

**REVISED THIRD AMENDMENT TO THE
DOWNTOWN LIBRARY
TAX INCREMENT FINANCING PLAN
KANSAS CITY, MISSOURI**

TIF COMMISSION APPROVAL:

DATE: **RESOLUTION NO.**

CITY COUNCIL APPROVAL:

DATE: **ORDINANCE NO.**

**REVISED THIRD AMENDMENT
TO THE
DOWNTOWN LIBRARY
TAX INCREMENT FINANCING PLAN**

I. Introduction

The Revised Third Amendment to the Downtown Library Tax Increment Financing Plan (the “Plan”) shall amend the Downtown Library Tax Increment Financing Plan as approved by Ordinance No. 021400 (referred to herein as the “Plan”) and subsequently amended by Ordinance No. 040196 (referred to herein as the “First Amendment”) and Ordinance No. 051526 (referred to herein as the “Second Amendment”).

This Revised Third Amendment modifies the Third Amendment to the Plan (the “Original Third Amendment”) that was approved by the Tax Increment Financing Commission of Kansas City, Missouri and recommended to the City Council of the City of Kansas City, Missouri (the “City”), pursuant to Commission Resolution No. 1-J2B-15 on January 14, 2015 (1) by eliminating the “Neighborhood Program” described in the Original Third Amendment, (2) by modifying the Redevelopment Schedule to remove the Neighborhood Program, (3) by decreasing the Budget of Redevelopment Project Costs contained in the Original Third Amendment by \$753,319, (4) by modifying the Sources and Uses described by the Original Third Amendment to eliminate the use of any payments in lieu of taxes and economic activity taxes generated beyond 2015 and (5) by modifying the Cost Benefit Analysis set forth in the Original Third Amendment. The Revised Third Amendment does not alter or modify the intent of the Plan, as amended, except for those changes specifically mentioned herein.

II. Specific Amendments

In accordance with this Third Amendment, the Plan shall be amended as follows:

1. **Amendment No. 1:** Delete Section III.C, in its entirety and insert in lieu thereof the following:
 - C. Project Improvements and Public Improvements. The Project Improvements and Public Improvements will consist of construction of a parking garage, streetscape upgrades through the district, which improvements are consistent with the “District Streetscape Plan” and shall include street furniture, landscaping, pedestrian alley beautification, street trees, pedestrian lighting, curbs, sidewalks and fire hydrants, all as more particularly described on Exhibit 2, attached to the Plan, as amended. Any improvements, which are not identified on Exhibit 2, will require the Plan to be amended.

2. **Amendment No. 2:** Delete the first two sentences of Section III.E in their entirety and insert in lieu thereof the following:

It is anticipated that the Project Improvements and Public Improvements will be completed in accordance with the Redevelopment Schedule set forth on Exhibit 5.B., attached to the Plan, as amended.

3. **Amendment No. 3:** Delete Section IV.A. of the Plan in its entirety and insert in lieu thereof the following:

- A. Estimated Redevelopment Project Costs. Redevelopment Project Costs are estimated to be approximately \$18,088,424. The Plan proposed that approximately \$801,569 in Redevelopment Project Costs be reimbursable from the Special Allocation Fund, which is shown on Exhibit 5.A. to the Plan, as amended.

The Commission has determined that certain planning and special services expenses of the Commission, which are incidental to the administration of the Plan, as amended, are reasonable and necessary. The incidental costs will be recovered by the Commission from the Special Allocation Fund in an amount not exceed five percent (5%) of the Economic Activity Taxes and Payments in Lieu of Taxes paid annually into the Special Allocation Fund.

