

**Proposed Budget for
Kansas City Convention Center Headquarters Hotel
Community Improvement District
Fiscal Year Ending April 30, 2025**

Date of Budget Submittal: January 30, 2023
District Point of Contact Information: Polsinelli PC c/o Amy Grant
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BUDGET MESSAGES:

The District shall serve the following purposes (the "District Purposes"): 1. provide funding for the construction of certain public and private improvements and the provision of certain services within the District. The improvements initially contemplated include the demolition of existing structures and buildings, the provision of fire protection improvements, site work, grading, infrastructure improvements, parking improvements, utility improvements, right-of-way improvements, landscaping, lawns, and trees, and the construction of a convention center hotel and related amenities on behalf of the Land Clearance for Redevelopment Authority of Kansas City, Missouri or such other similar corporate and politic or public agency, as well as any other improvements within the District (collectively, the "Improvements"). It is intended that the Improvements will remediate existing blighting conditions within the District to bring it to its highest and best use. The particular items included within the Improvements may be modified from those listed herein from time to time. The costs to be financed by the District may include: (a) Improvements costs and associated survey, environmental, design, architecture, engineering costs and other related costs; (b) financing costs incurred to finance such Improvements, including without limitation, costs of issuance, and the establishment of capitalized interest, debt service reserves; (c) legal and administrative costs of the District; (d) reimbursement of costs incurred for the District's formation; (e) operation and administration costs of the District; and (f) Eligible Services (defined below) (collectively, "District Costs"). 2. facilitate development within the District by providing, or causing to be provided, certain services (the "Eligible Services") described in Paragraph B of this Article for the benefit of the District; 3. acquire real and/or personal property within the District (or rights thereto); 4. incur debt, issue bonds or any other obligations, in one or more series ("Bonds"), to finance all or any one of the District Costs; 5. coordinate with public and private entities to plan and implement the Improvements, Eligible Services and the District Purposes; and 6. enter into contracts or other agreements in order to complete or cause the completion of Improvements and provide Eligible Services and other District Purposes; 7. impose and collect a sales and use tax authorized pursuant to this Petition and the Act; 8. impose and collect a special assessment authorized pursuant to this Petition and the Act; and 9. exercise any authorized purpose of the District pursuant to and in accordance with the Act.

The Kansas City Convention Center Headquarters Hotel Community Improvement District was formed as a political subdivision of the State of Missouri on July 23, 2015. The purpose of the District is to provide funding for the construction of certain public and private improvements and the provision of certain services within the District's boundaries. The life of the District is for an initial term of fifty (50) years following the effective date of the Ordinance establishing the District, after which, the District shall be automatically continued for successive ten (10) year terms in perpetuity.

The District may provide, and/or contract for, cleaning and maintenance services to common areas within the District to improve the appearance and image of the District. Such services may include, but are not necessarily limited to: (a) litter removal and cleaning of common areas, trash containers, alley ways, streets and sidewalks within the District; (b) monitoring of City services; (c) landscape care, maintenance weed abatement and providing and/or replacing landscape; (d) graffiti removal; and (e) any and all other beautification efforts designed to improve the District's appeal, and encourage private investment within the District.

KANSAS CITY CONVENTION CENTER HEADQUARTERS HOTEL CID

FYE 4/30/25 - Estimated

FYE 4/30/2025

(Estimated)

ESTIMATED FUNDS AVAILABLE:

- Cash on Hand Beginning of Fiscal Year (Operating)	\$	119,838.13
- Cash on Hand Beginning of Fiscal Year (FF&E)	\$	96,529.86

ESTIMATED REVENUE:

- CID Sales and Use Tax (1% tax - effective dated 4/1/2020)	\$	682,656.02
- CID Special Assessments (1st assessment levied on Feb 1 2021 tax bills)	\$	4,010,698.03
- User Fee Revenue per Use Agreement	\$	476,466.78
- Interest Income	\$	1,518.26
- Developer Advances	\$	-

TOTAL ESTIMATED REVENUE:	\$	<u>5,171,339.09</u>
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ESTIMATED EXPENDITURES:

- TIF Eats to TIF Special Allocation Fund (50% of CID Sales Tax Revenue)	\$	341,328.01
- County Collection Fee (1% plus one \$5,000 annual fee)	\$	45,106.98
- Bond Trustee Annual Fee (\$1,750)	\$	1,750.00
- Series 2018 A Bond Payment (CID Special Assessment Bond)	\$	3,963,841.05
- Management Fee Per Use Agreement	\$	14,294.00
- Common Costs Per Use Agreement	\$	555,176.30
- Legal Fees	\$	25,000.00
- Repayment of Developer Advances^^	\$	150,000.00
See attached itemization of eligible expenses	\$	-

TOTAL ESTIMATED EXPENDITURES:	\$	<u>5,096,496.34</u>
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ESTIMATED PROFIT/(LOSS)

\$ 74,842.75

ESTIMATED FUNDS AVAILABLE:

- Estimated Cash on Hand End of Fiscal Year (Operating)	\$	63,377.33
- Estimated Cash on Hand End of Fiscal Year (FF&E)	\$	131,303.54

^^ Repayment of Developer's Advances, including interest, is governed by the Reimbursement Agreement entered into between the District and the Developer dated 1/18/2018. Developer Advances to be certified upon project completion.

