

**REDEVELOPMENT PROJECT PLAN
WOODSIDE VILLAGE REDEVELOPMENT DISTRICT**

PROJECT AREAS 1 (NORTH) & 2 (SOUTH)

**SUBMITTED PURSUANT TO
K.S.A. 12-1770 *et seq.*, as amended**

This Redevelopment Project Plan was prepared in consultation with the consultants of the City of Westwood, Kansas and the City Planning Commission, based upon development proposals by Tanner & White Properties, Inc.

July 25, 2013



As approved by Ordinance No. 940 on October 10, 2013

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I. INTRODUCTION

Pursuant to the Kansas Tax Increment Financing Act, K.S.A. 12-770, *et. seq.*, as amended (“**TIF Act**”), Kansas municipalities are authorized to establish a redevelopment district and Tax Increment Financing (“**TIF**”) redevelopment project plans for property within their jurisdiction. Redevelopment districts may be created based upon certain findings by the municipality, including property within a proposed district containing factors of a conservation area as defined by the Act.

On September 13, 2011, the City of Westwood, Kansas (the “**City**”), after conducting a duly noticed public hearing, found that a conservation area exists on the property located between the East Boundary of the current Woodside Tennis and Racquet Club on the East, the North Property Line of Residences Located along W. 47th Terrace on the South, Rainbow Boulevard on the West and the Johnson County, Kansas / Wyandotte County, Kansas line on the North within the City. Based in part upon said finding, the City created a redevelopment district encompassing the subject property (the “**District**”).

The TIF Act requires that the Redevelopment Project Plan be created in consultation with the City. As part of that consultation, the Planning Commission must make a finding as to whether the development components of the Redevelopment Project Plan are consistent with the intent of the City of Westwood, Kansas’ Comprehensive Plan.¹

This Redevelopment Project Plan (“**Redevelopment Plan**”) is presented to the City for its consideration and approval, with the 20-year term of the Redevelopment Plan to commence upon City approval of the Redevelopment Plan. As more fully described at Section III herein, the Redevelopment Plan envisions the remediation of conservation factors within the District, including removal of certain existing structures on site and the development of improvements in Redevelopment Project Area 1 (North) (“**Redevelopment Project 1 (North)**”) and Redevelopment Project Area 2 (South) (“**Redevelopment Project 2 (South)**”); collectively the “**Redevelopment Project Area**”).²

¹ This Redevelopment Plan has been submitted to the Planning Commission for the purposes of eliciting a finding from the Planning Commission that the development components hereof are consistent with the City’s Comprehensive Plan. Subsequent to such finding, certain terms and provisions of this Redevelopment Plan may be subject to revision so long as no such revisions are “substantial changes” as defined by Section 12-1770a.(t) of the TIF Act.

² This document contains redevelopment project plans for two distinct redevelopment project areas within the Woodside Village Redevelopment District. By operation of law, the 20-year term set forth in Section I commences for any redevelopment project area/plan in the year that the Redevelopment Plan is approved. However, the authors of this Redevelopment Plan anticipate that the Redevelopment Agreement may contain phasing and sequencing provisions that delay the start of construction in Redevelopment Project 2 (South) by several years. Such a delay would reduce the total amount of TIF Revenues produced in that phase below what is set forth herein. As such, for the purposes of the projections contained herein, it is estimated that Redevelopment Project 2 (South) will commence in 2016. Additionally, separate development entities may be the “Developer” for each of Redevelopment Project 1 (North) and Redevelopment Project 2 (South) and/or may segregate or “cross-collateralize” revenues between the two Redevelopment Projects.

Previously Redevelopment Projects for the District were approved in 2011. Those projects have been (or will be) terminated.

Redevelopment Project 1 (North)

- Approximately 91 residential and/or commercial/office units, including, but not limited to, live/work units, condominium units, and/or apartment units, along with associated peripheral uses and area, including, but not limited to, lobbies, offices, parking lots, and parking garages.
- Approximately 22,804 gross square feet of mixed-use commercial retail.
- The renovation of the existing clubhouse at the Woodside Village Tennis & Racquet Club (the “Club”) and the addition of approximately 37,000 square feet of clubhouse space at the Club, including outdoor spaces such as, but not limited to, the Club’s tennis courts (including an approximately 29,161 square foot building or bubble for four such tennis courts), swimming pool, and other amenities.
- Construction of public improvements on behalf of the City, which public improvements are more specifically set forth on Exhibit A hereto.
- Construction of public improvements under the joint jurisdiction of the Kansas Department of Transportation, and the City.

Redevelopment Project 2 (South)

- Approximately 242 residential and/or commercial/office units, including, but not limited to, live/work units, condominium units, and/or apartment units, along with associated peripheral uses and area, including, but not limited to, lobbies, offices, parking lots, and parking garages.
- Approximately 16,350 square feet of mixed-use commercial retail.
- Construction of public improvements on behalf of the City, which public improvements are more specifically set forth on Exhibit A hereto.

Importantly, this description of uses, and the buildings the Developer plans to construct for such uses, is not meant to be inflexible. This Redevelopment Plan contemplates reasonable variations from the descriptions above, subject to the terms and conditions of the respective Development Agreements, generally allowing for mixed-use commercial, office, residential uses, and health club facility uses. In 2011, the City revised the City’s Zoning Code as it relates to the redevelopment of the Redevelopment Project Area to allow rental multi-family residential units as well as other aspects of the Redevelopment Plan.