4. **Amendment No. 4:** Delete the second sentence of Section IV.B of the Plan in its entirety and insert the following in lieu thereof:

The expected sources of funds to be used to reimburse eligible Redevelopment Project Costs include Economic Activity Taxes and Payments in Lieu of Taxes generated and collected prior to and during 2015. One Hundred Percent of the Payments in Lieu of Taxes and Economic Activity Taxes generated and collected in 2016 and thereafter shall be deemed surplus and shall be distributed to the Taxing Districts in accordance with Section 99.950 of the Real Property Tax Increment Allocation Redevelopment Act. Additionally, the Redeveloper shall contribute to the Taxing Districts an amount of reimbursable Redevelopment Project Costs it shall receive in an amount equal to 10% of the Payments in Lieu of Taxes generated and collected within Redevelopment Project 1 and 2 from the date each such Redevelopment Project was approved by Ordinance until and during 2013.

5. **Amendment No. 5:** Delete the last two sentences of Section IV.C of the Plan in their entirety and insert the following in lieu thereof:

It is anticipated in 2016 and thereafter Payments in Lieu of Taxes and Economic Activity Taxes shall be declared surplus and shall be distributed to the various affected Taxing Districts in accordance with Section 99.950 of the Real Property Tax Increment Allocation Redevelopment Act.

6. **Amendment No. 6:** Delete Section XVI of the Plan in its entirety and insert in thereof the following:

XVI. Redevelopment Agreement

Upon approval of the Plan, and certain amendments thereto, the Commission and Redeveloper shall enter a Redevelopment Agreement which may include, among other things, provisions relative the following:

1. Implementation of the Plan;
2. Reporting of Economic Activity Taxes;
3. The Commission's Affirmative Action Policy and Work Force Policy;
4. Design guideline review and approval process;
5. The Commission's Relocation Plan;
6. Certification and approval by Commission of Redevelopment Project Costs;
7. Certification of Costs and Reimbursement Policy; and
8. Certificate of Completion and Compliance Policy.
9. Parameters for the issuance of Obligations;
10. Interest Policy;
11. Annual Progress Reporting;
12. Procedures for the Payment of Prevailing Wages; and
13. Environmental Policy.

7. **Amendment No. 7:** Replace Exhibit 5A, "Estimated Redevelopment Project Costs", and Exhibit 5B "Redevelopment Schedule" in their entirety, with the revised **Exhibit 5A and 5B** as attached hereto.

8. **Amendment No. 8:** Replace Exhibit 7, "Sources and Uses of Funds", in its entirety, with the revised **Exhibit 7** as attached hereto.

9. **Amendment No. 9:** Replace Exhibit 8, "Cost Benefit Analysis", in its entirety, with the revised **Exhibit 8** as attached hereto.

10. **Amendment No. 10:** *Insert as a Supplement to Exhibit 9, "Evidence of But-For" **Exhibit 9A** as attached hereto.*

11. **Amendment No. 11:** *Insert as a Supplement to Exhibit 14, "Redeveloper Affidavit" **Exhibit 14A** as attached hereto.*

