendees.

By the stabilized year in 2030 (operational year 5) the new event schedule by type for the new American Royal Food and Agriculture Epicenter is estimated to generate 110 to 120 annual events, equating to 575 to 622 event days and total attendance of 963,750 to 1,074,125 attendees.

New American Royal Food and Agriculture Epicenter Estimated Stabilized Year New Events by Type (2030)

Event Type	Annual Low	Events High	Event Low	Days High	Total Low	Attendance High
Rodeos, Livestock & Equine	20	22	90	99	378,000	415,800
Consumer and Trade Shows	8	9	24	27	196,800	221,400
Social and Business	42	44	300	315	23,450	24,825
Educational	25	28	100	112	42,500	47,600
Sports	7	8	21	24	63,000	72,000
Entertainment	8	9	40	45	260,000	292,500
Totals	110	120	575	622	963,750	1,074,125

Festival Grounds Attendance

The second phase of the American Royal project will include a 120-acre festival site scheduled to open by 2030. The project will include a festival area with a concert lawn and 1,200 RV/trailer parking spaces. A permanent building will feature showers, restrooms, hospitality, climate control, guest services, concessions, convening area, green room, and multi-use space. The festival area will be designed for multiple types of events with attendance ranging from 8,000 to 12,000 people for single-day events to as much as 100,000 for multi-day events.

Activity at the festival grounds, except for the trailer and RV parking, is expected to occur primarily between March and October. The festival area is anticipated to host one to three events per month with stabilized operations anticipated to occur during Year 3 in 2032. Year 1 is expected to operate at approximately 35 percent capacity with Year 2 at approximately 75 percent, before stabilizing in Year 3. The hosted events will be one- to three-day events with the peak of activity occurring during the warmer months from May through August.

By the stabilized year, the festival grounds are estimated to host 12 to 15 annual events, resulting in 30 to 38 event days and total attendance of 495,000 to 627,000 spectators.

New American Royal Food and Agriculture Epicenter Festival Grounds Stabilized Year Attendance

Year	Annual Low	Events High	Event Low	Days High	Total Low	Attendance High
2030	4	5	10	13	165,000	214,500
2031	9	11	23	29	379,500	478,500
2032	12	15	30	38	495,000	627,000

Estimated Total Visitation

Stabilized year visitation estimates for the new American Royal Food and Agriculture Epicenter are segmented into four sources, including: 1) existing events, 2) growth in existing events and 3) new events, and 4) the festival grounds.

During 2022, the existing American Royal hosted 129 events, 295 event days, and total attendance of 390,910 spectators. Prior to opening of the new American Royal Food and Agriculture Epicenter, attendance at existing events at the American Royal is forecast to increase at an annualized rate of 3.5 percent, increasing by 129,180 to 150,850 visitors over 2022 levels. By 2026, attendance at existing events at American Royal are estimated at 520,090 to 541,760 visitors.

New American Royal Food and Agriculture Epicenter Estimated Stabilized Year Visitation by Project Component

	Annual Low	Events High	Event Low	Days High	Total Low	Attendance High
Existing Events (2022)	129	129	295	295	390,910	390,910
Existing Events Growth (2026)					129,180	150,850
New Events (2030)	110	120	575	622	963,750	1,074,125
Festival Grounds (2032)	12	15	30	38	495,000	627,000

Future growth of existing events from 2026 to 2032 attendance is projected to continue at an average annual rate of 3.5 percent, reaching 639,322 to 665,961 attendees. Following stabilization in 2030, the growth through 2032 in new events hosted by the new American Royal Food and Agriculture Epicenter is estimated to continue at a rate of 3.0 percent per year, reaching 1.02 million to 1.14 million by 2032. The festival grounds are forecast to achieve stabilized operations by 2032 with attendance of 495,000 to 627,000 attendees.

New American Royal Food and Agriculture Epicenter Attendance thru Overall Stabilized Year

Year	Existing Low	Events High	New Low	Events High	Festival Low	Grounds High	Total Low	Attendance High
2026	520,090	541,760	578,250	644,475			1,098,340	1,186,235
2027	538,293	560,722	674,625	751,888			1,212,918	1,312,609
2028	557,133	580,347	771,000	859,300			1,328,133	1,439,647
2029	576,633	600,659	867,375	966,713			1,444,008	1,567,371
2030	596,815	621,682	963,750	1,074,125	165,000	214,500	1,725,565	1,910,307
2031	617,704	643,441	992,663	1,106,349	379,500	478,500	1,989,866	2,228,290
2032	639,323	665,961	1,022,442	1,139,539	495,000	627,000	2,156,766	2,432,501

By 2032, attendance for the entire new American Royal Food and Agriculture Epicenter site is estimated to stabilize at 2.16 million to 2.43 million attendees. **Following project stabilization in 2032, no annual increases in attendance to the American Royal were applied.**

Regional and Out-of-State Visitation

Total visitation estimates for the new American Royal Food and Agriculture Epicenter site are segmented into two geographic market areas, including: 1) regional visitors residing outside of a 100-mile radius and 2) out-of-state visitors.

Regional Visitors Residing Outside of a 100-Mile Radius

According to Esri Business Analyst, the 2023 population within a 250-mile radius from the new American Royal Food and Agriculture Epicenter site is estimated at 67.8 million. The population within a 100-mile radius of 3.2 million accounts for 4.7 percent of the total trade area population. The estimated population within a 100- to 500-mile radius of 64.5 million represents 95.3 percent of the trade area population.

According to the *2021 Economic Impact Study & Visitor Profile* prepared for VisitKC by Tourism Economics, visitors from Kansas and Missouri account for 62 percent of day trip visitors and 42 percent of overnight visitors to the Kansas City MSA, for a total of 13.03 million visitors or 53.2 percent of all visitors.

For events hosted by the existing American Royal, it is estimated that visitors traveling more than 100 miles are estimated to account for 35 percent of total visitation, or 55,578 to 64,902 annual visitors.

For new events hosted by the new American Royal Food and Agriculture Epicenter, it is estimated that visitors traveling more than 100 miles are estimated to account for 35 percent of total visitation, or 357,855 to 398,839 annual visitors.

For festival ground events, it is estimated that visitors traveling more than 100 miles are estimated to account for 40 percent of total visitation, or 198,000 to 250,800 annual visitors.

New American Royal Food and Agriculture Epicenter Stabilized Year Visitation from 100+ Miles

	Stabilized Low	Attendance High	100+ Mile Capture		100+ Mile Low	Visitors High
Existing Events	639,323	665,961	35%		223,763	233,086
New Events	1,022,442	1,139,539	35%		357,855	398,839
Festival Grounds	495,000	627,000	40%		198,000	250,800
Totals	2,156,765	2,432,500			779,618	882,725

Total stabilized year (2032) visitation to the new American Royal Food and Agriculture Epicenter is estimated at 2.16 million to 2.43 million visitors. Stabilized year visitation from outside of a 100-mile radius is estimated at 779,618 to 882,725 visitors, accounting for approximately 36 percent of the total.

Out-of-State Visitors

According to the *2021 Economic Impact Study & Visitor Profile* prepared for VisitKC by Tourism Economics, out-of-town visitation to the Kansas City MSA, defined as the 5-county region of Clay, Jackson, and Platte counties in Missouri and Johnson and Wyandotte counties in Kansas, reached 24.5 million visitors during 2021.

During 2021, visitors from outside of Kansas accounted for 71 percent of day trip visitors and 80 percent of overnight visitors to the Kansas City MSA, for a total of 20.874 million visitors or 82.8 percent of all visitors. Leading states of origin for overnight visitors to the Kansas City MSA included Missouri (22%), Texas (8%), Nebraska (4%); Iowa (3%); and Illinois (3%). Overall, about one-third of overnight visitors originate between 200 and 300 miles away and over one-third travel more than 500 miles. These visitation patterns support Kansas City's status as a regional tourism destination which will assist the new American Royal venue in attracting visitors from outside of Kansas and the Kansas City MSA.

According to Travel Leaders Group, 39.5 percent of people travel within their home state while 33.1 percent travel to a border state. Kansas supports a regional tourism market with the largest sources of visitors from the surrounding states of Missouri, Nebraska, Colorado, and Oklahoma. The trade area within a 100- to 250-mile radius supports a population of 11.18 million and includes Missouri, Nebraska, Iowa, Colorado, and Oklahoma. The population of Kansas residing within the 100- to 250-mile radius of 175,456 represents 1.6 percent of the trade area population.

According to Gravy Analytics, during 2021 concert goers traveled a median of 120 miles to attend a concert or music festival, 100 miles for a sports event, and 60 miles for a business event. A recent study from Price4Limo revealed that more than one in ten music fans travel 500 miles or more to attend concerts.

For events hosted by the existing American Royal, it is estimated that out-of-state visitors are estimated to account for 70 percent of total visitation, or 447,526 to 466,173 annual visitors.

For new events hosted by the new American Royal Food and Agriculture Epicenter, it is estimated that out-of-state visitors are estimated to account for 70 percent of total visitation, or 715,709 to 797,677 annual visitors.

For festival ground events, it is estimated that out-of-state visitors are estimated to account for 75 percent of total visitation, or 371,250 to 470,250 annual visitors.

New American Royal Food and Agriculture Epicenter Out-of-State Visitation Estimates

	Total Visitors		Out of State Capture		Out-of-State Visitors	
	Low	High			Low	High
Existing Events	639,323	665,961	70%		447,526	466,173
New Events	1,022,442	1,139,539	70%		715,709	797,677
Festival Grounds	495,000	627,000	75%		371,250	470,250
Totals	2,156,765	2,432,500			1,534,486	1,734,100

In summary, given the regional market area supported by the new American Royal Food and Agriculture Epicenter, out-of-state residents are forecast to account for approximately 71 percent of total visitation, or 1.53 million to 1.73 million visitors annually.

Summary

Stabilized year visitation (2032) to the new American Royal Food and Agriculture Epicenter site is estimated at 2.16 million to 2.43 million visitors. Regional visitors traveling more than 100 miles are forecast to account for approximately 36 percent of total visitation, totaling 779,618 to 882,725 visitors.

Out-of-state residents are estimated to account for 71 percent of total visitation, or 1.53 million to 1.73 million visitors per year.

New American Royal Food and Agriculture Epicenter Estimated Stabilized Year (2032) Visitation Patterns

Visitor Origination	Total Visitors	Out-of-State Visitors	Market Share
Conservative Scenario			
Total Visitors	2,156,765		
Outside of a 100-Mile Radius	779,618	1,534,486	71.1%
Optimistic Scenario			
Total Visitors	2,432,500		
Outside of a 100-Mile Radius	882,725	1,734,100	71.3%

Many visitors to the new American Royal Food and Agriculture Epicenter are anticipated to attend multi-day events. Therefore, total visitor days have been estimated along with total visitor days to existing American Royal events.

For the new American Royal Food and Agriculture Epicenter, visitor days were estimated based on historic attendance records, the anticipated event schedule and event type, the venue's seating capacity. Multi-day events include such types as business/professional events, education programs, and livestock, equine, and pet events.

New American Royal Food and Agriculture Epicenter Estimated Visitor Days thru Overall Stabilized Year

Year	Existing Low	Events High	New Low	Events High	Festival Low	Grounds High	Visitor Low	Days High
2026	520,090	541,760	662,250	728,475			1,182,340	1,270,235
2027	538,293	560,722	772,625	849,888			1,310,918	1,410,609
2028	557,133	580,347	883,000	971,300			1,440,133	1,551,647
2029	576,633	600,659	993,375	1,092,713			1,570,008	1,693,371
2030	596,815	621,682	1,103,750	1,214,125	165,000	214,500	1,865,565	2,050,307
2031	617,704	643,441	1,136,863	1,250,549	379,500	478,500	2,134,066	2,372,490
2032	639,323	665,961	1,170,968	1,288,065	495,000	627,000	2,305,292	2,581,027

Total visitor days are estimated at 1.18 million to 1.27 million during 2026 which include both existing and new events. The Festival Grounds is scheduled to open in 2030, boosting attendance to 1.87 million to 2.05 million visitor days. By 2032 when the Festival Grounds achieve stabilization, total visitor days reach 2.3 million to 2.58 million.

Estimated Retail Sales Potential

This section of the study estimates retail sales generated by visitors to the new American Royal Food and Agriculture Epicenter.

Total Visitor Expenditure Estimates

On-site visitation will drive sales at both the new American Royal Food and Agriculture Epicenter as well as off-site businesses operating in the Kansas City MSA such as hotels, restaurants, entertainment venues, and retail stores. Therefore, annual sales were estimated for both in and outside of the proposed STAR Bond District based on estimated annual visitation counts and published visitor expenditures to the Kansas City MSA for both day trippers and overnight visitors.

The initial phase of the new American Royal Food and Agriculture Epicenter is scheduled to open by 2026 with the Festival Grounds opening in 2030. The initial phase is scheduled to achieve stabilized operations by 2030 with total visitor days estimated at 1,111,987 to 1,247,229. The Festival Grounds are anticipated to achieve stabilization by 2032 with total visitor days estimated at 495,000 to 627,000. By 2032, visitor days for the entire new American Royal Food and Agriculture Epicenter site are estimated at 2.3 million to 2.58 million.

According to the *2021 Economic Impact Study & Visitor Profile* prepared for VisitKC by Tourism Economics, Visitation to the Kansas City MSA is comprised of 56 percent day trips (13.7 million visitors) and 44 percent overnight trips (10.8 million visitors). The *Economic Impact of Travel in Kansas 2022* prepared by Tourism Economics, reported that during 2022 visitation to Kansas was comprised of 56 percent day trippers to (20.5 million) with overnight visitors totaling 44 percent (15.9 million). This analysis utilized a visitor profile consisting of 45 percent overnight visitors and 55 percent day trippers.

According to the *2021 Economic Impact Study & Visitor Profile*, during 2021, day trip spending in the Kansas City MSA averaged \$63 per person with overnight visitors spending \$171 per day.

Average Per Person Expenditures Kansas City MSA Visitors, 2021

Expenditure	Overnight Visitors	Day Trippers
Lodging	\$62	\$0
Food & Beverage	\$40	\$18
Retail	\$27	\$21
Entertainment/Recreation	\$24	\$12
Transportation	\$18	\$12
Total Visitor Expenditures	\$171	\$63

Source: VisitKC.