As shown herein, the Redevelopment Plan proposes to finance Reimbursable Project Costs (as defined in Section III.D.1 below) by capturing 100% of the allowable ad valorem tax increment for the full term in which the Redevelopment Plan is in place, as well as four-tenths

(4/10) of the City’s local sales tax increment generated within the Redevelopment Project Area for the full term in which the Redevelopment Plan is in place, which currently equates to four-tenths of one percent (0.4%) of all retail sales within the Redevelopment Project Area over the base sales tax produced in the year prior to the adoption of this Redevelopment Plan. As of the year prior to the adoption of this Redevelopment Plan, the base sales within the Redevelopment Project Area were approximately \$4,918,787, and as such, 0.4% of any and all sales in excess of such base will be useable to finance the Reimbursable Project Costs.

Based on projections of real property values and sales within the District over the term of the TIF, it is estimated that, assuming an interest rate of 6.50%, the TIF will generate revenues (“**TIF Revenues**”) as follows: there will be approximately \$3,115,072 in TIF Revenues generated by Redevelopment Project 1 (North) and made available to reimburse Redevelopment Project 1 (North) Reimbursable Project Costs (plus financing and interest expenses), and \$2,960,215 in TIF Revenues generated by Redevelopment Project 2 (South) and made available to reimburse Redevelopment Project 2 (South) Reimbursable Costs (plus financing and interest expenses), which together total \$6,075,286 in total TIF Revenues.³ As permitted by the TIF Act, and subject to the terms of the redevelopment agreement for each Redevelopment Project (collectively, the “**Redevelopment Agreements**”), TIF Revenues generated by either of Redevelopment Project 1 (North) or Redevelopment Project 2 (South) may be utilized to pay for Reimbursable Project Costs incurred in connection with the other Redevelopment Project (for example, TIF Revenues generated by Redevelopment Project 1 (North) may be utilized for the reimbursement of Reimbursable Costs in connection with Redevelopment Project 2 (South), and vice versa).

A Community Improvement District (“**CID**”) pursuant to K.S.A. 12-6a26, *et seq.*, is also in place. The CID will include a 1.1% CID sales tax on all eligible sales within the District. Such CID is assumed in the Feasibility Study. All revenues generated by the CID sales tax will be available to reimburse any CID eligible project costs under the Kansas Community Improvement District Act, K.S.A. 12-6a26, *et seq.* (the “**CID Act**”), and will be in addition to the TIF Revenues available for reimbursement of Reimbursable Project Costs.

A portion of the Redevelopment Project Area is currently owned by the City, which property is legally described on Exhibit B-1 hereto (the “**City Property**”), and such City Property is currently leased to an affiliate of the City via a certain Ground Lease (the “**Ground Lease**”), and in turn is further leased to an affiliate of the Developer. In connection with this Redevelopment Project Plan and as provided within the Redevelopment Agreement, the City shall release a portion of the City Property currently subject to the Ground Lease, which portion is legally described on Exhibit B-2 hereto (the “**Released City Property**”), while the Ground Lease shall continue to encumber the remaining portions of the City Property, which remaining portions are legally described on Exhibit B-3 hereto (the “**Unreleased City Property**”). Developer shall continue to pay all rent due under the Ground Lease for its continued use of the Unreleased City Property, as the same shall be more specifically set forth in the Redevelopment Agreements. The Released City Property shall be transferred to Developer, at no cost to Developer, upon the following: (i) the purchase of certain property by Developer within the Redevelopment Project Area, commonly referred to as the Youthfront Property, and legally

³ TIF financing is subject to the Public Financing Cap as defined within the Redevelopment Agreement.

described on Exhibit B-4 hereto, (ii) the completion of certain improvements upon the Unreleased City Property, as set forth in the Redevelopment Agreements, (iii) the completion of amendments to the Ground Lease, as set forth in the Redevelopment Agreements, (iv) provision to the City of evidence of financing for the completion of the improvements upon the Released City Property, as set forth in the Redevelopment Agreements, and (v) the completion of any other conditions set forth in the Redevelopment Agreements. In the event that vertical construction of improvements as contemplated by this Redevelopment Project Plan have not commenced on the Released City Property, and any other conditions required by such Redevelopment Agreements have not been met, within a time period to be set forth therein, Developer shall be obligated to cause fee title to the Released City Property to be transferred back to the City upon terms and provisions to be set forth in the Redevelopment Agreements.

II. PROJECT DEVELOPMENT TEAM

- The City of Westwood, Kansas
- Tanner & White Properties, Inc. (“**Developer**”)⁴
- Lane4 Property Group, Inc.
- RED Brokerage
- Polsinelli PC, Real Estate Development Department
- Gastinger, Walker, Harden
- Hufft Projects
- Crossland Construction
- Bob D. Campbell & Co.
- Olsson Associates
- Smith & Boucher

⁴ Developer under this Redevelopment Plan shall be Woodside Redevelopment Inc. Nothing in this Redevelopment Plan shall prevent Redevelopment Project Area 1 (North) and Redevelopment Project Area (South) from being developed by separate special purpose entity developers, which developers shall be named in the Redevelopment Agreements for Redevelopment Project Area 1 (North) and Redevelopment Project Area (South), respectively.

III. REDEVELOPMENT PROJECT PLAN

A) **The Property**

The property comprising the approved Redevelopment District consists of +/- 12 acres located between the East Boundary of the current Woodside Tennis and Racquet Club on the East, the North Property Line of Residences Located along W. 47th Terrace on the South, Rainbow Boulevard on the West and the Johnson County, Kansas / Wyandotte County, Kansas line on the North within the City. The Redevelopment Project Area is coterminous with the Redevelopment District, and thus consists of +/- 12 acres. (See legal descriptions of the Redevelopment District, Redevelopment Project 1 (North), and Redevelopment Project 2 (South), attached hereto as Exhibit C. General depictions of the Redevelopment Projects are attached as Exhibit C-1).