Exhibit 5A
Estimated Redevelopment Project Costs

EXHIBIT 5A - Estimated Redevelopment Project Costs

Downtown Library TIF

| | APPROVED BUDGET | | REVISED THIRD AMENDMENT | |
|--|----------------------|----------------------|-------------------------|---------------------|
| | Total Budget | TIFC Reimbursable | Total Budget | TIFC Reimbursable |
| Estimated Project Costs | | | | |
| Commission Expenses¹ | | | | |
| Estimated Reimbursable Costs for Plan Implementation | | | | |
| Legal | \$ 50,000 | \$ 50,000 | \$ 50,000 | \$ 50,000 |
| Agenda | 2,000 | 2,000 | 2,000 | 2,000 |
| Staff Time | 40,000 | 40,000 | 40,000 | 40,000 |
| Miscellaneous | 4,000 | 4,000 | 4,000 | 4,000 |
| Plan Administration Expenses | 230,000 | 230,000 | 230,000 | 230,000 |
| Final Development Plan Approval Fees (\$0.05 per sq.ft. @ \$350,000) | 17,500 | 17,500 | 17,500 | 17,500 |
| Total Commission Expenses | \$ 343,500 | \$ 343,500 | \$ 343,500 | \$ 343,500 |
| Costs of Plan Preparation/Administration | | | | |
| Application fees | \$ 20,000 | \$ 20,000 | \$ 20,000 | \$ 20,000 |
| Legal | 50,000 | 50,000 | 50,000 | 50,000 |
| Consulting | 13,650 | 13,650 | 13,650 | 13,650 |
| A/E and other Fees | 8,300 | 8,300 | 8,300 | 8,300 |
| Developer Disbursements | - | - | 113,835 | 113,835 |
| Total Costs of Plan Preparation | \$ 91,950 | \$ 91,950 | \$ 205,785 | \$ 205,785 |
| Library Parking Garage | | | | |
| Acquisition Costs | \$ 2,000,000 | \$ - | \$ 2,000,000 | \$ - |
| Parking Garage (485 cars) | 7,414,320 | - | 7,414,320 | - |
| Utility Relocation | 150,000 | - | 150,000 | - |
| Streetscape @ \$200/s.f. | 450,000 | - | 450,000 | - |
| Architect & Engineering | 410,680 | - | 410,680 | - |
| Total Library Parking Garage | \$ 10,425,000 | \$ - | \$ 10,425,000 | \$ - |
| Library Garage Debt Service/ TIF | | | | |
| Debt | \$ 6,312,570 | \$ 6,312,570 | \$ 6,312,570 | |
| Total Library Garage Debt Service | \$ 6,312,570 | \$ 6,312,570 | \$ 6,312,570 | |
| Streetscaping² | | | | |
| Streetscape (sidewalks, curbs, streetlights, street furnishings, public art, etc.) | \$ 6,177,060 | \$ 6,177,060 | \$ - | \$ - |
| Placemaking Consulting | | | 50,000 | 50,000 |
| Construction | | | 435,722 | 435,722 |
| Maintenance | | | 200,000 | 200,000 |
| 10% Refund on Pilots Collected through 2013 | | | 26,835 | 26,835 |
| TIF Amendment Fee | | | 15,000 | 15,000 |
| Stinson Leonard Street legal | | | 22,000 | 22,000 |
| Totals | | | 749,557 | 749,557 |
| Neighborhood Improvements³ | | | | |
| Total Neighborhood Improvements | \$ - | \$ - | \$ - | \$ - |
| TOTAL PROJECT COSTS | \$ 23,350,080 | \$ 12,925,080 | \$ 17,692,912 | \$ 1,298,842 |

NOTES (Plan, as proposed)

- 1 Commission Expenses - The selected developer shall pay all fees and expenses of the TIF Commission for Plan preparation, approval and implementation including, but not limited to, staff time, agenda costs, legal fees, printing and publication of notices. The selected developer shall be billed for these expenses by the Commission as needed. These expenses shall be considered reimbursable project costs to the developer from the Special Allocation Fund. In addition, the Commission has determined that those planning and special services expenses of the Commission which cannot be directly attributable to a particular project are nonetheless reasonable and necessary for the operation of the Commission and are incidental to the project. These incidental costs will be recovered by the Commission from the Special Allocation Fund in an amount not to exceed five percent (5%) of the PILOTS and Economic Activity Taxes paid annually into the fund.
- 2 Streetscape (Public Improvements) - The original TIF Plan anticipated \$6,177,060 for streetscape improvements. The Revised Third Amendment decreases the amount to \$801,569.
- 3 Neighborhood Improvements - The proposed matching grant program for facades, streetscape and parking improvements has been removed in the Revised Third Amendment.

Exhibit 5B

Redevelopment Schedule

- Renovation of historic bank building to be completed within first quarter of 2004.
- Construction of parking garage located at the northwest corner of Tenth and Baltimore to be completed within first quarter 2004.
- Streetscape and Public Improvements anticipated to start construction 2015 and anticipated completion 2019.