According to the latest *Economic Impact of Travel in Kansas 2022* prepared by Tourism Economics, during 2022, day trippers to Kansas on average spent \$90 during their stay while overnight visitors spent \$367 per trip.

Accounting for the scheduled 2026 opening of the first phase of the new American Royal Food and Agriculture Epicenter, average daily expenditures are estimated at \$70 for day trippers and \$189 for overnight visitors. Through 2032 at stabilization of the Festival Grounds, average visitor expenditures were escalated at an annual rate of 2.5 percent.

Based on the visitation and visitor expenditure assumptions listed above, under the conservative scenario annual gross visitor expenditures generated by visitors to the new American Royal Food and Agriculture Epicenter increase from \$146 million in 2026 to \$330 million by 2032.

Estimated Total Visitor Expenditures (Conservative Scenario) New American Royal Food and Agriculture Epicenter

Year	Visitor Days	Day Trippers	Overnight Visitors	Visitor Day	Expenditures Overnight	Total Visitor Expenditures
2026	1,182,340	650,287	532,053	\$45,520,090	\$100,558,017	\$146,078,107
2027	1,310,918	721,005	589,913	\$51,732,107	\$114,280,928	\$166,013,036
2028	1,440,133	792,073	648,060	\$58,252,046	\$128,684,066	\$186,936,112
2029	1,570,008	863,504	706,504	\$65,092,989	\$143,796,330	\$208,889,319
2030	1,865,565	1,026,061	839,504	\$79,280,546	\$175,137,933	\$254,418,479
2031	2,134,066	1,173,736	960,330	\$92,958,254	\$205,353,234	\$298,311,488
2032	2,305,292	1,267,910	1,037,381	\$102,927,121	\$227,375,366	\$330,302,487

Under the optimistic scenario annual gross visitor expenditures generated by visitors to the new American Royal Food and Agriculture Epicenter increase from \$157 million in 2026 to \$370 million by 2032.

Estimated Total Visitor Expenditures (Optimistic Scenario) New American Royal Food and Agriculture Epicenter

Year	Visitor Days	Day Trippers	Overnight Visitors	Visitor Day Trippers	Expenditures Overnight	Total Visitor Expenditures
2026	1,270,235	698,629	571,606	\$48,904,048	\$108,033,487	\$156,937,534
2027	1,410,609	775,835	634,774	\$55,666,162	\$122,971,612	\$178,637,773
2028	1,551,647	853,406	698,241	\$62,762,661	\$138,648,423	\$201,411,084
2029	1,693,371	931,354	762,017	\$70,207,672	\$155,095,129	\$225,302,801
2030	2,050,307	1,127,669	922,638	\$87,131,481	\$192,481,364	\$279,612,845
2031	2,372,490	1,304,869	1,067,620	\$103,343,791	\$228,295,829	\$331,639,620
2032	2,581,027	1,419,565	1,161,462	\$115,238,182	\$254,571,620	\$369,809,803

American Royal Estimated Sales

By 2032, at build-out and stabilization, visitors to the new American Royal Food and Agriculture Epicenter is estimated to generate gross annual sales of \$330 million to \$370 million captured both within the District and by off-site businesses throughout the Kansas City MSA. This analysis applied the conservative scenario sales estimates.

Given the on-site attractions and programming, the new American Royal Food and Agriculture Epicenter is estimated to capture 75 percent of day tripper expenditures and 48 percent of overnight visitor expenditures, totaling an estimated \$186 million in on-site expenditures at project stabilization in 2032.

At project stabilization in 2032, the remaining \$144 million in expenditures generated by visitors to the new American Royal Food and Agriculture Epicenter will be captured off-site by businesses operating throughout the Kansas City MSA.

Estimated Retail Sales at Stabilization (2032) New American Royal Food and Agriculture Epicenter

Year	Visitor Days	Day Trippers	Overnight Visitors	Total Visitor Day	Expenditures Overnight	American Day	Royal Capture Overnight	American Royal Expenditures
2026	1,182,340	650,287	532,053	\$45,520,090	\$100,558,017	\$38,799,081	\$48,267,848	\$87,066,929
2027	1,310,918	721,005	589,913	\$51,732,107	\$114,280,928	\$38,799,081	\$54,854,846	\$93,653,926
2028	1,440,133	792,073	648,060	\$58,252,046	\$128,684,066	\$43,689,035	\$61,768,352	\$105,457,386
2029	1,570,008	863,504	706,504	\$65,092,989	\$143,796,330	\$48,819,742	\$69,022,238	\$117,841,980
2030	1,865,565	1,026,061	839,504	\$79,280,546	\$175,137,933	\$59,460,409	\$84,066,208	\$143,526,617
2031	2,134,066	1,173,736	960,330	\$92,958,254	\$205,353,234	\$69,718,691	\$98,569,552	\$168,288,243
2032	2,305,292	1,267,910	1,037,381	\$102,927,121	\$227,375,366	\$77,195,340	\$109,140,176	\$186,335,516

Capture of Out-of-State Visitor Expenditures

Out-of-state visitors to the new American Royal Food and Agriculture Epicenter are forecast to generate expenditures during their stay captured both within the District and off-site throughout the Kansas City MSA. Visitor expenditures for Kansas, Missouri, and Wyandotte County were estimated based on the following factors impacting the Kansas City MSA tourism market:

- Retail space inventory by state and Wyandotte County
- Retail sales volumes by state and Wyandotte County
- Lodging inventory by state and Wyandotte County
- Transient lodging tax revenues by state and Wyandotte County
- Segmentation of day trips verse overnight stays
- Visitor expenditures by state and Wyandotte County
- Visitor expenditures in Wyandotte County by expenditure type

- Proximity to the Village West and Village East Project Areas

By 2032 at stabilization of the entire new American Royal Food and Agriculture Epicenter site, out-of-state visitors are estimated to account for 71 percent of total visitation, or 1,534,486 to 1,734,100 visitor days per year. Of the out-of-state visitor days, an estimated 45 percent will be overnight visitors and 55 percent will be day trippers.

By 2032 at project stabilization, under the conservative scenario, direct tourism expenditures by out-of-state visitors to the new American Royal Food and Agriculture Epicenter are estimated at \$220 million. On-site capture of these out-of-state visitor expenditures are estimated at 70 percent to 75 percent of day tripper expenditures and 45 percent to 50 percent of overnight visitor expenditures for a total of \$116 million to \$127 million. Out-of-state visitor expenditures spent outside of the American Royal District are estimated at \$92 million to \$104 million, illustrating the positive impact the District will have on other area businesses.

Kansas is estimated to capture 80 percent of day trip expenditures and 65 percent of overnight visitor expenditures spent outside of the American Royal District, equating to \$63 million to \$70 million in annual expenditures by out-of-state visitors. Wyandotte County as a capture of Kansas visitor expenditures is estimated to capture 65 percent of day trip expenditures and 50 percent of overnight visitor expenditures, for a total of \$33.5 million to \$37.7 million in annual expenditures by out-of-state visitors.

Estimated Out-of-State Visitor Expenditures at Stabilization (2032) **Generated by the New American Royal Food and Agriculture Epicenter**

	Day Trip Visitors	Overnight Visitors	Total Expenditures
Annual Out-of-State Visitor Days	843,967	690,519	1,534,486
Average Expenditure Per Day	\$81.18	\$219.18	
Total Annual Out-of-State Visitor Expenditures	\$68,513,265	\$151,347,889	\$219,861,154
Less: American Royal District Visitor Expenditure Capture	\$47,959,286	\$68,106,550	\$116,065,836
	\$51,384,949	\$75,673,944	\$127,058,893
Visitor Expenditures Outside of American Royal District	\$20,553,980	\$83,241,339	\$103,795,318
	\$17,128,316	\$75,673,944	\$92,802,261
Visitor Expenditures Outside of American Royal District			
Kansas	\$16,443,184	\$54,106,870	\$70,550,054
	\$13,702,653	\$49,188,064	\$62,890,717
Missouri	\$4,110,796	\$29,134,469	\$33,245,264
	\$3,425,663	\$26,485,881	\$29,911,544
Wyandotte County	\$10,688,069	\$27,053,435	\$37,741,505
	\$8,906,725	\$24,594,032	\$33,500,756

Impact on Comparable Market Area Businesses

Future development of the new American Royal Food and Agriculture Epicenter includes two indoor arenas with permanent seating of 3,500 seats and 5,000 seats, 3,500-seat outdoor arena, 79,400 square foot Education Center, and 148,500 square feet of outdoor learning space. Phase 2 will include a 120-acre festival area designed to host 8,000 to 12,000 people for single-day events to as much as 100,000 for multi-day events.

This section of the study examined the possible impact of the new American Royal Food and Agriculture Epicenter upon similar businesses in the Kansas City MSA (i.e., that the project will increase total the surrounding area, not diminish sales from existing retailers in the surrounding area). Indoor and outdoor sports and entertainment venues operating in the Kansas City MSA were surveyed to identify venues comparable to the new American Royal Food and Agriculture Epicenter.

The **5,800-seat Cable Dahmer Arena** at the intersection on Interstates 70 and 470 in Independence, Missouri is the only mid-size indoor arena operating in the Kansas City MSA that is comparable to the indoor arenas planned for the new American Royal Food and Agriculture Epicenter. The \$60 million multi-purpose arena opened in 2009 and serves as the home and administrative offices for the Kansas City Mavericks in the ECHL, as well as hosting the home games of the Kansas City Comets of the Major Arena Soccer League. The arena is owned by the City of Independence and maintains a second sheet of ice in the Events Center. Facility amenities include:

- Two, 8' 3-13/16" Tall x 35' 4-5/16" Wide Daktronics sidewall video boards at 6mm pixel density
- Two, 12'5" Tall x 71'9" Wide Daktronics endwall video boards at 6mm pixel density
- More video board pixels than the T-Mobile Center
- 360° LED ribbon board (used as scorebars under each video wall)
- 200 VIP style loge seats
- 8 Visiting locker rooms
- 29 luxury suites
- 4 full-service concession stands
- 7 full-service box office windows

The Cable Dahmer Arena hosts more than 100 events every year, including trade shows, professional and amateur sporting events, festivals, community events, concerts, comedians, and others. The arena has hosted many artists including Ariana Grande, Bruno Mars, Alan Jackson, and many more. The arena hosted episodes of AEW Dynamite and the 91st annual Boys MSHSAA State Wrestling Tournament and the 3rd annual Girls MSHSAA State Wrestling Tournament.

The Cable Dahmer Arena is 32 miles east of the new American Royal Food and Agriculture Epicenter on the opposite end of the Kansas City MSA. Given the presence of two anchor professional sports teams, an extensive event calendar, and distance, construction of America

Royal's two indoor arenas are not anticipated to adversely impact operations of the Cable Dahmer Arena.

The Festival Grounds at the new American Royal is designed for an outdoor event space capable of accommodating 8,000 to 12,000 spectators. Two outdoor amphitheaters operate in the Kansas City MSA, including the 18,000-seat Azura Amphitheater in Bonner Springs, Kansas and 7,739-seat Starlight Theatre in Kansas City, Missouri.

The **Azura Amphitheater** is an open-air amphitheater located at 126th Street and State Avenue in Bonner Springs, Kansas, one mile west of the new American Royal Food and Agriculture Epicenter. The venue is owned by the Unified Government of Wyandotte County and Kansas City, Kansas and shares its grounds with the Kansas City Renaissance Festival and National Agricultural Center and Hall of Fame and is located adjacent to the Wyandotte County Park. The Azura Amphitheatre can host up to 18,000 spectators and features 3,100 reserved seats, multiple open-air suites, and lawn seating. Through the years the stage has fought several limitations as the 37-foot roof is well below the norm, which often proves challenging to book shows.

Designed by Bird Engineering, the amphitheater opened in 1984 as the Sandstone, also has previously been known as Verizon Wireless Amphitheater, Capitol Federal Park at Sandstone Amphitheater and Cricket Wireless Amphitheater. In recent years, the venue has undergone renovations, including removing reserve seats closest to the stage to provide an up-front general admission experience, upgraded VIP Club, and new sound and video systems. The venue was renamed Azura Amphitheater prior to the 2021 season. New West Presentations remained as the management organization for the venue.

The amphitheater canceled all shows during 2020 due to the COVID-19 pandemic and reopened a year later. During the 2023 concert season the Azura Amphitheater hosted 15 performances by such notable artists as Willie Nelson, Weezer, Dwight Yoakam, Fall Out Boy, Incubus, Godsmack, and Breakaway 2023. Shows booked for the 2024 concert season include Sessanta (3 bands), Noah Kahan, Breakaway Kansas City Music Festival (2 days), Country Stampeded (3 days), Hozier, and Green Day.

The Starlight Theatre is a 7,739-seat outdoor amphitheater located at Swopes Park in Kansas City, Missouri, that presents Broadway shows and concerts. It is one of the two major remaining self-producing outdoor theatres in the U.S. and Starlight's Cohen stagehouse also permits it to present national Broadway touring shows. Starlight opened its first Broadway season with the performance of *The Desert Song* on June 25, 1951. For more than 70 years, Starlight Theatre has been Kansas City's home for the best live arts experiences, hosting concerts, Broadway shows, dance groups, Disney shows, special events, and free events.

In 1958, Jerry Lewis paid for a stage extension that covered the orchestra pit. In the early 1980s, the stage was extended over the orchestra pit, bringing on stage action closer to the audience. This extension lasted until 2000 with the building of the 10-story Jeannette and Jerome Cohen Community Stage encompassing 12,000 square feet of enclosed climate-controlled space. Starlight began presenting major national tours in 2000 to bring more recent and contemporary Broadway musicals to Kansas City.

To provide entertainment year-round to current patrons and new audiences, Starlight created a live indoor theatre series called Starlight Indoors that premiered in 2015. Featuring small comedies,

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musicals, parodies, and other unconventional shows, Starlight Indoors is presented inside the heated performance space of Starlight's Cohen Community Stage House.

