Economic Development and Finance
Standing Committee Meeting Agenda
Monday, July 29, 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 the link below to join the webinar:
https://us02web.zoom.us/j/81377015193
Or One tap mobile:
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Dial (for higher quality, dial a number based on your current location):
+1 669 444 9171 US, +1 669 900 9128 US (San Jose), +1 719 359 4580 US, +1 253 205 0468 US, +1 253 215 8782 US (Tacoma), +1 346 248 7799 US (Houston), +1 689 278 1000 US, +1 301 715 8592 US (Washington DC), +1 305 224 1968 US, +1 309 205 3325 US, +1 312 626 6799 US (Chicago), +1 360 209 5623 US, +1 386 347 5053 US, +1 507 473 4847 US, +1 564 217 2000 US, +1 646 558 8656 US (New York), +1 646 931 3860 US
888 475 4499 US (Toll Free) 877 853 5257 US (Toll Free)
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International numbers available: https://us02web.zoom.us/u/kWsB0yEqI

Name	Absent
Commissioner Tom Burroughs, Chair	☐
Commissioner Gayle Towsend	☐
Commissioner Chuck Stites	☐
Commissioner Bill Burns	☐
Commissioner Phil Lopez	☐
Stevie Wakes, BPU Member	☐

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

II. **Revisions to July 29, 2024 Agenda**

III. **Approval of standing committee minutes from July 10, 2023.**

IV. Committee Agenda

Item No. 1 - RESOLUTION: SECOND AMENDMENT TO THE 505 CENTRAL DEVELOPMENT AGREEMENT

Synopsis: Approve a resolution adopting the Second Amendment to the 505 Central Development Agreement, changing the date of commencement from September 1, 2024, to March 1, 2026, and changing the date of completion from September 1, 2026, to March 1, 2028.

Tracking #: 21251

Item No. 2 - RESOLUTION: MARSHALLTOWN COMPANY INDUSTRIAL REVENUE BONDS

Synopsis: There are two items to be addressed:

1. Setting the Public Hearing regarding the proposed issuance of bonds for August 29, 2024.
2. Adoption of a resolution of intent to issue Industrial Revenue Bonds in the amount of $27,000,000 and approving the Performance Agreement for Marshalltown Company located at 9822 Leavenworth Road.

Tracking #: 21252

Item No. 3 - RESOLUTION: AMENDING DEADLINES RELATED TO ISSUANCE OF INDUSTRIAL REVENUE BONDS (AMERICAN ROYAL PROJECT)

Synopsis: A resolution extending deadlines in the previously adopted Resolution of Intent to issue Industrial Revenue Bonds for the American Royal Project in the amount of $250,000,000 to December 31, 2024.

It is requested that this item be fast-tracked to the August 1, 2024, full commission meeting.

Tracking #: 21291

V. Public Agenda

VI. Adjourn

ECONOMIC DEVELOPMENT AND FINANCE
STANDING COMMITTEE MINUTES
Monday, July 10, 2023

The meeting of the Economic Development and Finance Standing Committee was held on Monday, July 10, 2023, at 5:00 p.m. The following members were present: Commissioner Burroughs, Chairman; Commissioners Davis, Townsend, Stites, BPU Board Member Haley, and Ramirez on behalf of McKiernan. Commissioner McKiernan was absent. The following officials were also in attendance: Alan Howze, Assistant County Administrator; Wendy Green, Assistant Counsel; Monica Sparks, Deputy UG Clerk; and LaVert Murray, Economic Development Advisor to the Mayor.

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 UG Clerk,** stated there are no revisions.

Approval of standing committee minutes from November 7, 2022. **On motion of Commissioner Stites, seconded by Commissioner Townsend, the minutes were approved**. Roll call was taken and there were six "Ayes," Haley, Davis, Townsend, Stites, Ramirez, Burroughs.

COMMITTEE AGENDA

Item No. 1 – 212577…Item No. 1 – RESOLUTION: FIRST AMENDMENT TO THE 505 CENTRAL PROJECT.
Synopsis: Adoption of a resolution extending various development agreement deadlines, submitted by Jeff Conway, Assistant Counsel.

Wendy Green, Assistant Counsel, said we do have Todd LaSala, Counsel, here to discuss this matter.

Todd LaSala, Outside Counsel, said what you have before you is a very simple, very straightforward First Amendment to the 505 Central Development Agreement. You'll remember that 505 is a multi-family apartment project, 129 units, it's a TIF project, about $6M of TIF.

Tonight's amendment is very straightforward in that it's purely about extension of deadlines within that development agreement and specifically three deadlines. There's a deadline about satisfying conditions, a deadline about commencement of the project, and a deadline about completion. The developer is asking that each of those deadlines be extended by one year. When it comes to the conditions and commencement deadline, those deadlines were September 1st of this year. They want to move those to September 1st of 2024 and then the completion deadline was originally September 1st of 2025 and the developer is requesting to move that to September 1st of 2026.

That is everything that is in this amendment. It is very straightforward from that perspective. The developers Counsel is here, Pete Heaven, who could talk in more detail about why, but essentially this is about what's going on in the marketplace and procuring construction materials, supply chain issues, changes in issues in the capital markets, things we are seeing on other projects. If you would like to hear more about that, Mr. Heaven is here and would be happy to answer questions.

Chairman Burroughs said, Committee, any questions?

Commissioner Stites said I think it was, and I just want to find out, was it Criterion that we just gave an extension to out west, the Criterion Project? I'm trying to find out—what I'm wanting to find out is what the timeframe on that was if this was something that they would—that same one year is—**Chairman Burroughs** said, Wendy, do you have an answer for that question? I don't want to speak—**Ms. Green** said no, I don't have an answer to that question. I didn't cover that meeting, so I'm honestly not sure at all. **Commissioner Burroughs** said if I remember correctly, it was the Senior Development Project that we did extend the timeframe, but I can't remember—I think we went out six months, but that's what I don't recall and I apologize. I wish I had an answer. Todd, do you remember by any chance? **Mr. LaSala** said sorry, Commissioner, I'm not on that one, I don't know the answer.

Chairman Burroughs said it's not uncommon for someone to come forward and ask for an extension in light of there hasn't been any ground broken yet at this time. In light of that, there's no incentives on the table at this time that's being utilized in waiting for the extension, so I mean they're fully within their purview to request an extension.

So, if there's not any other comments or questions, I'll ask the Clerk are there any questions from the public? **Ms. Sparks** said no comments were received. **Chairman Burroughs** said does anybody in the gallery wish to address the committee? Let the record show no one stepped forward to discuss it. Anybody online? **Ms. Sparks** said no hands are raised. **Chairman Burroughs** said seeing none, I would entertain a motion.

Action: **Commissioner Ramirez made a motion, seconded by Commissioner Townsend, to approve.** Roll call was taken and there were six "Ayes," Haley, Davis, Townsend, Stites, Ramirez, Burroughs.

Public Agenda

No items of business.

Adjourn

Chairman Burroughs said I will entertain a motion to adjourn.

Action: **Commissioner Ramirez made a motion, seconded Commissioner Townsend, to adjourn.** Roll call was taken and there were six "Ayes," Haley, Davis, Townsend, Stites, Ramirez, Burroughs.

The meeting was adjourned at 5:08 p.m.

dt

Tracking ID: 21251

Report to
Economic Development & Finance

MEETING DATE	PRESENTER	DEPARTMENT
	Jeffrey Conway, Assistant Counsel jconway@wycokck.org x5075	Legal

AGENDA ITEM #IV.1.
RESOLUTION: SECOND AMENDMENT TO THE 505 CENTRAL DEVELOPMENT AGREEMENT

BACKGROUND
Approve a resolution adopting the Second Amendment to the 505 Central Development Agreement, changing the date of commencement from September 1, 2024, to March 1, 2026, and changing the date of completion from September 1, 2026, to March 1, 2028.

RECOMMENDATION
Approve

BUDGET IMPACTS / FINANCIAL CONSIDERATIONS

IT/POLICY CONSIDERATIONS

PROCUREMENT CONSIDERATIONS

LEGAL CONSIDERATIONS

ATTACHMENTS
Resolution Approving Second Amendment to 505 Central Development Agreement, 2nd Amendment to 505 Central Development Agreement(18819384.1)

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

RESOLUTION NO. R-____-24

A RESOLUTION AUTHORIZING THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS TO ENTER INTO THE SECOND AMENDMENT TO 505 CENTRAL DEVELOPMENT AGREEMENT.

WHEREAS, the Unified Government of Wyandotte County/Kansas City, Kansas (the "UG") and Sunflower Development Group, LLC, a Missouri limited liability company ("Developer"), entered into that certain 505 Central Development Agreement dated as of August 25, 2022, as amended by that certain First Amendment to 505 Central Development Agreement dated as of August 3, 2023 (collectively, as amended, the "Agreement"), whereby Developer proposed to design, develop and construct a new, first-class, market-rate luxury multi-family apartment complex and related amenities on certain real property generally located at 505 Central Avenue, Kansas City, Kansas (as more particularly set forth in the Agreement, the "Project");

WHEREAS, the Agreement requires satisfaction of certain conditions, and commencement of construction of the Project, to occur on or before September 1, 2024, with completion of the Project on or before September 1, 2026;

WHEREAS, Developer has been diligently proceeding with its obligations in connection with the Agreement, but Developer has requested an 18-month extension to provide additional time to secure private financing for the Project; and

WHEREAS, the Governing Body has determined that it is advisable to enter into the Second Amendment to 505 Central Development Agreement, attached hereto as **Exhibit A** (the "Second Amendment"), with Developer in order to modify performance dates.

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

Section 1. The Governing Body hereby approves the Second Amendment in substantially the form attached hereto.

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

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

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

ADOPTED BY THE BOARD OF COMMISSIONERS OF THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS ON AUGUST 29, 2024.

____

Tyrone Garner, Mayor/CEO

ATTEST:

____

Unified Government Clerk

(Seal)

EXHIBIT A

Second Amendment

[Attached on following pages.]

SECOND AMENDMENT TO 505 CENTRAL DEVELOPMENT AGREEMENT

This Second Amendment to 505 Central Development Agreement (this "Second Amendment") is made and entered into as of the _____ day of _____________, 2024, by and between the Unified Government of Wyandotte County/Kansas City, Kansas (the "UG"), and Sunflower Development Group, LLC, a Missouri limited liability company ("Developer").

WHEREAS, UG and Developer entered into that certain 505 Central Development Agreement on August 25, 2022 (the "Original Agreement"); and

WHEREAS, the Original Agreement was amended by First Amendment executed by the parties as of August 3, 2023 (the "First Amendment"); and

WHEREAS, the parties desire to further amend the Original Agreement to modify the dates of performance by the Developer as hereinafter set forth; the Original Agreement, as amended by the First Amendment and this Second Amendment, may be referred to hereafter as the "Agreement."

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which hereby are acknowledged, the parties hereto agree as follows:

1. That this Second Amendment shall supplement, amend and, to the extent inconsistent herewith, supersede the Original Agreement, as amended. All capitalized words shall have the meanings ascribed to them in the Original Agreement unless otherwise indicated herein.

2. That Section 3.2 of the Original Agreement, as amended, is hereby further amended and replaced in its entirety with the following:

> **3.2 Termination**. In the event that Developer fails to meet the Public Financing Conditions set forth in Section 3.1 above on or prior to March 1, 2026, then either party hereto shall have the right to terminate this Agreement, but any failure to meet any such conditions shall not be an event of default hereunder. Upon any such termination of this Agreement, (i) this Agreement shall terminate, and (ii) except as specifically set forth herein, the parties hereto shall have no further duty, obligation, or liability each to the other hereunder, and without limiting the generality of the foregoing, Developer shall be solely liable and responsible for all of its costs and expenses incurred by it with respect to this Agreement and the transactions contemplated hereby, and except for the fees and expenses of the UG to be paid for by Developer pursuant to that certain Funding Agreement dated as of May 17, 2021, and the provisions of this Agreement, the UG shall be solely liable and responsible for all costs and expenses incurred by it with respect to this Agreement and the transactions contemplated hereby.

3. That Section 6.9 of the Original Agreement, as amended, is hereby further amended and replaced in its entirety with the following:

6.9 **<u>Commencement Date</u>.** Developer hereby agrees that, subject only to Force Majeure, Developer shall commence construction of the Improvements described in Section 2.2 on or before March 1, 2026. For purposes hereof, the words "commence construction" shall be deemed to mean the issuance of a building permit for the Improvements and Developer's undertaking of a program of construction which is continuously pursued to completion.

4. That Section 6.10 of the Original Agreement is hereby further amended and replaced in its entirety with the following:

6.10 **<u>Completion Date</u>**. Developer hereby agrees that, subject only to Force Majeure, Developer shall Substantially Complete construction of the Improvements described in Section 2.2(a) on or before March 1, 2028.

5. Except as modified by the terms of this Amendment, the Original Agreement shall remain in full force and effect. In the event of conflict between the terms of the Agreement, as amended, and the terms of this Second Amendment, the terms of this Second Amendment shall prevail.

6. In connection with this Second Amendment, the parties hereby agree as follows:

(a) The Recitals set forth above are true and correct and are hereby incorporated by reference.

(b) In the event of any inconsistency between the terms of this Second Amendment and the Original Agreement, as amended, the Second Amendment shall govern and control.

(c) This Second Amendment shall be binding upon and inure to the benefit of the parties hereto, and their successors and assigns.

(d) This Second Amendment may be executed in counterparts.

(e) All remedies set forth in Article 9 of the Agreement shall be made available for the enforcement of this Second Amendment.

(f) This Second Amendment shall be construed in accordance with the laws of the State of Kansas.

[Remainder of page intentionally blank; signature pages follow.]

IN WITNESS WHEREOF, the undersigned have executed this Second Amendment pursuant to due authority as of the date first above written.

UG:

THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS

By:____________________________

Name:_________________________

Title:__________________________

DEVELOPER:

SUNFLOWER DEVELOPMENT GROUP, LLC

By:___________________________

Name:_________________________

Title:__________________________

Report to
Economic Development & Finance

MEETING DATE	PRESENTER	DEPARTMENT
	Jeffrey Conway, Assistant Counsel jconway@wycokck.org x5075	Legal

AGENDA ITEM #IV.2.
RESOLUTION: MARSHALLTOWN COMPANY INDUSTRIAL REVENUE BONDS
BACKGROUND
There are two items to be addressed: 1. Setting the Public Hearing regarding the proposed issuance of bonds for August 29, 2024. 2. Adoption of a resolution of intent to issue Industrial Revenue Bonds in the amount of $27,000,000 and approving the Performance Agreement for Marshalltown Company located at 9822 Leavenworth Road.
RECOMMENDATION
Approve
BUDGET IMPACTS / FINANCIAL CONSIDERATIONS
IT/POLICY CONSIDERATIONS
PROCUREMENT CONSIDERATIONS
LEGAL CONSIDERATIONS
ATTACHMENTS
Resolution of Intent - Project Superior (UG), Notice of Public Hearing - Project Superior (UG), Performance Agreement - Project Superior (UG), CBA_Marshalltown_07092024-WITH_lmw, CBA_Marshalltown_07092024_without_LMW_Success, MarshalltownCompanyOverview_EDC Meeting July2024

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

RESOLUTION NO. R-__-24

RESOLUTION DETERMINING THE INTENT OF THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS, TO ISSUE ITS INDUSTRIAL REVENUE BONDS IN THE AMOUNT OF NOT TO EXCEED $27,000,000 TO FINANCE THE COSTS OF ACQUIRING, CONSTRUCTING, IMPROVING AND EQUIPPING AN INDUSTRIAL FACILITY FOR THE BENEFIT OF MARSHALLTOWN COMPANY, AN IOWA CORPORATION AND ITS SUCCESSORS AND ASSIGNS

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

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

WHEREAS, MARSHALLTOWN Company, an Iowa corporation (together with permitted successors and assigns, the "Company"), has submitted to the Unified Government an Application for the Issuance of Industrial Revenue Bonds (the "Application") requesting that the Unified Government finance the cost of acquiring, purchasing, constructing, installing and equipping an approximately 207,792 square foot industrial facility located generally at 9822 Leavenworth Road in the City of Kansas City, Kansas, as more fully described in the Application (collectively, the "Project") through the issuance of its industrial revenue bonds in one or more series in the principal amount of not to exceed $27,000,000 (the "Bonds"), and to lease the Project to the Company in accordance with the Act; and

WHEREAS, it is hereby found and determined to be advisable and in the interest and for the welfare of the Unified Government and its inhabitants that the Unified Government finance the costs of the Project by the issuance of the Bonds under the Act in a principal amount of not to exceed $27,000,000, said Bonds to be payable solely out of rentals, revenues and receipts derived from the lease of the Project by the Unified Government to the Company; and

WHEREAS, to set forth certain terms of the Project and the proposed property tax abatement, the Unified Government desires to approve the Performance Agreement between the Unified Government and Company (the "Performance Agreement") and authorize the Mayor/CEO's execution thereof.

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

Section 1. Approval of Project The governing body of the Unified Government hereby finds and determines that the acquiring, constructing, improving and equipping of the Project will promote the general welfare and economic prosperity of the Unified Government and thereby further promote, stimulate and develop the general economic welfare and prosperity of the State of Kansas, and the issuance of the Bonds to pay the costs of the Project will be in furtherance of the public purposes set forth in the Act. The Project shall be generally located at 9822 Leavenworth Road in the corporate boundaries of the Unified Government, as further described in the Application.

Section 2. Intent to Issue Bonds. The governing body of the Unified Government hereby determines and declares the intent of the Unified Government to acquire, construct and equip the Project out of the proceeds of the Bonds of the Unified Government in the principal amount of not to exceed $27,000,000, to be issued pursuant to the Act.

Section 3. Ad Valorem Tax Abatement. In consideration of the Company's decision to acquire, construct, improve and equip the Project, the Unified Government hereby agrees to take all appropriate action to request the Kansas Board of Tax Appeals to approve a 100% ad valorem property tax abatement (not including special assessments and taxes that may not be abated by the Unified Government under Kansas law, including the school district's capital outlay levy) for all property (including real property, building improvements, machinery and equipment) financed with the proceeds of the Bonds.

In consideration of the Unified Government's agreement to request such 100% abatement, the Company will agree to make payments in lieu of tax as set forth on **Exhibit A** hereto, and such amounts shall be set forth in the Performance Agreement and subject to adjustment as set forth therein. The Project shall be entitled to a 10-year tax abatement, with the first year of the abatement being the year beginning on the January 1 following the year the Bonds are issued.

Section 4. Performance Agreement. The Mayor/CEO is authorized and directed to execute and deliver the Performance Agreement between the Unified Government and the Company on behalf of, and as the act and deed of the Unified Government, in substantially the same form as presented to the governing body on this date with such corrections or amendments thereto as the Mayor/CEO, upon recommendation of the Chief Counsel of the Unified Government, may approve.

Section 5. Provision for the Bonds. Subject to the conditions of this Resolution of Intent (this "Resolution"), the Unified Government expresses its intent to (i) issue the Bonds to pay the costs of acquiring, constructing, improving and equipping the Project, with such maturities, interest rates, redemption terms and other provisions as may be reasonably acceptable to the Company and determined by ordinance of the Unified Government (the "Ordinance"); (ii) provide for the lease (with an option to purchase) of the Project to the Company; and (iii) to effect the foregoing, adopt such resolutions and ordinances and authorize the execution and delivery of such instruments and the taking of such action as may be necessary or advisable for the authorization and issuance of the Bonds by the Unified Government and take or cause to be taken such other action as may be required to implement the aforesaid.

Section 6. Conditions to Issuance. The issuance of the Bonds and the execution and delivery of any documents related to the Bonds are subject to: (i) obtaining any necessary governmental approvals; (ii) agreement by the Unified Government, the Company and the purchaser of the Bonds upon (a) mutually acceptable terms for the Bonds and for the sale and delivery thereof, and (b) mutually acceptable terms and conditions of any documents related to the issuance of the Bonds and the Project; (iii) the Company's compliance with the Unified Government's policy relating to the issuance of industrial revenue bonds and ad valorem tax abatement; (iv) the passage and publication of an Ordinance authorizing the issuance of the Bonds; and (v) Company's payment of all of the costs of issuance related to the issuance of the Bonds.

Section 7. Sale of the Bonds. The sale of the Bonds shall be the sole responsibility of the Company; provided, however, arrangements for the sale of the Bonds shall be reasonably acceptable to the Unified Government.

Section 8. Limited Obligations of the Unified Government. The Bonds and the interest thereon shall be special, limited obligations of the Unified Government payable solely out of the amounts derived by the Unified Government under a lease agreement with respect to the Bonds and as provided herein and are secured by a transfer, pledge and assignment of and a grant of a security interest in the trust estate to the trustee for the Bonds and in favor of the owners of the Bonds, all as provided in the Trust Indenture to be entered into between the Unified Government and the trustee for the Bonds (the "Indenture"). The Bonds shall not constitute a general obligation of the Unified Government, the State or of any other political subdivision thereof within the meaning of any State constitutional provision or statutory limitation and shall not constitute a pledge of the full faith and credit of the Unified Government, the State or of any other political subdivision thereof and shall not be payable in any manner by taxation, but shall be payable solely from the funds provided for as provided in the Indenture. The issuance of the Bonds shall not, directly, indirectly or contingently, obligate the Unified Government, the State or any other political subdivision thereof to levy any form of taxation therefor or to make any appropriation for their payment.

Section 9. Authorization to Proceed. The Company is hereby authorized to proceed with the acquiring, constructing and equipping of the Project, including the necessary planning and engineering for the Project and entering into of contracts and purchase orders in connection therewith, and to advance such funds as may be necessary to accomplish such purposes, and, to the extent permitted by law and upon compliance with the other requirements of this Resolution, the Unified Government will reimburse the Company for all expenditures paid or incurred therefor out of the proceeds of the Bonds.

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

Section 11. Termination of Resolution. This Resolution shall terminate upon termination of the Performance Agreement. Additionally, this Resolution shall terminate upon eighteen (18) months from the date of the adoption of this Resolution unless (i) the Bonds have been issued for the Project or (ii) a building permit has been issued by the Unified Government for the Project. The Unified Government, upon the written request of the Company, may extend this time period.

Section 12. Benefit of Resolution. This Resolution will inure to the benefit of the Unified Government and the Company. The Unified Government may, at the prior written request of the Company or as otherwise set forth in the Performance Agreement, assign all or a portion of the Company's interest in this Resolution to another entity, and such assignee will be entitled to the benefits of the portion of this Resolution assigned and the proceedings related hereto.

Section 13. Further Action. Counsel to the Unified Government, and Gilmore & Bell, P.C., Bond Counsel for the Unified Government, together with the officers and employees of the Unified Government, are hereby authorized to work with the purchaser of the Bonds, the Company, their respective counsel and others, to prepare for submission to, and final action by, the Unified Government all documents necessary to effect the authorization, issuance and sale of the Bonds and other actions contemplated hereunder.

Section 14. Effective Date. This Resolution shall take effect and be in full force immediately after its adoption by the governing body of the Unified Government.

ADOPTED BY THE COMMISSION OF THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS ON AUGUST 29, 2024.

(SEAL)

By:____
Tyrone A. Garner, Mayor/CEO

ATTEST:

By: __________________________________
Monica L. Sparks,
Interim Unified Government Clerk

APPROVED AS TO FORM:

By: __________________________________
Office of Chief Counsel

EXHIBIT A

PAYMENT IN LIEU OF TAX SCHEDULE

Below is an approximate payment in lieu of tax (PILOT) schedule based on a facility square footage of 207,792, which may be adjusted as set forth in the Performance Agreement. Local, Minority, and Women Business Enterprise (L/M/W) goals will be further specified in the Performance Agreement or other separate agreement. PILOT payments do not include the school district's capital outlay levy that cannot be abated under Kansas law.

Year[(a)]	**Annual PILOT[(b)]**	**Annual PILOT if L/M/WBE Failure[(b)]**
1	$52,222	$78,332
2	53,266	79,899
3	135,828	162,994
4	138,545	166,254
5	282,631	310,894
6	288,284	317,112
7	382,264	411,669
8	389,910	419,903
9	458,894	489,487
10	468,071	499,276

Business Category	Participation Percentage Goal Percentage of Total Construction Cost for the Project
LBE	12%
MBE	6%
WBE	4%

[(a)] Year 1 refers to calendar year beginning January 1 after issuance of Bonds.
[(b)] Does not include school district capital outlay levy.

(Published in *The Wyandotte Echo* on August 1, 2024)

NOTICE OF PUBLIC HEARING ON ISSUANCE OF INDUSTRIAL REVENUE BONDS

Public notice is hereby given that the Commission of the Unified Government of Wyandotte County/Kansas City, Kansas (the "Unified Government") will conduct a public hearing on **Thursday, August 29, 2024,** at 7:00 p.m., or as soon thereafter as may be heard, regarding the proposed issuance by the Unified Government of its industrial revenue bonds in a principal amount not to exceed $27,000,000 (the "Bonds") and in regard to an exemption from ad valorem taxation for property constructed or purchased with the proceeds of the Bonds.