B) **Established Redevelopment District**

The Property is within an established Redevelopment District approved by the City on September 13, 2011 pursuant to Ordinance No. 919. (See copy of Ordinance No. 919 attached hereto as Exhibit D). The approved District Plan contained within the Redevelopment District Ordinance provides, in pertinent part:

The District Plan shall be as follows: The buildings, facilities, and improvements to be constructed or improved in the Westwood Redevelopment District may be described in a general manner as consisting of some or all of the following uses, without limitation: tennis and racquet club, full-service fitness facility with associated amenities including but not limited to outdoor tennis courts and swimming pools, general retail, restaurants, specialty retail, office, multi-family residential, including but not limited to condominium and apartment units and live/work units, and all included associated site work, public and private infrastructure, utilities, storm water control, access, street improvements, landscaping, lighting, parking facilities (including parking garages), and other associated and appurtenant structures, facilities, and items allowable under K.S.A. 12-1770 *et seq.*

The proposed Redevelopment Plan is consistent with the stated purpose and intent of the approved Redevelopment District.

C) **The Projects – Description and Overview**

The Redevelopment Plan provides for the remediation of existing conservation area conditions followed by the construction of Redevelopment Project 1 (North) and Redevelopment Project 2 (South), all as set forth in Section I.

Developer and Belke Appraisal & Consulting Services each submitted reports to the City setting forth elements within the Redevelopment Project Area evidencing conservation factors, and the City, on September 13, 2011, pursuant to Ordinance No. 919, found that

the Redevelopment Project Area was a conservation area, as defined in the TIF Act, based upon the following factors:

- Presence of dilapidated, obsolete, and deteriorating structures within the Redevelopment Project Area;
- Presence in the Redevelopment Project Area of overcrowding of structures and community facilities.
- Presence in the Redevelopment Project Area of inadequate utilities and infrastructure.
- Presence of structures below minimum code requirements.

As described above in Section I, the Redevelopment Plan includes Redevelopment Project 1 (North) and Redevelopment Project 2 (South) (See proposed Site Plan and Development Plans attached hereto as Exhibit E).

D) Feasibility Study

As required by the Act, a study has been prepared to determine whether the Projects' estimated benefits and tax increment revenues are expected to exceed or be sufficient to pay for the Projects' estimated costs. This effort involved utilization of consultants with experience and expertise in the actual design, development, financing, management, and leasing of projects of similar scope and nature. Further, outside resources were consulted to compare and verify cost and revenue projections including outside industry sources and actual taxing jurisdiction data where available. The results of this study are as follows:

1. Project Costs

The total estimated cost to complete Redevelopment Project 1 (North) and Redevelopment Project 2 (South), including land acquisition, site development, building construction, soft costs, and all fees, is \$29,952,500 and \$35,200,000, respectively, totaling \$65,152,500 for the entire Redevelopment Project Area. A breakdown of the estimated costs by category and the amount and basis for determination is set forth below.

ESTIMATED TOTAL COSTS

CATEGORY	PROJECT 1 AMOUNT	PROJECT 2 AMOUNT	TOTAL AMOUNT
Land Acquisition	\$2,527,500	\$0	\$2,527,500
Sitework, Parking & Infrastructure Construction	\$7,900,000	\$6,525,000	\$14,425,000
Vertical Building Construction	\$14,400,000	\$20,875,000	\$35,275,000
Soft Costs	\$5,125,000	\$7,800,000	\$12,925,000
TOTAL	\$29,952,500	\$35,200,000	\$65,152,500

Prior to final adoption of this Redevelopment Plan, a final budget will be included in the Development Proforma and will be attached hereto as Exhibit F.

Pursuant to the TIF Act, only certain costs are eligible for TIF financing and reimbursement (“**Reimbursable Project Costs**”). This Redevelopment Plan contemplates that only sitework, parking, and infrastructure construction costs, plus interest, shall be Reimbursable Project Costs hereunder. As such, the chart above indicates that (i) approximately \$7,900,000 in sitework, parking, and infrastructure construction costs shall be Reimbursable Project Costs in connection with Redevelopment Project 1 (North), and (ii) approximately \$6,525,000 in sitework, parking, and infrastructure construction costs shall be Reimbursable Project Costs in connection with Redevelopment Project 2 (South), shall be reimbursable from TIF Revenues, totaling \$14,425,000 in Reimbursable Project Costs, subject to any TIF cap as may be set forth in the Redevelopment Agreements.⁵

Based on these estimates, the Reimbursable Project Costs for Redevelopment Project 1 (North) are \$7,900,000, while the TIF Revenues for Redevelopment Project 1 (North) are \$3,115,072, resulting in Reimbursable Project Costs exceeding TIF Revenues in connection with Redevelopment Project 1 (North) by \$4,784,928.

Further based on these estimates, the Reimbursable Project Costs for Redevelopment Project 2 (South) are \$6,525,000, while the TIF Revenues for Redevelopment Project 2 (South) are \$2,960,215, resulting in Reimbursable Project Costs exceeding TIF Revenues in connection with Redevelopment Project 2 (South) by \$3,564,785.

⁵ As permitted by the TIF Act, and subject to the terms of the Redevelopment Agreement for each Redevelopment Project, TIF Revenues generated by either of Redevelopment Project 1 (North) or Redevelopment Project 2 (South) may be utilized to pay for Reimbursable Costs incurred in connection with the other Redevelopment Project (for example, TIF Revenues generated by Redevelopment Project 1 (North) may be utilized for the reimbursement of Reimbursable Costs in connection with Redevelopment Project 2 (South), and vice versa).