During 2023, Broadway shows hosted by the Starlight Theatre included Tootsie, Jesus Christ Superstar, Legally Blonde, RAIN – A Tribute to the Beatles, 1776, and Jagged Little Pill. Shows scheduled for the 2024 season include:

- The Cher Show
- STOMP
- Disney's The Little Mermaid
- Shrek The Musical
- Come From Away
- West Side Story
- Peter Pan

The new American Royal Food and Agriculture Epicenter is positioned to introduce new sports, entertainment, and education attractions not currently available in Wyandotte County and Kansas City MSA. By 2032, at build-out and stabilization, out-of-town visitors to the Project District is forecast to generate \$320 million to \$359 million in annual expenditures on shopping, dining, entertainment, lodging, and transportation, not all of which will be satisfied by the planned on-site attractions. The new American Royal Food and Agriculture Epicenter will benefit existing sports, entertainment, retail, restaurant, and lodging businesses in Wyandotte County, with businesses operating in the neighboring Village West and Village East STAR Bond Districts being the primary beneficiaries. Therefore, this report concludes that the new American Royal Food and Agriculture Epicenter is not expected to adversely impact the sales of the Kansas City area's two existing outdoor amphitheaters and mid-sized arena.

Impact on Active STAR Bond Projects

As an economic development incentive, the State of Kansas adopted STAR bond legislation that affords bond financing for eligible development projects. STAR bonds provide Kansas municipalities the opportunity to issue bonds to finance the development of major commercial entertainment and tourism areas and use sales tax revenue generated by the development to pay off the bonds. To be considered a major commercial entertainment and tourism area, a proposed project must be capable of being characterized as a statewide and regional destination and include a high-quality innovative entertainment and tourism attraction, containing unique features which will increase tourism, generate significant positive and diverse economic and fiscal impacts and be capable of sustainable development over time.

STAR bond financing allows eligible projects to capture local and county portion of sales taxes generated within the established district for use in reimbursing such project costs as land acquisition, infrastructure improvements and certain soft costs. The state may also agree to contribute its portion of the sales tax revenue generated within the district.

STAR Bond Project Districts in Kansas that have issued STAR bonds with outstanding balances currently remaining are summarized in the table on the following page.

The principal tourism attractions for the new American Royal Food and Agriculture Epicenter include two indoor arenas with permanent seating of 3,500 seats and 5,000 seats, 3,500-seat outdoor arena, and 79,400 square foot Education Center. To determine if the future development of the new American Royal Food and Agriculture Epicenter will have a measurable adverse impact on visitor volumes, retail sales volumes, and STAR bond revenues on the STAR Bond Districts with outstanding bond debt, a comparison was made of each project's major attraction(s), market positioning and target market. The possible synergy of these projects was also considered.

U.S. Soccer Training Center/Village East Project Area 4

In December 2017, the \$75 million Compass Minerals National Performance Center home of the U.S. Soccer program opened in Village East Project Area 4 at the southeast corner of 98th Street and Parallel Parkway in Kansas City, Kansas just three miles from Children's Mercy Park, home to the Sporting KC. The facility has five full-size soccer fields and the 81,100-square-foot building houses professional training facilities, U.S. Soccer National Coaching Education Center, and Children's Mercy Sports Medicine and Rehabilitation Center. U.S. Soccer signed a 20-year lease to be the primary tenant of the training center with Sporting KC using it as a training home.

The Compass Minerals National Performance Center serves as the premier destination in the United States for players, coaches, and referees to train, develop and educate on a year-round basis. The facility is designed to host national and local coaching courses, USSF staff meetings, player, and referee focused events, NSCAA courses and U.S. National Team camps and practices. The facility also offers a top-of-the-line training facility and centralized home base for premier international soccer clubs touring the United States. During 2019, attendance at the Compass Minerals National Performance Center was reported at more than 1.3 million visitors.

Active STAR Bond Financed Projects

STAR Bond District / Major Attraction	Year Bonds Issued	2022 Revenues	Bonds Issued	Bonds Outstanding
U.S. Soccer Training Center	2015	\$5,359,565	\$65,229,560	\$95,418,031
Pinnacle National Development Center				
Children's Mercy Park	2010	\$5,359,565	\$150,289,488	\$0
Schlitterbahn	2013	\$6,198,385	\$85,160,000	\$74,805,000
Kansas Speedway	1999	\$2,628,937	\$24,300,413	\$12,265,000
City of Overland Park				
Prairiefire	2012	\$4,329,058	\$64,990,000	\$64,860,000
Bluhawk	2022	\$272,176	\$53,540,000	\$53,540,000
City of Topeka				
Heartland Park	2017	\$433,683	\$10,405,000	\$2,146,150
City of Wichita				
K-96 Greenwich Stryker Soccer Complex	2017	\$13,643,096	\$71,305,500	\$32,095,000
River District Lawrence Dupont Stadium	2018	\$3,673,619	\$42,140,000	\$42,140,000
City of Derby				
Field Station: Dinosaurs	2017	\$7,890,676	\$20,465,000	\$0
Sports Zone	2020		\$14,375,000	\$10,375,000
Rock Climbing Gym	2022		\$35,285,000	\$38,285,000
City of Goddard				
Olympic Park Project	2019	\$4,429,354	\$25,880,000	\$16,160,000
	2021	\$4,429,354	\$11,065,000	\$11,065,000
City of Atchison	2018	\$351,646	\$2,370,000	\$1,655,000
Amelia Earhart Aviation Museum				
City of Manhattan				
Flint Hills Discovery Center	2009	\$6,015,698	\$65,229,559	\$0
Museum of Art & Light	2022		\$24,975,000	\$14,770,000
City of Salina				
Salina Fieldhouse	2018	\$2,347,215	\$22,570,000	\$16,585,000
City of Dodge City				
Boot Hill Museum	2015	\$1,600,817	\$13,150,000	\$8,255,000
Long Branch Lagoon Water Park	2018	\$1,198,502	\$15,960,000	\$13,640,000
City of Garden City	2019	\$6,152,821	\$29,540,000	\$18,105,330
Totals		\$76,314,167	\$848,224,520	\$526,164,511

Source: STAR Bond Annual Report 2022.

In June 2017, Sporting KC opened the Wyandotte Sporting Fields on 90th Street north of State Avenue. The 52-acre complex features eight full-sized turf fields and four grass fields. Sporting KC is running the fields with Heartland Soccer hosting soccer tournaments. Together, the NTCDC and Wyandotte Sporting Field elevate Kansas City as a hotbed for soccer.

STAR Bond in the amount of \$65.2 million were issued to assist in financing construction of the U.S. Soccer Training Center. By year-end 2022, \$95.4 million in bond debt remained outstanding.

The Compass Minerals National Performance Center is geared specifically for soccer. The new American Royal Food and Agriculture Epicenter will not be directly competitive and not adversely impact the Compass Minerals National Performance Center's visitor volumes, retail sales volumes, and STAR bond revenues.

Schlitterbahn/Village East Project Area 1 and 2A

In September 2015, \$85.2 million in STAR Bonds were issued for Village East Project Areas 1 and 2A that assisted in the financing of the river system and additional infrastructure and improvements for the Schlitterbahn Waterpark and the Legends Auto Plaza. By year-end 2022, the outstanding balance for the STAR Bonds was reported at \$74,805,000.

The Schlitterbahn Waterpark closed in 2019 and the property is now being redeveloped into the \$500 million Homefield Project featuring a 150,000 square foot indoor multi-sport facility, state-of-the-art baseball complex with eight lighted fields, and 299-room Margaritaville Resort with two pools, FlowRider surfing simulator, 20,000 square foot family entertainment center, and multiple restaurants.

The Homefield Project is designed as an indoor and outdoor multi-sport facility. The new American Royal Food & Agriculture Epicenter is designed as a year-round entertainment venue that caters to a market not currently being serviced by other sports and entertainment venues within Village East or West. Thus, the new American Royal Food and Agriculture Epicenter will not pose as a direct competitor and not adversely impact the Homefield Project's visitor volumes, retail sales volumes, and STAR bond revenues.

Kansas Speedway/Village West

Village West is a 400-acre mixed-use development at the intersection of Interstates 70 and 435 in Kansas City, Kansas located immediately west of the Project District. Village West is designed as a sports, entertainment, and retail destination with principal entertainment attractions including the Kansas Speedway, Children's Mercy Park, Community America Ballpark, and Hollywood Casino. These destination attractions have a major influence on retail sales at Village West by generating high attendance volumes and providing regional and national recognition. The Kansas Speedway is the only STAR Bond project at Village West that still has bonds outstanding.

Opened in August 2001, the \$250 million Kansas Speedway features a 1.5-mile tri-oval NASCAR track and an 80,000-seat grandstand. The Kansas Speedway was the first STAR Bond project in Kansas. The Kansas Speedway continues to host two NASCAR events each year, including the NASCAR Cup Series Hollywood Casino 400 as well as other racing and related events.

According to the *STAR Bond Annual Report 2022* published by the Department of Commerce, in 1999, \$24.3 million in STAR Bonds were issued to finance the Kansas Speedway and as of year-end 2022 the remaining principal balance amounted to \$12,265,000. The debt service reserve fund as of year-end 2022 stood at \$954,265.

The new American Royal Food and Agriculture Epicenter will not compete directly with the Kansas Speedway. In fact, the potential exists for synergy between the two projects as evident by the fact that the Kansas Speedway has hosted American Royal barbecue competitions.

In September 2020, the Unified Government approved the release of 65 acres within the Kansas Speedway STAR Bond District for the construction of a \$400 million Urban Outfitters omnichannel distribution center. The facility was completed on October 26, 2022, and employs about 2,000 jobs.

The Children's Mercy Park, an 18,467-seat soccer stadium, opened at Village West in June 2011. The facility is home to Sporting KC, a franchise of Major League Soccer ("MLS"). The seating capacity can be increased to 25,000 for concerts. The stadium hosts more than 100 annual events including high school soccer and lacrosse tournaments, music festivals, charitable events, training, and retreats. In 2022, the National Women's Soccer League moved their games from Legends Field to Children's Mercy Park. All games in 2022 were at full capacity. STAR bonds totaling \$150.3 million were issued in 2010 to construct Children's Mercy Park and the bonds have been paid in full.

Opened in May 2003, Community America Ballpark is an open-air stadium with a capacity of just under 7,200 that includes suites, fixed seats, picnic and grass seating areas, and standing areas. The stadium was home to the Kansas City T-Bones minor league baseball team through the 2019 season. The stadium was renamed JustBats Field and is now home to the Kansas City Monarchs.

Hollywood Casino at Kansas Speedway opened in early 2012 featuring a 100,000 square foot casino floor, a lounge, and several dining and entertainment concepts.

The experience with Village West demonstrates the value of STAR bonds as a development tool to attract unique, regional shopping and entertainment attractions to Kansas. The one-of-kind entertainment concepts and exceptional regional transportation access allows Village West to penetrate a trade area within a 4-hour drive time and host approximately 12 million visitors annually. Village West's expanded regional draw has attracted such major retail entities as Nebraska Furniture Mart, Cabela's, and Legends at Village West outlet center. The following retail projects are currently operating in Village West:

- Cabela's is a sporting goods retailer specializing in hunting, fishing, camping and related outdoor merchandise. Cabela's was the first tenant to operate within Village West, opening a 188,000 square foot large-format destination retail store in August 2002. The Village West store is Cabela's only store in Kansas or Missouri and services a 250-mile trade area.
- Nebraska Furniture Mart Store, a retailer of furniture, floor coverings, appliances, and electronics products, opened in August 2003. The Village West store is Nebraska Furniture Mart's first full-product-line extension location and services a trade area encompassing a

300-mile radius. Built on 80 acres, the 2-story superstore features over 1.0 million square feet of retail and distribution space.

- The Legends Outlets Kansas City is a 970,035 square foot destination outlet center. The Legends 14 Theatres opened in November 2005. Grand opening for the balance of the destination development occurred on April 22, 2006. The property has since been repositioned as an outlet center boasting a wide mix of national retailers. Major retailers now open for business include Target, JC Penney, HomeGoods, Dave & Busters, TJ Maxx, Off Broadway Shoes, and Old Navy. To date, 80 national and regional retailers are open for business in the shopping center.

Prompted by the regional draw, special events and high visitor volumes ten hotels totaling 1,111 guest rooms now operate within the Village West Tourism District include the Great Wolf Lodge, Chateau Avalon, Best Western, Candlewood Suites, Comfort Inn, Country Inn & Suites, Hampton Inn, Holiday Inn Express, Residence Inn by Marriott, and Homewood Suites.

Village West continues to be the number one tourist attraction in Kansas with more than 12 million annual visitors from throughout the Midwest region and beyond. Village West and Village East together create one of the Midwest's most unique and highly visited sports, entertainment, and shopping destinations. Development of the new American Royal Food and Agriculture Epicenter will have a positive impact on operations of Village West and the Kansas Speedway by improving the synergy between the two developments through the introduction of additional destination attractions and visitors.

Prairiefire at LionsGate

Prairiefire at LionsGate is located on the south side of 135th Street bounded by Nall Avenue to the east and Lamar Avenue to the west. What sets Prairiefire at LionsGate apart from existing lifestyle and entertainment centers in the Kansas City area is the inclusion of a cultural and educational facility as the destination attraction.

The 35,000 square foot Museum at Prairiefire was established based on a pioneering content partnership with the American Museum of Natural History ("AMNH") and opened to the public on May 12, 2014. The museum is focused on enhancing public understanding of natural history and sciences. The museum includes a Discovery Room, which is an exciting gateway to science and natural history for children aged 3 and older, as well as engaging permanent halls and experiences, education programs and science videos, among others. The museum has hosted traveling exhibits by AMNH as well as other science related programming. In a typical year, over 325,000 visitors attend the museum. Since opening in 2014, visitors from more than 2,150 zip codes and 15 foreign countries have visited the museum.

Prairiefire at LionsGate is being developed in two phases. Construction of the initial phase of Prairiefire began in early January 2013 and included the first retail spaces on the east and west sides of the development. REI opened in October 2013 and the remainder of retail and entertainment uses opened in May 2014. Additional retailers now open for business include Home Goods, AMC Dine-in Theaters, Pinstripes Bistro/ Bowling/Bocce, Rock & Brews, Brass Onion, and Veritas Whiskey & Wine Bar. Also open are The Residences at Prairiefire and the West End Flats at Prairiefire apartment communities and The Prairiefire Villas.

Phase 2, currently underway, includes restaurants and entertainment uses, a grocery store, and other commercial businesses. Chicken ‘n’ Pickle, featuring pickleball, outdoor lawn games, and other outdoor amenities, opened in December 2021 and was fully operational during 2022.

According to the *STAR Bond Annual Report 2022*, STAR bonds up to \$81 million have been authorized for Prairiefire at LionsGate. To date, \$64.99 million in STAR Bonds have been issued with an outstanding principal balance of \$64.86 million. During 2022, the district collected \$4.33 million in sales tax revenues and made a bond interest payment of \$3.5 million. The debt service reserve fund stood at \$3.0 million by year-end 2022. In December 2023, bondholders were sent a notice of default after Prairiefire could not pay off \$15 million in debt by its maturity date, which is the first slice of \$65 million in STAR bonds issued in 2012.