The public hearing will be held at City Hall, 701 N 7th Street, Kansas City, Kansas, 66101. Additional public hearing access information is available at www.wycokck.org/Departments/Clerks-Office/Engage-in-Public-Commission-Meeting or by contacting the Clerk's office via phone at (913) 573-5206 or via email at ugclerkrequest@wycokck.org. Public comment may also be submitted in advance of the public hearing by email to ugclerkrequest@wycokck.org, fax to (913) 573-5299, or mail to Unified Government Clerk's Office, 701 N. 7th Street, Suite 323, Kansas City, Kansas 66101.

The Bonds are proposed to be issued under authority of K.S.A. 12-1740 *et seq.*, as amended, to provide funds for acquiring, purchasing, constructing, installing and equipping an approximately 207,792 square foot industrial facility located generally at 9822 Leavenworth Road in the City of Kansas City, Kansas (the "Project"). The Unified Government intends to base lease the facility and further intends to lease the facility to MARSHALLTOWN Company, an Iowa corporation, or its successors and assigns (the "Company").

The Company has requested a 10-year property tax abatement subject to certain payments in lieu of tax for the property constructed or purchased with the proceeds of the Bonds.

A copy of this Notice, together with a copy of the resolution of intent of the Unified Government to be considered for adoption, indicating the intent of the governing body of the Unified Government to issue the Bonds and a report analyzing the costs and benefits of such property tax exemption, are on file in the office of the Unified Government Clerk and available for public inspection during normal business hours.

All persons having an interest in this matter will be given an opportunity to be heard at the time and place above specified.

Dated: August 1, 2024.

Monica L. Sparks
Interim Unified Government Clerk
701 North 7th Street, Suite 323
Kansas City, Kansas 66101
(913) 573-8039

PERFORMANCE AGREEMENT

Dated as of August 29, 2024

BETWEEN THE

UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS

AND

MARSHALLTOWN COMPANY

Prepared By:

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

PERFORMANCE AGREEMENT

THIS PERFORMANCE AGREEMENT, dated as of August 29, 2024 (this **"Agreement"**), between the **UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS,** a municipal corporation organized and existing under the laws of the State of Kansas (the **"Issuer"**), and **MARSHALLTOWN Company**, an Iowa corporation, or assigns (the **"Company"**);

WITNESSETH:

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

WHEREAS, pursuant to such authorization, the governing body of the Issuer has adopted a Resolution (the "Resolution") indicating the Issuer's intent to issue one or more series of taxable industrial revenue bonds in the principal amount of not to exceed $27,000,000 (the **"Bonds"**), for the purpose of acquiring, constructing, improving, installing, furnishing and equipping the Project and authorizing the Issuer to enter into this Agreement;

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

WHEREAS, pursuant to the foregoing, the Issuer desires to enter into this Agreement with the Company in consideration of the Company's desire to acquire, construct, improve, install, furnish and equip the Project as more fully described in the hereinafter defined Application upon the terms and conditions hereinafter set forth and in the Lease Agreement to be entered into between the Issuer and the Company relating to the Project (the **"Lease Agreement"**).

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

ARTICLE I

DEFINITIONS

Section 1.1. Definitions of Words and Terms. The following words and terms as used herein shall have the following meanings:

"Abatement Statute" means K.S.A. 79-201a, as amended.

"Ad valorem taxes" or **"ad valorem taxation"** means all property taxes imposed on real or personal property (including fixtures) and eligible for exemption pursuant to the Abatement Statute.

"Agreement" means this Performance Agreement between the Issuer and the Company, as from time to time amended and supplemented in accordance with the provisions hereof.

"Application" means the Application for Issuance of Industrial Revenue Bonds filed with the Issuer by the Company in connection with the request for the issuance of the Bonds, a copy of which is attached hereto as **Exhibit A**.

"Board of Tax Appeals" means the State of Kansas Board of Tax Appeals.

"Bond Financed Portion of the Project" means that portion of the Project financed in whole from the proceeds of the Bonds as evidenced by the requisitions submitted by the Company to the bond trustee in accordance with **Section 2.7** hereof.

"Bonds" means the Issuer's taxable industrial revenue bonds issued in relation to the Project in the maximum aggregate principal amount of $27,000,000.

"Company" means MARSHALLTOWN Company, an Iowa corporation, and its successors and assigns.

"Event of Default" means any Event of Default as described in **Section 5.1** hereof.

"Exempt Period" means the ten (10) calendar years beginning on the January 1 following the issuance of the Bonds.

"Exempt Property" means all Property that is exempt from taxation pursuant to K.S.A. 79-201(a) *Second* and/or *Twenty-Fourth* by reason that such property was constructed or purchased with the proceeds of the Bonds authorized by and in accordance with the Abatement Statute.

"Force Majeure" means acts of God, strikes, lockouts, failure of power or other insufficient utility service, riots, insurrection, environmental remediation required by the appropriate government authorities, discovery of cultural, archeological or paleontological resources or endangered species, any lawsuit seeking to restrain, enjoin, challenge or delay construction, failure of the Issuer to timely approve the plans or construction documents relating to the Project, war, terrorism, pandemic or other reason of a like nature not the fault of the party delayed in performing work or doing acts required under the terms of this Agreement.

"Future Facility Additions" means any additions, improvements or renovations to or equipping of the Bond Financed Portion of the Project following the receipt of a final certificate of occupancy for the final building comprising the Project. As used herein, **"Future Facility Additions"** shall never include any future additions, improvements or renovations to or equipping of the Project that are exempt from ad valorem taxes.

"Issuer" means the Unified Government of Wyandotte County/Kansas City, Kansas.

"Property" means all real and personal property subject to taxation pursuant to K.S.A. 79-101.

"Project" means acquiring, purchasing, constructing, installing and equipping an approximately 207,792 square foot industrial facility, as further described in **Section 3.3**, including land, buildings, structures, improvements and fixtures, machinery, and equipment, all that will be generally located at 9822 Leavenworth Road in the City of Kansas City, Kansas.

"Project Costs" means all costs and expenses of every nature paid from proceeds of the Bonds and relating to the acquisition, construction, improvement, installation, furnishing and equipping of the Project.

"Project Site" means all of the real property described in **Exhibit B** attached hereto and by this reference made a part hereof.

"Tax Payment" means a payment-in-lieu of taxes to be paid by the Company in the amounts set forth in **Section 2.3** and **Exhibit C** hereof.

ARTICLE II

EXEMPTION; PAYMENTS IN LIEU OF TAX

Section 2.1. Exempt Property. During the Exempt Period, and so long as the Bonds are outstanding and the Company remains in compliance with this Agreement, the Issuer agrees to use its best efforts to cause the Bond Financed Portion of the Project to be and remain Exempt Property.

Section 2.2 Agreement to Make Tax Payments. The Company covenants and agrees that, for each calendar year during the Exempt Period that the Bond Financed Portion of the Project is Exempt Property, the Company will make a Tax Payment in lieu of ad valorem taxes to the County Treasurer. For each such calendar year, 50% of the Tax Payment with respect to such calendar year shall be due and payable on or before the date that the first installment of ad valorem taxes for real property are due (and in any event, not later than December 20th), and the balance of such Tax Payment with respect to such calendar year shall be due and payable on or before the date that the second installment of ad valorem taxes for real property are due (and in any event, not later than May 10th of the immediately succeeding calendar year).

Section 2.3. Amount of Tax Payment. The Tax Payments shall be in the amounts shown in **Exhibit C**. The parties acknowledge that such Tax Payments do not include special assessments, if any, and the school district's capital outlay levy that cannot be abated under Kansas law and that the Tax Payments are subject to adjustment as set forth in **Exhibit C**.

Section 2.4. Term of Agreement. This Agreement shall become effective upon execution, and subject to earlier termination pursuant to the provisions of this Agreement (including particularly **Article V** hereof), shall terminate upon the later of (i) the expiration of the Exempt Period or (ii) the date of the final Tax Payment.

Section 2.5. No Abatement of Special Assessments and Certain Property Taxes. The Issuer and the Company hereby agree that the Abatement Statute and any tax abatement with respect to the Project shall not apply to special assessments and property taxes that cannot be abated under Kansas law. In the event special assessments are ever abated, the Company hereby agrees that 100% of the amount of such abated special assessments shall be paid to the Issuer at the times and in the manner that Tax Payments are paid to the Issuer pursuant to this Agreement.

Section 2.6. Obligation of Issuer to Effect Tax Abatement. The Issuer agrees to use its best efforts to cause the Bond Financed Portion of the Project to be Exempt Property during the Exempt Period and agrees to make filings required by the Wyandotte County Board of Commissioners or the Board of Tax Appeals; provided, however, the Issuer shall not be liable for any failure of the Board of Tax Appeals to effect the exemption permitted by the Abatement Statute. The Issuer covenants that it will not knowingly take any action that the Issuer has knowledge may cause the Bond Financed Portion of the Project to no longer be Exempt Property. In the event the Bond Financed Portion of the Project is determined to no longer be Exempt Property, the Issuer shall, at the Company's request, cooperate with the Company in all reasonable ways to cause the Bond Financed Portion of the Project to be Exempt Property, including cooperating with the Company in any related litigation. The Company agrees to pay to the Issuer the costs that the Issuer incurs (including legal fees and expenses) in cooperating with the Company in the manner required by this Section.

Section 2.7. Compliance. Within ten (10) business days following the request of the Issuer, the Company shall provide the Issuer with (i) copies of the requisitions submitted by the Company to the bond trustee in accordance with the Lease Agreement for the preceding calendar year, (ii) a list containing a brief description and the amount of all costs of the Bond Financed Portion of the Project, and (iii) the total costs of the Project, all in such reasonable detail as the Issuer shall request.

Section 2.8. Value of the Project Not Determined by Bonds. The Issuer and the Company acknowledge that it is not the intent of the parties that the principal amount of the Bonds be used for the purpose of determining the appraised value of the Project or any portion thereof for tax purposes.

Section 2.9. Classification; Limitation on Company's Right To Protest. If the Project Site is not currently classified as commercial, the Company acknowledges that the county appraiser may reclassify the Project Site to commercial as a result of the issuance of the Bonds. During the term of this Agreement, the Company agrees that it will not, without the written consent of the Issuer, (i) seek to change the classification of all or any portion of the Project Site from commercial to another classification, or (ii) contest the reclassification of all or any portion of the Project Site to commercial.

Except as set forth in the preceding paragraph, nothing in this Agreement shall be construed to limit or in any way restrict the ability of the Company to utilize any provision of Kansas law to appeal, protest or otherwise contest any property tax valuation, assessment or similar action with respect to the Project Site or any portion thereof.

Section 2.10. Credits for Tax Payments; No Duplicate Tax Liability. Nothing in this Agreement shall be construed to require the Company to make duplicate tax payments. The Company shall receive as a credit against its obligations to pay the Tax Payments**,** the amount of any ad valorem taxes (other than special assessments and property taxes that cannot be abated under Kansas law) paid by the Company to the County to the extent that the amounts paid to the County include any taxes due with respect to the Exempt Property.

Section 2.11. No Abatement on Appraised Value of Future Facility Additions. In the event any Future Facility Additions are determined to be Exempt Property as a result of the issuance of the Bonds, this Agreement or for any other reason, so long as this Agreement remains in effect, the Company hereby agrees that 100% of the amount of such abated ad valorem taxes attributable to the Future Facility Additions shall be paid to the Issuer at the times and in the manner that Tax Payments are paid to the Issuer pursuant to this Agreement. This provision shall not be construed as restricting the Company from applying to the Issuer or to any other governmental entity for any future tax abatement in connection with the Future Facility Additions.

Section 2.12. Tax Abatement Order; Adjustment of Tax Payment. The Issuer and the Company acknowledge that, prior to the Bond Financed Portion of the Project being determined to be Exempt Property, an order from the Board of Tax Appeals approving tax abatement on the Bond Financed Portion of the Project for the Exempt Period must be obtained. In the event the Board of Tax Appeals issues an order stating that less than 100% of the Bond Financed Portion of the Project is Exempt Property, the parties agree that the Tax Payment shall be decreased by an amount necessary to result in the sum of the new Tax Payment plus the payment of ad valorem taxes by the Company with respect to the Bond Financed Portion of the Project is equal to the original Tax Payment. In the event the Board of Tax Appeals issues an order stating that none of the Bond Financed Portion of the Project is Exempt Property, then the Tax Payment shall be reduced to $0.

Notwithstanding the foregoing, if (i) the entire Bond Financed Portion of the Project is not determined to be Exempt Property, or (ii) the Board of Tax Appeals issues an order that less than 100% of the Bond Financed Portion of the Project is Exempt Property, and such determination or order is a result of the Company's failure to comply with the terms and provisions of this Agreement (after any applicable notice and cure period), the Issuer shall be under no obligation to decrease the Tax Payment as provided in this Section. Furthermore, in no event shall the Issuer be under any obligation to make any payment to the Company as a result of the Board of Tax Appeals determining that less than 100% of the Bond Financed Portion of the Project is Exempt Property. Notwithstanding any provisions herein to the contrary, in no event shall the Company be liable for the payment of any amounts, including the Tax Payments, which are in the aggregate greater than the amount of ad valorem taxes on the Project in the event there is no abatement of the same.

Section 2.13. Determination of Appraised Value and Assessments. The Company acknowledges that the county appraiser independently determines the appraised value of Property. The Company further acknowledges that the Issuer does not have input in or in any way control the determination of the appraised value of Property or the assessment of Property, and that the Issuer cannot and is not attempting to bind the county appraiser or any other governmental authority with respect to a determination of the appraised value of the Bond Financed Portion of the Project.

ARTICLE III

COVENANTS OF THE COMPANY

Section 3.1. Construction. The Project will be constructed, equipped, and operated (or caused to be operated) in a manner that is consistent with the description of the Project herein. In the event the Project is constructed, equipped, or operated in a manner that the Issuer determines, in its reasonable discretion, is materially inconsistent with the description of the Project herein, the Issuer reserves the right to declare an Event of Default in accordance with **Section 5.1** hereof.

Section 3.2. Completion Date. Subject only to Force Majeure, the Company agrees to commence construction on or before December 31, 2024, and substantially complete construction of the Project on or before April 1, 2026. "Commence construction" shall mean that the Company has entered into a contract with a licensed contractor for the construction of the Project and the Issuer has issued a building permit therefor. "Substantially complete," for purposes of this Section, shall mean that the Project can be occupied or utilized for its intended purpose as an industrial facility, as evidenced by receipt by the Company of a temporary certificate of occupancy for the Project. The parties agree that the governing body of the Issuer will consider an ordinance authorizing the issuance of the Bonds on or about such time, but in no event will the Bonds be issued later than December 31, 2026.

Section 3.3. **Development of Project.** The Company covenants that the Project, including all buildings, parking facilities, and other improvements constituting the Project, shall be developed, constructed, completed, and operated (or caused to be operated) on the Project Site in substantial accordance and compliance with the terms and conditions of this Agreement and the final site plan approval from the Issuer's Planning Commission, and this Agreement shall not be construed to waive such Planning Commission's discretion in approving or disapproving the same. On and subject to the terms and provisions set forth in this Agreement, Company shall have the sole right to, and shall be responsible for, design, construction, equipment and completion of the Project, and shall operate (or cause to be operated) and use the Project in the manner described herein. The parties further agree as follows:

(a) The Project shall be designed, developed, and constructed as an approximately 207,792 square foot industrial and industrial facility as generally depicted in **Exhibit E** attached hereto, though the parties acknowledge the depiction in **Exhibit E** is subject to modification pursuant to the Issuer's planning process.

(b) Company stipulates and agrees that its signage shall be subject to all applicable laws and requirements of the Issuer and any special use permits granted by the Issuer's governing body.

(c) The Project shall include parking improvements containing at least the number of spaces required by the Issuer's applicable laws and requirements.

(d) The Company's plans for landscaping on the Project Site shall be considered in accordance with all applicable laws and requirements of the Issuer and the Issuer's approval thereof will not be unreasonably withheld.

Section 3.4. **Maintenance and Use.** The Company shall cause the Project and the Project Site to be maintained, preserved and kept in good repair and working order and in a safe condition, consistent at all times with other industrial and manufacturing space in the greater metropolitan Kansas City area, and will make all repairs, renewals, replacements and improvements necessary for the safe, efficient, and advantageous conduct of its business and operations on the Project Site. Company specifically understands and agrees that the Issuer shall not undertake or have any obligation under this Agreement for snow or ice removal on sidewalks located at or adjacent to the Project.

Section 3.5. **Inspection.** The Company agrees that the Issuer and its duly authorized agents shall have the right at reasonable times (during business hours), subject to at least 48 hours advance notice and to the Company's usual business proprietary, safety and security requirements, to enter upon the Project Site to examine and inspect the Project and the records of the Company which demonstrate compliance with this Agreement, including, but not limited to, inspections necessary to confirm compliance with **Section 3.3**.

Section 3.6. **Compliance with Laws.** The Project will comply in all material respects with all applicable building and zoning, health, environmental and safety ordinances and regulations and all other applicable laws, rules and regulations.

Section 3.7. **Employment Certification.** Beginning on March 1 in the calendar year following the issuance of Bonds, and on each March 1 thereafter and at any other time that the Issuer may request, for the term of this Agreement, the Company shall provide a written certification to the Issuer stating the total number of full-time employees employed at the Project.

Section 3.8. Payment of Fees and Reimbursement or Payment of Costs.

(a) The Company agrees to pay to the Issuer the standard fees charged by the Issuer in connection with tax abatement projects and the issuance of industrial revenue bonds. These fees include, but are not limited to, an initial application fee (which the Issuer agrees has been paid in full), a service fee that is due at the time of issuance of the Bonds and an annual administrative fee. The Company acknowledges receipt of a fee schedule from the Issuer and acknowledges that the fee schedule may be adjusted or amended by the Issuer at any time.

(b) The Company agrees to promptly reimburse the Issuer, within ten (10) business days following receipt by the Company of an invoice from the Issuer and reasonable supporting documentation, for any amounts that the Issuer pays to any other party as a result of the Issuer pursuing, obtaining or maintaining the tax abatement granted to the Company pursuant to this Agreement. These costs shall include, but shall not be limited to, all fees and expenses for filings with the Board of Tax Appeals (including the application fee and annual administration fee), legal notice publication expenses, and the costs and expenses of the Issuer's legal counsel. The Company agrees that the Issuer may, in lieu of seeking reimbursement from the Company, forward any invoice received by the Issuer to the Company, which invoice is for a cost which the Issuer could seek reimbursement from the Company pursuant to this paragraph, and the Company agrees to promptly pay such invoice and to promptly provide the Issuer with evidence of such payment.

Section 3.9. Abatement of Property. The Abatement Statute provides that, with certain exceptions, any property constructed or purchased in part with the proceeds of revenue bonds issued under the authority of the Act is exempt from taxation for a period of up to ten years to the extent of the value of that portion of the property financed by the revenue bonds. The tax abatement commences in the year following the year in which the Bonds are issued.

Company understands that property will be exempt under the Abatement Statute only if such property is purchased or reimbursed with the proceeds of the Bonds. In order to be purchased or reimbursed with Bond proceeds, the trustee for the Bonds must receive a requisition request from the Company and must make a draw on the Bonds and use the money to either (a) pay, or (b) reimburse the Company for the cost of the property, which the parties acknowledge and agree may be documented via book entry.

The Abatement Statute also provides that if property purchased with proceeds of the Bonds is used in any retail enterprise identified under the NAICS sectors 44 and 45 (**"Prohibited NAICS"**), the property will not be exempt from taxation, unless the property is a facility used exclusively to house the headquarters or back office operations of a prohibited retail enterprise.

The Abatement Statute further provides that property purchased with bond proceeds is not exempt from taxation if the property is (i) a swine production facility (as described in K.S.A. 12-1749b), (ii) property located in a redevelopment project area established under the authority of K.S.A. 12-1770 or (iii) a poultry or rabbit confinement facility (as described in K.S.A. 17-5903).

Company hereby represents that the NAICS code for the Project is not included within the list of Prohibited NAICS and agrees that during the term of the tax abatement, the property purchased with the proceeds of the Bonds will not be used in any of the Prohibited NAICS. Company understands that if any property purchased with the proceeds of the Bonds is used in a Prohibited NAICS, that property will not be subject to property tax abatement under Kansas law.

Company represents that the Project is not, and will not become, a swine production facility, a poultry or rabbit confinement facility, an owner-occupied housing facility, or inventory, and that the Project is not located in a redevelopment project area as defined in K.S.A. 12-1770 *et seq.*

Section 3.10. Solid Waste Services. Until termination of this Agreement, the Company agrees that it and all of its tenants, subtenants, operators and licensees shall exclusively use the solid waste services of the Unified Government for the Project. This requirement shall not apply to the Company or any user if the Company or user demonstrates that solid waste services provided by the Issuer are inadequate to serve such user's reasonable needs.

Section 3.11. LBE/MBE/WBE Employment Opportunity Goals. The Company agrees to comply with the goals set forth on **Exhibit D** in order to identify and provide employment opportunities for local businesses and contractors, women and local minority owned businesses. The Company hereby understands and agrees that if it shall fail to use Best Efforts to meet the LBE/MBE/WBE goals set forth on **Exhibit D** for the Construction (as those terms are defined therein) of the Project, then the Tax Payments shall be increased as set forth in **Exhibit C**. The parties agree that failure to use Best Efforts to meet the LBE/MBE/WBE goals set forth on **Exhibit D** shall not cause an Event of Default hereunder, and the Issuer's sole remedy will be increasing the amount of Tax Payments as set forth in **Exhibit C**.

ARTICLE IV

SALE AND ASSIGNMENT

Except as otherwise provided herein, the Company will not, without the prior written consent of the Issuer, (a) assign, sell, lease, or otherwise transfer the Project Site, the Project, or equipment that comprises the Project or any part thereof or any interest therein; (b) merge with or into another corporation or sell or transfer to another corporation substantially all of its assets; or (c) assign this Agreement. The Issuer shall have the right to grant or withhold its consent to any of the aforesaid in its reasonable discretion after inquiry and delivery of information to the Issuer as to whether the proposed assignee has sufficient financial wherewithal and experience to successfully complete and/or operate the Project according to the terms hereof. If an assignment is approved by the Issuer, the assignee shall assume and agree to pay and perform each and all of terms and provisions hereof. Notwithstanding the foregoing, the parties hereby agree that the Company may do any of the following without written consent of the Issuer:

(a) The Company may grant a mortgage, leasehold mortgage, or other security on the Project to a lender in order to finance construction of the Project or refinance the Project, including, but not limited to, collateral assignment of all or any portion of its rights or obligations under this Agreement or any other documents entered into in connection with the Bonds.

(b) The Company may terminate this Agreement, and thereafter freely sell, assign, transfer or mortgage the Project.

(c) The Company, upon written notice to the Issuer, may freely sell, assign, lease or transfer all or any portion of the Project or Project Site, and/or its rights or obligations under this Agreement and any other documents entered into in connection with the Bonds (including, without limitation, the Resolution), to an entity managed by or under common control of or by the Company or one or more of its principals.

Upon the sale, assignment, or transfer of the Project as set forth herein, the Company (as assignor) shall be relieved of all further liability occurring on and after the effective date of such disposition, except as may be otherwise set forth in the Lease Agreement.

ARTICLE V

DEFAULT AND REMEDIES

Section 5.1. Events of Default. If any one or more of the following events shall occur and be continuing, it is hereby defined as and declared to be and to constitute an "Event of Default" hereunder:

(a) the Company shall fail to perform any of its obligations hereunder;

(b) the Company shall breach any covenant contained herein or any representation of the Company contained herein or in the Application shall prove to be materially false or erroneous; or

(c) the Company shall be in default under the Lease Agreement.

Section 5.2. Remedies on Default. Upon the occurrence of an Event of Default hereunder, the Company shall be given 60 days (or such longer period as the Issuer and the Company may agree), following written notice by the Issuer to the Company of the occurrence of such Event of Default, to cure such Event of Default; provided that, if such Event of Default is of a nature that it cannot reasonably be cured within 60 days, then such occurrence will not constitute an Event of Default so long as Company: (a) commences to cure such failure within such 60-day period; and (b) diligently pursues such cure to completion. If such Event of Default is not cured within such time, this Agreement may be terminated by written notice to the Company from the Issuer. Such termination shall be effective immediately following delivery of such written notice. Upon the termination of this Agreement, the Company shall make a payment to the Issuer (or as the Issuer may otherwise direct) in an amount equal to the sum of (i) all due but unpaid Tax Payments attributed to prior calendar years, (ii) the pro rata total Tax Payments that would be due with respect to the current calendar year, (iii) the pro rata amount of any taxes that would be due for the remaining portion of the current calendar year assuming the Bond Financed Portion of the Project was not Exempt Property, and (iv) the amount of any costs and attorneys' fees incurred by the Issuer as a result of such Event of Default and in enforcing this Agreement.

Section 5.3. Payments on Defaulted Amounts. Any amounts due hereunder which are not paid when due shall bear interest at the interest rate imposed by Kansas law on overdue ad valorem taxes from the date such payment was first due. In addition, amounts payable hereunder in lieu of ad valorem taxes that are not paid when due shall be subject to the same penalties imposed by Kansas law on overdue ad valorem taxes.