EXHIBIT 7

**SOURCES AND USES OF FUNDS
FOR
ALL ESTIMATED REDEVELOPMENT PROJECT COSTS**

| | |
|---|---------------------|
| Developer Equity and/or Debt | \$16,737,570 |
| Amount of Reimbursable Costs from Payments in Lieu of Taxes and Economic Activity Taxes (1) | \$2,104,173 |
| TOTAL | \$18,841,743 |

BONDS

While tax increment financing remains in effect for Redevelopment Project Areas 1 and 2, the total estimated amount of Economic Activity Taxes anticipated to be generated and utilized to fund Redevelopment Project Costs and Commission Administrative Costs is \$1,558,481 and the total estimated amount of Payment in Lieu of Taxes to be generated is \$714,714, of which \$268,354 shall be utilized to fund Reimburse Redevelopment Project Costs and Commission Administrative Costs. The total anticipated amount of available Payments in Lieu of Taxes and Economic Activity Taxes available to fund Redevelopment Project Costs is \$1,826,835.

(1) To the extent there are insufficient Payments in Lieu of Taxes and Economic Activity Taxes collected and available to fund Redevelopment Project Costs, the Redeveloper shall utilize equity and debt to pay such shortfall.

Exhibit 8
Cost Benefit Analysis



Springsted Incorporated
9229 Ward Parkway, Suite 104
Kansas City, MO 64114-3311

Tel: 816-333-7200
Fax: 816-333-6899
www.springsted.com

MEMORANDUM

TO: Heather Brown, Executive Director – TIF Commission of Kansas City, Missouri

FROM: Thomas Denaway, Assistant Vice President

DATE: August 7, 2015

SUBJECT: Proposed Revised Third Amendment to Downtown Library TIF Plan

Background

At the request of the TIF Commission Springsted has prepared an analysis to determine the net tax impact on each taxing district that falls at least partially within the boundaries of the Redevelopment Area described by the proposed Revised Third Amendment to the Downtown Library TIF Plan. The Revised Third Amendment to the Downtown Library TIF Plan is being considered to provide for a reduction in reimbursable Redevelopment Project Costs for the undertaking of additional streetscape and public improvements and the elimination of all reimbursable Redevelopment Project Costs related to neighborhood improvements within the Redevelopment Area.

These projections are based on each Redevelopment Project Areas 1 and 2 remaining in place and the capture of TIF Revenues (PILOTS & EATS) through 2015 to be used for eligible reimbursable Redevelopment Project Costs and beginning in 2016 and thereafter all TIF revenue will be declared surplus and returned to the affected taxing districts. As a result, this analysis indicates there is a positive tax impact on each affected taxing district as a result of the proposed Revised Third Amendment.

PILOTS

As a result of the proposed Third Amendment, starting with the 2016 PILOT payments and running through the remaining term of the District (2025), 100% of the PILOTS attributable to each of the taxing districts will be declared surplus and returned to each taxing district, resulting in a positive tax impact as a result of the proposed amendment.

In addition to the surplus of future PILOT revenues to each of the affected taxing districts, the proposed Third Amendment contemplates that the Redeveloper (DTC One, LLC) will contribute to the affected taxing districts an amount equal to 10% of the PILOTS collected from the date of the City ordinance approving Redevelopment Project Areas 1 and 2 through 2013. The total amount of the contribution is \$26,835.43, which will be distributed to each of the taxing districts pursuant to state laws.