Given the distinctly different destination attractions and distance apart, development of the new American Royal Food and Agriculture Epicenter is not anticipated to have an adverse impact on Prairiefire at Lionsgate’s visitor volumes, retail sales volumes, and STAR bond revenues.

Bluhawk

The BluHawk Amended Project Plan was approved Oct. 18, 2019, with \$53.54 million in bond proceeds issued in December 2022. The project at 159th Street and U.S. Highway 69 in Overland Park is a Price Brothers development project that will be anchored by a 420,000 square foot multi-sport facility which will be built in phases. The first phase is under construction and scheduled to open by Fall 2024, consisting of 260,000 square feet, NFL-size ice rink, 8 basketball courts (convertible to 16 volleyball/pickleball courts), a 40,000 square foot turf field, locker rooms, training area, sprinting track, café, and sports medicine center. The family entertainment center will house arcade games, bowling, laser tag, an e-sports center, golf simulators, and a roll glider.

Given the distinctly different destination attractions and distance apart, development of the new American Royal Food and Agriculture Epicenter is not anticipated to have an adverse impact on Bluhawk’s visitor counts, retail sales volumes, and STAR bond revenues.

Heartland Park

Heartland Park in Topeka, Kansas is a world-class multi-purpose motor sports track and entertainment venue. Since it opened in 1989, it has provided in-state and out-of-state visitors with fun, exciting opportunities. The redevelopment for Heartland Park included asphalt replacement for drag and road course tracks, repair and resurfacing of all paddock/pit areas, a consolidated timing and scoring building, garages, maintenance and technical inspection buildings, tire buildings, and pavilions. Today’s facility features a NHRA-sanctioned ¼-mile drag strip, a 2.5-mile road course with four different configurations, a 3/8-mile banked clay oval, a 22-acre asphalt pad for autocross and drift events, and a dirt motocross track.

In June 2019, Heartland Park hosted the Kicker Country Stampede, one of the largest country music festivals in the country with more than 150,000 visitors in attendance. Heartland Park will be the permanent site for the Stampede going forward. During 2019, total attendance to Heartland Park was reported at 338,000 visitors.

Since issuing the bonds, Heartland Park was sold to a new operator, and neither the City of Topeka nor the initial developer retain any ownership of the facility. The new operator is expanding the programming. The park continues to host Country Stampede, an annual 3-day outdoor music and camping festival and other unique events.

STAR Bond financing in the amount of \$10.4 million was issued for the development of Heartland Park. During 2022, Heartland Park generated STAR Bond sales tax revenues of \$433,683 and by year-end the outstanding principal balance had been reduced to \$2,146,150.

Given the distinctly different destination attractions, development of the new American Royal Food and Agriculture Epicenter is not anticipated to have an adverse impact on Heartland Park.

K-96 Greenwich District

In June 2013, the Kansas Secretary of Commerce approved the K-96 & Greenwich STAR Bond District located on a 423-acre site at the intersection of K-96 Highway and Greenwich Road in Wichita, Kansas. The District's Project Plan focuses on creating an athletic and recreation attraction complemented by a mix of retail, employment, and lodging uses. The Project Plan designates the site for 1.4 million square feet of commercial development anchored by a major state-of-the-art indoor multisport athletic complex. Additional project components include a mix of big-box retailers, destination restaurants, lodging, and medical office space. Today the District supports approximately 838,710 square feet of existing commercial space.

The initial phase of development located south of K-96 includes a variety of big-box retailers, restaurants, and hotels. In spring 2012, Cabela's, a premier retailer of hunting, fishing, and outdoor gear, opened an 80,000 square foot store. Additional retailers within the District include Super Target, World Market, Hobby Lobby with Chili's, McDonalds, Subway and Kanza Bank occupying out parcels. A 71,680 square foot Academy Sports store opened in 2015. Existing hotels include Hampton Inn & Suites, Holiday Inn Express & Suites, and Staybridge Suites.

In December 2015, the \$14 million Wichita Sports Forum and Aviate Extreme opened on the 106 acres located north of K-96. The indoor multisport facility and extreme air sports trampoline park occupies a 148,534 square foot building. The athletic complex features basketball, baseball, softball, soccer, volleyball, and fitness/training facilities. Also developing on the north 106 acres is Greenwich Place, a power center anchored by World Market, Home Goods, Ross, Mardel, DSW, Bed Bath & Beyond, and Steinmart. A La Quinta Inn & Suites is also open.

In December 2013, STAR bonds were issued in the amount of \$36,325,000 and have been paid in full. In August 2017, an additional \$71,305,000 in STAR Bonds was issued that combined the original bond issue. By December 31, 2022, the principal balance for this bond issue amounted to \$32,095,000. During 2022, the K-96 Greenwich Districted collected \$13.64 million in sales tax revenues and at year-end the project debt service reserve fund balance totaled \$2.87 million.

The City of Wichita expanded the District to include the 10-field Stryker Soccer Complex on the west side of Greenwich Road at 29th Street North. A \$19.1 million upgrade included new artificial turf fields, improved lighting, locker rooms, and construction of one regulation-sized indoor turf field that opened in late spring 2019.

The K-96 Greenwich Project District features a multi-sport athletic complex that includes indoor and outdoor athletic facilities and with the addition of the Stryker Soccer Complex, the primary emphasis of K-96 Greenwich is on soccer. Therefore, given the differing destination attractions and distance apart, development of the new American Royal Food and Agriculture Epicenter is not anticipated to have an adverse impact on the operations of the K-96 Greenwich Project District.

River District

The Wichita River District Phase 1 included three projects, including the Keeper of the Plains sculpture, plaza and pedestrian bridge, the East Riverbank Redevelopment project and the WaterWalk fountain and public plaza area.

Phase 2 included improvements to the west bank of the Arkansas River, north of the Douglas Street Bridge and adjacent to the private development site of the River Vista Apartments project. The West Bank Apartments complex includes boat and bike rental facilities and storage for rowing shells, as well as improvements to Delano Park.

Because of the unique characteristics of the Wichita River District, particularly since the district did not begin as a “Greenfield,” but already contained several active businesses, it was possible to use the STAR bond resources in a “pay-as-you-go” manner. Today the Wichita River District supports a wide range of attractions, including:

- The Keeper of the Plains Plaza and Pedestrian Bridges (dedicated in May 2007)
- Water Walk Place building and public parking garage
- The Water Walk Garden (opened in July 2010)
- Fountain at Water Walk (completed in October 2012)
- Marriott Fairfield Inn and Suites (hotel opened in June 2011)
- Wichita Boathouse remodel
- Floating stage
- Broadview Hotel (renovations complete and hotel reopened in August 2011)

Complimenting the public improvements, to date an estimated \$72 million in private investment has been reported. Major private investment projects include:

- WaterWalk Main Place and Gander Mountain - \$29 million
- Marriott Fairfield Hotel - \$12.35 million
- Drury Broadview Hotel remodel and renovation - \$29 million
- Wichita Area Association of Realtors office building - \$1.6 million
- Wichita Boathouse renovation - \$650,000

During 2015, STAR Bonds in the amount of \$4.84 million were issued and have been paid in full.

Amended project plans included the city’s Advanced Learning Library, which opened in 2018 and provided funding to redevelop Lawrence Dumont Stadium into a multi-sport stadium and to attract a major league-affiliated baseball team to Wichita. Lawrence-Dumont Stadium was demolished in late 2018 to make way for construction of the new baseball stadium to be named Riverfront Stadium. In September 2018, the city announced an agreement to locate the New Orleans MiLB

team to Wichita for the 2020 season. The team is known as the Wichita Wind Surge. In 2018, \$42.14 million in STAR Bonds were issued to assist in funding the new stadium. By year-end 2022 the outstanding principal balance was reported at \$42.14 million.

Given the distinctly different destination attractions and distance apart, development of the new American Royal Food and Agriculture Epicenter is not anticipated to have an adverse impact on the operations of the Wichita River District.

City of Derby District

The Derby STAR Bond District incorporates approximately 300 acres surrounding the intersection of East Patriot Avenue/East 63rd Street South and Rock Road in Derby, Kansas.

The District is comprised of four tracts of land, including: 1) the North Tract located at the northwest corner of East Patriot Avenue/East 63rd Street South and South Rock Road; 2) the South Tract located at the southeast and southwest corners of East Patriot Avenue/East 63rd Street South and Rock Road; 3) the ROW Tract situated along East Patriot Avenue/East 63rd Street South between the North and South Tracts; and 4) the East Tract located on the east side of Rock Road between East Patriot Avenue/East 63rd Street and Tall Tree Road. The District is designed for the development of a unique mixed-use project featuring amusement, sports, entertainment, commercial, and lodging opportunities.

The North Tract is designed for a family attraction, a medical complex, and mixed-use development. Opened in May 2018, Field Station Dinosaurs serves as the project's destination attraction. The outdoor attraction geared to children ages 3-11 includes life size animatronic dinosaurs and educational exhibits based on the latest scientific theories and discoveries; an 18-hole miniature golf course with each hole depicting an historic dinosaur; the Kansas Climb tri-level ropes course; and an open-air amphitheater. FSD enjoyed its highest annual attendance since opening in 2018. The attraction's visitor count was up 23 percent over the same period last year and up 70 percent from the park's opening season in 2018. STAR bonds amounting to \$20,465,000 were issued in 2017 and have been paid in full.

In 2020, STAR bonds were issued to finance construction for two additional projects. The first project consists of an indoor/outdoor multisport attraction and the Derby Sports Zone, which features indoor and outdoor hard courts, sand courts and a restaurant. The Derby Sports Zone opened late in the summer of 2022 and features indoor and outdoor hard courts, outdoor sand courts, an outdoor games area, and a full-service, sit-down restaurant. The venue accommodates the play of badminton, paddleball, sand volleyball, sand soccer, yard games, spikeball, and sand wrestling. In 2020, STAR bonds in the amount of \$14,375,000 were issued to assist in funding the Derby Sports Zone. By year-end 2022, the fund principal balance was reported at \$10,375,000.

A rock-climbing gym and an outdoor covered BMX bike pump track are part of the third phase. In 2022, STAR bonds amounting to \$38,285,000 were issued to support development of the venues.

An outdoor adventure sports complex will be completed in Phase 4. This phase consists of a unique to the region man-made lagoon designed for various water sports, an indoor water park, an aerial park and glamping.

The South Tract is designed as a major shopping destination. The initial phase of the Derby Marketplace located at the northeast corner of Rock Road and Meadowlark Boulevard opened in 2014 anchored by a 123,000 square foot Target store and 122,000 square foot Dillons Marketplace. Junior anchors include Ross, TJ Maxx, Hobby Lobby, Petco, Ulta Beauty, and Famous Footwear. Out parcels are occupied by several chain restaurants including Buffalo Wild Wings, Chick-fil-A, IHOP, Olive Garden, Panda Express Panera Bread, and Starbucks.

Given the distinctly different destination attractions and distance apart, development of the new American Royal Food and Agriculture Epicenter is not anticipated to have an adverse impact on the operations of the City of Derby Project District.

Olympic Park Project

In May 2014, the Kansas Commerce Secretary approved the Olympic Park STAR Bond Project Plan and the issuance of up to \$25.4 million in net STAR Bond financing. The City of Goddard committed to contribute \$4.75 million for infrastructure improvements and private investments will reach \$44 million. Total project costs are estimated at \$155 million.

The Olympic Park Project includes a 150-room hotel and conference center attached to a 66,000 square foot aquatic facility. The aquatic facility includes two Olympic standard competition pools, a diving well, platform diving, water polo event space and seating for 1,600. The project also includes four turf baseball/softball fields. In May 2021, five competition baseball/softball fields and three outdoor sand sports fields were approved to be added to the project.

In February 2020, the Genesis Sports Complex opened within the Olympic Park Project District featuring five (5) synthetic turf baseball fields designed to host league and tournament play. The turf fields eliminate rain outs and extend league play. Additional complex features include replay cameras, shaded bleachers, adjustable outfield fences, LED lighting, and air-conditioned concessions with an upper deck. The health club, hotel, pre-school, competitive aquatic center, and waterpark, all opened during the first half of 2021.

The Olympic Park Phase 2 Project Plan calls for development of five (5) additional turf baseball fields and a Sand Sports Complex featuring three (3) outdoor sand soccer fields. This expansion of the Genesis Sports Complex will be located immediately west of the existing facility. The addition of five turf baseball fields will improve the ability of the Genesis Sports Complex to host regional baseball and softball tournaments.

To assist in funding development of the Olympic Park Project, STAR bonds in the amount of \$25.88 million were issued in 2019 with another \$11,065,000 issued in 2021. By year-end 2022, the principal balances stood at \$16,160,000 for the 2019 issue and \$11,065,000 for the 2021 issue.

Given the distinctly different destination attractions and distance apart, development of the new American Royal Food and Agriculture Epicenter is not anticipated to have an adverse impact on the operations of the Olympic Park Project District.

City of Atchison

The building that houses the destination attraction in the STAR Bond project area, the Amelia Earhart Hangar Museum, was completed in late 2019. The museum features a rare aircraft, a 1935 Lockheed Elecra L-10E, “Muriel”- as well as a flight simulator and 14 state-of-the-art interactive education exhibits. The Amelia Earhart Hangar Museum opened in April 2023. Throughout 2022, the Museum hosted visitors at special events like the Amelia Earhart Festival but was otherwise closed for heavy construction.

Construction of the Farmers Market in downtown Atchison was completed in May 2019, in time for the start of the season.

STAR Bond financing in the amount of \$2.37 million was issued to assist in construction of the Amelia Earhart Aviation Museum and Farmers Market pavilions. By year-end 2022, the remaining principal balance on the bonds was \$1,655,000.

Given the distinctly different destination attractions and distance apart, development of the new American Royal Food and Agriculture Epicenter is not anticipated to have an adverse impact on the operations of the City of Atchison Project District.

City of Manhattan District

The Downtown Manhattan Redevelopment District serves as central Kansas’ premier tourism attraction, anchored by the Flint Hills Discovery Center, and complemented by a mix of retail, dining, conference, and lodging venues. Given the unique market positioning, association with the Flint Hills Discovery Center, and the impact of the visitor and tourist markets, the Downtown Manhattan Redevelopment District serves as a regional destination.