The Reimbursable Project Costs for the Redevelopment Project Area as a whole are \$14,425,000, while the TIF Revenues generated by the entire Redevelopment Project Area are estimated to equal \$6,075,286, resulting in Reimbursable Project Costs for the entire Redevelopment Project Area exceeding TIF Revenues by \$8,349,714.

Subject to the Redevelopment Agreement and the Public Financing Cap stated therein, any amount of available CID proceeds will be in addition to any such TIF Revenues, and CID proceeds shall be reimbursable for any costs eligible pursuant to the CID Act.

It is anticipated that Developer will either be reimbursed under this Redevelopment Plan on a “pay-as-you-go” method or through bonds, or a combination of the two. Under this method, Developer will incur costs in connection with the Redevelopment Project Area, and in turn be reimbursed for Reimbursable Project Costs (plus interest) as TIF Revenues are generated and become available, subject to any Public Financing Cap as is set forth in the Redevelopment Agreements. As indicated, special obligations bonds may be issued by the City, at the City’s sole discretion, for the reimbursement of Reimbursable Project Costs, subject to any Public Financing Cap as set forth in the Redevelopment Agreements.

2. Project Revenues

The present value of TIF Revenues generated over the term of the TIF, as allowed by the TIF Act, are estimated to be \$6,075,286 (exclusive of interest), consisting of \$3,115,072 in TIF Revenues generated by Redevelopment Project 1 (North) (exclusive interest), and \$2,960,215 in TIF Revenues generated by Redevelopment Project 2 (South) exclusive of interest).⁶ TIF Revenue projections are set forth in Exhibit G, attached hereto.

Pursuant to the TIF Act, TIF Revenues can be generated from two sources:

- a) *Ad Valorem* Tax Increment Revenues - The differential between the *ad valorem* taxes generated by real property within the TIF District as of the date the TIF District was established and future *ad valorem* taxes which will be generated after the redevelopment, (less *ad valorem* taxes not allowed to be captured pursuant to the Act) and
- b) Local Sales Tax Revenues - The retail sales dollar amount generated within the Project multiplied by the City’s portion of the retail sales tax rate, which based on the location of the Project, is 1.00%. As mentioned previously, only 40% of the City’s local sales tax revenues will be dedicated to reimbursement of the Project, which equates to a rate of 0.4% to be dedicated to Reimbursable Project Costs. The remaining 0.6% will be paid to the City.

⁶ Subject to the Public Financing Cap stated within the Redevelopment Agreements between the Developer and the City for Redevelopment Projects 1 (North) and 2 (South), respectively. Numbers used herein are present value numbers and reflect that additional TIF revenues will be generated over the term of the TIF as set forth in the exhibits.

Ad Valorem Tax Increment Captured

According to the Johnson County Appraiser's Office, the 2011 assessed value for the Redevelopment District is \$848,874, and this entire amount of assessed value can be attributed to \$564,799 for Redevelopment Project 1 (North) and \$284,075 for Redevelopment Project 2 (South). This serves as the base value against which future Redevelopment Project values can be compared in order to determine the amount of *Ad Valorem* Tax Increment Revenues that will be generated by Redevelopment Projects 1 (North) and 2 (South).

There is very little history of mixed-use projects within the City, and as such, future valuation of the Redevelopment Projects, upon completion, is difficult to ascertain. Developer estimates that Redevelopment Projects 1 (North) and 2 (South) will have estimated assessed values of \$2,921,859 and \$3,293,588, respectively, totaling \$6,215,447. This conclusion is based on anticipated Project Costs and the valuation methodology historically utilized by the County Appraiser for like property.

Subject to the Redevelopment Agreement and the Public Financing Cap stated therein, this Redevelopment Plan proposes to finance Reimbursable Project Costs by capturing 100% of the allowable ad valorem tax increment for the entire term in which the Redevelopment Plan is in effect.

Sales Tax Revenues

Currently, \$4,918,787 in retail sales are generated within the District. It is anticipated that upon completion of Redevelopment Projects 1 (North) and 2 (South), they will produce an annual retail sales volume of \$11,977,237 and \$5,722,500, respectively, for a total of \$17,699,737. This estimate is based on:

- Recent versions of the *Dollar & Cents of Shopping Centers* published by the Urban Land Institute;
- Input from Lane4 Property Group and RED Brokerage, LLC, real estate professionals with extensive experience in planning, developing, and financing commercial developments similar to this development;
- Feedback from announced tenants of the Redevelopment Project Area; and
- Expertise from Polsinelli Shughart PC's Real Estate Development Department, whose experience with developing, financing, and entitling similar retail projects is extensive.

The sales tax rate within the Redevelopment Project Area totals 8.375%. Of this, 7.375% flows through to other jurisdictions, including the State of Kansas and Johnson County, Kansas, leaving 1.00% that flows to the City.

It is proposed that first and foremost the base sales taxes of \$49,187.87 from the City’s local 1.00% sales tax rate will flow through to the City. After the base sales taxes of \$49,187.87 flow through to the City, 0.6% of the City’s 1.00% non-dedicated sales tax on incremental increases in sales within the Redevelopment Project Area will flow through to the City. The remaining 0.4% of the City’s 1.00% non-dedicated sales tax may be utilized to reimburse Reimbursable Project Costs. Thus, the development of the Redevelopment Project Area is estimated to create annual incremental sales tax revenues of approximately \$28,234 and \$22,890 from Redevelopment Projects 1 and 2, respectively, and totaling \$51,124 together, reimbursable to the Developer annually, commencing with the first year after completion of the two Project Areas.