ARTICLE VI

MISCELLANEOUS PROVISIONS

Section 6.1. Notice and Waiver of Company. The Issuer reserves the right to grant tax abatement for projects that are located adjacent to or in the proximity of the Project or for projects that are located elsewhere within the Issuer but are similar to the Project in amounts that are above or below the amounts set forth herein. The Company acknowledges and agrees that the Tax Payment, the Exempt Period and the other terms of the tax abatement granted by the Issuer with respect to such other projects may be more favorable than the terms provided for in this Agreement. As a condition to the Issuer entering into this Agreement, the Company waives any claim it may have against the Issuer as a result of the Issuer granting tax abatement to other projects with terms that are more favorable than the terms provided for in this Agreement. Additionally, the Company agrees that it will not request that the Issuer modify this Agreement because the Issuer plans to grant or has granted tax abatement to another project or projects on terms that are more favorable than the terms provided for in this Agreement. Upon the occurrence of the Company's breach of its obligations set forth in this Section to waive any claim it may have against the Issuer as described above, the Issuer shall have the right to immediately terminate this Agreement and the associated tax abatement and require that the Company pay to the Issuer the amounts specified in **clauses (i)** through **(iv)** of **Section 5.2**.

Section 6.2. Severability. If for any reason any provision of this Agreement shall be determined by a court of competent jurisdiction to be invalid or unenforceable, the validity and enforceability of the other provisions hereof shall not be affected thereby.

Section 6.3. Governing Law. This Agreement shall be construed in accordance with and governed by the laws of the State of Kansas.

Section 6.4. Execution in Counterparts. This Agreement may be executed simultaneously in several counterparts, each of which shall be deemed to be an original and all of which shall constitute but one and the same instrument.

Section 6.5. Waiver. The Issuer and the Company acknowledge and agree that the amounts payable hereunder shall constitute payments due the Issuer under the Lease Agreement. The Company shall not be entitled to any extension of payment of such amounts as a result of a filing by or against the Company in any bankruptcy court.

Section 6.6. Notices. All notices, certificates or other communications required or desired to be given hereunder shall be in writing and shall be given to or filed with the Issuer and the Company as set forth below:

The Unified Government Clerk
The Unified Government of Wyandotte County/Kansas City, Kansas
701 N. 7th Street, Suite 323
Kansas City, Kansas 66101
Telephone: 913-573-5260
Email: msparks@wycokck.org

with a copy to:

Chief Counsel
The Unified Government of Wyandotte County/Kansas City, Kansas
701 N. 7th Street, Suite 961
Kansas City, Kansas 66101
Telephone: 913-573-5060
Email: alawson@wycokck.org

And a copy to:

Gilmore & Bell, P.C.
Kevin Wempe
2405 Grand Blvd., Suite 1100
Kansas City, Missouri 64108
Telephone: 816-221-1000
Email: kwempe@gilmorebell.com

and to the Company at:

Jack Murders
2200 S. Industrial Drive
Fayetteville, Arkansas 72701
Telephone: (___) ___-____
Email: jdm@marshalltown.com

with a copy to:

Andrew Domnick
2200 S. Industrial Drive
Fayetteville, Arkansas 72701
Telephone: (479) 332-2572
Email: andrew.dominick@marshalltown.com

All notices given by: (i) nationally recognized overnight delivery service, or (ii) electronic mail, followed up by regular United States mail or nationally recognized overnight delivery service in accordance with the above procedures, shall be deemed duly given one business day after they are so delivered. All notices given in person shall be deemed duly given when delivered.

Section 6.7. Further Assurances. The parties each agree to do, execute, acknowledge and deliver any and all other documents and instruments and to take all such further action as shall be reasonably necessary or reasonably required in order to fully carry out this Agreement and to fully consummate and effect the transactions contemplated hereby.

Section 6.8. Authority, etc. Each party to this Agreement represents and warrants to each other party as follows: (i) that such party has the requisite power and authority to enter into and perform this Agreement; (ii) that this Agreement has been duly authorized by all necessary action on the part of such party; (iii) that the execution and delivery and performance by each party of this Agreement will not conflict with or result in a violation of such party's organizational documents or any judgment, order or decree of any court or arbiter to which such party is bound; and (iv) that this Agreement constitutes the valid and binding obligation of such party, and is enforceable against such party in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, creditor's rights and other similar laws.

Section 6.9. Electronic Storage and Transactions. The parties agree that the transactions described herein may be conducted and related documents may be stored by electronic means. All closing documents, certificates, and related instruments may be executed by electronic transmission. Copies, telecopies, facsimiles, electronic files, and other reproductions of original executed documents (or documents executed by electronic transmission) shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

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

UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS

(SEAL)

By:____
Tyrone Garner, Mayor/CEO

ATTEST:

By: ________________________________
Monica Sparks,
Interim Unified Government Clerk

APPROVED AS TO FORM:

By: ________________________________
Office of Chief Counsel

MARSHALLTOWN Company,
an Iowa corporation

By:____

Name:______________________________________

Title:_______________________________________

EXHIBIT A

APPLICATION FOR THE ISSUANCE OF INDUSTRIAL REVENUE BONDS

UNIFIED GOVERNMENT OF
WYANDOTTE COUNTY/KANSAS CITY, KANSAS

APPLICATION FOR ISSUANCE OF INDUSTRIAL REVENUE BONDS

(A non-refundable application fee of $1,000 must accompany this application when filed with the Unified Clerk's Office)

The undersigned hereby agrees that the submission of this Application to the Unified Government, and the Unified Government's adoption of a Resolution indicating an intent to issue the Bonds to provide funds for the Project will not give rise to an obligation by the Unified Government to fund such Project in the amount requested or in any amount. The undersigned further understands and agrees that there is no assurance that Bonds will be issued by the Unified Government or that Bond proceeds will be sufficient to fund the Project as hereby requested.

6/14/2024
Date of Application

MARSHALLTOWN Company
Applicant (Firm Name or Name of Individual)

Telephone Number: 1-800-888-0127
Fax Number: (479) 443-4263
E-mail Address: andrew.dominick@marshalltown.com

104 S 8th Ave Marshalltown, IA 50158
Address

Jack Murders
Name of Responsible Officer

Vice President and Chief Operating Officer
Title

2200 S Industrial Dr. Fayetteville, AR 72701
Address

Andrew Dominick
Attorney for Applicant

Telephone Number: (479) 332-2572
Fax Number: (479) 443-4263
E-mail Address: andrew.dominick@marshalltown.com

2200 S Industrial Dr. Fayetteville, AR 72701
Address

____
Underwriter or Purchaser of Bonds (If known)

Telephone Number: ______
Fax Number: ______
E-mail Address: ______

______
Address

Amount of Bonds Requested: $ 27,000,000

Nature of Project:
- [x] Industrial
- [ ] Commercial
- [ ] Agricultural
- [ ] Pollution Control
- [ ] Other (please specify) ______

UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS

APPLICATION FOR ISSUANCE OF INDUSTRIAL REVENUE BONDS

I. Corporate or Business Entity Information

A. In what line or lines of business is the applicant engaged?

MARSHALLTOWN manufactures and sells contractor and professional grade tools used in the masonry, concrete, drywall, flooring, paint, and other trades.

B. Is the Applicant a proprietorship, partnership, limited liability company or corporation?

Corporation

C. Year and state of incorporation or formation of business entity?

MARSHALLTOWN is an Iowa corporation, originally incorporated in 1915.

If proprietorship, partnership, limited liability company or closed corporation, list the names and owners and the approximate amounts owned by each of its principal stockholders:

MARSHALLTOWN is a 134 year old, privately held company with a presence in all major home improvement retail stores and contractor supply houses. Mr. Joseph T. Carter, President and CEO, and Mr. Jack Murders, Vice President and COO, are the principal stockholders.

D. If applicant is subsidiary of another business entity, state name and address of parent:

E. List the name and titles of the principal officers of the applicant firm:

Mr. Joseph T. Carter, President and CEO

Mr. Jack Murders, Vice President and COO

F. List the name of the certified public accounting firm (or firms) which has performed audits of the applicant firm (or its parent books and records for the past five years:

Honkamp is MARSHALLTOWN's CPA firm.

If the applicant corporation or its parent is a publicly held corporation and regularly files annual and quarterly reports on Form 10-K and Form 10-Q, respectively, attach as a part of this application, copies of the most recent Form 10-K and Form 10-Q, the applicant's most recent report to shareholders, as well as any reports on Form 8-K filed within the past fiscal year.

UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS

APPLICATION FOR ISSUANCE OF INDUSTRIAL REVENUE BONDS

II. The Project

A. Type of project (check one)

- ☐ New business
- ☑ Establishment of branch plant/business
- ☐ Acquisition of existing business
- ☐ Expansion of existing business

B. Briefly describe the nature of the proposed project, including detailed information as to the structure itself (size of building, amount of land to be purchased, etc.), and what products or services are to be manufactured or provided:

The project will include the purchase of roughly 36.5 acres and the building of a 200,000 sq. ft. building on the property. The facility will include warehouse space and distribution.

C. Will the facility engage in direct retail sales? If so, are any of the retail sales catalog or on-line sales, and if so, how much:

No

D. What is the street address or location of the proposed project?

435 Logistics Park
9400 Leavenworth Road
Kansas City, KS 66109

E. Legal description of the property (attach separate sheet if necessary):

Aproximately 36.5 acres located in the 435 Logistics Park, 9400 Leavenworth Road, Kansas City, KS 66109. See the site plan attached hereto.

F. Appraised value of property to be acquired from County Appraiser:

Real Estate	$	
Improvements	$	
Equipment	$	

G. Will the applicant be in direct competition with other local firm(s)? If so, name the firm(s):

No, there are no direct competitors in Wyandotte County, Kansas. MARSHALLTOWN is the market leader in contractor grade tools for the masonry, concrete, drywall, flooring, and paint. Kraft Tool Co., located in Shawnee, Kansas, sells tools in some of the same markets.

Describe the nature of the competition:

Kraft Tool Co. sells products in the conrete, masonry, and drywall trades.

H. Does the applicant have a single or a multiple plant business or operation?

Multiple plant business

I. Does the applicant or its parent presently have facilities located in Kansas City, Kansas and/or Wyandotte County? If so, describe and provide location:

No

J. Will the Kansas City Kansas/Wyandotte County facility be the main operation of the applicant? If ot, where is the main operation located?

The Wyandotte County facility will be a satellite location. MARSHALLTOWN's headquarters are located in Marshalltown, Iowa where the company was founded in 1890. MARSHALLTOWN also has operations in Arkansas.

III. Nature of Improvements

A. Approximate amount requested:

Land	$	8,000,000
Buildings	$	15,000,000
Machinery and Equipment	$	4,000,000
Financing Costs	$	0
Other (specify)	$	0
Total	$	27,000,000

B. What type of machinery and equipment is proposed to be financed?

Warehouse and distribution equipment

C. Name, address and telephone number of contractor, architect, engineer:

Scannell Properties
1600 Genessee St
Suite 232
Kansas City, MO 64102

D. How many persons will be employed at the project?

TBD

How many new jobs will be created initially?

Approximately 40

How many new jobs will created ultimately?

Approximately 100

E. Briefly describe the approximate numbers of persons to be employed at the project at all levels (management, office, skilled, and unskilled, for example):

A small number of office staff and management will be employed at the facility. The majority of employees will be material handlers and distributions workers.

F. What dollar amount or percentage of the applicant's total projected annual sales is expected to be generated by the project?

MARSHALLTOWN is a privately held company that does not disclose actual sales information.

G. What were applicant's total assets at all locations at the end of the last fiscal year?

MARSHALLTOWN is a privately held company that does not disclose specific asset values.

H. Is the prospective location properly zoned?

Yes

If a zoning change is pending, cite application number and present status. If application has not been make, briefly describe what change will be need and plans for submitting application:

I. Is there likelihood for expansion of the proposed facility within 3 years?

Yes

Is such expansion contemplated in this application for the resolution of intent?

No

J. What is the estimated date for operations to begin at the project?

October 1, 2025

IV. The Financing

A. Will the applicant pledge any assets other than the project itself to secure the bonds? If so, what?

No

B. What other person, firm or corporation will guarantee the payment of the bonds?

None

SUBMIT AS AN ATTACHMENT, THE SAME FINANCIAL INFORMATION WITH RESPECT TO THE GUARANTOR AS IS REQUESTED FOR THE APPLICANT UNDER PART III ABOVE.

C. What portion of the project will be financed from funds other than bond proceeds?

None

What is the source of such funds?

D. Has the applicant consulted a prospective purchaser or underwriter to determine whether the bonds are marketable?

No

If so, state the name, address and principal contact of the prospective underwriter:

E. If the bonds are to be privately placed, please attach the letter of intent or commitment letter relating to such sale:

F. Has the applicant considered conventional financing?

No

G. Does the applicant or its parent intend to purchase all or any part of the proposed bond issue?

MARSHALLTOWN intends to purchase all of the proposed bond issue.

V. Tax Abatement

Is the applicant requesting any tax abatement for the project in accordance with the Unified Government's policy? Describe estimated amount of tax abatement?

MARSHALLTOWN requests sales tax exemption and property tax abatement.

VI. Appraiser's Statement

Attach as a part of this application, a letter signed by the County Appraiser stating the estimated amount of ad valorem taxes payable for the land and improvements to be financed through the proceeds of the proposed bonds.

UNIFIED GOVERNMENT OF
WYANDOTTE COUNTY/KANSAS CITY, KANSAS

APPLICATION FOR ISSUANCE OF INDUSTRIAL REVENUE BONDS

VI. Certification of Applicant

The undersigned hereby represents and certifies that, to the best knowledge and belief of the undersigned, this application contains no information or data, contained herein or in the exhibits or attachments, that is false or incorrect and that it is truly descriptive of the property which is intended as the security for the proposed bonds.

A check in the amount of $1,000 representing the non-refundable application fee is enclosed.

The undersigned acknowledges and agrees to pay a bond origination fee calculated on the schedule set forth below (less the $1,000 application fee) to the Unified Government simultaneously with the issuance of the bonds.

APPLICANT NAME: MARSHALLTOWN Company

SIGNATURE: DocuSigned by: Jack Murders 346F881594734C9...

TITLE: Vice President and COO

Bond Origination Fee: .400% of principal amount of bonds issued up to $10,000,000

.250% of principal amount of bonds issued $10,000,000 -- $25,000,000

.125% of principal amount of bonds issued $25,000,000 and over

Dated this 14 day of June, 2024.

MARSHALLTOWN Company
Applicant Name

By: Jack Murders
Title: Vice President and COO

FIRM DATA SHEET
(To be completed by the Firm)

Firm and Its Employees

Name of Firm: MARSHALLTOWN Company

Description of the Firm's location or expansion in the community:
MARSHALLTOWN plans to build a warehouse and distribution facility in Wyandotte County, Kansas.

SIC 3320

Market Value of the Firm's initial new or additional investment in:

Land $ 8,000,000

Building and improvements $ 15,000,000

Furniture, fixtures and equipment $ 4,000,000

Projected expansions:

Expansion 2:

Year of expansion: ____________

Additional investment in:

Land $ ____________

Buildings and improvements $ ____________

Furniture, fixtures and equipment $ ____________

Expansion 3:

Year of expansion ____________

Additional investment in:

Land $ ____________

Buildings and improvements $ ____________

Furniture, fixtures and equipment $ ____________

Expansion 4:

Year of expansion ____________

Additional investment in:

Land $ ____________

Buildings and improvements $ ____________

Furniture, fixtures and equipment $ ____________

FIRM DATA SHEET
(To be completed by the Firm)

New or additional sales of the firm

Year	
1	$ ______________
2	$ ______________
3	$ ______________
4	$ ______________
5	$ ______________
6	$ ______________
7	$ ______________
8	$ ______________
9	$ ______________
10	$ ______________

Percent of sales subject to sales taxes in the:

City	______________ %
County	______________ %
State	______________ %

Annual net taxable income, as a percent or sales, on which state corporate income taxes will be computed: ______________ %

Annual purchases of the firm:

Year	
1	$ ______________
2	$ ______________
3	$ ______________
4	$ ______________
5	$ ______________
6	$ ______________
7	$ ______________
8	$ ______________
9	$ ______________
10	$ ______________

Percent of purchases subject to sales taxes in the:

City	______________ %
County	______________ %
State	______________ %

FIRM DATA SHEET
(To be completed by the Firm)

Annual utilities that will be used by the firm:

Water	$	
Wastewater	$	
Telephone	$	
Electricity	$	180,000
Gas	$	
Garbage	$	
Cable	$	
Other	$	
	$	
	$	
	$	

Year		
1	$	
2	$	
3	$	
4	$	
5	$	
6	$	
7	$	
8	$	
9	$	
10	$	

Number of new employees moving to the county each year:

Year	From out-of state	Total
1	0	0
2	0	0
3	0	0
4	0	0
5	0	0
6	0	0
7	0	0
8	0	0
9	0	0
10	0	0

FIRM DATA SHEET
(To be completed by the Firm)

Average Annual Salaries of employees:

Year	
1	$ 47840
2	$ 50960
3	$ 54600
4	$ 58240
5	$ 61360
6	$
7	$
8	$
9	$
10	$

Household size of a typical new worker: ____________

Number of school age children in the household of a typical new worker: ____________

Construction

Initial construction or expansion:

Cost of construction at the firm's new or expanded facility:	$ 15,000,000
If construction is by an outside contractor, estimated percent profit on the cost of construction:	$ 5%
Amount of taxable construction materials purchased in:	
Kansas	$ 175,000
The County	$
The City	$
Amount of taxable furniture, fixtures and equipment purchased in:	
Kansas	$ 4,000,000
The County	$
The City	$
Total construction salaries:	$ 350,000
Amount paid to an average construction worker during the construction period	$
Household size of an average construction worker:	$
Number of construction workers:	

FIRM DATA SHEET
(To be completed by the Firm)

Expansion 2:

Expansion construction costs:	$	____________
If construction is by an outside contractor, estimated percent profit on the cost of construction:	$	
Amount of taxable construction materials purchased in:		
Kansas	$	____________
The County	$	____________
The City	$	____________
Amount of taxable furniture, fixtures and equipment purchase in:		
Kansas	$	____________
The County	$	____________
The City	$	____________
Total construction salaries:	$	____________
Amount paid to an average construction worker during the construction period:	$	____________
Number of construction workers:		____________

Expansion 3:

Expansion construction costs:	$	____________
If construction is by an outside contractor, estimated percent profit on the cost of construction:	$	
Amount of taxable construction materials purchased in:		
Kansas	$	____________
The County	$	____________
The City	$	____________
Amount of taxable furniture, fixtures and equipment purchase in:		
Kansas	$	____________
The County	$	____________
The City	$	____________
Total construction salaries:	$	____________
Amount paid to an average construction worker during the construction period:	$	____________
Number of construction workers:		____________

FIRM DATA SHEET
(To be completed by the Firm)

Expansion 4:

Expansion construction costs:	$	
If construction is by an outside contractor, estimated percent profit on the cost of construction:	$	
Amount of taxable construction materials purchased in:		
Kansas	$	
The County	$	
The City	$	
Amount of taxable furniture, fixtures and equipment purchase in:		
Kansas	$	
The County	$	
The City	$	
Total construction salaries:	$	
Amount paid to an average construction worker during the construction period:	$	
Number of construction workers:		

Visitors

Number of out-of –town visitors expected at the firm:

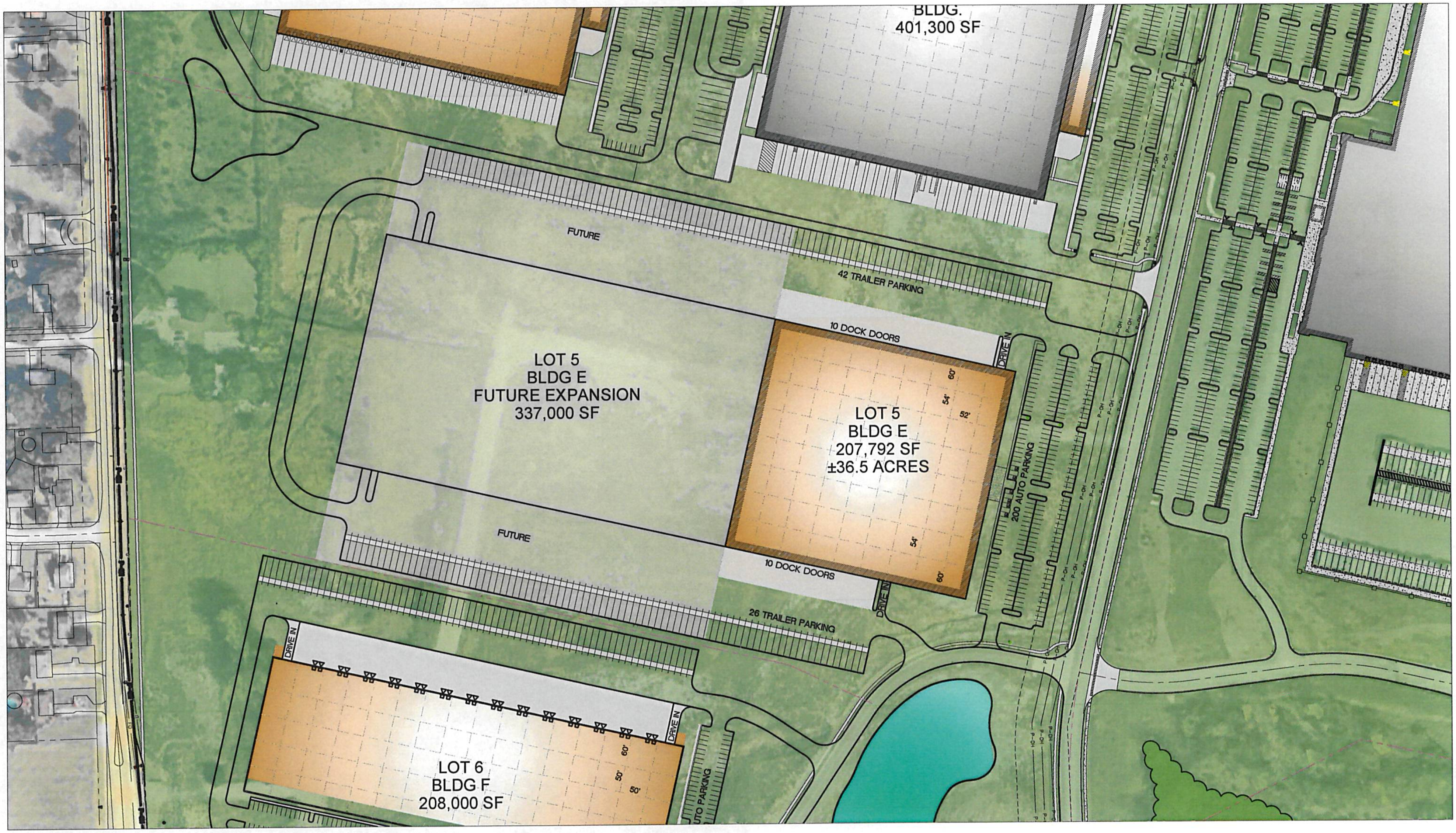
Year		
1	$	40
2	$	40
3	$	40
4	$	40
5	$	40
6	$	40
7	$	40
8	$	40
9	$	40
10	$	40

Number of days that each visitor will stay in area: 3

Number of nights that a typical visitor will stay in a local hotel or motel:

In the City: 2

Anywhere in the county: 2



PROPOSED:
PROJECT SITE
March 15, 2024

OFFICE / WAREHOUSE

KANSAS CITY, KS

SCALE IN FEET
80 0 80 160

SCANNELL
PROPERTIES

EXHIBIT B

PROJECT SITE

All of Lots 1-B, 2-B and 3-B, together with all that part of Lots 4-B and 5-B, together with part of a 50-foot-wide Access/Utility Easement, all as established in Woodlands East Commercial Development, a subdivision in Kansas City, Wyandotte County, Kansas, together with all that part of an unplatted tract of land, all lying in the Southwest Quarter of Section 25, Township 10 South, Range 23 East, described by Michael J. Bogina, Kansas PS-1655, of Olsson, KSLS-114, on June 27, 2024, as follows:

COMMENCING at the Northwest corner of the Southwest Quarter of Section 25, Township 10 South, Range 23 East; thence South 01 degree 18 minutes 05 seconds East, on the West line of said Southwest Quarter, a distance of 642.56 feet to a point; thence North 88 degrees 41 minutes 55 seconds East, departing said West line, a distance of 40.00 feet to the Southwest corner of Lot 1, I-435 Logistics Park, First Plat, said corner also lying on the East line of 99th Street right of way, as established in Project Superbowl – Logistics Park, both subdivisions in Kansas City, Wyandotte County, Kansas, the POINT OF BEGINNING; thence South 77 degrees 17 minutes 24 seconds East, departing said East line, on the South line of said Lot 1, a distance of 2040.33 feet to the Southeast corner of said Lot 1, said corner also lying on the West line of Lot 1 of said Project Superbowl – Logistics Park; thence South 12 degrees 44 minutes 43 seconds West, on said West line, a distance of 706.89 feet to a point of curvature; thence in a Southerly direction, continuing on said West line, on a curve to the left, having a radius of 1000.00 feet, through a central angle of 1 degree 25 minutes 37 seconds, an arc distance of 24.91 feet to a point on a non-tangent line; thence North 78 degrees 40 minutes 54 seconds West, departing said West line, a distance of 153.58 feet to a point of curvature; thence in a Westerly and Southwesterly direction, on a curve to the left, having a radius of 250.00 feet, through a central angle of 59 degrees 57 minutes 56 seconds, an arc distance of 261.65 feet to a point on a non-tangent line; thence North 48 degrees 38 minutes 50 seconds West a distance of 185.06 feet to a point; thence North 77 degrees 17 minutes 18 seconds West a distance of 1317.05 feet to a point on said East line of said 99th Street right of way; thence North 01 degree 18 minutes 05 seconds West, on said East line, a distance of 800.69 feet to the POINT OF BEGINNING, containing 1,509,600 Square Feet or 34.6556 Acres, more or less.