Manhattan received \$41 million in STAR bonds from the State of Kansas and the Department of Commerce in 2006. The total amount of the STAR bonds reached \$50 million by 2009 due to updated estimates and costs. Those bonds paid for the construction of the Flint Hills Discovery Center and assist in land acquisition, public infrastructure, streetscape, landscape, and public park improvements in the South End.

The Downtown Manhattan Redevelopment District split up into two project areas consisting of a North Area and a South Area.

The North Area Project Plan calls for 250,000 square feet of commercial and retail space, and approximately 200 residential units. The City of Manhattan and Dial Realty entered into a development agreement for development of the North Area. The shopping center opened in 2006.

The South Area Project Plan consists of the Flint Hills Discovery Center, three hotels, a conference center, approximately 70,000 square feet of commercial space, 400-stall parking garage, 24 new living units, and a publicly owned one-acre park. In November 2011, the Hilton Garden Inn and Manhattan Conference Center opened, followed by completion of the 35,000 square foot Flint Hills Discover Center and Blue Earth Plaza in 2012. During 2018, the Flint Hills Discovery Center hosted 84,893 visitors from 48 states and 36 countries. The 84-room Candlewood Suites opened

in 2013 and the 78-room Holiday Inn Express & Suites and 4-story residential buildings were completed in 2015.

The Downtown Manhattan Redevelopment District's original Series 2009-1 Bonds amounting to \$50.0 million were paid in full and the Series 2009-2 with an outstanding balance of \$6,105,000 scheduled to be paid in full by June 2021.

In March 2022, the Downtown Manhattan Redevelopment District boundaries were expanded to incorporate a second phase of the STAR Bond project and bonds were issued in the summer of 2022 in the amount of \$24,975,000. The new project includes the construction of a \$43.6 million, 50,000 square foot state of the art museum featuring immersive exhibits and interactive displays, public infrastructure, streetscape, and landscaping. The Museum of Art and Light anticipates drawing over 150,000 visitors annually. The museum is now under construction and scheduled to open by October 2024.

The Downtown Manhattan Redevelopment District's principal attractions include the Flint Hills Discovery Center and the Museum of Art and Light. Therefore, given the distinctly different destination attractions and distance apart, development of the new American Royal Food and Agriculture Epicenter is not anticipated to have an adverse impact on the operations of the City of Manhattan Project District.

City of Salina

Prior to approval of the STAR Bond District downtown Salina was suffering from a significant relocation of businesses to elsewhere in the city, leaving downtown commercial space more than 50 percent vacant. The Project Plan called for the construction of several catalyst projects and streetscape improvements.

The 68,500 square foot Salina Fieldhouse was completed in late 2017 and serves as the centerpiece of the transformative STAR Bond district in downtown Salina. The Salina Fieldhouse features multi-purpose hardwood and synthetic courts, as well as turf fields. Three hardwood and three synthetic basketball courts can convert into eight volleyball courts or six futsal courts. While turf fields accommodate soccer, football, kickball, baseball, softball and field hockey, hardwood and synthetic courts accommodate volleyball, futsal, dodgeball, cheer, dance, and other activities. The facility also contains specialized equipment such as drop-down batting cages and pitching tunnels. The venue hosts basketball, volleyball and other court sports-related tournaments that draw participants from across the region. More than 12,000 spectators visited in 2022.

Other attractions in the District include The Alley (entertainment center); Old Chicago Pizza; Homewood Suites, Barillo Grill; and other new retailers. The Garage opened in October 2021 and hosts the Crossroad Car Experience with interactive exhibits, restored classic cars and the Kustom Kemps of America Museum, which showcases custom cars designed by the brightest car minds in the country. Both the streetscape in the district and the improvements to Stiefel Theatre were completed in 2023.

In 2018, STAR Bond financing in the amount of \$22.57 million was issued to assist in construction of the various attractions. By year-end 2022, the remaining principal balance on the bonds was \$16,585,000 and debt service reserve account amounted to \$1.37 million.

The Salina STAR Bond District's destination attractions include a multi-sport athletic complex and family entertainment center. The new American Royal Food & Agriculture Epicenter is designed as a year-round entertainment and educational venue. Thus, the new American Royal Food and Agriculture Epicenter will not pose as a direct competitor and not adversely impact the Salina STAR Bond District's visitor volumes, retail sales volumes, and STAR bond revenues.

City of Dodge City

The Power Center Area in Dodge City includes a variety of museums, entertainment venues, hotel, and retail spaces. It also includes the world-renowned Boot Hill Museum; themed and aesthetic improvements to Front Street and Wyatt Earp; a themed water park/aquatic facility; and regional specialty-themed retail and restaurant concepts. Additional development continues in both areas of the project. New developments include the Dodge City Brewery, SMH Engineering office, Red Beard Coffee Company, and other smaller local restaurants. The renovated Boot Hill Museum is open and continues to attract visitors from across the world. The downtown streetscape project broke ground in December 2022 and will improve the look of the downtown area and attract additional visitors to the area.

The Western-themed Long Branch Lagoon Water Park has attracted more than 200,000 visitors since opening. The Guymon Petro Bar and Grill located in the historic Guymon Petro building is opened, as are the Boot Hill Distillery, Holiday Inn Express and other retail, and restaurant attractions.

STAR Bond financing in the amount of \$13.15 million was issued in 2015 with an additional \$15.96 million issued in 2018 to assist in construction of the attractions within the City of Dodge City District. During 2022, STAR Bond revenue collections were reported of \$1,600,817 for the 2015 bond issue and \$1,198,502 for the 2018 bond issue. By year-end 2022, the remaining principal balance on the bonds was \$8,255,000 for the 2015 bond issue and \$13,640,000 for the 2018 bond issue.

Given the distance and distinctly different destination attractions, development of the American Royal Food and Agriculture Epicenter is not anticipated to have an adverse impact on the operations of the City of Dodge City Project District.

City of Garden City

The Garden City STAR Bond district includes a Heritage Inn & Suites, Parrot Cove Water Park, and Schulman Crossing anchored by Menards, Hobby Lobby, Dick's Sporting Goods, TJ Maxx, Ross, and Petco. The project also includes the Sports of the World Complex that features indoor soccer fields, indoor basketball courts, indoor trampoline park, indoor baseball cages, outdoor sand volleyball courts, outdoor pickle ball courts and outdoor cornhole courts. Additionally, the complex will have tournament, conference, and service amenities such as conference rooms, locker rooms, event rooms and a full-service restaurant and concession facilities. After a construction pause in 2021, preliminary site work and vertical construction resumed in 2023.

In 2019, STAR Bond financing in the amount of \$29.54 million was issued to assist in construction of the attractions within the City of Garden City Project District. During 2022, the District

generated \$6,152,821 in STAR Bond sales tax revenues and by year-end the bond fund principal balance amounted to \$18,105,330 with the debt service reserve fund totaling \$2.34 million.

The Garden City Project District's principal destination attraction features a multi-sport athletic complex that includes indoor basketball courts and outdoor sand volleyball courts. The new American Royal Food and Agriculture Epicenter will cater to a different market niche. Therefore, development of the new American Royal Food and Agriculture Epicenter is not anticipated to have an adverse impact on the operations of the City of Garden City Project District.

Conclusions

The new American Royal Food & Agriculture Epicenter will be a year-round entertainment venue and education center. The initial phase is scheduled for completion in early 2026 and features two indoor arenas with permanent seating of 3,500 seats and 5,000 seats, 3,500-seat outdoor arena, 1,540-stall barn, 79,400 square foot Education Center, 148,500 square feet of outdoor learning space, and 50 RV spaces.

By year-end 2022, sixteen active STAR Bond Districts in Kansas possessed an outstanding bond principal balance totaling approximately \$526 million. Active STAR Bond Districts include six in the Kansas City MSA, four projects in the Wichita MSA, and projects in Topeka, Manhattan, Salina, Dodge City, and Garden City. The active STAR Bond Districts support a wide range of destination attractions including professional soccer stadium and training facilities, racetracks, minor league baseball stadium, an arena, indoor and outdoor athletic facilities, waterparks, downtown redevelopment, and others. The destination attractions planned for the new American Royal Food and Agriculture Epicenter do not exist within any of the active STAR Bond Projects in Kansas.

Village West continues to be the number one tourist attraction in Kansas with more than 12 million annual visitors from throughout the Midwest region and beyond. Village West and Village East together create one of the Midwest's most unique and highly visited sports, entertainment, and shopping destinations. Development of the new American Royal Food and Agriculture Epicenter will have a positive impact on operations of the Kansas Speedway, Village West, and Village East by improving the synergy between the developments through the introduction of additional destination attractions and visitors.

The study concluded that given the noncompeting destination attractions and differing market niche, development of the new American Royal Food and Agriculture Epicenter will not have a measurable adverse impact on visitor volumes, retail sales volumes and STAR bond revenues on those STAR Bond Districts with outstanding bond debt. Therefore, the operation of additional development within the new American Royal Food and Agriculture Epicenter is not anticipated to cause default in the payment of outstanding STAR bonds.

ECONOMIC IMPACT STUDY

The following economic impacts were forecast when considering the tourism potential of a project applying for STAR bond financing:

- Direct expenditures: Visitor spending that directly supports the jobs and incomes of people and firms that deal directly with visitors.
- Indirect expenditures: Changes in sales, income or jobs in regional sectors that supply goods and services in support of direct expenditure entities.
- Direct job creation: The total number of jobs (distinguished as full-time or part-time) supported by the target attraction.
- Creation of overnight hotel stays.

The *Economic Impact Assessment* examines the economic implications of the construction and operation of the new American Royal Food and Agriculture Epicenter in terms of the direct and indirect growth in employment, income, and consumption. The project's economic impact was measured in terms of both construction-phase and operational-phase.

Direct impacts measure the spending and job creation that occurs as a direct result of the operations and activities that occur as part of the new American Royal Food and Agriculture Epicenter Project. Indirect impacts consist of re-spending of the initial or direct expenditures, or the supply of goods or services resulting from the initial direct spending as part of the new American Royal Food and Agriculture Epicenter Project.

Economic impacts measure the effects of economic stimuli or new demand for goods and services in the local economy. New demand in this case is created by the new retailers in the market and hotel, and the additional spending they will support. The secondary impacts of supplier expenditures by these businesses, employee spending and visitor spending are called multiplier effects. Multiplier effects are a way of representing the larger effects on the local economy of an initial increase in demand. Multipliers translate a known (or assumed) direct effect into an estimated total impact equal to the direct effect plus an indirect effect. For example, 100 jobs in a new manufacturing plant (the direct effect) might lead indirectly to 60 more jobs in the local service sector (the indirect effect). In this case, the total impact would be 160 jobs, and the employment multiplier would be 1.6.

The indirect effects may result from several diverse kinds of linkages. Some examples would be new sales to the manufacturing plant, sales to the new workers, additional sales to the sellers, and even expanded sales to an expanded government made necessary by the expanded economy. The indirect effects also may include investment and the migration of workers.

Wages for both the construction and operations phases were determined by consulting the *Occupational Employment and Wage Estimates May 2022* for the Kansas City MSA published by the U.S. Department of Labor.

Construction-Phase

Project cost estimates for the new American Royal Food and Agriculture Epicenter Project summarized in the table below total \$450 million, including \$350 million for the site work, infrastructure, arenas, exhibition hall/barns, learning center, administrative offices, and maintenance buildings associated with Phase 1 and \$100 million for the Festival Grounds. Project cost estimates for each project component are identified in the table below.

American Royal Food & Agriculture Epicenter Construction Budget by Project Phase

Project Component	Budgeted Cost
Main Complex (Phase 1)	
Site Preparation and Infrastructure	\$42,000,000
Arenas	
Main Indoor Arena	\$53,000,000
Auxiliary Arena	\$35,000,000
Outdoor Arena	\$12,000,000
Exhibition Halls / Barns	\$92,000,000
Learning and Engagement Center	\$50,000,000
Maintenance Buildings	\$5,000,000
Administrative Offices and Commercial Kitchen	\$12,000,000
Non-Design and Construction	\$49,000,000
Phase 1 Total Construction Costs	\$350,000,000
Festival Grounds (Phase 2)	
Site Preparation (Including RV Spaces)	\$49,000,000
Infrastructure	\$30,000,000
Buildings and Stage	\$15,000,000
Non-Design and Construction	\$6,000,000
Phase 2 Total Construction Costs	\$100,000,000
Grand Total Construction Costs	\$450,000,000

The economic impact estimates associated with the construction phase of the new American Royal Food and Agriculture Epicenter Project for each Project Area are identified in the table on page 100.

Phase 1 construction costs for the Main Complex are estimated at \$350 million. The economic benefits associated with the construction phase are estimated at a total economic output of \$490 million, direct and indirect job creation of 2,889 full-time equivalent jobs, and \$160 million in payroll. The State of Kansas is estimated to collect \$6.28 million in personal income taxes associated with the construction payroll.

Construction costs for the Festival Grounds are estimated at \$100 million. Economic benefits associated with the construction phase area estimated at a total economic output of \$140 million, direct and indirect job creation of 825 full-time equivalent jobs, and \$45.8 million in payroll. The State of Kansas is estimated to collect \$1.79 million in personal income taxes associated with the construction payroll.

As depicted in the table on page 100, full construction of the new American Royal Food and Agriculture Epicenter Project is estimated to generate a total economic output of \$630 million, direct and indirect job creation of 3,714 full-time equivalent jobs, \$206 million in payroll, and \$8.07 million in State income tax revenue.

The *Occupational Employment and Wage Estimates May 2022* for the Kansas City MSA published by the U.S. Department of Labor quoted an annual mean wage for all construction related occupations in the Kansas City MSA of \$60,080. The mean annual wages for specific construction related jobs include \$78,010 for first-line supervisors, \$59,250 for carpenters, \$46,900 for construction laborers, \$56,220 for drywall installers, \$66,960 for electricians, \$54,890 for painters, \$66,420 for plumbers, \$55,950 for structural iron and steel works, \$55,640 for roofers.