3. Tax Increment Revenues

Based on the Redevelopment Project Area’s projected captured annual TIF Sales Tax Revenues and the captured annual Ad Valorem Tax Increment, as heretofore described, it is estimated that \$3,115,072 and \$2,960,215 (plus interest) will be available to the Redevelopment Projects 1 (North) and 2 (South), respectively, over the life of this Redevelopment Plan, totaling \$6,075,286.

4. Sufficiency of Tax Increment Revenues Compared to Projects Costs

The total of the Reimbursable Project Costs that can be financed under the Act are limited by the amount of TIF Revenues generated within the Redevelopment Project Area. Thus by operation, the TIF Revenues will always equal or exceed the amount of the Reimbursable Project Costs. Based on the Redevelopment Plan’s (1) Reimbursable Project Costs and (2) TIF Revenues, the revenues are expected to pay for the Reimbursable Project Costs as contemplated under the Act *when supplemented by private debt, equity, and the CID proceeds*.

•	Estimated Redevelopment Project 1 (North) Costs	\$29,952,500
•	Redevelopment Project 1 (North) TIF Revenue (including interest)	\$3,115,072 ⁷
•	Estimated Redevelopment Project 2 (South) Costs	\$35,200,000
•	Redevelopment Project 2 (South) TIF Revenue (including interest)	\$2,960,215 ⁸

⁷ This figure should not be construed as a cap on the amount of TIF being requested. The Public Financing Cap is dealt with in the Redevelopment Agreements between the Developer and the City for Redevelopment Projects 1 (North) and 2 (South), respectively.

E) CID

The viability of this Redevelopment Plan is contingent upon creation of a CID within the Redevelopment District. It is proposed to be a 1.1% CID sales tax on all eligible sales within the District. All of the proceeds of such CID sales tax will be available to reimburse Project Costs to the full extent possible under the CID Act. It is estimated that CID Revenues generated in the Redevelopment Project Area will create CID Proceeds (not including interest) in the amount of \$2,637,696.

Importantly, any such CID proceeds will be in addition to any TIF Revenues and may be utilized to reimburse Developer for any costs eligible pursuant to the CID Act. The Redevelopment Agreements between the Developer and the City for Redevelopment Project 1 (North) and 2 (South) will set forth the coordination of TIF and CID Revenues. It is anticipated that the reimbursement process for TIF and CID expenses will be combined with the caveat that use of TIF funds are more limited under State Law and that certain expenses may need to be segregated prior to reimbursement.

F) Relocation Plan

The parcels within the Redevelopment Project Area are set forth on Exhibit H.

Developer, at this time, has either (i) fee ownership, (ii) leasehold rights, or (iii) contracts to purchase in fee simple the parcels within the Redevelopment Project Area for the proposed Project. Developer has acquired these contracts through negotiated arms-length transactions, thus, any funds required for relocation of property owners were included in the purchase price.

Certain persons and businesses currently may have leases that will be addressed by Developer before construction commences, and no further action with respect to those tenants is contemplated by this Redevelopment Plan. Any persons, families or businesses with valid leases which extend past the anticipated construction dates will be offered relocation assistance pursuant to K.S.A 12-1777, K.S.A. 58-3508 and the requirements of the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970.

IV. CONCLUSION

Based on the foregoing, this Redevelopment Plan proposes to utilize portions of both the ad valorem tax increment, and revenue from 0.4% out of the City's 1.00% sales tax which is generated by the Project, to finance an estimated \$3,115,072 in Redevelopment Project 1 (North)

⁸ This figure should not be construed as a cap on the amount of TIF being requested. The Public Financing Cap is dealt with in the Redevelopment Agreements between the Developer and the City for Redevelopment Projects 1 (North) and 2 (South), respectively.

Reimbursable Project Costs (including interest) and \$2,960,215 in Redevelopment Project 2 (South) Reimbursable Project Costs (including interest), which together equal \$6,075,286.⁹ The City and Developer hereby submit this Redevelopment Plan for public hearing and due consideration. Additional “self-taxes” are contemplated resulting in \$2,637,696 in estimated CID proceeds (including interest) for use toward the Redevelopment Projects 1 (North) and 2 (South).

⁹ These figures should not be construed as caps on the amount of TIF being requested. The Public Financing Cap is dealt with in agreements between the Developer and the City for Redevelopment Projects 1 (North) and 2 (South).

Exhibit A

Public Improvements

Traffic signal at the intersection of Rainbow Boulevard and W. 47th Place, the addition of a fourth leg to the intersection at 47th Avenue and Rainbow Boulevard, and adjustments to the signal at that intersection, as well as other improvements determined in consultation with Olsson Associates, as the same will be further described in the Redevelopment Agreements for Redevelopment Projects 1 (North) and 2 (South).