To quantify the estimated tax impact as a result of the proposed amendment we have projected future PILOT revenues to be deemed surplus and distributed to the taxing districts. These projections are based on the 2013 actual PILOT amount captured within the Redevelopment Area, which we have assumed will grow at 1% biennially. Additionally, we have calculated the benefit resulting from the \$26,835.43 contribution (the "Developer Contribution") to the taxing districts. The chart below shows the total amount of PILOTS and the Developer Contribution projected to be received by each of the taxing districts over the remaining term of the TIF plan. The actual amounts may vary, depending on future market value growth and tax rate changes.

| Taxing District | Future PILOT Tax Benefit |
|-----------------------------|--------------------------|
| City of Kansas City | \$75,631 |
| Kansas City School District | \$234,026 |
| Jackson County | \$24,306 |
| Board of Disabled Services | \$3,560 |
| Mental Health | \$5,782 |
| Metro Junior College | \$11,224 |
| Kansas City Library | \$23,639 |

The taxing districts outlined above will realize a positive tax impact as a result of the proposed Revised Third Amendment to the Downtown Library TIF Plan. Absent the proposed amendment, the positive future tax impact outlined above would not be realized, and those revenues would continue to be captured as contemplated by the current Downtown Library TIF Plan.

EATS

The Revised Third Amendment to the Downtown Library TIF Plan also contemplates a change to the capture Economic Activity Taxes (EATS) within Redevelopment Project Areas 1 and 2. As a result of the proposed Revised Third Amendment, starting with the 2016 EATS payments and running through the remaining term of the District (2025), 100% of the EATS attributable to each of the taxing districts will be declared surplus and returned resulting in a positive tax impact as a result of the proposed amendment.

To quantify the estimated tax impact as a result of the proposed amendment we utilized future EATS revenue projections prepared by the Developer to calculate the amount to be deemed surplus and distributed to the taxing districts. The chart below shows the total amount of EATS revenue to be declared surplus and returned to the taxing districts over the remaining term of the TIF Plan, these amounts are in addition to the 50% of EATS activity which is not captured as TIF Revenues and which is not contemplated in this analysis. The actual amounts of EATS revenue may vary, depending on future sales tax growth and tax rate changes.

| Taxing District | Future EAT Tax Benefit |
|--------------------------|------------------------|
| City of Kansas City | \$540,112 |
| Kansas City Zoo District | \$164,494 |
| Jackson County | \$27,416 |

Conclusion

The proposed Third Amendment to the Downtown Library TIF Plan contemplates a change to the capture of PILOT and EATS TIF Revenue. One of the proposed changes is the declaration of surplus and distribution to the taxing districts of all PILOT and EAT revenue between 2016 and 2025, along with a contribution by the Developer to the taxing districts in an amount equal to 10% of the PILOTS collected from the date of the ordinance approving Redevelopment Project Areas 1 and 2 and continuing through 2013. The result of this proposed amendment is a positive tax impact for each of the taxing districts.

Tax Impact on PILOTS of Proposed Third Amendment:

| <u>YEAR</u> | <u>Total Surplus</u> <u>PILOTS</u> | <u>City of</u> <u>Kansas City</u> | <u>Board of</u> <u>Disabled</u> <u>Services</u> | <u>Metro Junior</u> <u>College</u> | <u>Kansas City</u> <u>Library</u> | <u>Mental Health</u> | <u>Kansas City</u> <u>Schools</u> | <u>Jackson</u> <u>County</u> |
|----------------------------|---------------------------------------|--------------------------------------|---|---------------------------------------|--------------------------------------|----------------------|--------------------------------------|---------------------------------|
| TAX IMPACT - PILOTS | | | | | | | | |
| SAF Distribution | \$26,835 | \$5,367 | \$253 | \$796 | \$1,677 | \$410 | \$16,607 | \$1,725 |
| 2016 | \$34,266 | \$6,853 | \$323 | \$1,017 | \$2,142 | \$524 | \$21,205 | \$2,202 |
| 2017 | \$34,609 | \$6,922 | \$326 | \$1,027 | \$2,163 | \$529 | \$21,417 | \$2,224 |
| 2018 | \$34,609 | \$6,922 | \$326 | \$1,027 | \$2,163 | \$529 | \$21,417 | \$2,224 |
| 2019 | \$34,955 | \$6,991 | \$329 | \$1,037 | \$2,185 | \$534 | \$21,632 | \$2,247 |
| 2020 | \$34,955 | \$6,991 | \$329 | \$1,037 | \$2,185 | \$534 | \$21,632 | \$2,247 |
| 2021 | \$35,304 | \$7,061 | \$332 | \$1,048 | \$2,207 | \$540 | \$21,848 | \$2,269 |
| 2022 | \$35,304 | \$7,061 | \$332 | \$1,048 | \$2,207 | \$540 | \$21,848 | \$2,269 |
| 2023 | \$35,658 | \$7,131 | \$336 | \$1,058 | \$2,229 | \$545 | \$22,066 | \$2,292 |
| 2024 | \$35,658 | \$7,131 | \$336 | \$1,058 | \$2,229 | \$545 | \$22,066 | \$2,292 |
| 2025 | \$36,014 | \$7,203 | \$339 | \$1,069 | \$2,251 | \$551 | \$22,287 | \$2,315 |
| Totals | \$378,167 | \$75,631 | \$3,560 | \$11,224 | \$23,639 | \$5,782 | \$234,026 | \$24,306 |