[Balance of page intentionally left blank]

EXHIBIT C

TAX PAYMENT SCHEDULE

Tax Payments (or "PILOTs") shall be as set forth below. Tax Payments shown below do not include the school district's capital outlay levy that cannot be abated under Kansas law.

Facility Square Footage	207,792

Year[a]	**Annual PILOT**[b]	**Annual PILOT if L/M/WBE Failure**[b]
1	$52,222	$78,332
2	53,266	79,899
3	135,828	162,994
4	138,545	166,254
5	282,631	310,894
6	288,284	317,112
7	382,264	411,669
8	389,910	419,903
9	458,894	489,487
10	468,071	499,276

Business Category	Participation Percentage Goal Percentage of Total Construction Cost for the Project
LBE	12%
MBE	6%
WBE	4%

[a] Year 1 refers to calendar year beginning January 1 after issuance of Bonds.
[b] Does not include school district capital outlay levy.

EXHIBIT D

LBE/MBE/WBE PARTICIPATION AGREEMENT

THIS LBE/MBE/WBE PARTICIPATION AGREEMENT (the "**Agreement**"), by and between the Unified Government of Wyandotte County/Kansas City, Kansas (the "**UG**") and MARSHALLTOWN Company, an Iowa corporation (the "**Developer**"), sets forth procedures and goals for the utilization of local business, minority and women enterprises in connection with the development of an approximately 207,792 square foot manufacturing development in Kansas City, Kansas (the "**Project**"), as defined below.

I. SCOPE

A. These procedures are applicable to the Construction (as defined below) of the Project, as further described in that certain Performance Agreement between the UG and Developer, dated August 29, 2024 (the "**Performance Agreement"**), whether performed by or on behalf of Developer, including, but not limited to, all aspects of Construction of the Project and related facilities including labor, materials and supplies, and construction related services whether undertaken by or on behalf of Developer, but not including Specialized Services.

II. DEFINITIONS

A. "Construction" means all aspects of the construction of the Project including labor, materials and supplies, and construction related services, whether performed or contracted for by or on behalf of Developer; provided, however, "Construction" shall not include: (i) Specialized Services; and (ii) Professional Services.

B. "Contractor" means the Proposer selected by the Developer for the Project.

C. "Local Business Enterprise" (or "LBE") means a business headquartered or which maintains a Substantial Local Office that performs the significant functions of the business in Wyandotte County or a business of which at least 51% of the stock, equity, or beneficial interest is owned, held, or controlled and whose day-to-day management is under the control of an individual residing in Wyandotte County. There is no formal certification process for LBE designation and it is determined and assigned based upon the criteria referenced in this definition and payment of all applicable Wyandotte County taxes and/or licensing fees.

D. "Minority Business Enterprise" (or "MBE") means a business of which at least 51% of the stock, equity, or beneficial interest is owned, held, or controlled and/or whose day-to-day management is under the control of a person who is a member of an American ethnic minority group including African-American, Asian-Indian, Asian-Pacific, Hispanic and Native American.

E. "Professional Services" means advisory or consulting activities including, but not limited to, architectural, engineering, legal, accounting, financial, marketing, environmental studies, and financial services contracted for by or on behalf of Developer for the design, development and construction of the Project.

F. "Project" means the Construction of a new industrial facility and as legally described in Exhibit 1 to this Agreement.

G. **"Proposer"** means a construction firm that submits a proposal in response to a solicitation for proposals issued by Developer with respect to the Construction of the Project or with respect to the annual operations of the Project.

G. **"Specialized Services"** means expertise, services, or products that are only available through sole source providers or national vendors or are unique to the business of the Project.

H. "**Substantial Local Office**" means an office operated and financially supported by a firm that has sufficient space, staff and equipment to carry on the local business of the firm and that is engaged in significant, on-going local involvement with the business community in Wyandotte County, KS. The term "Substantial Local Office" shall specifically exclude any office that has been established for the sole purpose of participating in a specific Project.

I. **"Women Business Enterprise" (or "WBE")** means a business of which at least 51% of the stock, equity, or beneficial interest is owned, held, or controlled and/or whose day-to-day management is under the control of one or more women who are U.S. citizens or legal resident aliens.

III. GOALS FOR LBE/MBE/WBE PARTICIPATION.

Developer and its Contractor will use Best Efforts to meet the LBE/MBE/WBE participation percentage goals listed in the below chart based upon the total cost of the Construction of the Project. In no event shall Developer be required to incur higher costs as a result of its commitment to attempt to meet such goals. These goals are based upon a disparity study performed for the Kansas City Metropolitan Area for LBE, MBE, and WBE participation. These goals are not quotas or set asides.

Business Category	Participation Percentage Goal – Percentage of Total Construction Cost for the Project
LBE	12%
MBE	6%
WBE	4%

It is the intent of the UG to give preference to the utilization of LBEs so long as all other factors relating to the award of an individual contract are equal. If the factors relating to an award of an individual contract are equal, the Developer shall give preference to the utilization of LBEs over the utilization of MBEs and WBEs.

IV. ELIGIBILITY FOR CREDIT

A. Only LBE businesses that are qualified and/or MBE or WBE businesses that are certified or undergoing certification by the Kansas Department of Commerce, the City of Kansas City, Missouri, the State of Missouri, the Missouri Department of Transportation, the MidAmerica Minority Business Development Council, and/or the Women's Business Enterprise National Council or any other applicable or appropriate public or private entity or other entity mutually acceptable to the UG and the Developer (each, an "approved" business) may be counted towards the participation goals in Section III above.

B. In the event that a contract has been awarded on the Project to an approved LBE, MBE, or WBE business, and such LBE, MBE or WBE business later becomes unapproved prior to the completion and acceptance of all the work to be provided under such contract, then Developer shall receive credit towards the goal for only that portion of work performed or services provided up to the point such business becomes unapproved.

V. CONSTRUCTION UTILIZATION

A. The goals set forth in Section III may be met by the expenditure of dollars with approved LBE, MBE and/or WBE businesses, contractors, labor suppliers, regular dealers, manufacturers, material suppliers, subcontractors, software vendors, consultants, other Construction-related products, suppliers, and/or services, or through joint ventures with approved LBEs, MBEs or WBEs. The participation of certified LBE, MBE and/or WBE Proposers may count toward a goal for which they qualify.

B. A joint venture involving an approved LBE, MBE, and/or WBE as a partner may be counted towards the applicable goal only to the extent of the dollar amount for which the approved LBE, MBE, and/or WBE is responsible; provided that if the LBE, MBE, and/or WBE is the majority partner in such joint venture, then the entire joint venture contract amount shall be counted, less any work subcontracted to the non LBE, MBE, and/or WBE joint venture partner. To receive credit, the approved LBE, MBE, and/or WBE must be responsible for a clearly defined portion of the work, profits, risks, assets, and liabilities of the joint venture.

C. Participation by a certified MBE owned by a minority woman may be counted as MBE participation or as WBE participation; however, this participation cannot be counted both for MBE and WBE participation. However, a certified MBE or WBE that also qualifies as an LBE may also be counted towards the LBE goal. For additional clarification purposes, a qualified LBE, which also certified as an MBE or WBE, shall be counted toward both the LBE and the MBE or WBE goals in the Developer's sole discretion.

D. The LBE, MBE, or WBE must be responsible for the execution of a distinct element of the work by actually performing, managing, or supervising its function in the work identified in the agreement with such LBE, MBE or WBE. Brokering is not credited.

VI. CONTRACT AWARD COMPLIANCE PROCEDURES

A. Solicitation Documents. The solicitation documents, for each contract for which goals are established, shall contain a description of the requirements set forth in this Agreement and the LBE, MBE, and WBE goals. Upon request by the UG, Developer shall submit the solicitation documents and the bid list to the UG.

B. Subcontractor Relations – Documentation of Subcontracting Agreements. All subcontracting services for LBE, MBE and/or WBE businesses shall be evidenced by an agreement which shall include the scope of work to be performed and the amount to be paid for performance of the work. Unit price subcontracts are acceptable if appropriate to the type of work being performed.

C. Best Efforts. For each LBE/MBE/WBE participation percentage goal that is not achieved, Developer shall be deemed to have used "**Best Efforts**" to meet such goal(s) if Developer shall have taken substantially all of the following actions:

i. Developer is seeking or has sought timely assistance of the UG to identify qualified LBEs, MBEs, and WBEs;

ii. Developer is advertising or has advertised contract opportunities in local, minority, and women media;

iii. Developer is providing or has provided reasonable written notice of opportunities and/or informational meetings to approved LBEs, MBEs, and WBEs;

iv. Developer is following up or has followed up initial solicitations of interest by contacting LBEs, MBEs, and WBEs;

v. Developer is segmenting or has segmented portions of the work to increase the likelihood of LBE, MBE, and WBE participation, where feasible;

vi. Developer is or has provided interested LBEs, MBEs, and WBEs with timely and accurate information about the plans, specifications, requirements, deadlines, and bidding procedures of the contracts;

vii. Developer is negotiating or has negotiated in good faith with interested LBEs, MBEs, and WBEs, not rejecting them as unqualified without sound reasons, based on a thorough review of their capabilities and prior work history;

viii. Developer is seeking or has sought to educate and assist LBEs, MBEs, and WBEs in obtaining bonding, lines of credit or insurance required to perform the contract; and

ix. Developer is working or has worked with local, minority, and women contracting, professional, civic, and community organizations, government officers and any other organization or persons, as identified by the UG, that provide assistance in the recruitment of LBEs, MBEs, and WBEs.

Failure by Developer to take all of the foregoing actions shall not be determinative that Developer has not used its Best Efforts. The parties acknowledge that all of the foregoing actions may not apply to every scope of the Project.

VII. UG'S ASSISTANCE TO PROJECT

The UG shall use its best efforts to provide assistance to Developer and its agents so that Developer may fulfill its participation goals as set forth in this Agreement. The Developer assumes all responsibility for using Best Efforts to meet the goals and complying with the procedures and processes set forth herein. Examples of such assistance by the UG include but are not limited to:

A. providing information and technical assistance regarding this Project to the Developer and its agents including the Contractor and any other contractors, subcontractors, LBEs, MBEs, WBEs, officials and other interested persons;

B. developing and maintaining a registry of approved LBE, MBE and WBE businesses;

C. assisting with identifying potential LBEs, MBEs, and WBEs and reviewing their qualifications to participate in the Project;

D. updating the Developer and its agents on current or proposed affirmative action legislation enacted by the UG that may affect the Project;

E. frequently reviewing Developer and the Contractor and any other contractor or subcontractor performance and LBE, MBE, and/or WBE participation on the Project;

F. providing advice relative to utilization and compliance matters;

G. conducting compliance reviews and audits of LBE, MBE, and WBE and participation;

H. assisting the Developer and its agents in addressing issues related to the goals and procedures set forth in this Agreement;

I. reviewing complaints from LBEs, MBEs, WBEs, and any other interested persons regarding these goals and procedures with Developer and its agents; and

J. assisting in the Developer's development of forms to document compliance with these procedures.

VIII. DEVELOPER COMPLIANCE; RECORDS AND REPORTS.

A. Records. Developer shall maintain those records as may reasonably be required to demonstrate compliance (and/or its Best Efforts to comply) with the goals and procedures set forth in this Agreement. These records shall be made available to the UG at Developer's offices during business hours and upon reasonable advance notice.

B. Construction Utilization Plan Reports. Developer shall provide the UG with information sufficient to document the participation under this Agreement, which may include periodically providing the Construction Utilization Plan as set forth on Exhibit 2. Such information may include for each LBE, MBE, or WBE whose participation is utilized by Developer to be applied to the goals set forth herein: business name and address of each LBE, MBE, and/or WBE; and a brief description of the work to be performed by each such LBE, MBE and/or WBE.

C. Remedies. If, after review of the Developer's construction and related reports by the Unified Government Contract Compliance Department, the UG determines that the participation goals contained in this Agreement for the Construction of the Project have not been met, and that the Best Efforts described herein have not been met, then the UG shall have, as its sole and exclusive remedies: such remedy as set forth in Section 3.11 of the Performance Agreement; and (ii) UG shall also have the right to renegotiate LBE, MBE, and WBE goals for future construction projects undertaken by the Company in the UG.

UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS

By: ____
David Johnston, County Administrator

Date: ____

MARSHALLTOWN COMPANY,
an Iowa corporation

By: ______________________________

Name: ______________________________

Title: ______________________________

Date: ______________________________

EXHIBIT 1
Legal Description – Link

All of Lots 1-B, 2-B and 3-B, together with all that part of Lots 4-B and 5-B, together with part of a 50-foot-wide Access/Utility Easement, all as established in Woodlands East Commercial Development, a subdivision in Kansas City, Wyandotte County, Kansas, together with all that part of an unplatted tract of land, all lying in the Southwest Quarter of Section 25, Township 10 South, Range 23 East, described by Michael J. Bogina, Kansas PS-1655, of Olsson, KSLS-114, on June 27, 2024, as follows:

COMMENCING at the Northwest corner of the Southwest Quarter of Section 25, Township 10 South, Range 23 East; thence South 01 degree 18 minutes 05 seconds East, on the West line of said Southwest Quarter, a distance of 642.56 feet to a point; thence North 88 degrees 41 minutes 55 seconds East, departing said West line, a distance of 40.00 feet to the Southwest corner of Lot 1, I-435 Logistics Park, First Plat, said corner also lying on the East line of 99th Street right of way, as established in Project Superbowl – Logistics Park, both subdivisions in Kansas City, Wyandotte County, Kansas, the POINT OF BEGINNING; thence South 77 degrees 17 minutes 24 seconds East, departing said East line, on the South line of said Lot 1, a distance of 2040.33 feet to the Southeast corner of said Lot 1, said corner also lying on the West line of Lot 1 of said Project Superbowl – Logistics Park; thence South 12 degrees 44 minutes 43 seconds West, on said West line, a distance of 706.89 feet to a point of curvature; thence in a Southerly direction, continuing on said West line, on a curve to the left, having a radius of 1000.00 feet, through a central angle of 1 degree 25 minutes 37 seconds, an arc distance of 24.91 feet to a point on a non-tangent line; thence North 78 degrees 40 minutes 54 seconds West, departing said West line, a distance of 153.58 feet to a point of curvature; thence in a Westerly and Southwesterly direction, on a curve to the left, having a radius of 250.00 feet, through a central angle of 59 degrees 57 minutes 56 seconds, an arc distance of 261.65 feet to a point on a non-tangent line; thence North 48 degrees 38 minutes 50 seconds West a distance of 185.06 feet to a point; thence North 77 degrees 17 minutes 18 seconds West a distance of 1317.05 feet to a point on said East line of said 99th Street right of way; thence North 01 degree 18 minutes 05 seconds West, on said East line, a distance of 800.69 feet to the POINT OF BEGINNING, containing 1,509,600 Square Feet or 34.6556 Acres, more or less.

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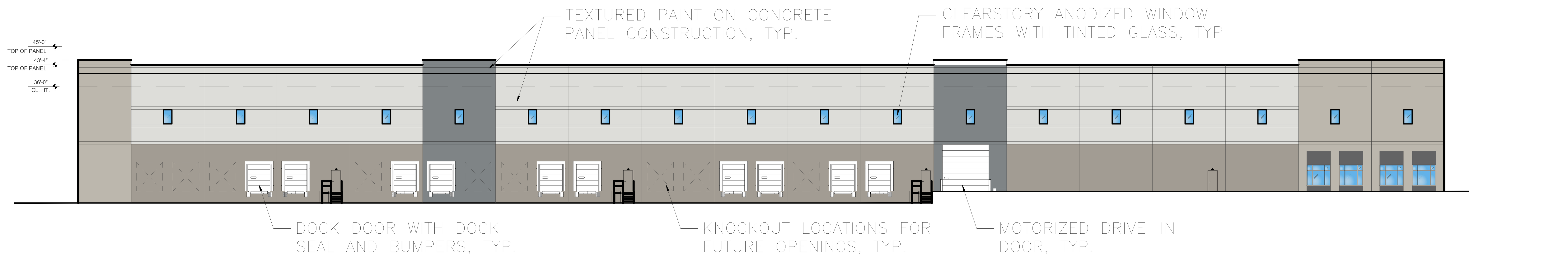
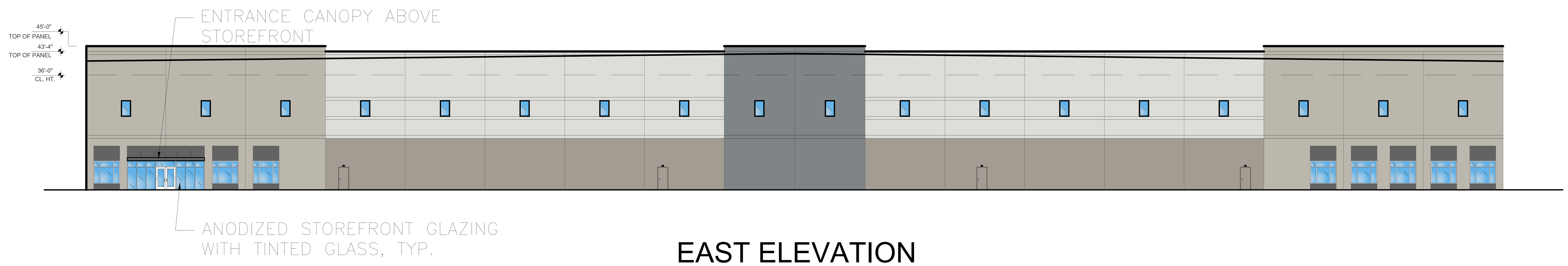
EXHIBIT 2

Construction Utilization Plan

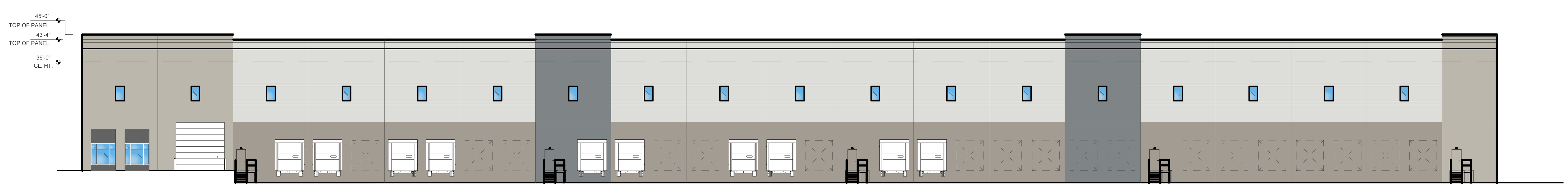
EXHIBIT E



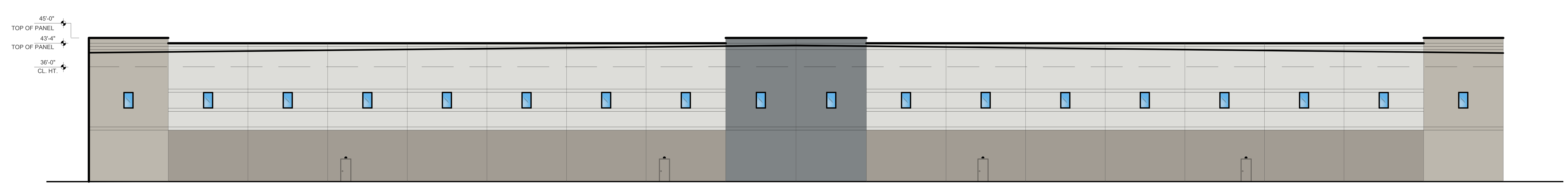
SOUTH ELEVATION



EAST ELEVATION



NORTH ELEVATION



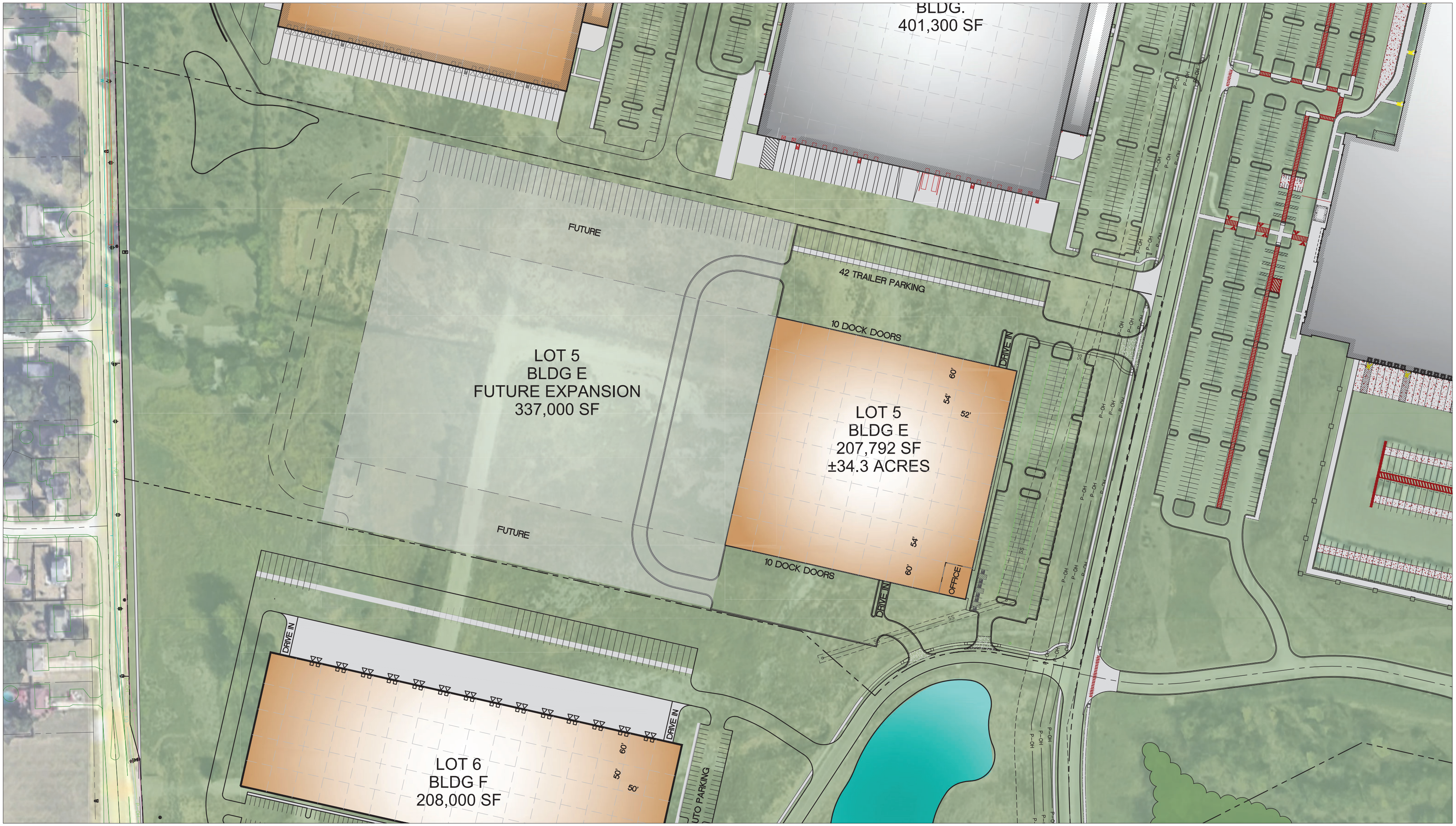
WEST ELEVATION

PROPOSED:
PROJECT SITE
June 24, 2024

Proposed Elevations

Kansas City, KS

SCANNELL
PROPERTIES



PROPOSED:
PROJECT SITE
June 19, 2024

OFFICE / WAREHOUSE

KANSAS CITY, KS

SCANNELL PROPERTIES

A Tax Abatement Cost-Benefit Analysis of
Marshalltown Co.
(With LMW)
for the Unified Government of Kansas City/Wyandotte County

Completed by

Municipal Consulting, LLC

7/9/2024

CONTENTS:

ABOUT THIS REPORT:

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

DEFINITIONS USED:

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

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

DISCLAIMER:

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

COMMENTS SPECIFIC TO THIS PROJECT:

The overall costs and benefits for each taxing entity are:

Taxing Entity	Benefit to Cost Ratio	Average Return on Investment
City of Kansas City	3.48	25%
Wyandotte County	2.75	17%
Piper-Kansas City USD 203	3.98	30%
KC Community College	2.59	16%
WY Co Library	2.73	12%
State of Kansas	3.62	26%

Each of the taxing entities has a positive benefit-to-cost ratio in excess of the desired 1.3. This report assumes that the Unified Government will approve a variable property tax abatement for 10 years and the firm will receive a sales tax exemption on construction materials and machinery and equipment. This report assumes that the existing sales tax rates for the city, county and state will remain the same. A PILOT payment is included in this analysis. The average projected salary of the new employees is about equal to the county average and we use an appropriate adjustment in average retail spending in our analysis.