Exhibit B-1

City Property Legal Description

Lots 1 and 2, WOODSIDE CLUB COMPLEX, a subdivision of land in the City of Westwood,
Johnson County, Kansas

Exhibit B-2

Released City Property Legal Description

Lot 2, WOODSIDE CLUB COMPLEX, a subdivision of land in the City of Westwood, Johnson County, Kansas

Exhibit B-3

Unreleased City Property Legal Description

Lot 1, WOODSIDE CLUB COMPLEX, a subdivision of land in the City of Westwood, Johnson County, Kansas

Exhibit B-4

Youthfront Property Legal Description

All that part of Lot 5, WESTPORT VIEW, a subdivision of land in the Northwest Quarter of Section 2, Township 12 South, Range 25 East of the 6th Principal Meridian in the City of Westwood, Johnson County, Kansas, being bounded and described as follows: Beginning at the Southwest corner of Lot 1, WOODSIDE CLUB COMPLEX, a subdivision of land in said Johnson County, being also a point on the North right-of-way line of W. 47th Place, as now established; thence South 89°43'00" West, along said North right-of-way line, 319.14 feet to its intersection with the East right-of-way line of Rainbow Boulevard, as now established; thence North 00°30'02" West, along said East right-of-way line 331.14 feet to a point on the North line of said Northwest Quarter; thence North 89°49'35" East, along said North line, 322.03 feet to the Northwest corner of said Lot 1, WOODSIDE CLUB COMPLEX; thence South 00°00'00" East along the East line of said Lot 1, 330.53 feet to the Point of Beginning. Containing 106,060 square feet or 2.43 acres, more or less.

Exhibit C

Legal Descriptions

Redevelopment District

Lots 1 and 2, WOODSIDE CLUB COMPLEX, a subdivision of land in the City of Westwood, Johnson County, Kansas

AND

All that part of Lot 5, WESTPORT VIEW, a subdivision of land in the Northwest Quarter of Section 2, Township 12 South, Range 25 East of the 6th Principal Meridian in the City of Westwood, Johnson County, Kansas, being bounded and described as follows: Beginning at the Southwest corner of Lot 1, WOODSIDE CLUB COMPLEX, a subdivision of land in said Johnson County, being also a point on the North right-of-way line of W. 47th Place, as now established; thence South 89°43'00" West, along said North right-of-way line, 319.14 feet to its intersection with the East right-of-way line of Rainbow Boulevard, as now established; thence North 00°30'02" West, along said East right-of-way line 331.14 feet to a point on the North line of said Northwest Quarter; thence North 89°49'35" East, along said North line, 322.03 feet to the Northwest corner of said Lot 1, WOODSIDE CLUB COMPLEX; thence South 00°00'00" East along the East line of said Lot 1, 330.53 feet to the Point of Beginning. Containing 106,060 square feet or 2.43 acres, more or less.

AND

Any and all right-of-way adjacent thereto.

Redevelopment Project 1 (North)

Lot 1, WOODSIDE CLUB COMPLEX, a subdivision of land in the City of Westwood, Johnson County, Kansas

AND

All that part of Lot 5, WESTPORT VIEW, a subdivision of land in the Northwest Quarter of Section 2, Township 12 South, Range 25 East of the 6th Principal Meridian in the City of Westwood, Johnson County, Kansas, being bounded and described as follows: Beginning at the Southwest corner of Lot 1, WOODSIDE CLUB COMPLEX, a subdivision of land in said Johnson County, being also a point on the North right-of-way line of W. 47th Place, as now established; thence South 89°43'00" West, along said North right-of-way line, 319.14 feet to its intersection with the East right-of-way line of Rainbow Boulevard, as now established; thence North 00°30'02" West, along said East right-of-way line 331.14 feet to a point on the North line of said Northwest Quarter; thence North 89°49'35" East, along said North line, 322.03 feet to the Northwest corner of said Lot 1, WOODSIDE CLUB COMPLEX; thence South 00°00'00" East along the East line of said Lot 1, 330.53 feet to the Point of Beginning. Containing 106,060

square feet or 2.43 acres, more or less.

AND

Any and all right-of-way adjacent thereto.

Redevelopment Project 2 (South)

Lot 2, WOODSIDE CLUB COMPLEX, a subdivision of land in the City of Westwood, Johnson County, Kansas

AND

Any and all right-of-way adjacent thereto.