SCHEDULE 1 TO EXHIBIT F

CID PETITION ASSESSMENT AMOUNT
 AND
 GROSS CID SPECIAL ASSESSMENTS AMOUNT (DEBT SERVICE ON SERIES 2018A
 BONDS)
 FOR EACH CALENDAR YEAR OF CALCULATION

Calendar Year Of Calculation	CID Petition Assessment Amount	Gross CID Special Assessments Amount
2021	4,400,000	4,365,291
2022	4,400,000	3,999,044
2023	4,400,000	3,997,698
2024	4,400,000	3,997,591
2025	4,400,000	4,032,111
2026	4,510,000	4,130,644
2027	4,622,750	4,233,698
2028	4,738,319	4,340,418
2029	4,856,777	4,448,444
2030	4,978,196	4,562,031
2031	5,102,651	4,673,764
2032	5,230,217	4,791,178
2033	5,360,973	4,911,591
2034	5,494,997	5,032,484
2035	5,632,372	5,159,511
2036	5,773,181	5,286,498
2037	5,917,511	5,422,271
2038	6,065,449	5,535,444
2039	6,156,430	5,621,978
2040	6,248,777	5,671,631
2041	6,342,508	5,693,206
2042	6,437,646	5,776,260
2043	6,534,211	5,864,042
2044	6,632,224	5,951,871
2045	6,731,707	6,041,560
2046	6,832,683	6,128,136
2047	6,935,173	6,213,470
2048	7,039,201	6,324,392
2049	7,144,789	1,073,825
2050	7,251,961	0

EXHIBIT H
FORM OF
SCHEDULE OF MONTHLY LOAN PAYMENTS

December 7, 2022

- 1 -

Re: LAND CLEARANCE FOR REDEVELOPMENT AUTHORITY OF KANSAS
 MISSOURI PROJECT REVENUE BONDS (CONVENTION CENTER HOTEL
 PROJECT – CID SPECIAL ASSESSMENTS), SERIES 2018A


We have calculated the Net CID Special Assessments for the succeeding calendar year ending December 31, 2023 pursuant to **Section 404** of the Trust Indenture dated as of January 1, 2018 (the "Indenture") between BOKF, N.A., as trustee (the "**Trustee**"), and the Land Clearance for Redevelopment Authority of the City of Kansas City, Missouri (the "**Authority**"). Based on such calculation, the following amounts are due as monthly loan payments during such calendar year:

January 25, 2022:	\$	<u>337,100.51</u>
February 25, 2022:	\$	<u>335,342.97</u>
March 25, 2022:	\$	<u>335,342.97</u>
April 25, 2022:	\$	<u>335,342.97</u>
May 25, 2022:	\$	<u>335,342.97</u>
June 25, 2022:	\$	<u>335,342.97</u>
July 25, 2022:	\$	<u>335,342.97</u>
August 25, 2022:	\$	<u>337,400.51</u>
September 25, 2022:	\$	<u>337,400.51</u>
October 25, 2022:	\$	<u>337,400.51</u>
November 25, 2022:	\$	<u>337,400.51</u>
December 25, 2022:	\$	<u>337,400.51</u>

May-23	335,342.97
Jun-23	335,342.97
Jul-23	335,342.97
Aug-23	337,400.51
Sep-23	337,400.51
Oct-23	337,400.51
Nov-23	337,400.51
Dec-23	337,400.51
Jan-24	337,400.51
Feb-24	337,400.51
Mar-24	337,400.51
Apr-24	337,400.51
4,042,633.50	

Amount Kept Flat to December 2023

BOKF, N.A.

By: 
 Name: Delores Woodard-Davis
 Title: Vice President

Project Name: Loews Kansas City Convention Center Hotel
 Borrower Name: LCRA
 Contractor Name: JE Dunn & Company
 Draw #: 36
 Date: 1/1/2021