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

Steve Robb

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

COST-BENEFIT ANALYSIS PROJECT SUMMARY					
PROJECT NAME:		Marshalltown Co.			(With LMW)
DATE:			07/09/24		
GOVERNMENTAL ENTITIES INVOLVED:					
CITY:			City of Kansas City		
COUNTY:			Wyandotte County		
SCHOOL DISTRICT:			Piper-Kansas City USD 203		
SPECIAL TAXING DISTRICT #1			KC Community College		
SPECIAL TAXING DISTRICT #2			WY Co Library		
STATE:			State of Kansas		
INFLATION RATE:		2.00%			
DISCOUNT RATE		7.50%			

This project involves the purchase of about 36.5 acres at 9822 Leavenworth Road and the construction of a 200,000 square foot office, warehousing and distribution facility that will initially employ 40 new employees and eventually employ about 100 workers with average salaries about equal to the county average. The developer is requesting a property tax abatement that varies from 90% in Years 1 and 2 down to 25% in Years 9 and 10. A PILOT is also required.

Marshalltown Co. (With LMW)

Community Data Inputs:

	City of Kansas City	Wyandotte County	Piper-Kansas City USD 203	KC Community College	WY Co Library	WY Co Library	State
Mill Levy	38.459533	37.313168	66.270000	26.364746	5.443634	0.000	1.500
Sales Tax	1.625%	1.000%	n/a	n/a	n/a	n/a	6.50%
Transient Guest Tax	8.00%	0.00%	n/a	n/a	n/a	n/a	n/a
Enterprise Rev/HsHld	$285.15	n/a	n/a	n/a	n/a	n/a	n/a
Franchise Fees/HsHld	$0.00	n/a	n/a	n/a	n/a	n/a	n/a
Other Revenues/Res.	$33.07	$53.23	n/a	$71.29	$0.00	$0.00	$2,462.21
Marg. Cost/Res./Student	$107.64	$40.70	$1,568.29	$84.24	$0.00	$0.00	$942.66
Other Revenues/Worker	$30.81	$49.59	n/a	$66.42	$0.00	$0.00	$2,086.08
Marginal Cost/New Worker	$100.28	$37.92	n/a	$78.48	$0.00	$0.00	$798.66
State Funding/Pupil	n/a	n/a	$8,959.70	n/a	n/a	n/a	$10,800
Federal Funding/Pupil	n/a	n/a	$6,723.93	n/a	n/a	n/a	$6,197
Visitor Daily Spending	$75.00	$75.00					$75.00
Average Hotel Room Rate	$130	$130	Total Mill Levy:	175.351081			n/a
Retail Pull Factor	1.07	0.94					n/a
Percent of County Share	90.20%	100.00%					n/a
Ann. Local Per Capita Sales Tax	$310	$191					n/a
Ann. State Per Capita Sales Tax	$926	$948					$1,779
Annual Per Capita Retail Sales	$14,253	$14,590					$27,367
Average Household Size	2.71	2.72					2.49
Avg. Wage-All Occupations	$63,568	$60,109					$56,270

Marshalltown Co. (With LMW)

Firm Data Inputs:													
		Construction	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total
Investment in Land		$8,000,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$8,000,000
Investment in Building		$15,000,000											
Investment in M & E		$4,000,000											
Contingencies & Soft Costs													
Total Project Investment		$27,000,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
City Incentive of Sales Tax Exemption		$208,553	County Sales Tax Exemption:		$136,444	State sales tax exemption:		$886,886			Total Sales Tax Exemption:		$1,231,883
	Growth	**Const. Per.**	**Yr. 1**	**Yr. 2**	**Yr. 3**	**Yr. 4**	**Yr. 5**	**Yr. 6**	**Yr. 7**	**Yr. 8**	**Yr. 9**	**Yr. 10**	**Total**
Sales	0.00%		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Purchases	0.00%		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Net Enterprise Rev - Firm	2.00%	$0	$56,312	$58,001	$59,741	$61,534	$63,380	$65,281	$67,239	$69,257	$71,334	$73,474	$645,553
Net Enterprise Rev-Employees	2.00%	$0	$2,281	$2,937	$3,630	$4,362	$5,007	$5,686	$6,265	$6,874	$7,224	$7,441	$51,707
PILOT- City		$0	$12,001	$12,241	$31,215	$31,839	$64,952	$66,252	$87,849	$89,606	$105,460	$107,569	$608,986
PILOT - County		$0	$11,643	$11,876	$30,285	$30,890	$63,016	$64,277	$85,231	$86,936	$102,316	$104,363	$590,834
PILOT - State		$0	$468	$477	$1,217	$1,242	$2,533	$2,584	$3,426	$3,495	$4,113	$4,195	$23,752
PILOT - School		$0	$18,183	$18,547	$47,294	$48,240	$98,409	$100,378	$133,101	$135,763	$159,782	$162,978	$922,674
PILOT - Comm. Coll.		$0	$8,227	$8,392	$21,399	$21,827	$44,526	$45,417	$60,223	$61,427	$72,295	$73,741	$417,472
PILOT-WY Co. Library		$0	$1,699	$1,733	$4,418	$4,507	$9,193	$9,377	$12,434	$12,683	$14,927	$15,226	$86,197
TOTAL PILOT			$52,222	$53,266	$135,828	$138,545	$282,631	$288,284	$382,264	$389,910	$458,894	$468,071	$2,649,914
New Employees			40.0	10.0	10.0	10.0	8.0	8.0	6.0	6.0	2.0	0.0	100
New to the City		20%	8.0	2.0	2.0	2.0	1.6	1.6	1.2	1.2	0.4	0.0	20
New to the County		40%	16.0	4.0	4.0	4.0	3.2	3.2	2.4	2.4	0.8	0.0	40
New to the State			0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0
New students in K-12			8.0	2.0	2.0	2.0	0.0	0.0	0.0	0.0	0.0	0.0	14
New employee average salary			$47,840	$50,960	$54,600	$56,824	$61,360	$62,587	$63,839	$65,500	$66,810	$68,146	N/A
Tax Abatement-Land			90%	90%	75%	75%	50%	50%	25%	25%	15%	15%	N/A
Tax Abatement-Bldg.			90%	90%	75%	75%	50%	50%	25%	25%	15%	15%	N/A
Visitors	0.0%	0	40	40	40	40	40	40	40	40	40	40	400

	City	County	State
Percentage of sales taxable in the	0%	0%	0%
Percentage of purchases taxable in the	0%	0%	0%
Assumed Inflation Rate	2.00%		

COST-BENEFIT ANALYSIS PROJECT SUMMARY

PROJECT NAME: **Marshalltown Co.** (With LMW)

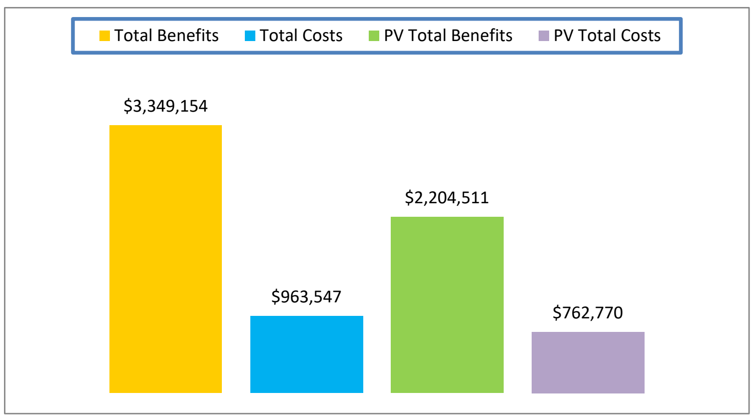
DATE: 7/9/2024

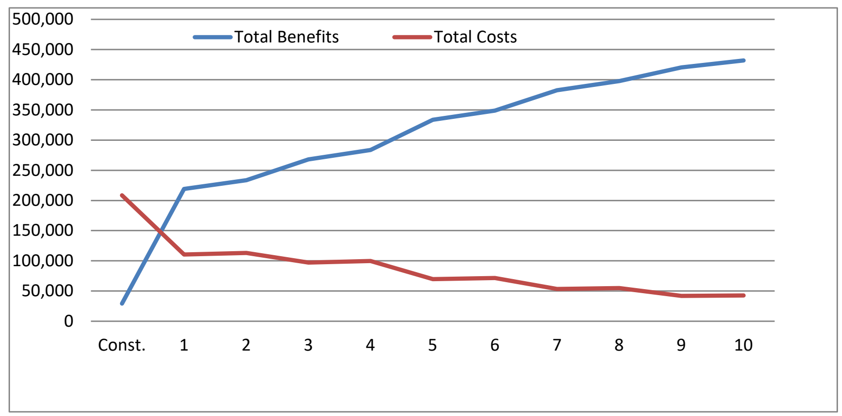
Entity	Total Benefits	Total Costs & Incentives	Net Benefits	Net Present Value of Net Benefits	NPV of Incentives & Taxes Abated	Ratio of NPV of Net Benefits to NPV of Incentives and Taxes Abated	Actual Benefit to Actual Cost Ratio	Avg. Annual Rate of Return
City of Kansas City	$3,349,154	$963,547	$2,385,607	$1,441,741	$730,738	1.97	3.48	25%
Wyandotte County	$2,354,074	$857,526	$1,496,548	$874,415	$643,064	1.36	2.75	17%
Piper-Kansas City USD 203	$5,718,141	$1,436,327	$4,281,814	$2,726,170	$899,783	3.03	3.98	30%
KC Community College	$1,351,348	$522,406	$828,942	$502,456	$357,968	1.40	2.59	16%
WY Co Library	$272,197	$99,803	$172,394	$104,540	$73,911	1.41	2.73	12%
State of Kansas	$3,314,106	$914,387	$2,399,719	$1,276,193	$907,252	1.41	3.62	26%

SUMMARY OF COSTS AND BENEFITS FOR:	City of Kansas City
PROJECT:	Marshalltown Co. (With LMW)
DATE:	7/9/2024
DISCOUNT RATE:	7.50%

Ratio of Actual Benefits to Actual Costs Over the 10-Year Period:	3.48
Ratio of Present Value of Total Benefits to Present Value of Total Costs:	2.89
(Typical desired ratio would be 1.3 to 1) Average ROI	24.76%

Year	Sales and Transient Guest Taxes	New Property Taxes	Enterprise Revenues	PILOT Payment	Other City Revenues	Total Benefits	Net Present Value of Total Benefits	Cost of Various City Services	Incentives	Property Taxes Abated	Total Costs	Net Present Value of Total Costs	Net Benefits or Costs	Cumulative Net Benefits or Costs	Net Present Value of Net Benefits	Net Present Value of Incentives & Taxes Abated
Const.	29,242	0	0	0	0	29,242	29,242	0	208,553	0	208,553	208,553	-179,311	-179,311	-179,311	208,553
1	27,926	120,012	58,593	12,001	713	219,246	203,949	2,320		108,011	110,331	102,634	108,914	-70,396	101,316	100,475
2	36,983	122,412	60,938	12,241	909	233,484	202,041	2,958		110,171	113,129	97,895	120,354	49,958	104,147	95,335
3	47,374	124,861	63,371	31,215	1,113	267,934	215,676	3,621		93,645	97,266	78,296	170,668	220,626	137,381	75,381
4	57,390	127,358	65,896	31,839	1,324	283,808	212,515	4,309		95,518	99,827	74,751	183,980	404,606	137,764	71,524
5	68,928	129,905	68,386	64,952	1,505	333,677	232,425	4,897		64,952	69,850	48,655	263,827	668,433	183,771	45,243
6	77,445	132,503	70,967	66,252	1,692	348,858	226,047	5,508		66,252	71,759	46,497	277,099	945,532	179,550	42,928
7	84,454	135,153	73,504	87,849	1,847	382,807	230,739	6,010		47,304	53,313	32,135	329,494	1,275,026	198,604	28,512
8	92,250	137,856	76,130	89,606	2,006	397,849	223,075	6,530		48,250	54,779	30,715	343,069	1,618,095	192,360	27,054
9	95,999	140,613	76,130	105,460	2,088	420,291	219,217	6,796		35,153	41,950	21,880	378,341	1,996,436	197,337	18,335
10	97,919	143,426	80,915	107,569	2,130	431,959	209,584	6,932		35,856	42,789	20,761	389,171	2,385,607	188,823	17,397
Total	$715,911	$1,314,098	$694,831	$608,986	$15,328	$3,349,154	$2,204,511	$49,882	$208,553	$705,112	$963,547	$762,770	$2,385,607	$2,385,607	$1,441,741	$730,738

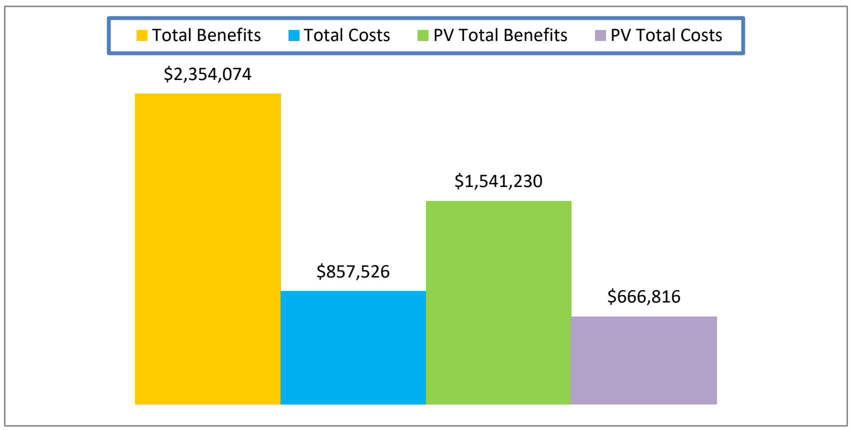


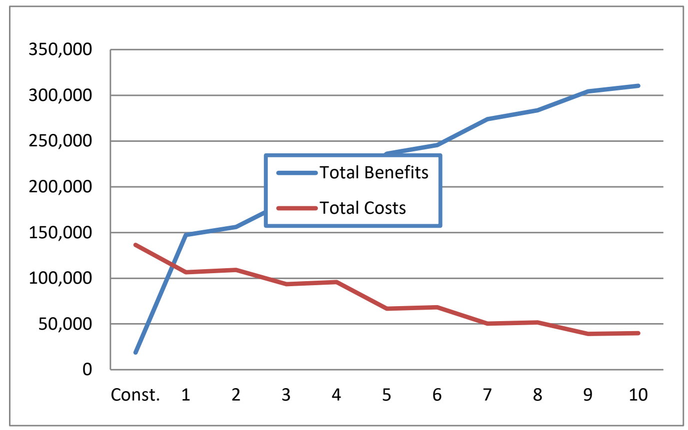


* The development agreement calls for 1% of the city's 1.625% sales tax and 7.84% of the transient guest tax on sales in the project area to be applied toward the project Star bonds.

SUMMARY OF COSTS AND BENEFITS FOR:		Wyandotte County	Ratio of Actual Benefits to Actual Costs Over the 10-Year Period:	2.75
PROJECT:	Marshalltown Co. (With LMW)		Ratio of Present Value of Total Benefits to Present Value of Total Costs:	2.31
DATE:	7/9/2024	DISCOUNT RATE: 7.50%	(Typical desired ratio would be 1.3 to 1) Average ROI	17.45%

Year	Sales Taxes	New Property Taxes	PILOT Payment	Other County Revenues	Total Benefits	Net Present Value of Total Benefits	Cost of Various County Services	Incentives	Property Taxes Abated	Total Costs	Net Present Value of Total Costs	Net Benefits or Costs	Cumulative Net Benefits or Costs	Net Present Value of Net Benefits	Net Present Value of Incentives & Taxes Abated
Const.	18,753	0	0	0	18,753	18,753	0	136,444	0	136,444	136,444	-117,691	-117,691	-117,691	136,444
1	16,987	116,435	11,643	2,250	147,315	137,037	1,720	0	104,791	106,512	99,081	40,803	-76,888	37,956	97,480
2	22,574	118,764	11,876	2,869	156,082	135,063	2,194	0	106,887	109,081	94,391	47,002	-29,886	40,672	92,493
3	28,985	121,139	30,285	3,511	183,920	148,048	2,685	0	90,854	93,539	75,295	90,381	60,494	72,753	73,134
4	35,165	123,562	30,890	4,178	193,795	145,114	3,195	0	92,671	95,866	71,785	97,929	158,423	73,329	69,392
5	42,284	126,033	63,016	4,749	236,082	164,445	3,631	0	63,016	66,648	46,424	169,434	327,857	118,021	43,895
6	47,537	128,553	64,277	5,341	245,708	159,209	4,084	0	64,277	68,361	44,295	177,347	505,204	114,914	41,649
7	51,859	131,125	85,231	5,827	274,042	165,180	4,456	0	45,894	50,350	30,349	223,692	728,896	134,832	27,663
8	56,667	133,747	86,936	6,332	283,681	159,061	4,842	0	46,811	51,653	28,962	232,028	960,924	130,099	26,247
9	58,977	136,422	102,316	6,590	304,305	158,721	5,039	0	34,105	39,145	20,417	265,160	1,226,084	138,303	17,789
10	60,156	139,150	104,363	6,722	310,391	150,600	5,140	0	34,788	39,928	19,373	270,463	1,496,548	131,227	16,879
Total	$439,943	$1,274,929	$590,834	$48,368	$2,354,074	$1,541,230	$36,987	$136,444	$684,095	$857,526	$666,816	$1,496,548	$1,496,548	$874,415	$643,064





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

SUMMARY OF COSTS AND BENEFITS FOR: Piper-Kansas City USD 203

PROJECT: **Marshalltown Co.** (With LMW)

DATE: 7/9/2024

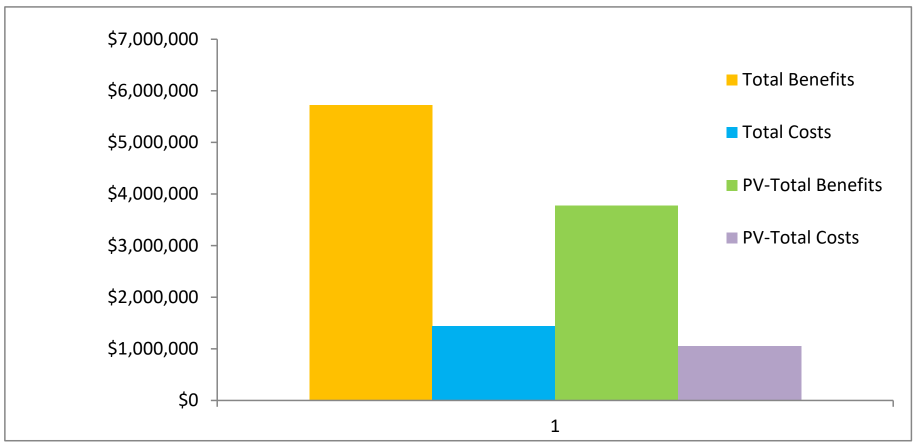
DISCOUNT RATE: 7.50%

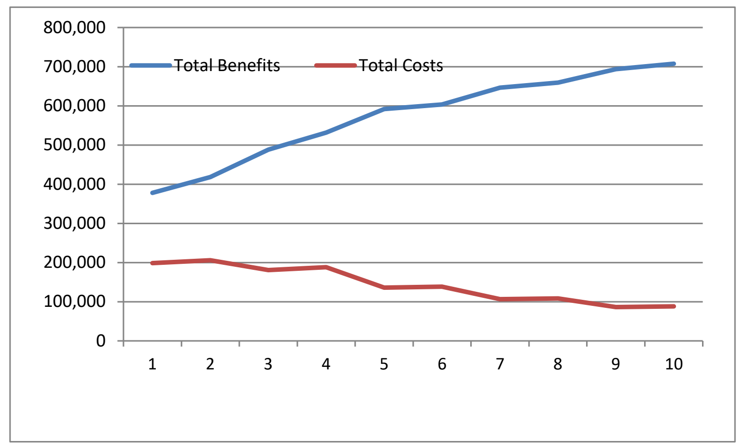
Ratio of Actual Benefits to Actual Costs Over the 10-Year Period: **3.98**

Ratio of Present Value of Total Benefits to Present Value of Total Costs: **3.61**

(Typical desired ratio would be 1.3 to 1) **Average ROI** **29.81%**

Year	New Property Taxes	PILOT Payment	District Capital Outlay Taxes	Additional State, Federal and Other Funding	Total Benefits	Net Present Value of Total Benefits	Additional Marginal Costs	Property Taxes Abated	Total Costs	Net Present Value of Total Costs	Net Benefits or Costs	Cumulative Net Benefits or Costs	Net Present Value of Net Benefits	Net Present Value of Taxes Abated
1	206,794	18,183	24,964	127,978	377,919	351,553	12,546	186,115	198,661	184,801	179,258	179,258	166,752	173,130
2	210,930	18,547	25,463	163,173	418,112	361,806	15,997	189,837	205,833	178,114	212,279	391,537	183,692	164,272
3	215,148	47,294	25,972	199,723	488,138	392,932	19,580	161,361	180,941	145,650	307,197	698,734	247,281	129,889
4	219,451	48,240	26,492	237,671	531,854	398,252	23,300	164,589	187,888	140,691	343,965	1,042,699	257,561	123,244
5	223,840	98,409	27,022	242,424	591,695	412,151	23,766	111,920	135,686	94,513	456,009	1,498,708	317,637	77,959
6	228,317	100,378	27,562	247,272	603,529	391,064	24,241	114,159	138,400	89,678	465,129	1,963,838	301,386	73,970
7	232,884	133,101	28,113	252,218	646,315	389,570	24,726	81,509	106,235	64,034	540,080	2,503,918	325,536	49,130
8	237,541	135,763	28,676	257,262	659,242	369,638	25,221	83,139	108,360	60,758	550,882	3,054,800	308,881	46,616
9	242,292	159,782	29,249	262,408	693,731	361,839	25,725	60,573	86,298	45,012	607,433	3,662,233	316,827	31,594
10	247,138	162,978	29,834	267,656	707,606	343,326	26,239	61,784	88,024	42,709	619,582	4,281,814	300,617	29,977
Total	$2,264,336	$922,674	$273,347	$2,257,785	$5,718,141	$3,772,130	$221,341	$1,214,986	$1,436,327	$1,045,960	$4,281,814	$4,281,814	$2,726,170	$899,783





SUMMARY OF COSTS AND BENEFITS FOR: **KC Community College**

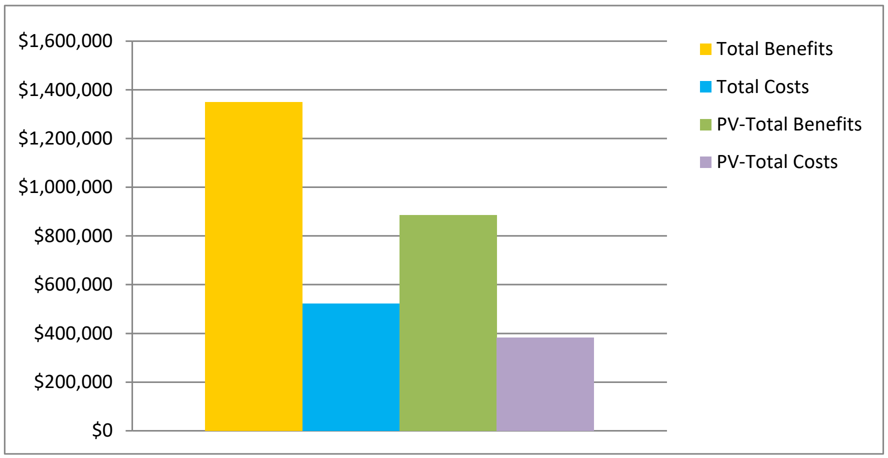
PROJECT: **Marshalltown Co.** (With LMW)