Tax Impact on EATS of Proposed Third Amendment:

| YEAR | Total Surplus | City of | Jackson | Kansas City |
|-------------------|------------------|------------------|------------------|-----------------|
| | EATS | Kansas City | County | Zoo District |
| TAX IMPACT - EATS | | | | |
| 2016 | \$72,317 | \$53,358 | \$16,251 | \$2,708 |
| 2017 | \$73,512 | \$54,240 | \$16,519 | \$2,753 |
| 2018 | \$78,316 | \$57,784 | \$17,598 | \$2,933 |
| 2019 | \$72,593 | \$53,562 | \$16,313 | \$2,719 |
| 2020 | \$74,825 | \$55,209 | \$16,814 | \$2,802 |
| 2021 | \$71,334 | \$52,633 | \$16,030 | \$2,672 |
| 2022 | \$69,849 | \$51,537 | \$15,696 | \$2,616 |
| 2023 | \$72,861 | \$53,759 | \$16,373 | \$2,729 |
| 2024 | \$73,213 | \$54,019 | \$16,452 | \$2,742 |
| 2025 | \$73,202 | \$54,011 | \$16,449 | \$2,742 |
| Totals | \$732,022 | \$540,112 | \$164,494 | \$27,416 |

Exhibit 9
Evidence of But- For

EXHIBIT 9A

Date: January 12, 2015

To: Tax Increment Financing Commission of Kansas City, Missouri

From: Heather A. Brown, Executive Director

Re: Addendum to the But-For Analysis

Background

Pursuant to Section 99.810.1(1) of the Real Property Tax Increment Allocation Act, the Tax Increment Financing Commission (the "Commission") and the City Council (the "City Council") of the City of Kansas City, Missouri found that the area comprising the Redevelopment Area described by the Downtown Library Tax Increment Financing Plan (the "TIF Plan") had not been subject to growth and development through private investment and such area would not reasonably be likely to be developed, including the improvements contemplated by the TIF Plan, without the adoption of tax increment financing. In connection with such finding, both the Commission and the City Council reviewed an independent analysis prepared by Rule & Company and dated October 4, 2002 (the "Original Report").

The Original Report analyzed (1) the budget of Redevelopment Project Costs related to the construction of a parking garage, streetscape improvements and neighborhood improvements and (2) the financial sources, including operating income from the garage, charitable contributions and City Public Improvements Advisory Committee (PIAC) funds, to fund such Redevelopment Project Costs. TIF Revenue generated from the Redevelopment Area would be utilized first to fund garage improvements, to the extent the operating income and PIAC funds were insufficient, and thereafter would be used to fund the streetscape and neighborhood improvements. The Original Report concluded that the request by Library TIF, LLC, the designated developer of the TIF Plan, "enjoys a self-regulating But-For test since the TIF Revenue will only be called upon when [operating income] from the parking garage developed by Library TIF, LLC was negative." The Original Report further noted that when TIF Revenue is not required for the garage, it will be applied to public improvements, such as streetscape.