Exhibit C-1

Depiction of Redevelopment Projects

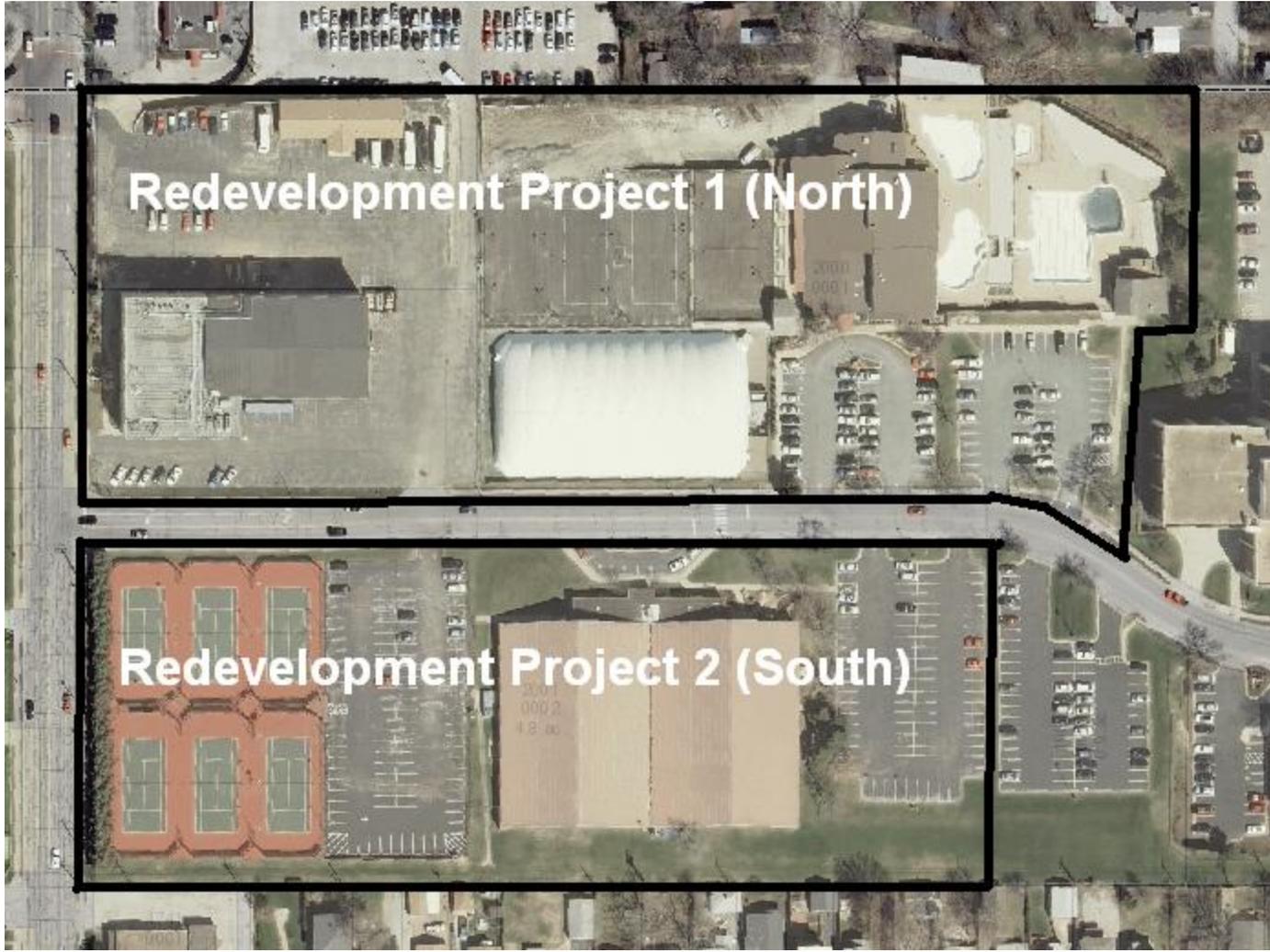


Exhibit D

Redevelopment District Ordinance No. O-79-09

See Attached on Following Page

ORDINANCE NO. 919

AN ORDINANCE MAKING FINDINGS AND ESTABLISHING A REDEVELOPMENT DISTRICT IN THE CITY OF WESTWOOD, KANSAS PURSUANT TO K.S.A. 12-1770 *ET SEQ.* AND AMENDMENTS THERETO.

WHEREAS, pursuant to K.S.A. 12-1770 *et seq.*, as amended (the "Act"), the City of Westwood, Kansas (the "City"), is authorized to assist in the development and redevelopment of eligible areas within and without the City in order to promote, stimulate and develop the general economic welfare of the State of Kansas and its communities; and

WHEREAS, pursuant to the Act, the City adopted Resolution No. 20-2011 (the "Resolution") on July 14, 2011, finding and determining it desirable to encourage the development and redevelopment of certain real property within the City and generally located at the Northeast and Southeast corners of Rainbow Boulevard and West 47th Place within the City and to consider the establishment of a redevelopment district at such location (the "Redevelopment District"); and

WHEREAS, the Resolution provided for a notice of a public hearing considering the establishment of the Redevelopment District to be given in accordance with the Act and that said public hearing would be held on August 24, 2011; and

WHEREAS, notice of the public hearing was duly given in accordance with the Act; and

WHEREAS, the public hearing was held and was opened on August 24, 2011 and continued to September 13, 2011 and the public hearing was re-opened and closed on September 13, 2011; and

WHEREAS, an area that is determined by the governing body of a city to be a "conservation area" as described in K.S.A. 12-1770a(d) is eligible to be considered for the financing of redevelopment projects pursuant to the Act; and

WHEREAS, the Governing Body of the City has received and reviewed a conservation area study related to the proposed Redevelopment District;

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF WESTWOOD, KANSAS AS FOLLOWS:

Section 1. The Governing Body of the City hereby finds and determines that the area of the Redevelopment District is a "conservation area" as defined in K.S.A. 12-1770a(d). The legal description of the Redevelopment District is set forth on **Exhibit A** attached hereto and incorporated herein by reference.

Section 2. The Governing Body of the City hereby finds and determines that the Redevelopment District proposed to be developed is an "eligible area" as defined by the Act.

Section 3. The Governing Body of the City hereby finds and determines that the conservation, development or redevelopment of the Redevelopment District is necessary to promote the general and economic welfare of the City.

Section 4. The district plan for the Redevelopment District is attached hereto as **Exhibit B** and incorporated herein by reference.

Section 5. The Redevelopment District is within the boundaries approved by the Resolution and published in the notice of the public hearing.

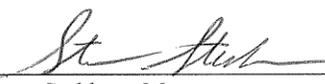
Section 6. Pursuant to the Act, the Redevelopment District is hereby established.

Section 7. This ordinance shall take effect and be in full force from and after its passage by the Governing Body of the City and publication in the official City newspaper.

THIS ORDINANCE is hereby passed by the Governing Body of the City of Westwood, Kansas this 13th day of September, 2011.