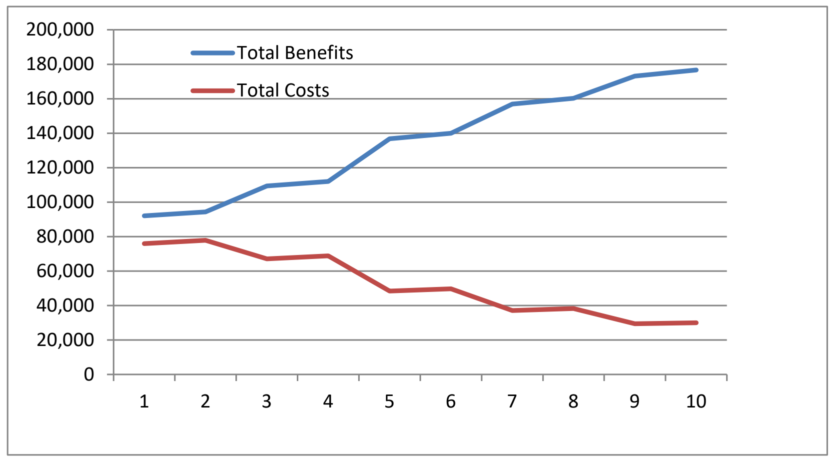
DATE: 7/9/2024

DISCOUNT RATE: 7.50%

Ratio of Actual Benefits to Actual Costs Over the 10-Year Period:	**2.59**
Ratio of Present Value of Total Benefits to Present Value of Total Costs:	**2.31**
(Typical desired ratio would be 1.3 to 1) **Average ROI**	**15.87%**

Year	New District Property Taxes	PILOT Payment	Other District Revenues	Total Benefits	Net Present Value of Total Benefits	Other District Costs	Property Taxes Abated	Total Costs	Net Present Value of Total Costs	Net Benefits or Costs	Cumulative Net Benefits or Costs	Net Present Value of Net Benefits	Net Present Value of Taxes Abated
1	82,271	8,227	1,537	92,034	85,613	1,816	74,044	75,859	70,567	16,175	16,175	15,046	68,878
2	83,916	8,392	1,959	94,267	81,572	2,315	75,524	77,840	67,357	16,427	32,602	14,215	65,354
3	85,594	21,399	2,398	109,391	88,055	2,834	64,196	67,030	53,956	42,362	74,964	34,099	51,675
4	87,306	21,827	2,854	111,987	83,856	3,372	65,480	68,852	51,556	43,135	118,099	32,299	49,031
5	89,052	44,526	3,244	136,822	95,305	3,833	44,526	48,359	33,685	88,463	206,562	61,620	31,015
6	90,833	45,417	3,648	139,898	90,648	4,310	45,417	49,727	32,221	90,171	296,732	58,427	29,428
7	92,650	60,223	3,980	156,853	94,544	4,703	32,428	37,131	22,381	119,722	416,454	72,163	19,546
8	94,503	61,427	4,325	160,255	89,855	5,110	33,076	38,186	21,411	122,068	538,523	68,444	18,546
9	96,393	72,295	4,501	173,189	90,333	5,319	24,098	29,417	15,343	143,772	682,295	74,989	12,569
10	98,321	73,741	4,591	176,653	85,711	5,425	24,580	30,005	14,558	146,647	828,942	71,152	11,926
Total	$900,840	$417,472	$33,037	$1,351,348	$885,492	$39,038	$483,368	$522,406	$383,036	$828,942	$828,942	$502,456	$357,968





SUMMARY OF COSTS AND BENEFITS FOR: WY Co Library

PROJECT: Marshalltown Co. **(With LMW)**

DATE: 7/9/2024

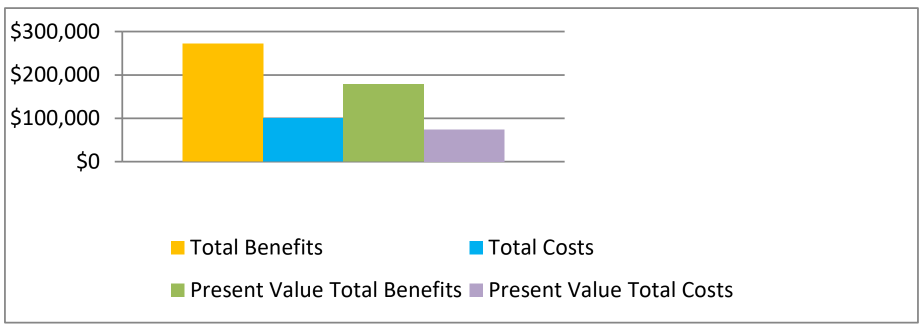
DISCOUNT RATE: 7.50%

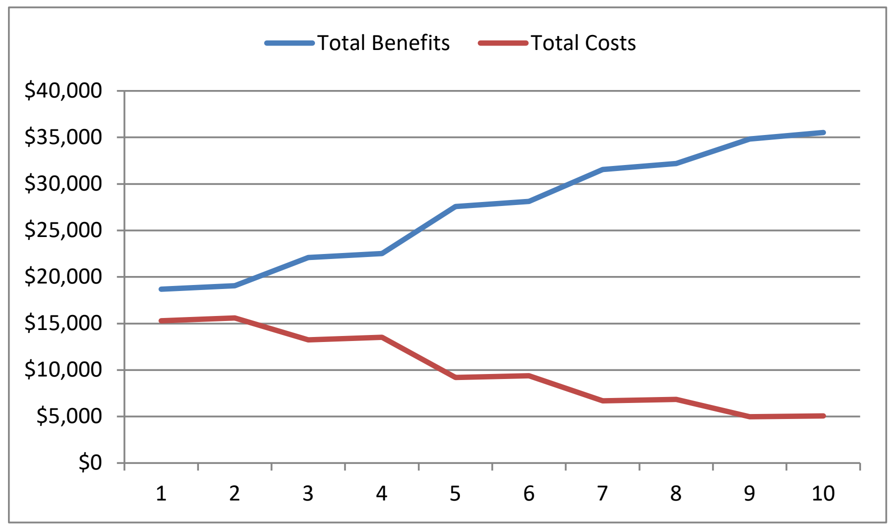
Ratio of Actual Benefits to Actual Costs Over the 10-Year Period: 2.73

Ratio of Present Value of Total Benefits to Present Value of Total Costs: 2.41

(Typical desired ratio would be 1.3 to 1) **Average ROI** 11.52%

Year	New District Property Taxes	PILOT Payment	Other District Revenues	Total Benefits	Net Present Value of Total Benefits	Other District Costs	District Property Taxes Abated	Total Costs	Net Present Value of Total Costs	Net Benefits or Costs	Cumulative Net Benefits or Costs	Net Present Value of Net Benefits	Net Present Value of Taxes Abated
1	$16,987	$1,699	$0	$18,685	$17,382	$0	$15,288	$15,288	$14,221	$3,397	$3,397	$3,160	$14,221
2	$17,326	$1,733	$0	$19,059	$16,492	$0	$15,594	$15,594	$13,494	$3,465	$6,863	$2,999	$13,494
3	$17,673	$4,418	$0	$22,091	$17,783	$0	$13,255	$13,255	$10,670	$8,836	$15,699	$7,113	$10,670
4	$18,026	$4,507	$0	$22,533	$16,873	$0	$13,520	$13,520	$10,124	$9,013	$24,712	$6,749	$10,124
5	$18,387	$9,193	$0	$27,580	$19,211	$0	$9,193	$9,193	$6,404	$18,387	$43,099	$12,808	$6,404
6	$18,755	$9,377	$0	$28,132	$18,229	$0	$9,377	$9,377	$6,076	$18,755	$61,854	$12,152	$6,076
7	$19,130	$12,434	$0	$31,564	$19,025	$0	$6,695	$6,695	$4,036	$24,869	$86,723	$14,990	$4,036
8	$19,512	$12,683	$0	$32,195	$18,052	$0	$6,829	$6,829	$3,829	$25,366	$112,089	$14,223	$3,829
9	$19,903	$14,927	$0	$34,830	$18,167	$0	$4,976	$4,976	$2,595	$29,854	$141,943	$15,571	$2,595
10	$20,301	$15,226	$0	$35,526	$17,237	$0	$5,075	$5,075	$2,462	$30,451	$172,394	$14,775	$2,462
Total	$186,000	$86,197	$0	$272,197	$178,451	$0	$99,803	$99,803	$73,911	$172,394	$172,394	$104,540	$73,911

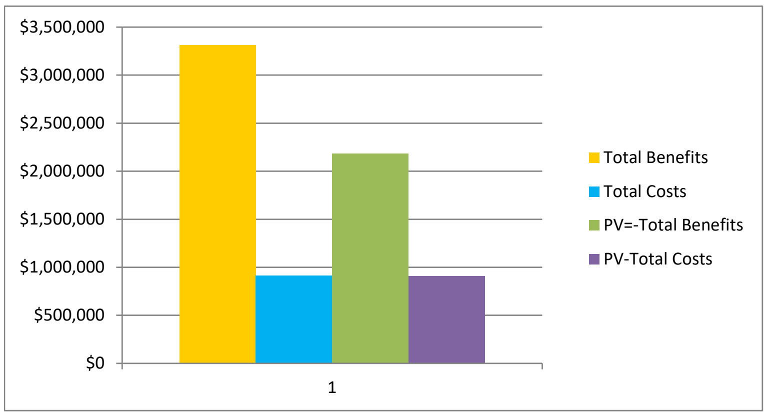




SUMMARY OF COSTS AND BENEFITS FOR: **State of Kansas**
PROJECT: **Marshalltown Co.** (With LMW)
DATE: 7/9/2024
DISCOUNT RATE: 7.50%

Ratio of Actual Benefits to Actual Costs Over the 10-Year Period:	**3.62**
Ratio of Present Value of Total Benefits to Present Value of Total Costs:	**2.41**
(Typical desired ratio would be 1.3 to 1) **Average ROI**	**26.24%**

Year	Sales Taxes	New Property Taxes	Corporate and Personal Income Taxes	PILOT Payment	Other State Revenues	Total Benefits	Net Present Value of Total Benefits	Cost of Various State Services	Cost of Educating New Students	Property Taxes Abated	Incentives	Total Costs	Net Present Value of Total Costs	Net Benefits or Costs	Cumulative Net Benefits or Costs	Net Present Value of Net Benefits	Present Value of Taxes Abated and Incentives
Const.	121,895	$0	75,000	0	0	196,895	196,895	0	$0	$0	$886,886	886,886	886,886	-689,992	-689,992	-689,992	886,886
1	82,450	$4,681	40,186	468	0	127,784	118,869	0	0	$4,213	0	4,213	3,919	123,571	-566,420	114,950	3,919
2	109,496	$4,774	53,508	477	0	168,256	145,597	0	0	$4,297	0	4,297	3,718	163,959	-402,461	141,879	3,718
3	140,530	$4,870	68,796	1,217	0	215,414	173,400	0	0	$3,652	0	3,652	2,940	211,761	-190,700	170,460	2,940
4	170,444	$4,967	83,531	1,242	0	260,184	194,826	0	0	$3,725	0	3,725	2,790	256,459	65,759	192,037	2,790
5	204,904	$5,067	100,508	2,533	0	313,012	218,031	0	0	$2,533	0	2,533	1,765	310,479	376,238	216,267	1,765
6	230,334	$5,168	113,032	2,584	0	351,119	227,511	0	0	$2,584	0	2,584	1,674	348,535	724,772	225,837	1,674
7	251,260	$5,271	123,337	3,426	0	383,294	231,032	0	0	$1,845	0	1,845	1,112	381,449	1,106,221	229,920	1,112
8	274,534	$5,377	134,799	3,495	0	418,205	234,488	0	0	$1,882	0	1,882	1,055	416,323	1,522,544	233,433	1,055
9	285,718	$5,484	140,301	4,113	0	435,616	227,210	0	0	$1,371	0	1,371	715	434,245	1,956,789	226,495	715
10	291,432	$5,594	143,107	4,195	0	444,328	215,585	0	0	$1,398	0	1,398	679	442,930	2,399,719	214,907	679
Total	$2,162,997	$51,253	$1,076,105	$23,752	$0	$3,314,106	$2,183,445	$0	$0	$27,501	$886,886	$914,387	$907,252	$2,399,719	$2,399,719	$1,276,193	$907,252



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

Marshalltown Co. (With LMW)

Other Economic Impacts of the Project

	In the First Year	Over 10 Years
Permanent jobs created	40	100
Construction jobs created	86	0
Number of New Residents in the Community	22	54
Number of Additional Students in the Local School District	8	14
Increase in Local Personal Incomes	$1,913,600	$47,671,662
Increase in Local Retail Sales	$15,896,747	$46,035,067
Increase in the Community's Property Tax Base	$12,481,904	$14,917,031

Estimated Property Tax Revenue after the abatement period ends:

City	$146,294
County	$141,933
School	$282,511
Comm. Coll.	$100,287
Co. Library	$20,707
State	$5,706
Total	$697,438

Marshalltown Co. (With LMW)

Overall Cost-Benefit Summary

	DIRECT REVENUES						TOTAL DIRECT REVENUES	ALL INDIRECT REVENUES	TOTAL ALL REVENUES	DIRECT COSTS		INDIRECT COSTS	TOTAL COSTS	NET BENEFITS
TAXING ENTITY	**Sales Taxes**	**PILOT Payment**	**New Property Taxes**	**School Federal & State Funding**	**Corporate & Personal Income Taxes**	**City Utilities & Franchise Fees**				**Property Taxes Abated**	**Incentives**	**ALL INDIRECT COSTS**		
City of Kansas City	715,911	608,986	1,314,098			694,831	3,333,827	15,328	**3,349,154**	705,112	208,553	49,882	**963,547**	**2,385,607**
Wyandotte County	439,943	590,834	1,274,929				2,305,706	48,368	**2,354,074**	684,095	136,444	36,987	**857,526**	**1,496,548**
Piper-Kansas City USD 203		922,674	2,537,683	2,257,785			5,718,141		**5,718,141**	1,214,986	221,341	0	**1,436,327**	**4,281,814**
KC Community College		417,472	900,840				1,318,311	33,037	**1,351,348**	483,368	0	39,038	**522,406**	**828,942**
WY Co Library		86,197	186,000				272,197	0	**272,197**	99,803	0	0	**99,803**	**172,394**
State of Kansas	2,162,997	23,752	51,253	0	1,076,105		3,314,106	0	**3,314,106**	27,501	886,886	0	**914,387**	**2,399,719**
TOTALS	$3,318,850	$2,649,914	$6,264,802	$2,257,785	$1,076,105	$694,831	$16,262,288	$96,733	**$16,359,021**	$3,214,866	$1,453,223	$125,907	**$4,793,996**	**$11,565,025**

A Tax Abatement Cost-Benefit Analysis of
Marshalltown Co.
(W/O LMW)
for the Unified Government of Kansas City/Wyandotte County

Completed by

Municipal Consulting, LLC

7/9/2024

CONTENTS:

ABOUT THIS REPORT:

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

DEFINITIONS USED:

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

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

DISCLAIMER:

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

COMMENTS SPECIFIC TO THIS PROJECT:

The overall costs and benefits for each taxing entity are:

Taxing Entity	Benefit to Cost Ratio	Average Return on Investment
City of Kansas City	3.54	25%
Wyandotte County	2.82	18%
Piper-Kansas City USD 203	4.05	31%
KC Community College	2.67	17%
WY Co Library	2.82	12%
State of Kansas	3.63	26%

Each of the taxing entities has a positive benefit-to-cost ratio in excess of the desired 1.3. This report assumes that the Unified Government will approve a variable property tax abatement for 10 years and the firm will receive a sales tax exemption on construction materials and machinery and equipment. This report assumes that the existing sales tax rates for the city, county and state will remain the same. A PILOT payment is included in this analysis. The average projected salary of the new employees is about equal to the county average and we use an appropriate adjustment in average retail spending in our analysis.

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

Steve Robb

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

COST-BENEFIT ANALYSIS PROJECT SUMMARY		
PROJECT NAME:	**Marshalltown Co.**	(W/O LMW)
DATE:	**07/09/24**	
GOVERNMENTAL ENTITIES INVOLVED:		
CITY:	**City of Kansas City**	
COUNTY:	**Wyandotte County**	
SCHOOL DISTRICT:	**Piper-Kansas City USD 203**	
SPECIAL TAXING DISTRICT #1	**KC Community College**	
SPECIAL TAXING DISTRICT #2	**WY Co Library**	
STATE:	**State of Kansas**	
INFLATION RATE:	**2.00%**	
DISCOUNT RATE	**7.50%**	

This project involves the purchase of about 36.5 acres at 9822 Leavenworth Road and the construction of a 200,000 square foot office, warehousing and distribution facility that will initially employ 40 new employees and eventually employ about 100 workers with average salaries about equal to the county average. The developer is requesting a property tax abatement that varies from 90% in Years 1 and 2 down to 25% in Years 9 and 10. A PILOT is also required.

Marshalltown Co. (W/O LMW)

Community Data Inputs:

	City of Kansas City	Wyandotte County	Piper-Kansas City USD 203	KC Community College	WY Co Library	WY Co Library	State
Mill Levy	38.459533	37.313168	66.270000	26.364746	5.443634	0.000	1.500
Sales Tax	1.625%	1.000%	n/a	n/a	n/a	n/a	6.50%
Transient Guest Tax	8.00%	0.00%	n/a	n/a	n/a	n/a	n/a
Enterprise Rev/HsHld	$285.15	n/a	n/a	n/a	n/a	n/a	n/a
Franchise Fees/HsHld	$0.00	n/a	n/a	n/a	n/a	n/a	n/a
Other Revenues/Res.	$33.07	$53.23	n/a	$71.29	$0.00	$0.00	$2,462.21
Marg. Cost/Res./Student	$107.64	$40.70	$1,568.29	$84.24	$0.00	$0.00	$942.66
Other Revenues/Worker	$30.81	$49.59	n/a	$66.42	$0.00	$0.00	$2,086.08
Marginal Cost/New Worker	$100.28	$37.92	n/a	$78.48	$0.00	$0.00	$798.66
State Funding/Pupil	n/a	n/a	$8,959.70	n/a	n/a	n/a	$10,800
Federal Funding/Pupil	n/a	n/a	$6,723.93	n/a	n/a	n/a	$6,197
Visitor Daily Spending	$75.00	$75.00					$75.00
Average Hotel Room Rate	$130	$130	Total Mill Levy:	175.351081			n/a
Retail Pull Factor	1.07	0.94					n/a
Percent of County Share	90.20%	100.00%					n/a
Ann. Local Per Capita Sales Tax	$310	$191					n/a
Ann. State Per Capita Sales Tax	$926	$948					$1,779
Annual Per Capita Retail Sales	$14,253	$14,590					$27,367
Average Household Size	2.71	2.72					2.49
Avg. Wage-All Occupations	$63,568	$60,109					$56,270

Marshalltown Co. (W/O LMW)

Firm Data Inputs:													
		Construction	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total
Investment in Land		$8,000,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$8,000,000
Investment in Building		$15,000,000											
Investment in M & E		$4,000,000											
Contingencies & Soft Costs													
Total Project Investment		$27,000,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
City Incentive of Sales Tax Exemption		$208,553	County Sales Tax Exemption:		$136,444	State sales tax exemption:		$886,886			Total Sales Tax Exemption:		$1,231,883
	Growth	**Const. Per.**	**Yr. 1**	**Yr. 2**	**Yr. 3**	**Yr. 4**	**Yr. 5**	**Yr. 6**	**Yr. 7**	**Yr. 8**	**Yr. 9**	**Yr. 10**	**Total**
Sales	0.00%		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Purchases	0.00%		$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Net Enterprise Rev - Firm	2.00%	$0	$56,312	$58,001	$59,741	$61,534	$63,380	$65,281	$67,239	$69,257	$71,334	$73,474	$645,553
Net Enterprise Rev-Employees	2.00%	$0	$2,281	$2,937	$3,630	$4,362	$5,007	$5,686	$6,265	$6,874	$7,224	$7,441	$51,707
PILOT- City		$0	$18,002	$18,362	$37,458	$38,207	$71,448	$72,877	$94,607	$96,499	$112,491	$114,740	$674,691
PILOT - County		$0	$17,465	$17,815	$36,342	$37,069	$69,318	$70,704	$91,787	$93,623	$109,138	$111,320	$654,580
PILOT - State		$0	$702	$716	$1,461	$1,490	$2,787	$2,842	$3,690	$3,764	$4,387	$4,475	$26,314
PILOT - School		$0	$27,274	$27,820	$56,753	$57,888	$108,250	$110,415	$143,339	$146,206	$170,435	$173,843	$1,022,224
PILOT - Comm. Coll.		$0	$12,341	$12,587	$25,678	$26,192	$48,979	$49,958	$64,855	$66,152	$77,115	$78,657	$462,514
PILOT-WY Co. Library		$0	$2,548	$2,599	$5,302	$5,408	$10,113	$10,315	$13,391	$13,659	$15,922	$16,241	$95,497
TOTAL PILOT			$78,332	$79,899	$162,994	$166,254	$310,894	$317,112	$411,669	$419,903	$489,487	$499,276	$2,935,820
New Employees			40.0	10.0	10.0	10.0	8.0	8.0	6.0	6.0	2.0	0.0	100
New to the City		20%	8.0	2.0	2.0	2.0	1.6	1.6	1.2	1.2	0.4	0.0	20
New to the County		40%	16.0	4.0	4.0	4.0	3.2	3.2	2.4	2.4	0.8	0.0	40
New to the State			0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0
New students in K-12			8.0	2.0	2.0	2.0	0.0	0.0	0.0	0.0	0.0	0.0	14
New employee average salary			$47,840	$50,960	$54,600	$56,824	$61,360	$62,587	$63,839	$65,500	$66,810	$68,146	N/A
Tax Abatement-Land			90%	90%	75%	75%	50%	50%	25%	25%	15%	15%	N/A
Tax Abatement-Bldg.			90%	90%	75%	75%	50%	50%	25%	25%	15%	15%	N/A
Visitors	0.0%	0	40	40	40	40	40	40	40	40	40	40	400

	City	County	State
Percentage of sales taxable in the	0%	0%	0%
Percentage of purchases taxable in the	0%	0%	0%
Assumed Inflation Rate	2.00%		

COST-BENEFIT ANALYSIS PROJECT SUMMARY

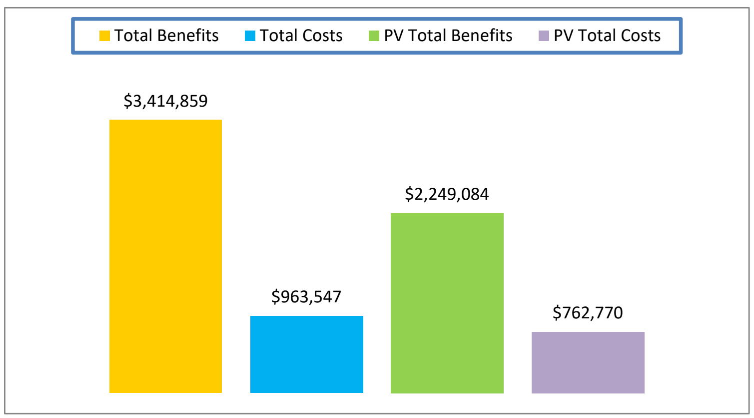
PROJECT NAME: **Marshalltown Co.** (W/O LMW)

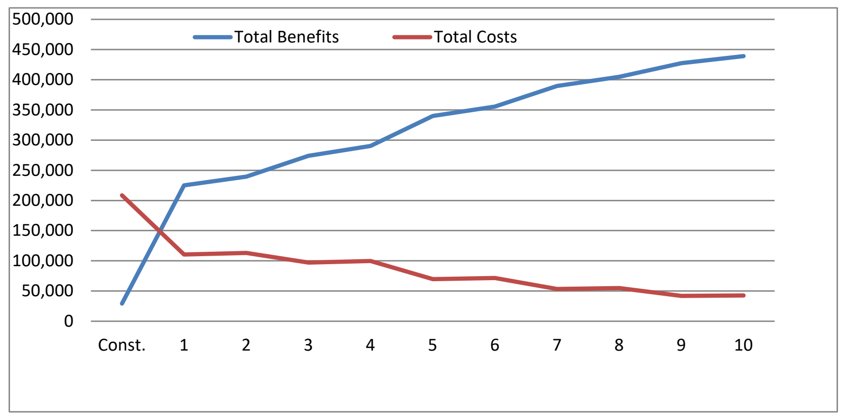
DATE: 7/9/2024

Entity	Total Benefits	Total Costs & Incentives	Net Benefits	Net Present Value of Net Benefits	NPV of Incentives & Taxes Abated	Ratio of NPV of Net Benefits to NPV of Incentives and Taxes Abated	Actual Benefit to Actual Cost Ratio	Avg. Annual Rate of Return
City of Kansas City	$3,414,859	$963,547	$2,451,312	$1,486,315	$730,738	2.03	3.54	25%
Wyandotte County	$2,417,820	$857,526	$1,560,294	$917,660	$643,064	1.43	2.82	18%
Piper-Kansas City USD 203	$5,817,691	$1,436,327	$4,381,364	$2,793,704	$899,783	3.10	4.05	31%
KC Community College	$1,396,390	$522,406	$873,984	$533,012	$357,968	1.49	2.67	17%
WY Co Library	$281,497	$99,803	$181,694	$110,849	$73,911	1.50	2.82	12%
State of Kansas	$3,316,669	$914,387	$2,402,282	$1,277,931	$907,252	1.41	3.63	26%