The TIF Plan further concluded that the public infrastructure improvements, including the streetscape and neighborhood improvements, are activities that normally would be undertaken by a public agency and are not activities that would be economically feasible or reasonable to be undertaken by a private party.

Based upon the above referenced Original Report, both the City Council and the Commission concluded that the parking garage, along with the public infrastructure improvements, including the streetscape, would not occur without the adoption and utilization of tax increment financing.

Analysis of Impact of Third Amendment to TIF Plan

DTC One, LLC, the proponent of the Third Amendment to the TIF Plan and an affiliate of the Library TIF, LLC, desires to construct additional public infrastructure within the Redevelopment Area, including street furniture, landscaping, pedestrian alley beautification, street trees, pedestrian lighting, curbs, sidewalks and fire hydrants using funds not required for the garage improvements.. No additional private improvements are contemplated by the Third Amendment

EXHIBIT 9A

to the Plan. The contemplated public improvements do not alter the previous analysis conducted by Rule & Company and contained in the Original Report. Specifically, the TIF Revenue would be used only to fund the original private improvement of the TIF Plan, the garage, if garage operating income and PIAC funds were insufficient. The balance of the TIF Revenue would continue to be used to fund public infrastructure improvements that would be normally undertaken by a public agency, including the additional public infrastructure improvements contemplated by the Third Amendment to the Plan. The Third Amendment calls for public improvements which would not be economically feasible or reasonable to be undertaken by a third party. In essence, the Third Amendment to the Plan does not change the intent of the Plan; it simply amends the budget to reprioritize the use of the available funds, recognizing that the funds are no longer needed to pay for cost associated with the parking garage.

Conclusion

Based upon the foregoing, the additional public infrastructure improvements contemplated by the Third Amendment do not alter the analysis set forth in the Original Report. The additional public improvements contemplated by the Third Amendment would not reasonably be anticipated to occur without the utilization of tax increment financing.

Exhibit 14
Redeveloper Affidavit

APPLICANT'S AFFIDAVIT

STATE OF MISSOURI)
) ss.
COUNTY OF JACKSON)

1. At all times relevant herein, I have been the President of DTC I, Inc., a Missouri corporation and the sole member of DTC One, LLC (the "Redeveloper"), and I make this statement on behalf of the Redeveloper.

2. The Redevelopment Area is legally described on Exhibit 1A of the Downtown Library District Tax Increment Financing Plan.

3. The provisions of subdivision RSMo. § 99.810 1(1) have been met through the information submitted by Redeveloper to the Tax Increment Financing Commission of Kansas City, Missouri and the City of Kansas City, Missouri, and, based upon such information, it is the opinion of the undersigned that the improvements contemplated by the Downtown Library District Tax Increment Financing Plan and which are located within a Conservation Area, would not be undertaken through investment by private enterprise and would not reasonably be anticipated to be undertaken without the adoption of tax increment allocation financing.

4. The undersigned acknowledges and agrees that this Affidavit is being materially relied upon by the Tax Increment Financing Commission of Kansas City, Missouri in connection with its consideration of the Third Amendment to the Downtown Library District Tax Increment Financing Plan

5. The information, statements and averments in this Affidavit are, to the best of my knowledge and belief, true, accurate and complete in all material respects.

DTC ONE, LLC

By: DTC I, Inc., a Missouri corporation,
its sole member

By: 
William H. Dietrich, President

Subscribed and sworn to before me, the undersigned Notary Public in and for said County and State, this 12th day of January, 2015.

By: 
Signature of Notary Public

Tommy G. Wilson Jr
Typed/Printed Name of Notary Public

My Commission Expires:
September 4, 2017

TOMMY G. WILSON, JR.
Notary Public - Notary Seal
STATE OF MISSOURI
Jackson County
My Commission Expires Sep. 4, 2017
Commission # 13522795