ITEM	CLASSIFICATION	PRELIMINARY BUDGET		SUMMARY					REIMBURSABLE EXPENSES	
		ORIGINAL BUDGET	TOTAL COSTS TO DATE	CURRENT DRAW	TOTAL COMPLETED	% COMPLETE	RETAINAGE	REMAINING CONTRACT BALANCE	NON-REIMBURSABLE EXPENSES	REIMBURSABLE EXPENSES
1	Land	16,196,860.00	16,196,263.74	0.00	16,196,263.74	0.00%	0.00	0.00	0.00	16,186,263.74
	Hard Costs									
2	Facility Construction [THIS HAS TO MATCH THE GC PAY APP]	207,649,460.00	223,132,352.39	0.00	223,132,352.39	100.00%	0.00	0.00	0.00	223,132,352.39
3	Other	0.00	416,429.09	0.00	416,429.09	100.00%	0.00	0.00	0.00	416,429.09
4	TOTAL HARD COSTS (Lines 2-3)	207,649,460.00	223,548,781.48	0.00	223,548,781.48	100.00%	0.00	0.00	0.00	
	Soft Costs									
5	Design	10,518,450.00	10,243,597.06	0.00	10,243,597.06	100.00%	0.00	0.00	0.00	10,243,597.06
6	FF&E	17,696,412.00	17,942,091.70	0.00	17,942,091.70	100.00%	0.00	0.00	0.00	17,942,091.70
7	Testing & Inspection Fees	700,000.00	742,126.01	0.00	742,126.01	100.00%	0.00	0.00	0.00	742,126.01
8	CG&E / Related Expenses	10,181,559.00	9,568,258.51	0.00	9,568,258.51	100.00%	0.00	0.00	0.00	9,568,258.51
9	Warehousing, Storage and Procurement	1,617,820.00	2,666,939.45	0.00	2,666,939.45	100.00%	0.00	0.00	0.00	2,666,939.45
10	Computer Equipment & Software	6,519,021.00	2,669,464.63	0.00	2,669,464.63	100.00%	0.00	0.00	0.00	2,669,464.63
11	Permits, Fees & Misc	4,643,336.00	4,914,925.48	0.00	4,914,925.48	100.00%	0.00	0.00	(0.00)	4,914,925.48
12	Working Capital	1,500,000.00	1,500,000.00	0.00	1,500,000.00	100.00%	0.00	0.00	0.00	1,500,000.00
13	Bullriers Risk, GL Insurance - OCIP	2,000,000.00	1,896,799.04	0.00	1,896,799.04	100.00%	0.00	0.00	0.00	1,896,799.04
14	TOTAL SOFT COSTS (Lines 5-13)	55,576,597.00	52,114,211.88	0.00	52,114,211.88	100.00%	0.00	0.00	0.00	
	Other Costs									
15	Pre-Opening Expenses	7,760,247.00	7,096,542.82	0.00	7,096,542.82	100.00%	0.00	0.00	0.00	7,096,542.82
16	Technical Services	400,000.00	369,999.87	0.00	369,999.87	100.00%	0.00	0.00	0.00	369,999.87
17	Project Management	2,175,000.00	2,060,039.57	0.00	2,060,039.57	100.00%	0.00	0.00	0.00	2,060,039.57
18	Capitalized Interest, Interest Reserve & Unused Fee (Private Loan)	6,925,000.00	7,536,769.36	85,158.49	7,611,924.37	100.00%	0.00	0.00	0.00	7,611,924.37
19	Other Finance-Related Closing Costs & Legal	5,799,091.00	6,807,828.56	0.00	6,807,828.56	100.00%	0.00	0.00	0.00	6,807,828.56
20	Development Fee	10,517,792.00	10,517,792.00	0.00	10,517,792.00	100.00%	0.00	0.00	0.00	10,517,792.00
21	TOTAL OTHER COSTS (Lines 15-20)	33,576,190.00	34,368,869.69	85,158.49	34,454,127.18	100.00%	0.00	0.00	0.00	
	Contingency									
22	Hard Cost Contingency	8,616,498.00	0.00	0.00	0.00	0.00%	0.00	0.00	0.00	0.00
23	General / Soft Cost Contingency	1,103,416.00	0.00	0.00	0.00	0.00%	0.00	0.00	(0.00)	0.00
24	TOTAL CONTINGENCY COSTS (Lines 22-23)	9,719,914.00	0.00	0.00	0.00	0.00%	0.00	0.00	0.00	
25	TOTAL PROJECT COSTS (Lines 1, 4, 14, 21, 24)	322,650,000.00	326,227,226.79	85,158.49	326,312,384.26	100.00%	0.00	0.00	0.00	6,356,542.82
	Sources of Funds:									
26	Borrower Equity	51,247,009.40	54,653,416.79	0.00	54,653,416.79	0.00	0.00	0.00	0.00	0.00
27	Series A Bonds	42,167,601.26	42,167,601.26	0.00	42,167,601.26	0.00	0.00	0.00	(0.00)	0.00
28	NBH Loan	30,941,976.66	30,941,976.66	0.00	30,941,976.66	0.00	0.00	0.00	0.00	0.00
29	Series B Bonds	46,351,412.68	46,359,389.55	0.00	46,359,389.55	0.00	0.00	0.00	(0.00)	0.00
30	City Land Contribution	7,000,000.00	7,000,000.00	0.00	7,000,000.00	0.00	0.00	0.00	0.00	0.00
31	City Cash	35,000,000.00	35,000,000.00	0.00	35,000,000.00	0.00	0.00	0.00	0.00	0.00
32	Senior Loan (Wells Fargo Bank / Scotia Bank)	110,000,000.00	109,914,841.51	85,158.49	110,000,000.00	0.00	0.00	0.00	0.00	0.00
33	TOTAL CONSTRUCTION SOURCES (Lines 24-29)	322,550,000.00	326,227,226.77	85,158.49	326,312,384.26		0.00	0.00	0.00	