SUMMARY OF COSTS AND BENEFITS FOR:		City of Kansas City	Ratio of Actual Benefits to Actual Costs Over the 10-Year Period:	3.54
PROJECT:	Marshalltown Co.	(W/O LMW)	Ratio of Present Value of Total Benefits to Present Value of Total Costs:	2.95
DATE:	7/9/2024	DISCOUNT RATE: 7.50%	(Typical desired ratio would be 1.3 to 1) Average ROI	25.44%

Year	Sales and Transient Guest Taxes	New Property Taxes	Enterprise Revenues	PILOT Payment	Other City Revenues	Total Benefits	Net Present Value of Total Benefits	Cost of Various City Services	Incentives	Property Taxes Abated	Total Costs	Net Present Value of Total Costs	Net Benefits or Costs	Cumulative Net Benefits or Costs	Net Present Value of Net Benefits	Net Present Value of Incentives & Taxes Abated
Const.	29,242	0	0	0	0	29,242	29,242	0	208,553	0	208,553	208,553	-179,311	-179,311	-179,311	208,553
1	27,926	120,012	58,593	18,002	713	225,246	209,531	2,320		108,011	110,331	102,634	114,915	-64,396	106,898	100,475
2	36,983	122,412	60,938	18,362	909	239,604	207,337	2,958		110,171	113,129	97,895	126,475	62,079	109,443	95,335
3	47,374	124,861	63,371	37,458	1,113	274,177	220,702	3,621		93,645	97,266	78,296	176,911	238,990	142,406	75,381
4	57,390	127,358	65,896	38,207	1,324	290,175	217,284	4,309		95,518	99,827	74,751	190,348	429,338	142,533	71,524
5	68,928	129,905	68,386	71,448	1,505	340,172	236,950	4,897		64,952	69,850	48,655	270,322	699,660	188,295	45,243
6	77,445	132,503	70,967	72,877	1,692	355,483	230,340	5,508		66,252	71,759	46,497	283,724	983,384	183,842	42,928
7	84,454	135,153	73,504	94,607	1,847	389,565	234,812	6,010		47,304	53,313	32,135	336,252	1,319,636	202,677	28,512
8	92,250	137,856	76,130	96,499	2,006	404,742	226,940	6,530		48,250	54,779	30,715	349,962	1,669,598	196,225	27,054
9	95,999	140,613	76,130	112,491	2,088	427,322	222,884	6,796		35,153	41,950	21,880	385,372	2,054,970	201,004	18,335
10	97,919	143,426	80,915	114,740	2,130	439,131	213,064	6,932		35,856	42,789	20,761	396,342	2,451,312	192,303	17,397
Total	$715,911	$1,314,098	$694,831	$674,691	$15,328	$3,414,859	$2,249,084	$49,882	$208,553	$705,112	$963,547	$762,770	$2,451,312	$2,451,312	$1,486,315	$730,738





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

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

PROJECT: **Marshalltown Co.** (W/O LMW)

DATE: 7/9/2024

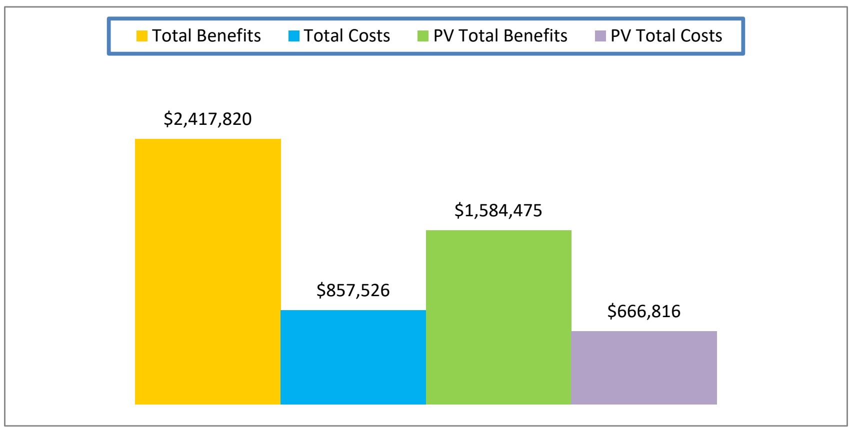
DISCOUNT RATE: 7.50%

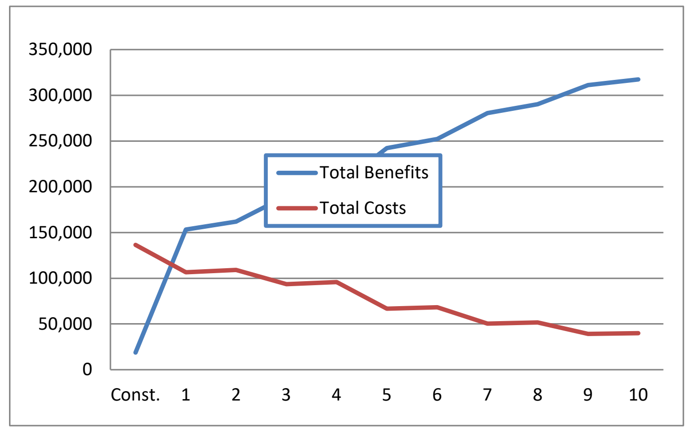
Ratio of Actual Benefits to Actual Costs Over the 10-Year Period: **2.82**

Ratio of Present Value of Total Benefits to Present Value of Total Costs: **2.38**

(Typical desired ratio would be 1.3 to 1) **Average ROI** **18.20%**

Year	Sales Taxes	New Property Taxes	PILOT Payment	Other County Revenues	Total Benefits	Net Present Value of Total Benefits	Cost of Various County Services	Incentives	Property Taxes Abated	Total Costs	Net Present Value of Total Costs	Net Benefits or Costs	Cumulative Net Benefits or Costs	Net Present Value of Net Benefits	Net Present Value of Incentives & Taxes Abated
Const.	18,753	0	0	0	18,753	18,753	0	136,444	0	136,444	136,444	-117,691	-117,691	-117,691	136,444
1	16,987	116,435	17,465	2,250	153,137	142,453	1,720	0	104,791	106,512	99,081	46,625	-71,066	43,372	97,480
2	22,574	118,764	17,815	2,869	162,021	140,202	2,194	0	106,887	109,081	94,391	52,940	-18,126	45,811	92,493
3	28,985	121,139	36,342	3,511	189,977	152,924	2,685	0	90,854	93,539	75,295	96,438	78,311	77,629	73,134
4	35,165	123,562	37,069	4,178	199,973	149,740	3,195	0	92,671	95,866	71,785	104,107	182,418	77,955	69,392
5	42,284	126,033	69,318	4,749	242,383	168,834	3,631	0	63,016	66,648	46,424	175,736	358,153	122,410	43,895
6	47,537	128,553	70,704	5,341	252,135	163,374	4,084	0	64,277	68,361	44,295	183,775	541,928	119,079	41,649
7	51,859	131,125	91,787	5,827	280,598	169,132	4,456	0	45,894	50,350	30,349	230,249	772,177	138,783	27,663
8	56,667	133,747	93,623	6,332	290,369	162,810	4,842	0	46,811	51,653	28,962	238,716	1,010,892	133,848	26,247
9	58,977	136,422	109,138	6,590	311,126	162,278	5,039	0	34,105	39,145	20,417	271,981	1,282,874	141,861	17,789
10	60,156	139,150	111,320	6,722	317,349	153,976	5,140	0	34,788	39,928	19,373	277,421	1,560,294	134,603	16,879
Total	$439,943	$1,274,929	$654,580	$48,368	$2,417,820	$1,584,475	$36,987	$136,444	$684,095	$857,526	$666,816	$1,560,294	$1,560,294	$917,660	$643,064





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

SUMMARY OF COSTS AND BENEFITS FOR: Piper-Kansas City USD 203

PROJECT: **Marshalltown Co.** (W/O LMW)

DATE: 7/9/2024

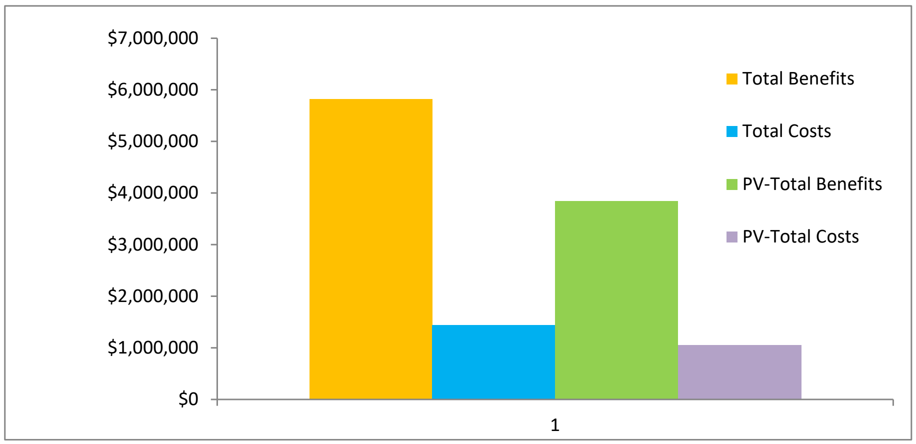
DISCOUNT RATE: 7.50%

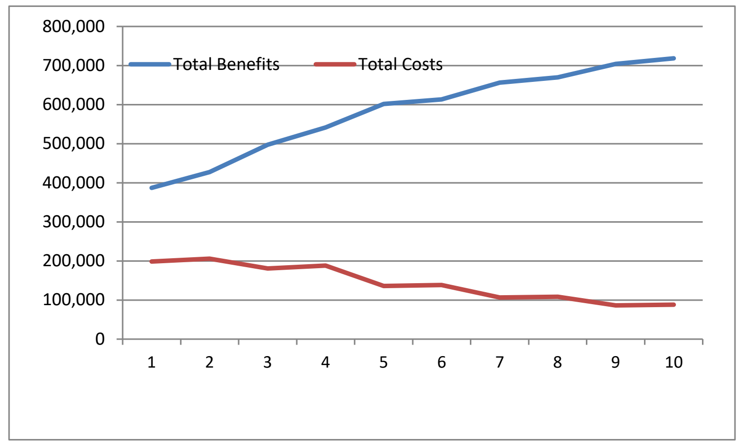
Ratio of Actual Benefits to Actual Costs Over the 10-Year Period: **4.05**

Ratio of Present Value of Total Benefits to Present Value of Total Costs: **3.67**

(Typical desired ratio would be 1.3 to 1) **Average ROI** **30.50%**

Year	New Property Taxes	PILOT Payment	District Capital Outlay Taxes	Additional State, Federal and Other Funding	Total Benefits	Net Present Value of Total Benefits	Additional Marginal Costs	Property Taxes Abated	Total Costs	Net Present Value of Total Costs	Net Benefits or Costs	Cumulative Net Benefits or Costs	Net Present Value of Net Benefits	Net Present Value of Taxes Abated
1	206,794	27,274	24,964	127,978	387,011	360,010	12,546	186,115	198,661	184,801	188,350	188,350	175,209	173,130
2	210,930	27,820	25,463	163,173	427,385	369,831	15,997	189,837	205,833	178,114	221,552	409,902	191,716	164,272
3	215,148	56,753	25,972	199,723	497,597	400,546	19,580	161,361	180,941	145,650	316,656	726,558	254,895	129,889
4	219,451	57,888	26,492	237,671	541,502	405,477	23,300	164,589	187,888	140,691	353,613	1,080,171	264,786	123,244
5	223,840	108,250	27,022	242,424	601,536	419,005	23,766	111,920	135,686	94,513	465,850	1,546,021	324,492	77,959
6	228,317	110,415	27,562	247,272	613,567	397,568	24,241	114,159	138,400	89,678	475,167	2,021,188	307,890	73,970
7	232,884	143,339	28,113	252,218	656,554	395,741	24,726	81,509	106,235	64,034	550,319	2,571,507	331,707	49,130
8	237,541	146,206	28,676	257,262	669,685	375,494	25,221	83,139	108,360	60,758	561,325	3,132,832	314,736	46,616
9	242,292	170,435	29,249	262,408	704,383	367,395	25,725	60,573	86,298	45,012	618,085	3,750,917	322,383	31,594
10	247,138	173,843	29,834	267,656	718,471	348,598	26,239	61,784	88,024	42,709	630,447	4,381,364	305,889	29,977
Total	$2,264,336	$1,022,224	$273,347	$2,257,785	$5,817,691	$3,839,664	$221,341	$1,214,986	$1,436,327	$1,045,960	$4,381,364	$4,381,364	$2,793,704	$899,783





SUMMARY OF COSTS AND BENEFITS FOR: **KC Community College**

PROJECT: **Marshalltown Co.** (W/O LMW)

DATE: 7/9/2024

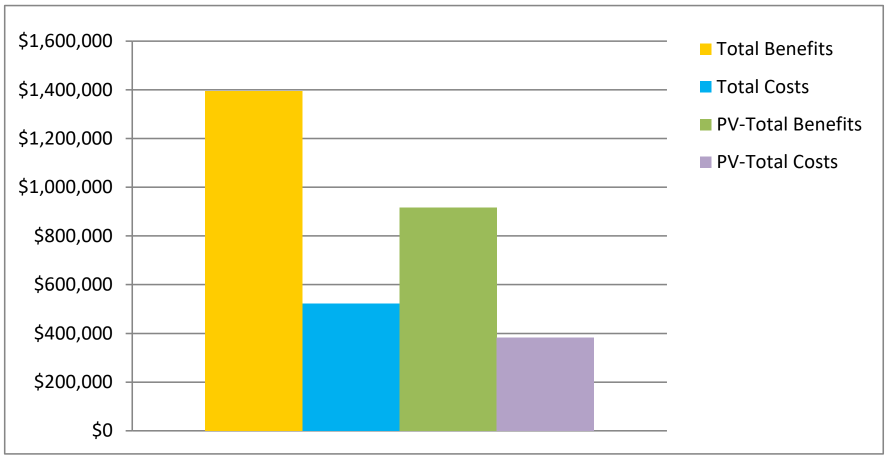
DISCOUNT RATE: 7.50%

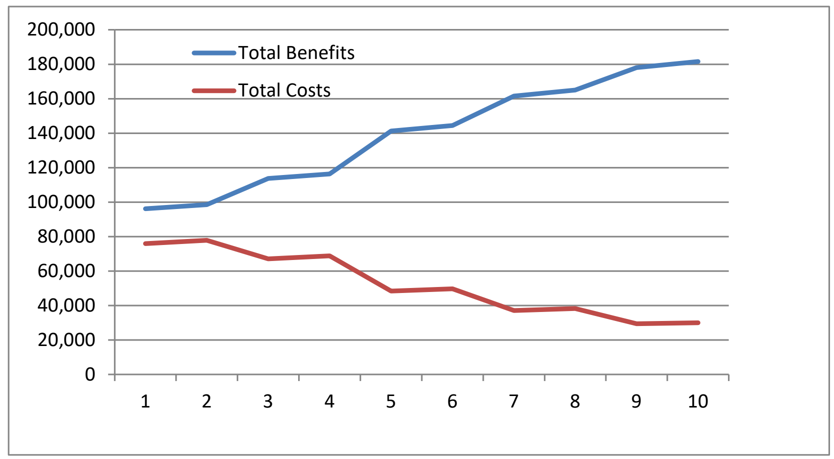
Ratio of Actual Benefits to Actual Costs Over the 10-Year Period: **2.67**

Ratio of Present Value of Total Benefits to Present Value of Total Costs: **2.39**

(Typical desired ratio would be 1.3 to 1) **Average ROI** **16.73%**

Year	New District Property Taxes	PILOT Payment	Other District Revenues	Total Benefits	Net Present Value of Total Benefits	Other District Costs	Property Taxes Abated	Total Costs	Net Present Value of Total Costs	Net Benefits or Costs	Cumulative Net Benefits or Costs	Net Present Value of Net Benefits	Net Present Value of Taxes Abated
1	82,271	12,341	1,537	96,148	89,440	1,816	74,044	75,859	70,567	20,288	20,288	18,873	68,878
2	83,916	12,587	1,959	98,463	85,203	2,315	75,524	77,840	67,357	20,623	40,912	17,846	65,354
3	85,594	25,678	2,398	113,671	91,501	2,834	64,196	67,030	53,956	46,641	87,553	37,544	51,675
4	87,306	26,192	2,854	116,352	87,124	3,372	65,480	68,852	51,556	47,500	135,053	35,568	49,031
5	89,052	48,979	3,244	141,275	98,406	3,833	44,526	48,359	33,685	92,916	227,969	64,721	31,015
6	90,833	49,958	3,648	144,439	93,591	4,310	45,417	49,727	32,221	94,712	322,681	61,370	29,428
7	92,650	64,855	3,980	161,485	97,336	4,703	32,428	37,131	22,381	124,354	447,035	74,955	19,546
8	94,503	66,152	4,325	164,980	92,505	5,110	33,076	38,186	21,411	126,794	573,829	71,093	18,546
9	96,393	77,115	4,501	178,009	92,846	5,319	24,098	29,417	15,343	148,592	722,421	77,503	12,569
10	98,321	78,657	4,591	181,569	88,096	5,425	24,580	30,005	14,558	151,563	873,984	73,538	11,926
Total	$900,840	$462,514	$33,037	$1,396,390	$916,048	$39,038	$483,368	$522,406	$383,036	$873,984	$873,984	$533,012	$357,968





SUMMARY OF COSTS AND BENEFITS FOR: WY Co Library

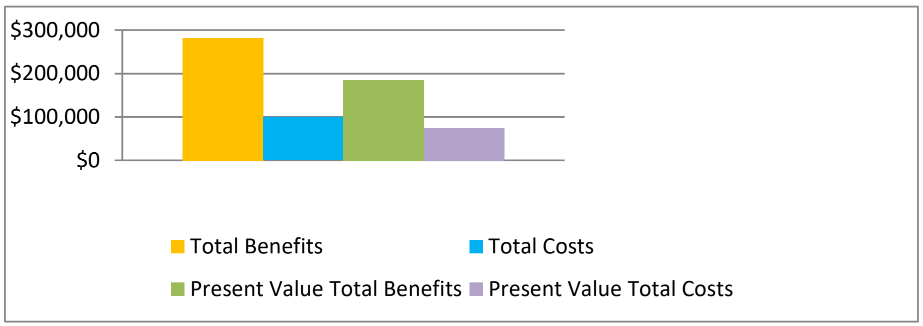
PROJECT: Marshalltown Co. **(W/O LMW)**

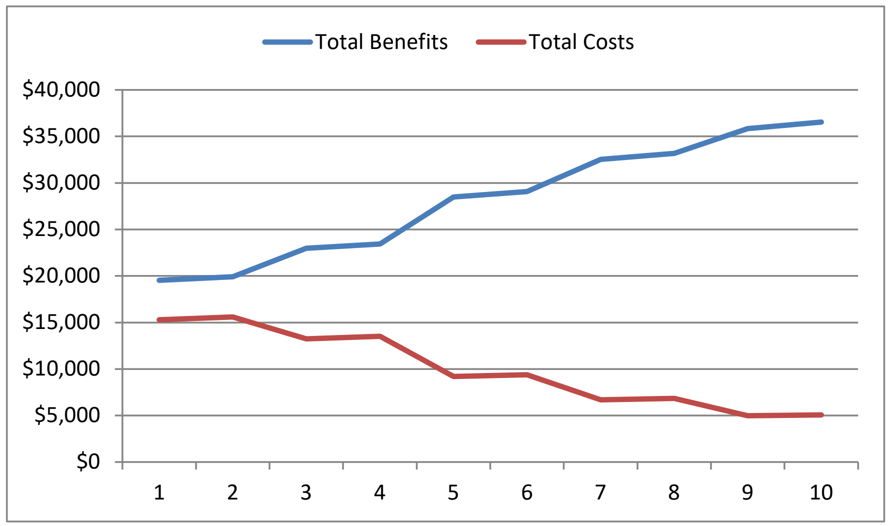
DATE: 7/9/2024

DISCOUNT RATE: 7.50%

Ratio of Actual Benefits to Actual Costs Over the 10-Year Period:	**2.82**
Ratio of Present Value of Total Benefits to Present Value of Total Costs:	**2.50**
(Typical desired ratio would be 1.3 to 1) **Average ROI**	**12.14%**

Year	New District Property Taxes	PILOT Payment	Other District Revenues	Total Benefits	Net Present Value of Total Benefits	Other District Costs	District Property Taxes Abated	Total Costs	Net Present Value of Total Costs	Net Benefits or Costs	Cumulative Net Benefits or Costs	Net Present Value of Net Benefits	Net Present Value of Taxes Abated
1	$16,987	$2,548	$0	$19,535	$18,172	$0	$15,288	$15,288	$14,221	$4,247	$4,247	$3,950	$14,221
2	$17,326	$2,599	$0	$19,925	$17,242	$0	$15,594	$15,594	$13,494	$4,332	$8,578	$3,748	$13,494
3	$17,673	$5,302	$0	$22,975	$18,494	$0	$13,255	$13,255	$10,670	$9,720	$18,298	$7,824	$10,670
4	$18,026	$5,408	$0	$23,434	$17,548	$0	$13,520	$13,520	$10,124	$9,915	$28,213	$7,424	$10,124
5	$18,387	$10,113	$0	$28,500	$19,852	$0	$9,193	$9,193	$6,404	$19,306	$47,519	$13,448	$6,404
6	$18,755	$10,315	$0	$29,070	$18,836	$0	$9,377	$9,377	$6,076	$19,692	$67,212	$12,760	$6,076
7	$19,130	$13,391	$0	$32,521	$19,602	$0	$6,695	$6,695	$4,036	$25,825	$93,037	$15,566	$4,036
8	$19,512	$13,659	$0	$33,171	$18,599	$0	$6,829	$6,829	$3,829	$26,342	$119,379	$14,770	$3,829
9	$19,903	$15,922	$0	$35,825	$18,686	$0	$4,976	$4,976	$2,595	$30,849	$150,228	$16,090	$2,595
10	$20,301	$16,241	$0	$36,541	$17,730	$0	$5,075	$5,075	$2,462	$31,466	$181,694	$15,267	$2,462
Total	$186,000	$95,497	$0	$281,497	$184,760	$0	$99,803	$99,803	$73,911	$181,694	$181,694	$110,849	$73,911



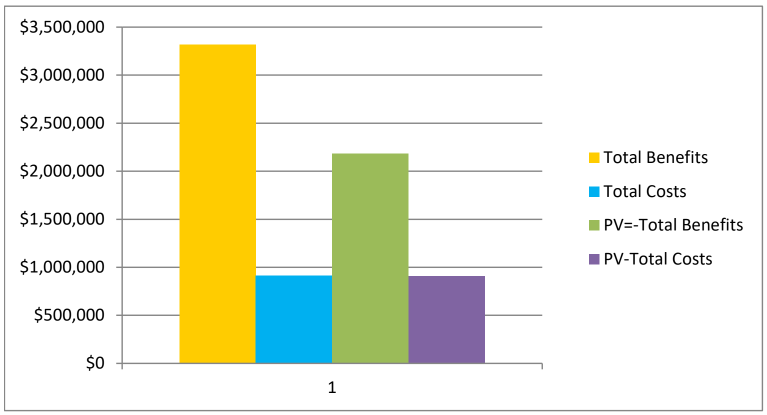


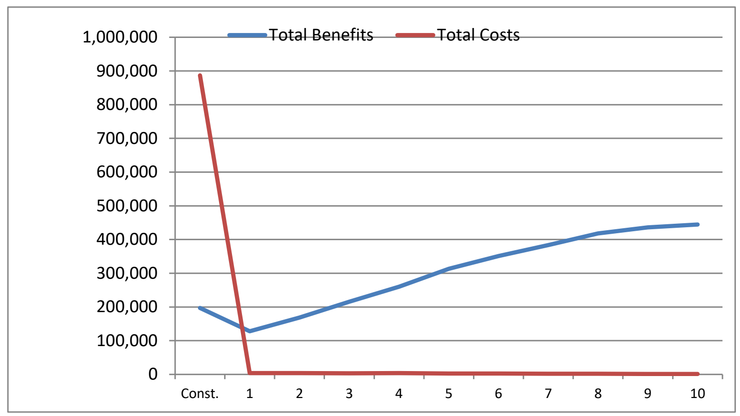
SUMMARY OF COSTS AND BENEFITS FOR: **State of Kansas**
PROJECT: **Marshalltown Co.** (W/O LMW)
DATE: 7/9/2024

DISCOUNT RATE: 7.50%

Ratio of Actual Benefits to Actual Costs Over the 10-Year Period:	**3.63**
Ratio of Present Value of Total Benefits to Present Value of Total Costs:	**2.41**
(Typical desired ratio would be 1.3 to 1) **Average ROI**	**26.27%**