During 2017 the State of Kansas imposed a three-bracket structure for individual state income taxes (2.9%, 4.9% and 5.2%, respectively for 2017). For tax year 2018 the tax rates increased to 3.1 percent for the bottom bracket for income of less than \$15,000 for singles and \$30,000 for married couples filing jointly. The middle bracket includes incomes of \$15,000 to \$30,000 for singles and \$30,000 to \$60,000 for married couples filing jointly with taxes calculated for singles at 5.25 percent for income over \$15,000 less \$323 for singles and 5.25 percent for income over \$30,000 less \$645 for married couples filing jointly. Taxes are calculated for the top bracket at 5.7 percent for income over \$30,000 less \$458 for singles and \$60,000 less \$915 for married couples filing jointly. The Kansas withholding tax brackets remained unchanged for tax seasons 2019 through 2023.

Kansas allows itemized deductions and taxpayers can claim the same itemized deductions reported on the Federal return. Standard deductions under the Tax Reform Law are increased to \$3,500 for singles or married filing separately and \$8,000 for married couples filing jointly. This analysis applied a blended standard deduction for single and married couples of \$5,750. Kansas has no personal exemption.

Based on a direct and indirect construction payroll of approximately \$206 million, State withholding taxes generated during the construction phase are estimated at \$8.07 million.

**Construction-Phase Economic Impact Estimates
New American Royal Food and Agriculture Epicenter**

	Main Complex	Festival Grounds	Project Totals
Direct Construction Expenditures	\$350,000,000	\$100,000,000	\$450,000,000
Total Economic Impact	\$490,000,000	\$140,000,000	\$630,000,000
Job Creation			
Direct	2,111	603	2,714
Indirect	778	222	1,000
Total	2,889	825	3,714
Payroll			
Direct	\$114,194,645	\$32,627,041	\$146,821,686
Indirect	\$46,126,085	\$13,178,882	\$59,304,967
Total	\$160,320,730	\$45,805,923	\$206,126,653
State Income Taxes	\$6,280,250	\$1,794,357	\$8,074,607

Source: Canyon Research Southwest, Inc.

Operational-Phase

Economic impacts realized through the operation of the new American Royal Food and Agriculture Epicenter include jobs, payroll, spending, and taxes.

Jobs and Income – these impacts estimate new employment and the associated income earned by local residents because of the new spending generated by the new American Royal Food and Agriculture Epicenter. For example, spending captured at local restaurants will support that industry’s employment base and will lead to income for its employees.

Spending - for the new American Royal Food and Agriculture Epicenter includes the actual spending by event attendees for the purchase of tickets, food and drinks, merchandise, and other items, both within the facility and throughout the city. The spending that is captured locally is part of a facility’s economic impact. This spending can be separated into gross and net impacts. Gross impacts include the spending by local residents, as described above, and can be considered the full economic activity associated with a facility. This spending by local residents is considered to be “transfer spending” that would have otherwise been spent locally, although some would likely leave the area for entertainment in other markets. Net impacts, which are a subset of gross impacts, only include the spending by non-local residents.

The *Occupational Employment and Wage Estimates May 2022* for the Kansas City MSA published by the U.S. Department of Labor quoted an annual mean wage of \$58,250 for all workers in the Kansas City MSA. Average mean wages for select occupations include \$31,080 for food preparation and serving, \$27,910 for cashiers, \$54,400 for chefs, \$55,630 for food service managers, \$31,390 for restaurant cooks, \$23,300 for servers, \$34,040 for bartenders, \$39,470 for security guards, \$43,230 for first-line supervisors of entertainment and recreation, \$25,080 for amusement and recreation, and \$48,220 for maintenance workers.

The existing American Royal employs 24 full-time equivalent jobs for both association and building project. Annual payroll without benefits is approximately \$2.25 million. Does not include 6 to 10 operations employees who work hourly or on a temp status. By 2030, the new American Royal Food and Agriculture Epicenter is expected to be employ 40 full-time equivalent workers plus 8 to 16 operations employees and additional contractors. Annual payroll is expected to be \$4.0 million.

At build-out and stabilization of the Festival Grounds, direct full-time equivalent employment is estimated at 14 jobs with a total annual payroll of \$698,000.

The other component of the economic activity generated by operation of the new American Royal Food and Agriculture Epicenter is the expenditures spent locally by out-of-town event attendees on items such as lodging, meals, and entertainment. At build-out and stabilization, out-of-state attendance from outside of 100 miles to the new American Royal Food and Agriculture Epicenter is estimated at 437,903 visitors, including 289,403 visitors to Phase 1 and 148,500 visitors at the Festival Grounds.

Stabilized year gross visitor expenditures generated by visitors to the new American Royal Food and Agriculture Epicenter are estimated at \$330 million, of which an estimated at \$181 million is

captured within the Project District. Net expenditures by out-of-state visitors traveling from 100+ miles are estimated at \$83 million, yielding total net economic output of \$116.8 million.

Operation of the initial phase of the new American Royal is estimated to generate stabilized year net expenditures of \$65.5 million, net economic impact of \$91.7 million in total economic output, 430 direct and indirect jobs, \$16.6 million in annual payroll, and \$490,220 in State personal income tax collections.

The Festival Grounds is estimated to generate stabilized year net expenditures of \$17.9 million, net economic impact of \$25.1 million in total economic output, 142 direct and indirect jobs, \$4.2 in annual payroll, and \$116,582 in State personal income tax collections.

At build-out and stabilized occupancy, the new American Royal Food and Agriculture Epicenter is estimated to attract 2.16 million to 2.43 million annual visitors, including 779,618 to 882,725 visitors from over 100 miles away. Assuming 60 percent of these visitors stay overnight, 1.8 guests per room, and an average stay of two nights, total demand for overnight accommodations is estimated at 519,745 annual room nights. At an average annual occupancy rate of 70 percent, the estimated room night demand is enough to support 2,034 hotel rooms. These lodging supply and demand forecasts illustrate the significant impact the new American Royal Food and Agriculture Epicenter will have on the Kansas City area hotel market and the potential to support additional hotel development.

To conclude, the new American Royal Food and Agriculture Epicenter Project will contribute significantly to the state and local economy by generating construction and permanent jobs; attracting out-of-state visitors, spending, and lodging demand; strengthening the Kansas City area's status as a tourist destination; and yielding state income tax revenues.

**Operational-Phase Economic Impact Estimates
New American Royal Food and Agriculture Epicenter**

	Main Complex	Festival Grounds	Project Totals
Total Net Economic Impact of Operations			
Stabilized Year Net Expenditures	\$65,487,131	\$17,906,610	\$83,393,741
Total Net Output	\$91,681,984	\$25,069,253	\$116,751,237
Job Creation			
Direct	40	14	54
Indirect	468	128	596
Total	508	142	650
Payroll			
Direct	\$4,000,000	\$698,000	\$4,698,000
Indirect	\$12,636,000	\$3,456,000	\$16,092,000
Total	\$16,636,000	\$4,154,000	\$20,790,000
State Income Taxes	\$490,220	\$163,426	\$653,646

Source: Canyon Research Southwest, Inc.

STAR BOND REVENUE PROJECTIONS

The STAR bond program provides Kansas municipalities the opportunity to issue bonds to finance the development of major commercial entertainment and tourism areas and use sales tax revenue generated by the development to pay off the bonds. STAR bonds possess a 20-year term. An eligible area for the STAR bond program includes a historic theater, major tourism area, major motorsports complex, auto racetrack facility, river walk canal facility, major multi-sport athletic complex or a major commercial entertainment and tourism area.

Financing for a portion of the new American Royal Food and Agriculture Epicenter will be provided by STAR bond and Community Improvement District sales taxes generated by the Project District. Applicable STAR bond sales tax revenues applicable to will be generated by both the new American Royal Food and Agriculture Epicenter and Northwest Speedway STAR Bond District.

The STAR bond revenue projections and supportable bond debt estimates contained in this study are derived exclusively from four sources within the Northwest Speedway STAR Bond District: 1) incremental sales from the Plaza at the Speedway (over and above the “base year” sales), 2) the new American Royal complex to be developed at the northeast and northwest corners of 118th Street and State Avenue, 3) the American Royal festival grounds anticipated to be developed on the west side of 118th Street, and 4) a Community Improvement District sales tax levy.

A Community Improvement District (CID) is planned to be established coterminous with the boundaries of the new American Royal Food and Agriculture Epicenter site, with an additional 1.0 percent sales tax to be levied through maturity of the STAR Bond District.

This section of the study quantifies the supportable bond debt by preparing an amortization schedule using estimated STAR bond sales tax revenue streams available through maturity of the 20-year term. **This analysis assumes that STAR Bond and CID revenues generated by the new American Royal Food and Agriculture Epicenter Phases 1 and 2 will commence in 2024 with maturity in 2043. Phases 1 and 2 will be designated separate Project Areas with STAR Bond revenues commencing in 2026 for Phase 1 and 2030 for Phase 2.**

Northwest Speedway STAR Bond Revenues

Incremental sales from the Plaza at the Speedway portion of the Northwest Speedway STAR Bond District located north of Parallel Parkway east of 110th Street will be pledged to the new American Royal Food and Agriculture Epicenter. The 850,000 square foot Plaza at the Speedway is anchored by Sam’s Club, Walmart Supercenter, and Kohl’s. Other tenants include Taco Bell, Olive Garden, Red Lobster, Chick-fil-A, Jack in the Box, and Wendy’s.

The Northwest Speedway STAR Bond District was established pursuant to Ordinance No. O-75-16 adopted by the governing body of the Unified Government of Wyandotte County/Kansas City, Kansas on December 15, 2016, and published December 22, 2016, thereby establishing the “base year” to be the 12-month period immediately prior (Dec. 2015 – Nov. 2016), all in accordance with the Kansas STAR bonds financing act, K.S.A. 12-17,160 et seq.

On October 26, 2017, the Unified Government adopted Ordinance No. O-62-17 approving a STAR bond project plan for the District, and prior to implementing the Original Project Plan, the Unified

Government adopted Ordinance No. O-52-18 on December 6, 2018, approving an amended STAR bond project plan for the District, which repealed and replaced the Original Project Plan in its entirety. Due to the COVID-19 pandemic, the project was then paused shortly thereafter. Accordingly, these projections assume that a second amended STAR bond project plan for the District (the “Second Amended Project Plan”) will be adopted repealing and replacing the First Amended Project Plan, and that the 20-year term of the STAR bond project described herein will commence on the date of the approval of the Second Amended Project Plan.

STAR Bond revenues will be generated by the state sales tax of 6.5 percent on the incremental sales from the Plaza at the Speedway. Given that the Plaza at the Speedway was the only existing sales-tax-producing development within the District at the time of creation, base sales are the gross sales from the Plaza at the Speedway during the 12 months prior to creation of the Northwest Speedway STAR bond District (December 2015 – November 2016) and are equal to \$162,198,246 (“Base Sales”) based on \$10,542,898 of State sales and use tax generation.

From December 2021 to November 2022, the Plaza at the Speedway generated \$13,633,265 in State sales and use tax, which equates to \$209,742,543 in gross sales, or \$47,544,117 in incremental sales over the Base Sales. Throughout maturity of the STAR Bond District sales from the Plaza at the Speedway are projected to grow at an annual average growth rate of 2.5 percent. For 2024, gross sales were estimated at \$220,360,759. The vacant former Best Buy store was not included in the STAR Bond revenue projections.

As calculated in the table on the following page, gross STAR bond revenues from the Plaza at the Speedway for the 20-year STAR Bond period (2024-2043) total \$155 million.

American Royal STAR Bond Revenues

The STAR Bond Act allows for the pledge of 100 percent of the tax increment revenue received by the city from any local sales and use taxes, including the city’s share of any county sales tax, which are collected within the STAR bond project district. The STAR bond financing for the new American Royal Food and Agriculture Epicenter will be repaid by certain incremental retail sales taxes.

Taxable retail sales generated by businesses operating in the Project District are subject to a sales tax rate of 9.125 percent consisting of 6.5 percent for the State of Kansas, 1.0 percent for Wyandotte County and 1.625 percent for the City of Kansas City. Accounting for dedicated sales taxes (which are not pledged), the effective STAR Bond eligible sales tax rate is 8.434368 percent.

STAR Bond Effective Sales Tax Rate American Royal STAR Bond Project District

Taxing Jurisdiction	Tax Rate	% Allocation	STAR Bond Dedicated
State of Kansas	6.500%	100.0000%	6.500000%
Wyandotte County	1.000%	93.4368%	0.934368%
City of Kansas City	1.625%	61.5385%	1.000000%
Total Tax Rate	9.125%		8.434368%

STAR Bond Revenue Estimates @ Plaza at the Speedway

Year	Base Year Sales	Forecast Sales	Incremental Sales	State of Kansas 6.50%	Total STAR Bond Revenue
2024	\$162,198,426	\$220,360,759	\$58,162,333	\$3,780,552	\$3,780,552
2025	\$162,198,426	\$225,869,778	\$63,671,352	\$4,138,638	\$4,138,638
2026	\$162,198,426	\$231,516,522	\$69,318,096	\$4,505,676	\$4,505,676
2027	\$162,198,426	\$237,304,435	\$75,106,009	\$4,881,891	\$4,881,891
2028	\$162,198,426	\$243,237,046	\$81,038,620	\$5,267,510	\$5,267,510
2029	\$162,198,426	\$249,317,973	\$87,119,547	\$5,662,771	\$5,662,771
2030	\$162,198,426	\$255,550,922	\$93,352,496	\$6,067,912	\$6,067,912
2031	\$162,198,426	\$261,939,695	\$99,741,269	\$6,483,182	\$6,483,182
2032	\$162,198,426	\$268,488,187	\$106,289,761	\$6,908,834	\$6,908,834
2033	\$162,198,426	\$275,200,392	\$113,001,966	\$7,345,128	\$7,345,128
2034	\$162,198,426	\$282,080,402	\$119,881,976	\$7,792,328	\$7,792,328
2035	\$162,198,426	\$289,132,412	\$126,933,986	\$8,250,709	\$8,250,709
2036	\$162,198,426	\$296,360,722	\$134,162,296	\$8,720,549	\$8,720,549
2037	\$162,198,426	\$303,769,740	\$141,571,314	\$9,202,135	\$9,202,135
2038	\$162,198,426	\$311,363,984	\$149,165,558	\$9,695,761	\$9,695,761
2039	\$162,198,426	\$319,148,083	\$156,949,657	\$10,201,728	\$10,201,728
2040	\$162,198,426	\$327,126,785	\$164,928,359	\$10,720,343	\$10,720,343
2041	\$162,198,426	\$335,304,955	\$173,106,529	\$11,251,924	\$11,251,924
2042	\$162,198,426	\$343,687,579	\$181,489,153	\$11,796,795	\$11,796,795
2043	\$162,198,426	\$352,279,768	\$190,081,342	\$12,355,287	\$12,355,287
Totals					\$155,029,655

Source: Canyon Research Southwest, Inc.; February 2024.