Year	Sales Taxes	New Property Taxes	Corporate and Personal Income Taxes	PILOT Payment	Other State Revenues	Total Benefits	Net Present Value of Total Benefits	Cost of Various State Services	Cost of Educating New Students	Property Taxes Abated	Incentives	Total Costs	Net Present Value of Total Costs	Net Benefits or Costs	Cumulative Net Benefits or Costs	Net Present Value of Net Benefits	Present Value of Taxes Abated and Incentives
Const.	121,895	$0	75,000	0	0	196,895	196,895	0	$0	$0	$886,886	886,886	886,886	-689,992	-689,992	-689,992	886,886
1	82,450	$4,681	40,186	702	0	128,018	119,087	0	0	$4,213	0	4,213	3,919	123,805	-566,186	115,168	3,919
2	109,496	$4,774	53,508	716	0	168,495	145,804	0	0	$4,297	0	4,297	3,718	164,198	-401,988	142,086	3,718
3	140,530	$4,870	68,796	1,461	0	215,657	173,596	0	0	$3,652	0	3,652	2,940	212,005	-189,984	170,656	2,940
4	170,444	$4,967	83,531	1,490	0	260,433	195,012	0	0	$3,725	0	3,725	2,790	256,707	66,724	192,222	2,790
5	204,904	$5,067	100,508	2,787	0	313,265	218,208	0	0	$2,533	0	2,533	1,765	310,732	377,456	216,443	1,765
6	230,334	$5,168	113,032	2,842	0	351,377	227,679	0	0	$2,584	0	2,584	1,674	348,793	726,249	226,004	1,674
7	251,260	$5,271	123,337	3,690	0	383,558	231,191	0	0	$1,845	0	1,845	1,112	381,713	1,107,961	230,079	1,112
8	274,534	$5,377	134,799	3,764	0	418,474	234,639	0	0	$1,882	0	1,882	1,055	416,592	1,524,553	233,584	1,055
9	285,718	$5,484	140,301	4,387	0	435,890	227,353	0	0	$1,371	0	1,371	715	434,519	1,959,072	226,638	715
10	291,432	$5,594	143,107	4,475	0	444,608	215,721	0	0	$1,398	0	1,398	679	443,210	2,402,282	215,043	679
Total	$2,162,997	$51,253	$1,076,105	$26,314	$0	$3,316,669	$2,185,184	$0	$0	$27,501	$886,886	$914,387	$907,252	$2,402,282	$2,402,282	$1,277,931	$907,252





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

Marshalltown Co. (W/O LMW)

Other Economic Impacts of the Project

	In the First Year	Over 10 Years
Permanent jobs created	40	100
Construction jobs created	86	0
Number of New Residents in the Community	22	54
Number of Additional Students in the Local School District	8	14
Increase in Local Personal Incomes	$1,913,600	$47,671,662
Increase in Local Retail Sales	$15,896,747	$46,035,067
Increase in the Community's Property Tax Base	$12,481,904	$14,917,031

Estimated Property Tax Revenue after the abatement period ends:

City	$146,294
County	$141,933
School	$282,511
Comm. Coll.	$100,287
Co. Library	$20,707
State	$5,706
Total	$697,438

Marshalltown Co. (W/O LMW)

Overall Cost-Benefit Summary

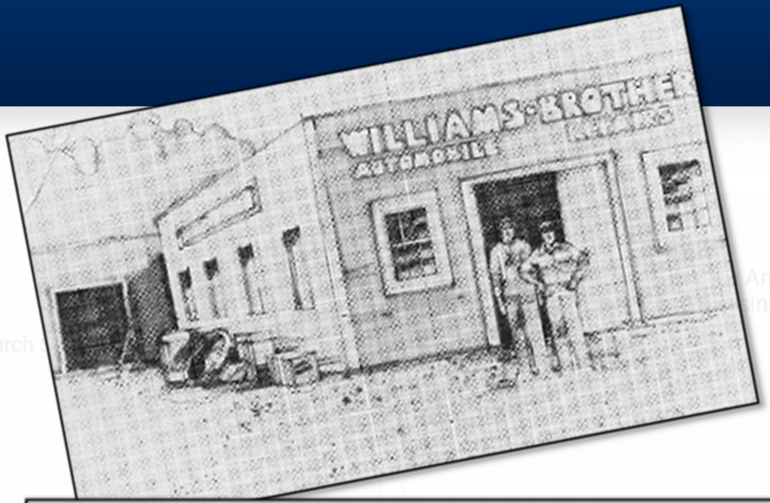
	DIRECT REVENUES									DIRECT COSTS		INDIRECT COSTS		
TAXING ENTITY	Sales Taxes	PILOT Payment	New Property Taxes	School Federal & State Funding	Corporate & Personal Income Taxes	City Utilities & Franchise Fees	TOTAL DIRECT REVENUES	ALL INDIRECT REVENUES	TOTAL ALL REVENUES	Property Taxes Abated	Incentives	ALL INDIRECT COSTS	TOTAL COSTS	NET BENEFITS
City of Kansas City	715,911	674,691	1,314,098			694,831	3,399,532	15,328	**3,414,859**	705,112	208,553	49,882	**963,547**	**2,451,312**
Wyandotte County	439,943	654,580	1,274,929				2,369,452	48,368	**2,417,820**	684,095	136,444	36,987	**857,526**	**1,560,294**
Piper-Kansas City USD 203		1,022,224	2,537,683	2,257,785			5,817,691		**5,817,691**	1,214,986	221,341	0	**1,436,327**	**4,381,364**
KC Community College		462,514	900,840				1,363,353	33,037	**1,396,390**	483,368	0	39,038	**522,406**	**873,984**
WY Co Library		95,497	186,000				281,497	0	**281,497**	99,803	0	0	**99,803**	**181,694**
State of Kansas	2,162,997	26,314	51,253	0	1,076,105		3,316,669	0	**3,316,669**	27,501	886,886	0	**914,387**	**2,402,282**
TOTALS	$3,318,850	$2,935,820	$6,264,802	$2,257,785	$1,076,105	$694,831	$16,548,194	$96,733	**$16,644,926**	$3,214,866	$1,453,223	$125,907	**$4,793,996**	**$11,850,931**


MARSHALLTOWN®
U.S.A.
134 YEARS...AND GROWING

COMPANY OVERVIEW

- Years of successful manufacturing, marketing, sales and innovation of high-quality tools for professional and do-it-yourselfers
- Privately-held company with over 600 full-time employees
- Facilities in Marshalltown, Iowa and Fayetteville, Arkansas that demonstrate Highly automated and innovative manufacturing and shipping capabilities
- Over 9,000 products for asphalt, brick, stone, concrete, paint, drywall, plaster, stucco, tiling/flooring, carpet, Snow removal, and related construction and home improvement applications
- Worldwide brand recognition and a network of distributors and dealers
- Passionate and experienced management team with a vision of continued future growth

FAMILY OWNED



In 1890, Jesse and Lester Williams started a small machine shop repairing bicycles and automobiles, and making tools for local contractors. A local plasterer asked them to customize some tools and was pleased with the result. More requests for their tools trickled in, so the brothers made a batch of trowels and put them on the market. Their small shop quickly grew into a manufacturing and mail order business, and the Williams brothers began specializing in trowels. They built a shop on South 8th Avenue in Marshalltown, Iowa, and incorporated the name “Marshalltown Trowel Company” in 1905 with salesman Albert Higgin.

MARSHALLTOWN continued to grow. Demand exceeded the company’s production capabilities, and after much discussion and deliberation, it built a new manufacturing facility in Fayetteville, Arkansas in 1981. MARSHALLTOWN has continued expanding its operations at both locations.

In 2003, with a catalog of over 5,000 products for professionals and do-it-yourselfers, Marshalltown Trowel changed its name because it was more than just a "Trowel" supplier. To its customers and others in the industry, the company is known for the best tools and it is known by one name — MARSHALLTOWN.

Today, MARSHALLTOWN is one of the largest tool manufacturers in its industries. Despite its growth and innovation, the company has stayed true to its roots. It still manufactures tools with superior quality and it still uses honesty and square dealing. However, staying true to its roots does not mean it hasn't changed — the company continues making major improvements to its infrastructure and manufacturing and distribution processes to ensure that it can continue to serve its customers well into the future.

MARSHALLTOWN is still family owned and headquartered at the same location on South 8th Avenue in Marshalltown, Iowa.

GROWTH & EXPANSION

2002

EMBEE

MARSHALLTOWN's first step into the painting industry
Integrating a full line of putty knives, scrapers, strippers, glass cutters, and paper hanging items

2003

SUPERIOR FEATHERWEIGHT

MARSHALLTOWN purchased the concrete line to include brackets and angle adapters
Adding the Rock-It™ adjustable bull float brackets and Mini Rock-It™ adjustable angle adapters

2010

CLEFORM

Broadening MARSHALLTOWN's concrete, asphalt, and seal-coating tools
Gilson concrete and mortar mixers, a broad range of long handled tools including shovels and asphalt tools

2018

SPINSCREED

World's first lightweight power roller screed
Produces flatter, more durable concrete with less effort, time, and labor

2019

BARCO

Growing MARSHALLTOWN's cast-iron products for the brick, concrete, drywall, and tiling trades
Cast iron products such as groovers and tampers for concrete work, along with products for the brick, drywall, and tiling trades

2019

BULLET TOOLS

Known for industry-leading flooring shears, siding shears, and insulation cutters
Makes precision cuts without dust, noise, or electricity

2020

GATORBACK

Premium, professional-quality mortar boards & pans
Unique construction is lightweight and increases mortar workability by as much as 30 minutes

2020

AVALANCHE!

Specializes in quick, safe roof snow removal
Innovative design saves time, prevents roof damage, and improves user safety

2021

FREDERICK TOOL CORP.

Professional Masonry Tools
MARSHALLTOWN's entrance into masonry tools customization

2022

WAL-BOARD TOOLS

2023

BARWALT TOOLS®

The Precision Tool Company
Industry-leading manufacturer of quality, professional tiling tools

2024

VAUGHAN & DASCO PRO

Industry-leading manufacturer of striking tools for more than 150 years
Known for superior hand tools, including hammers, pry bars, chisels, and punches

MARSHALLTOWN - PROJECT SUPERIOR

- State-of-the-art warehouse and distribution center
- 207,000 sq. ft. facility in the 435 Logistics Center
- Potential to expand on-site

MARSHALLTOWN®

U.S.A.

Tracking ID: 21291

Report to
Economic Development & Finance

MEETING DATE	PRESENTER	DEPARTMENT
	Jeffrey Conway, Assistant Counsel jconway@wycokck.org x5075	Economic Development

AGENDA ITEM #IV.3.
RESOLUTION: AMENDING DEADLINES RELATED TO ISSUANCE OF INDUSTRIAL REVENUE BONDS (AMERICAN ROYAL PROJECT)

BACKGROUND
A resolution extending deadlines in the previously adopted Resolution of Intent to issue Industrial Revenue Bonds for the American Royal Project in the amount of $250,000,000 to December 31, 2024. *It is requested that this item be fast-tracked to the August 1, 2024, full commission meeting.*

RECOMMENDATION
Fast Track Approve

BUDGET IMPACTS / FINANCIAL CONSIDERATIONS

IT/POLICY CONSIDERATIONS

PROCUREMENT CONSIDERATIONS

LEGAL CONSIDERATIONS

ATTACHMENTS
Second Amended Resolution of Intent - American Royal (UG), R-52-23

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

RESOLUTION NO. R-____-24

RESOLUTION AMENDING RESOLUTION R-52-23 PREVIOUSLY ADOPTED BY THE GOVERNING BODY OF THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS, DETERMINING ITS INTENT TO ISSUE ITS INDUSTRIAL REVENUE BONDS IN THE AMOUNT NOT TO EXCEED $250,000,000 TO FINANCE THE COSTS OF ACQUIRING, CONSTRUCTING AND EQUIPPING COMMERCIAL AND RECREATIONAL FACILITIES FOR THE BENEFIT OF THE AMERICAN ROYAL ASSOCIATION AND ITS SUCCESSORS AND ASSIGNS (SALES TAX EXEMPTION ONLY)

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

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

WHEREAS, the governing body of the Issuer adopted Resolution No. R-52-23 on August 17, 2023 (the "Original Resolution of Intent") determining the intent of the Issuer to issue its industrial revenue bonds, to finance the cost of acquiring, constructing and equipping commercial and recreational facilities consisting of approximately 1 million square feet of indoor and outdoor arena space, barn, education center, office, shop and storage space, and associated site work and infrastructure improvements, all as more fully described in the Application (as defined in the Original Resolution of Intent) and approved final development plans (the "Project"), in the principal amount not to exceed $250,000,000 (the "Bonds"), for the benefit of the American Royal Association, a Missouri not for profit corporation (the "Company"); and

WHEREAS, on March 28, 2024, the governing body of the Issuer approved an extension of certain deadlines set forth in the Original Resolution of Intent, and, at the request of the Company, now desires to amend the Original Resolution of Intent to further adjust certain deadlines set forth therein.

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

Section 1. Amendment. Section 10 of the Original Resolution of Intent is hereby amended to read as follows:

> **Section 10. Termination of Resolution.** This Resolution shall terminate on December 31, 2024 unless (i) an amended and restated development agreement (or a substantive amendment to the current development agreement) (a "Development Agreement") between the Issuer and Company has been approved by the Governing Body of the Issuer, (ii) a third-party feasibility study relating to the Company's request for the issuance of sales tax revenue (STAR) bonds for the Project has been completed; and (c) a new or amended STAR bond project plan for the Project has been adopted by the Issuer. The Issuer, upon the written request of the Company, may extend this time period.

Thereafter, this Resolution shall terminate three years from the date of the adoption of this Resolution unless (i) the Bonds have been issued for the Project or (ii) a building permit has been issued by the Issuer for the Project or as otherwise set forth in the Development Agreement. The Issuer, upon the written request of the Company, may extend this time period.

In the event this Resolution is terminated before the issuance of the Bonds as provided above, unless an amendment to this Resolution or a new resolution is adopted by the Issuer's Governing Body within thirty (30) days following the date of such termination, the Company shall repay any sales tax actually exempted for the Project using the project exemption certificate issued as a result of this Resolution upon the expiration of such thirty (30) day period, and the Company will no longer be entitled to utilize the sales tax exemption certificate relating to the Bonds and the Project.

Section 2. Effectiveness of Original Resolution of Intent. Except as amended herein, all other provisions of the Original Resolution of Intent are hereby ratified and shall remain in full force and effect.

Section 3. Further Action. Counsel to the Issuer and Gilmore & Bell, P.C., Bond Counsel for the Issuer, together with the officers and employees of the Issuer, are hereby authorized to work with the purchaser of the Bonds, the Company, their respective counsel and others, to prepare for submission to and final action by the Issuer all documents necessary to effect the authorization, issuance and sale of the bonds and other actions contemplated hereunder.

Section 4. Effective Date. This Resolution shall take effect and be in full force immediately after its adoption by the governing body of the Issuer.

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ADOPTED this 1st day of August, 2024.

UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS

By:____________________________________
Mayor/CEO

[SEAL]

ATTEST:

____
Interim Unified Government Clerk

APPROVED AS TO FORM:

____
Office of Chief Counsel

RESOLUTION NO. R-52-23

RESOLUTION DETERMINING THE INTENT OF THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS TO ISSUE ITS INDUSTRIAL REVENUE BONDS IN THE AMOUNT NOT TO EXCEED $250,000,000 TO FINANCE THE COSTS OF ACQUIRING, CONSTRUCTING AND EQUIPPING COMMERCIAL AND RECREATIONAL FACILITIES FOR THE BENEFIT OF THE AMERICAN ROYAL ASSOCIATION AND ITS SUCCESSORS AND ASSIGNS (SALES TAX EXEMPTION ONLY)

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

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

WHEREAS, American Royal Association, a Missouri not-for-profit corporation (the "Company"), has submitted to the Issuer an Application for the Issuance of Industrial Revenue Bonds (the "Application") requesting that the Issuer finance the cost of acquiring, constructing and equipping commercial and recreational facilities consisting of approximately 1 million square feet of indoor and outdoor arena space, barn, education center, office, shop and storage space, and associated site work and infrastructure improvements, all as more fully described in the Application and approved final development plans (the "Project") through the issuance of its industrial revenue bonds in the principal amount not to exceed $250,000,000 (the "Bonds"), and to lease the Project to the Company and its successors or assigns in accordance with the Act; and

WHEREAS, it is hereby found and determined to be advisable and in the interest and for the welfare of the Issuer and its inhabitants that the Issuer finance the costs of the Project by the issuance of the Bonds under the Act, the principal amount of the Bonds not to exceed $250,000,000, the Bonds to be payable solely out of rentals, revenues and receipts derived from the lease of the Project by the Issuer to the Company.

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

Section 1. Approval of Project. The governing body of the Issuer hereby finds and determines that the acquiring, constructing and equipping of the Project will promote the general welfare and economic prosperity of the Issuer and the issuance of the Bonds to pay the costs of the Project will be in furtherance of the public purposes set forth in the Act. The Project shall be approximately located in the vicinity of 118th Street and State Avenue, all as further described in the Application.

Section 2. Intent to Issue Bonds. The governing body of the Issuer hereby determines and declares the intent of the Issuer to acquire, construct and equip the Project out of the proceeds of the Bonds of the Issuer in the principal amount not to exceed $250,000,000, to be issued pursuant to the Act.

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

Section 4. Conditions to Issuance. The issuance of the Bonds and the execution and delivery of any documents related to the Bonds are subject to: (i) obtaining any necessary governmental approvals; (ii) agreement by the Issuer, the Company and the purchaser of the Bonds upon (a) mutually acceptable terms for the Bonds and for the sale and delivery thereof, and (b) mutually acceptable terms and conditions of any documents related to the issuance of the Bonds and the Project; (iii) the Company's compliance with all applicable codes, laws and regulations, including without limitation the Issuer's policies relating to the issuance of industrial revenue bonds and all building, zoning, and related codes applicable to the Project; (iv) the passage and publication of an Ordinance authorizing the issuance of the Bonds; and (v) Company's payment of all of the costs of issuance related to the issuance of the Bonds.

Section 5. Sale of the Bonds. The sale of the Bonds shall be the sole responsibility of the Company; provided, however, arrangements for the sale of the Bonds shall be acceptable to the Issuer.

Section 6. Limited Obligations of the Issuer. The Bonds and the interest thereon shall be special, limited obligations of the Issuer payable solely out of the amounts derived by the Issuer under a lease agreement with respect to the Bonds and are secured by a transfer, pledge and assignment of and a grant of a security interest in the trust estate to the bond trustee for the Bonds and in favor of the owners of the Bonds, all as provided in the Bond Indenture. The Bonds shall not constitute a general obligation of the Issuer, the State or of any other political subdivision thereof within the meaning of any State constitutional provision or statutory limitation and shall not constitute a pledge of the full faith and credit of the Issuer, the State or of any other political subdivision thereof and shall not be payable in any manner by taxation, but shall be payable solely from the funds provided for as provided in the Bond Indenture. The issuance of the Bonds shall not, directly, indirectly or contingently, obligate the Issuer, the State or any other political subdivision thereof to levy any form of taxation therefor or to make any appropriation for their payment.

Section 7. Required Disclosure. Any disclosure document prepared in connection with the placement or offering of any the Bonds shall contain substantially the following disclaimer:

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

Section 8. Authorization to Proceed. The Company is hereby authorized to proceed with the acquiring, constructing and equipping of the Project, including the necessary planning and engineering for the Project and entering into of contracts and purchase orders in connection therewith, and to advance such funds as may be necessary to accomplish such purposes, and, to the extent permitted by law and upon compliance with the other requirements of this Resolution, the Issuer will reimburse the Company for all expenditures paid or incurred therefor out of the proceeds of the Bonds.

Section 9. No Reliance on Resolution. Kansas law provides that the Issuer may only issue the Bonds by passage of an Ordinance and compliance with other state law requirements. The Issuer has not yet passed an Ordinance for the Bonds. This Resolution only evidences the intent of the current governing body to issue the Bonds for the Project. The Company should not construe the adoption of this Resolution as a promise or guarantee that the Ordinance for the Bonds will be passed or that the Project will be approved.

Section 10. Termination of Resolution. This Resolution shall terminate on March 31, 2024 unless (i) an amended and restated development agreement (or a substantive amendment to the current development agreement) (a "Development Agreement") between the Issuer and Company has been approved by the Governing Body of the Issuer, (ii) a third-party feasibility study relating to the Company's request for the issuance of sales tax revenue (STAR) bonds for the Project has been completed; and (c) a STAR bond project plan for the Project has been adopted by the Issuer. The Issuer, upon the written request of the Company, may extend this time period.

Thereafter, this Resolution shall terminate three years from the date of the adoption of this Resolution unless (i) the Bonds have been issued for the Project or (ii) a building permit has been issued by the Issuer for the Project or as otherwise set forth in the Development Agreement. The Issuer, upon the written request of the Company, may extend this time period.

In the event this Resolution is terminated before the issuance of the Bonds as provided above, unless an amendment to this Resolution or a new resolution is adopted by the Issuer's Governing Body within thirty (30) days following the date of such termination, the Company shall repay any sales tax actually exempted for the Project using the project exemption certificate issued as a result of this Resolution upon the expiration of such thirty (30) day period, and the Company will no longer be entitled to utilize the sales tax exemption certificate relating to the Bonds and the Project.

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

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

Section 13. Effective Date. This Resolution shall take effect and be in full force immediately after its adoption by the Governing Body of the Issuer.

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ADOPTED this 17 day of August, 2023.

UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS

By: ______________________
Mayor/CEO

[SEAL]

ATTEST:

____
Clerk

APPROVED AS TO FORM:

____
Office of Chief Counsel

[Unified Government Letterhead]

August ____, 2023

American Royal Association
Attn: Executive Director
1701 American Royal Court
Kansas City, Missouri 64102

Re: Agreements re: Conditions for Resolution of Intent (the "ROI") to Issue not-to-exceed $250,000,000 of Industrial Revenue Bonds in Connection with the American Royal Project (the "Project")

Ladies and Gentlemen:

In connection with your request for the UG to approve the ROI, a copy of which is attached hereto as Exhibit A, for the Project before we have fully negotiated and approved amendments to the STAR Bond Project Plan and the American Royal Development Agreement executed on November 2, 2017 (as amended, the "Development Agreement"), we have agreed that approval of the ROI will be subject to each of the following conditions:

1. Immediately following any approval of the ROI, the UG and Developer will work expeditiously and in good faith to execute and deliver an amended and restated development agreement or a substantive amendment to the current Development Agreement (the "Amendment"). If such Amendment is not executed and delivered on or before March 31, 2024 (unless Developer requests and the UG agrees to an extension of such deadline), then the ROI shall be automatically terminated. The UG's Commission retains sole discretion of the approval of any such Amendment.

2. Immediately following any approval of the ROI, Developer will work expeditiously with the Kansas Department of Commerce to procure and pay for a feasibility study for the Project (the "Feasibility Study"). If such Feasibility Study is not finalized and delivered on or before March 31, 2024 (unless Developer requests and the UG agrees to an extension of such deadline), then the ROI shall be automatically terminated.

3. Immediately following any approval of the ROI, the UG and Developer will work expeditiously and in good faith to execute and deliver a new STAR Bond Project Plan or a substantive amendment to the current STAR Bond Project Plan (the "Project Plan"). If such Project Plan is not approved by the UG's Commission, in its sole discretion, on or before March 31, 2024 (unless Developer requests and the UG agrees to an extension of such deadline), then the ROI shall be automatically terminated. The UG's Commission retains sole discretion of the approval of any such Project Plan.

In addition, promptly following approval of the ROI, of the UG and Developer will work expeditiously and in good faith to execute and deliver an amendment to the UG Cost Funding Agreement dated as of February 28, 2017, as amended by that certain First Amendment to UG Cost Funding Agreement dated as of October 10, 2018 (the "Funding Agreement") reconciling funding previously provided by the Developer under the Funding Agreement and, if necessary, providing additional funding to work on all of the conditions referenced above.

By counter-signing in the space provided below, the Developer is acknowledging and agreeing to all of the conditions described herein and as set forth in the ROI.

Very Truly Yours,

David Johnston
County Administrator

ACKNOWLEDGED AND AGREED:

AMERICAN ROYAL ASSOCIATION, a Missouri non-profit corporation

Name: ______________________________

Title: ______________________________

Date: ______________________________

STANDING COMMITTEES AGENDA ITEM NO. 2

Staff Request for Commission Action

Tracking No. 212639

APPROVED BY
UNIFIED BOARD OF COMMISSIONERS
AUG 17 2023

Full Commission Meeting Date: 8.17.23
Committee: Economic Development & Finance

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

Publication Required: No

Date:	Contact Name:	Contact Phone:	Contact Email:	Department/Division:
08/14/2023	Jeffrey Conway	x5075	jconway@wycokck.org	Legal

Item Description:
Resolution approving the intent of the UG to issue Industrial Revenue Bonds in the aggregate amount not to exceed $250,000,000 to finance the costs of acquiring, constructing, and equipping commercial and recreational facilities for the benefit of the American Royal Association and its successors and assigns (Sales Tax Exemption Only), submitted by Jeff Conway, Assistant Counsel.

Action Requested:
Fast-track to the Full Commission on August 17, 2023.

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

Attachments List:
Resolution of Intent - American Royal (UG)-c, Letter to the American Royal Association-c