The *Market Impact Study* section of the report estimated conservative and optimistic annual retail sales revenues at build-out and stabilization of the new American Royal Food and Agriculture Epicenter. For this analysis, the conservative retail sales forecasts were applied.

From 2003 through 2022 the Consumer Price Index (“CPI”) rose at an average annual rate of 2.47 percent, ranging from a low of -0.4 percent in 2009 to a high of 8.0 percent in 2022. Through maturity of the STAR bonds retail and lodging sales volumes within the Project District are escalated at an annual rate of 2.5 percent.

By 2032, attendance for the entire new American Royal Food and Agriculture Epicenter site is estimated to stabilize at 2.16 million to 2.43 million attendees. **Following project stabilization in 2032, no annual increases in attendance to the new American Royal were applied.**

Phase 1

The new American Royal Food and Agriculture Epicenter Phase 1 is scheduled for completion in early 2026 and will feature two indoor arenas with permanent seating of 3,500 seats and 5,000 seats, 3,500-seat outdoor arena, 1,540-stall barn, 79,400 square foot Education Center, 148,500 square feet of outdoor living space, and 50 RV spaces.

Retail sales through build-out and stabilization of Phase 1 are estimated at \$87.1 million in 2026; \$93.7 million in 2027; \$105.5 million in 2028; \$117.8 million in 2029; and \$130.3 million at stabilization in 2030.

As outlined in the table on page 108, throughout the 20-year term the new American Royal Food and Agriculture Epicenter Phase 1 is forecast to generate total STAR bond revenue of approximately \$226 million and CID sales tax revenue of \$26.8 million.

Phase 2 – Festival Grounds

The new American Royal Food and Agriculture Epicenter Phase 2 will include a 120-acre Festival Grounds scheduled to open by 2030. The project will include a festival area with a concert lawn and 1,200 RV/trailer parking spaces.

Taxable sales through build-out and stabilization of the Festival Grounds are estimated at \$13.2 million in 2030; \$27.3 million in 2031; and \$41.1 million at stabilization in 2032.

As outlined in the table on page 109, throughout the 20-year term the Festival Grounds are forecast to generate total STAR bond revenue of \$51.2 million and CID sales tax revenue of \$6.1 million.

Total Revenue

As outlined in the table on page 110, throughout the 20-year life of the new American Royal Food and Agriculture Epicenter STAR Bond District, the Plaza at the Speedway and American Royal Phases 1 and 2 are estimated to generate net revenues of \$465 million, including STAR Bond revenues of \$432.2 million and CID sales tax revenue of \$32.9 million.

STAR Bond Revenue Estimates

American Royal Food and Agriculture Epicenter Phase 1

STAR Bond Revenue							
Year	Forecast Sales		State of Kansas 6.50%	Wyandotte County 0.934368%	City of Kansas City 1.00%	CID Sales Tax Revenue 1.00%	Total Revenue
2026	\$87,066,929		\$5,659,350	\$813,526	\$870,669	\$870,669	\$8,214,214
2027	\$93,653,926		\$6,087,505	\$875,072	\$936,539	\$936,539	\$8,835,656
2028	\$105,457,386		\$6,854,730	\$985,360	\$1,054,574	\$1,054,574	\$9,949,238
2029	\$117,841,980		\$7,659,729	\$1,101,078	\$1,178,420	\$1,178,420	\$11,117,646
2030	\$130,326,617		\$8,471,230	\$1,217,730	\$1,303,266	\$1,303,266	\$12,295,493
2031	\$140,964,243		\$9,162,676	\$1,317,125	\$1,409,642	\$1,409,642	\$13,299,085
2032	\$145,250,516		\$9,441,284	\$1,357,174	\$1,452,505	\$1,452,505	\$13,703,468
2033	\$148,881,779		\$9,677,316	\$1,391,104	\$1,488,818	\$1,488,818	\$14,046,055
2034	\$152,603,823		\$9,919,249	\$1,425,881	\$1,526,038	\$1,526,038	\$14,397,206
2035	\$156,418,919		\$10,167,230	\$1,461,528	\$1,564,189	\$1,564,189	\$14,757,136
2036	\$160,329,392		\$10,421,410	\$1,498,067	\$1,603,294	\$1,603,294	\$15,126,065
2037	\$164,337,627		\$10,681,946	\$1,535,518	\$1,643,376	\$1,643,376	\$15,504,216
2038	\$168,446,067		\$10,948,994	\$1,573,906	\$1,684,461	\$1,684,461	\$15,891,822
2039	\$172,657,219		\$11,222,719	\$1,613,254	\$1,726,572	\$1,726,572	\$16,289,117
2040	\$176,973,650		\$11,503,287	\$1,653,585	\$1,769,736	\$1,769,736	\$16,696,345
2041	\$181,397,991		\$11,790,869	\$1,694,925	\$1,813,980	\$1,813,980	\$17,113,754
2042	\$185,932,941		\$12,085,641	\$1,737,298	\$1,859,329	\$1,859,329	\$17,541,598
2043	\$190,581,264		\$12,387,782	\$1,780,730	\$1,905,813	\$1,905,813	\$17,980,138
Totals			\$174,142,947	\$25,032,861	\$26,791,223	\$26,791,223	\$252,758,254

Source: Canyon Research Southwest, Inc.; February 2024.

STAR Bond Revenue Estimates
American Royal Food and Agriculture Epicenter
Phase 2 - Festival Grounds

STAR Bond Revenue							
Year	Forecast Sales		State of Kansas 6.50%	Wyandotte County 0.934368%	City of Kansas City 1.00%	CID Sales Tax Revenue 1.00%	Total STAR Bond Revenue
2030	\$13,200,000		\$858,000	\$123,337	\$132,000	\$132,000	\$1,245,337
2031	\$27,324,000		\$1,776,060	\$255,307	\$273,240	\$273,240	\$2,577,847
2032	\$41,085,000		\$2,670,525	\$383,885	\$410,850	\$410,850	\$3,876,110
2033	\$42,112,125		\$2,737,288	\$393,482	\$421,121	\$421,121	\$3,973,013
2034	\$43,164,928		\$2,805,720	\$403,319	\$431,649	\$431,649	\$4,072,338
2035	\$44,244,051		\$2,875,863	\$413,402	\$442,441	\$442,441	\$4,174,147
2036	\$45,350,153		\$2,947,760	\$423,737	\$453,502	\$453,502	\$4,278,500
2037	\$46,483,906		\$3,021,454	\$434,331	\$464,839	\$464,839	\$4,385,463
2038	\$47,646,004		\$3,096,990	\$445,189	\$476,460	\$476,460	\$4,495,099
2039	\$48,837,154		\$3,174,415	\$456,319	\$488,372	\$488,372	\$4,607,477
2040	\$50,058,083		\$3,253,775	\$467,727	\$500,581	\$500,581	\$4,722,664
2041	\$51,309,535		\$3,335,120	\$479,420	\$513,095	\$513,095	\$4,840,730
2042	\$52,592,273		\$3,418,498	\$491,405	\$525,923	\$525,923	\$4,961,749
2043	\$53,907,080		\$3,503,960	\$503,691	\$539,071	\$539,071	\$5,085,792
Totals			\$39,475,429	\$5,674,550	\$6,073,143	\$6,073,143	\$57,296,265

Source: Canyon Research Southwest, Inc.; February 2024.

Total STAR Bond Revenue Estimates
American Royal Food and Agriculture Epicenter

Year	Plaza at the Speedway	STAR Bond Revenue		CID Revenue		Total Revenues
		Phase 1 Main Complex	Phase 2 Festival Grounds	Phase 1 Main Complex	Phase 2 Festival Grounds	
2024	\$3,780,552					\$3,780,552
2025	\$4,138,638					\$4,138,638
2026	\$4,505,676	\$7,343,545		\$870,669		\$12,719,890
2027	\$4,881,891	\$7,899,117		\$936,539		\$13,717,547
2028	\$5,267,510	\$8,894,664		\$1,054,574		\$15,216,748
2029	\$5,662,771	\$9,939,226		\$1,178,420		\$16,780,417
2030	\$6,067,912	\$10,992,227	\$1,113,337	\$1,303,266	\$132,000	\$19,608,742
2031	\$6,483,182	\$11,889,443	\$2,304,607	\$1,409,642	\$273,240	\$22,360,114
2032	\$6,908,836	\$12,250,963	\$3,465,260	\$1,452,505	\$410,850	\$24,488,414
2033	\$7,345,128	\$12,557,237	\$3,551,892	\$1,488,818	\$421,121	\$25,364,196
2034	\$7,792,328	\$12,871,167	\$3,640,689	\$1,526,039	\$431,649	\$26,261,872
2035	\$8,250,709	\$13,192,949	\$3,731,706	\$1,564,189	\$442,441	\$27,181,994
2036	\$8,720,549	\$13,522,771	\$3,824,999	\$1,603,294	\$453,502	\$28,125,115
2037	\$9,202,135	\$13,860,840	\$3,920,624	\$1,643,376	\$464,839	\$29,091,814
2038	\$9,695,762	\$14,207,361	\$4,018,639	\$1,684,461	\$476,460	\$30,082,683
2039	\$10,201,728	\$14,562,545	\$4,119,105	\$1,726,572	\$488,372	\$31,098,322
2040	\$10,720,343	\$14,926,609	\$4,222,083	\$1,769,736	\$500,581	\$32,139,352
2041	\$11,251,924	\$15,299,773	\$4,327,635	\$1,813,981	\$513,095	\$33,206,408
2042	\$11,796,795	\$15,682,269	\$4,435,826	\$1,859,329	\$525,922	\$34,300,141
2043	\$12,355,287	\$16,074,325	\$4,546,722	\$1,905,813	\$539,071	\$35,421,218
Totals	\$155,029,656	\$225,967,031	\$51,223,124	\$26,791,223	\$6,073,143	\$465,084,177

Source: Canyon Research Southwest, Inc.

Supportable Bond Debt Estimates

The STAR Bond funding capacity of the new American Royal Food and Agriculture Epicenter Phases 1 and 2 was determined through calculating the net present value of the annual Sales Tax Special Obligation Bond (“STAR”) revenues throughout the maturity of the project plan. This report assumed that all STAR bond revenue would be used to pay bond debt. The net present value was calculated using an annual sales growth rate of 2.5 percent, debt service reserve and bond issuance costs of 12.0 percent, debt coverage ratio of 1.25 and a discount (“yield”) rate of 5.0 percent.

Throughout the statutory 20-year STAR bond maturity period the gross Sales Tax Special Obligation Bond and CID Sales Tax revenues generated by the Plaza at the Speedway and new American Royal Food and Agriculture Epicenter Phases 1 and 2 are estimated at \$465 million. Accounting for bond issuance costs and reserve fund allocation, net present value proceeds of \$198.8 million are available to service bond principal and interest payments. Net proceeds amount to \$61.8 million for the Plaza at the Speedway, \$109.7 million for Phase 1 (Main Complex) and \$27.3 million for Phase 2 (Festival Grounds).

The Kansas STAR Bond Act requires that the Feasibility Study include a full disclosure and description of all state, federal, and local tax incentives that apply or, pursuant to the project plan, are anticipated to apply within the STAR Bond District or that apply to any business located in or, pursuant to the project plan, that will be located in the district. In the case of the new American Royal Food and Agriculture Epicenter, such additional incentives include:

- \$3.0 million in Kansas Building a Strong Economy (BASE) grant funding from the state to support certain infrastructure and related investments associated with the development of the new American Royal Food and Agriculture Epicenter. Kansas BASE grant funding comes from a portion of the funds provided by the federal government to the State of Kansas under the Coronavirus State Fiscal Recovery Funds established pursuant to Section 602 of Title VI of the Social Security Act, as added by Section 9901 of the federal American Rescue Plan Act of 2021.
- Industrial Revenue Bond (IRB) financing from the Unified Government, solely for the purpose of obtaining a sales tax exemption on construction materials.
- \$5.0 million in anticipated funding from the Kansas Department of Transportation to assist with the financing of certain public road improvements and related infrastructure work.

Supportable STAR Bond Debt Estimates Plaza at the Speedway

Year	Gross STAR Bond Revenue	Present Value 5.0%	Net Present Value	Less: Debt Coverage 1.25	Net STAR Bond Proceeds
2024	\$3,780,552	0.952381	\$3,600,526	\$720,105	\$2,880,420
2025	\$4,138,638	0.907029	\$3,753,865	\$750,773	\$3,003,092
2026	\$4,505,676	0.863838	\$3,892,174	\$778,435	\$3,113,740
2027	\$4,881,891	0.822702	\$4,016,341	\$803,268	\$3,213,073
2028	\$5,267,510	0.783526	\$4,127,231	\$825,446	\$3,301,785
2029	\$5,662,771	0.746215	\$4,225,644	\$845,129	\$3,380,515
2030	\$6,067,912	0.710681	\$4,312,350	\$862,470	\$3,449,880
2031	\$6,483,182	0.676839	\$4,388,071	\$877,614	\$3,510,457
2032	\$6,908,834	0.644609	\$4,453,497	\$890,699	\$3,562,798
2033	\$7,345,128	0.613913	\$4,509,269	\$901,854	\$3,607,416
2034	\$7,792,328	0.584679	\$4,556,011	\$911,202	\$3,644,809
2035	\$8,250,709	0.556837	\$4,594,300	\$918,860	\$3,675,440
2036	\$8,720,549	0.530321	\$4,624,690	\$924,938	\$3,699,752
2037	\$9,202,135	0.505068	\$4,647,704	\$929,541	\$3,718,163
2038	\$9,695,761	0.481017	\$4,663,826	\$932,765	\$3,731,061
2039	\$10,201,728	0.458112	\$4,673,534	\$934,707	\$3,738,827
2040	\$10,720,343	0.436297	\$4,677,254	\$935,451	\$3,741,803
2041	\$11,251,924	0.415520	\$4,675,400	\$935,080	\$3,740,320
2042	\$11,796,795	0.395730	\$4,668,346	\$933,669	\$3,734,677
2043	\$12,355,287	0.376890	\$4,656,584	\$931,317	\$3,725,267
Total	\$155,029,655		\$87,716,617	\$17,543,323	\$70,173,293
Less: Bond Issuance Costs (12%)					-\$8,420,795
STAR Bond Proceeds Available for Debt Service					\$61,752,498

Source: Canyon Research Southwest, Inc.; February 2024.

Supportable STAR Bond Debt Estimates
American Royal Food and Agriculture Epicenter Phase 1

Year	Gross Revenue	Present Value 5.0%	Net Present Value	Less: Debt Coverage 1.25	Net Proceeds
2026	\$8,214,214	0.952381	\$7,823,062	\$1,564,612	\$6,258,449
2027	\$8,835,656	0.907029	\$8,014,196	\$1,602,839	\$6,411,357
2028	\$9,949,238	0.863838	\$8,594,530	\$1,718,906	\$6,875,624
2029	\$11,117,646	0.822702	\$9,146,510	\$1,829,302	\$7,317,208
2030	\$12,295,493	0.783526	\$9,633,838	\$1,926,768	\$7,707,071
2031	\$13,299,085	0.746215	\$9,923,977	\$1,984,795	\$7,939,182
2032	\$13,703,468	0.710681	\$9,738,794	\$1,947,759	\$7,791,036
2033	\$14,046,055	0.676839	\$9,506,918	\$1,901,384	\$7,605,534
2034	\$14,397,206	0.644609	\$9,280,569	\$1,856,114	\$7,424,455
2035	\$14,757,136	0.613913	\$9,059,598	\$1,811,920	\$7,247,678
2036	\$15,126,065	0.584679	\$8,843,892	\$1,768,778	\$7,075,114
2037	\$15,504,216	0.556837	\$8,633,321	\$1,726,664	\$6,906,657
2038	\$15,891,822	0.530321	\$8,427,767	\$1,685,553	\$6,742,213
2039	\$16,289,117	0.505068	\$8,227,112	\$1,645,422	\$6,581,690
2040	\$16,696,345	0.481017	\$8,031,226	\$1,606,245	\$6,424,981
2041	\$17,113,754	0.458112	\$7,840,016	\$1,568,003	\$6,272,013
2042	\$17,541,598	0.436297	\$7,653,347	\$1,530,669	\$6,122,677
2043	\$17,980,138	0.415520	\$7,471,107	\$1,494,221	\$5,976,885
Total	\$252,758,254		\$155,849,780	\$31,169,956	\$124,679,824
	Less: Bond Issuance Costs (12%)				-\$14,961,579
	STAR Bond Proceeds Available for Debt Service				\$109,718,245

Source: Canyon Research Southwest, Inc.; February 2024.

Supportable STAR Bond Debt Estimates
American Royal Food and Agriculture Epicenter
Phase 2 – Festival Grounds

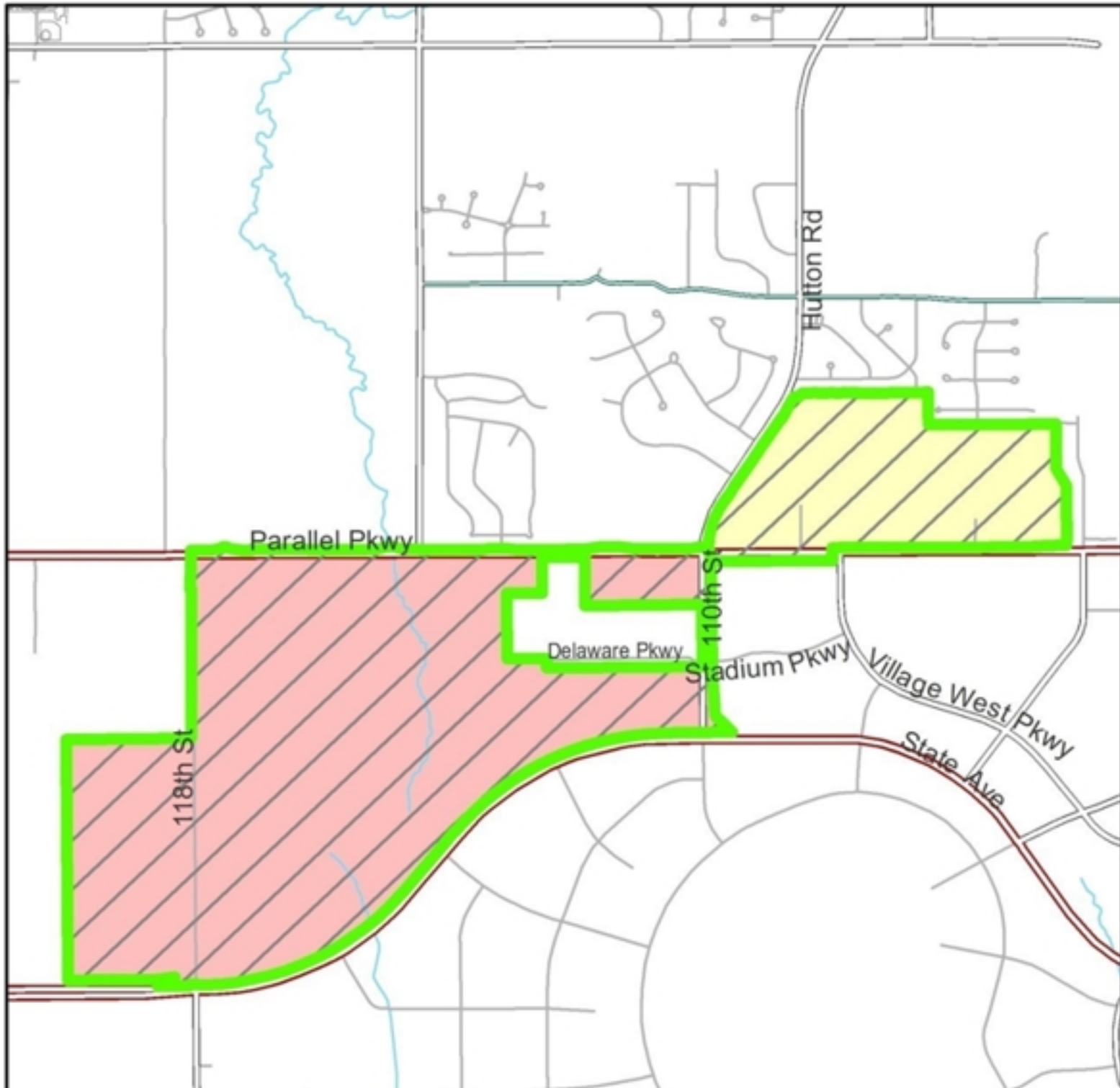
Year	Gross Revenue	Present Value 5.0%	Net Present Value	Less: Debt Coverage 1.25	Net Proceeds
2030	\$1,245,337	0.952381	\$1,186,035	\$237,207	\$948,828
2031	\$2,577,847	0.907029	\$2,338,182	\$467,636	\$1,870,545
2032	\$3,876,110	0.863838	\$3,348,331	\$669,666	\$2,678,665
2033	\$3,973,013	0.822702	\$3,268,606	\$653,721	\$2,614,884
2034	\$4,072,338	0.783526	\$3,190,783	\$638,157	\$2,552,626
2035	\$4,174,147	0.746215	\$3,114,811	\$622,962	\$2,491,849
2036	\$4,278,500	0.710681	\$3,040,649	\$608,130	\$2,432,519
2037	\$4,385,463	0.676839	\$2,968,252	\$593,650	\$2,374,602
2038	\$4,495,099	0.644609	\$2,897,582	\$579,516	\$2,318,065
2039	\$4,607,477	0.613913	\$2,828,590	\$565,718	\$2,262,872
2040	\$4,722,664	0.584679	\$2,761,242	\$552,248	\$2,208,994
2041	\$4,840,730	0.556837	\$2,695,498	\$539,100	\$2,156,398
2042	\$4,961,749	0.530321	\$2,631,319	\$526,264	\$2,105,056
2043	\$5,085,792	0.505068	\$2,568,671	\$513,734	\$2,054,937
Total	\$57,296,265		\$38,838,550	\$7,767,710	\$31,070,840
	Less: Bond Issuance Costs (12%)				-\$3,728,501
	STAR Bond Proceeds Available for Debt Service				\$27,342,339

Source: Canyon Research Southwest, Inc.; February 2024.

**Supportable STAR Bond Debt Estimates
Plaza at the Speedway and American Royal
Food and Agriculture Epicenter Phases 1 & 2**

NPV Revenues				
Year	Plaza at the Speedway	Main Complex	Festival Grounds	NPV @ 5% STAR Bond Revenue
2024	\$2,880,420			\$2,880,420
2025	\$3,003,092			\$3,003,092
2026	\$3,113,740	\$6,258,449		\$9,372,189
2027	\$3,213,073	\$6,411,357		\$9,624,430
2028	\$3,301,785	\$6,875,624		\$10,177,409
2029	\$3,380,515	\$7,317,208		\$10,697,723
2030	\$3,449,880	\$7,707,071	\$948,828	\$12,105,779
2031	\$3,510,457	\$7,939,182	\$1,870,545	\$13,320,184
2032	\$3,562,798	\$7,791,036	\$2,678,665	\$14,032,499
2033	\$3,607,416	\$7,605,534	\$2,614,884	\$13,827,834
2034	\$3,644,809	\$7,424,455	\$2,552,626	\$13,621,890
2035	\$3,675,440	\$7,247,678	\$2,491,849	\$13,414,967
2036	\$3,699,752	\$7,075,114	\$2,432,519	\$13,207,385
2037	\$3,718,163	\$6,906,657	\$2,374,602	\$12,999,422
2038	\$3,731,061	\$6,742,213	\$2,318,065	\$12,791,339
2039	\$3,738,827	\$6,581,690	\$2,262,872	\$12,583,389
2040	\$3,741,803	\$6,424,981	\$2,208,994	\$12,375,778
2041	\$3,740,320	\$6,272,013	\$2,156,398	\$12,168,731
2042	\$3,734,677	\$6,122,677	\$2,105,056	\$11,962,410
2043	\$3,725,267	\$5,976,885	\$2,054,937	\$11,757,089
Totals	\$70,173,293	\$124,679,824	\$31,070,840	\$225,923,957
Less: Bond Issuance Costs (12%)				-\$27,110,875
STAR Bond Proceeds Available for Debt Service				\$198,813,082

Source: Canyon Research Southwest, Inc.; February 2024.



Legend:

STAR Bond District



Plaza at the
Speedway

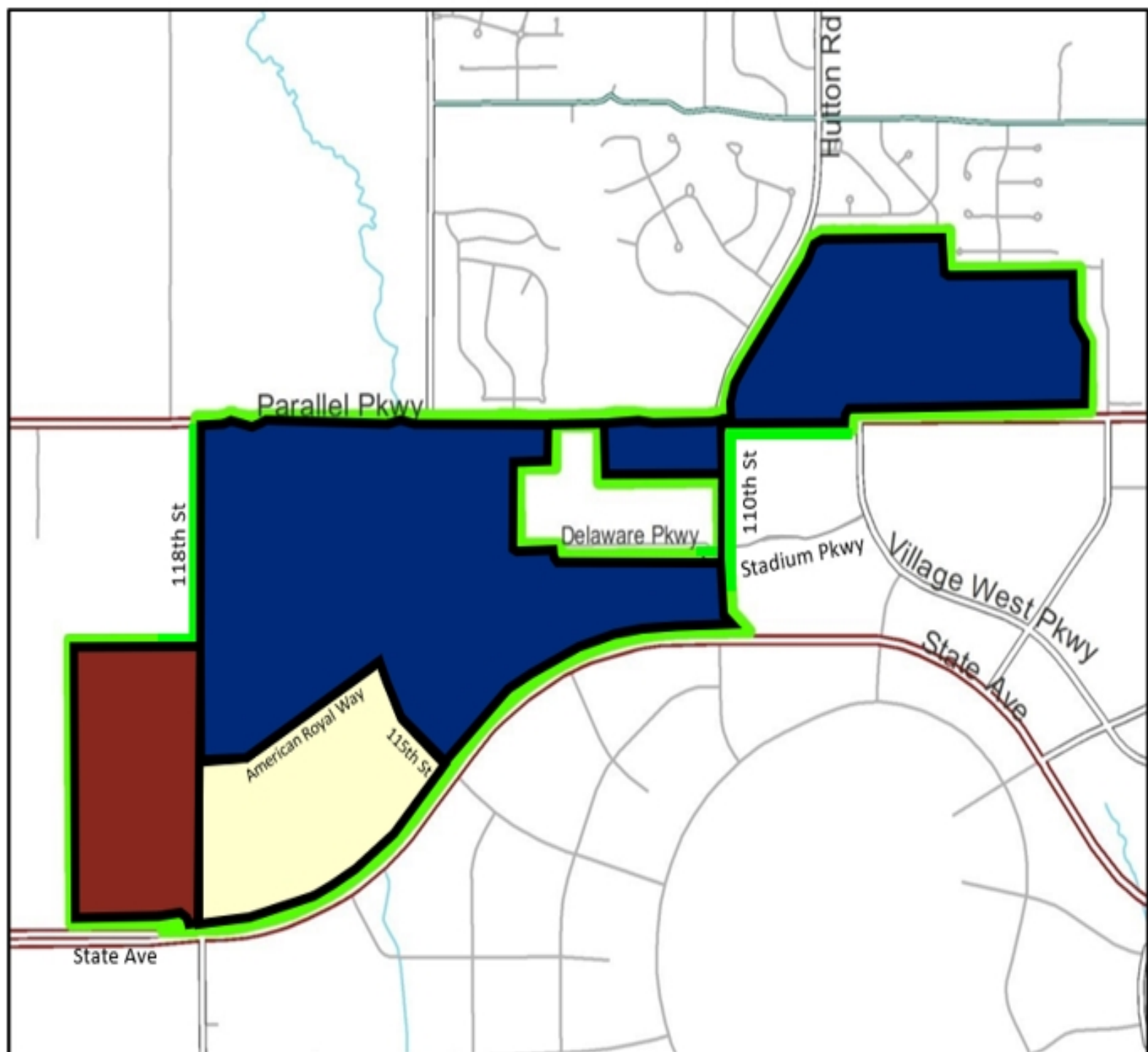


Non-Plaza at
the Speedway



0 0.25 0.5
Miles





Legend:

STAR Bond District



Project Area 1



Project Area 2



Project Area 3



0 0.25 0.5
Miles



Location in Wyandotte County, KS