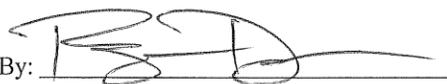
CITY OF WESTWOOD, KANSAS



By: 
Steve Stubbers, Mayor

By: 
Kathleen McMahon,
City Clerk

APPROVED AS TO FORM ONLY:

By: 
Ryan Denk, City Attorney

By: 
Todd LaSala, Special Counsel

Exhibit E - Proposed Site Plan and Development Plans

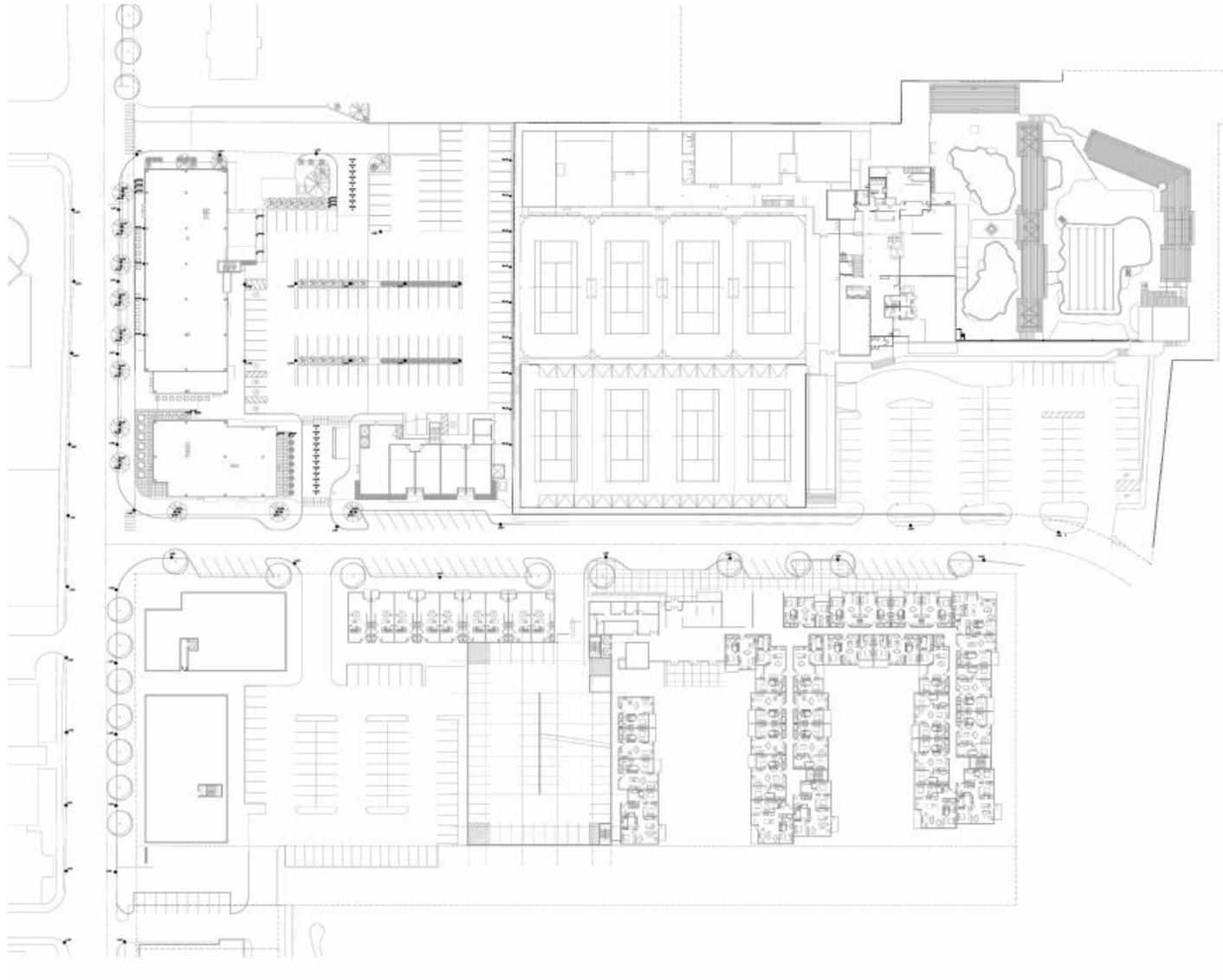


Exhibit F

Budget

CATEGORY	PROJECT 1 AMOUNT	PROJECT 2 AMOUNT	TOTAL AMOUNT
Land Acquisition	\$2,527,500	\$0	\$2,527,500
Sitework, Parking & Infrastructure Construction	\$7,900,000	\$6,525,000	\$14,425,000
Vertical Building Construction	\$14,400,000	\$20,875,000	\$35,275,000
Soft Costs	\$5,125,000	\$7,800,000	\$12,925,000
TOTAL	\$29,952,500	\$35,200,000	\$65,152,500

Exhibit G

TIF Revenue Projections

TIF REVENUE PROJECTIONS - REDEVELOPMENT PROJECTS 1 (NORTH) AND 2 (SOUTH)

Calendar Year	Project 1 (North) Ad Valorem Tax Increment	Project 1 (North) Sales Tax Increment	Total Project 1 (North)	Project 2 (South) Ad Valorem Tax Increment	Project 2 (South) Sales Tax Increment	Total Project 2 (South)	Total TIF
2014	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2015	\$ 53,758	\$ 28,824	\$ 82,582	\$ -	\$ -	\$ -	\$ 82,582
2016	\$ 243,193	\$ 30,279	\$ 273,472	\$ -	\$ -	\$ -	\$ 273,472
2017	\$ 249,214	\$ 31,778	\$ 280,991	\$ 51,699	\$ 22,890	\$ 74,589	\$ 355,580
2018	\$ 255,355	\$ 33,321	\$ 288,676	\$ 308,210	\$ 23,577	\$ 331,787	\$ 620,463
2019	\$ 261,619	\$ 34,911	\$ 296,530	\$ 314,956	\$ 24,284	\$ 339,240	\$ 635,770
2020	\$ 268,008	\$ 36,549	\$ 304,557	\$ 321,837	\$ 25,013	\$ 346,850	\$ 651,407
2021	\$ 274,525	\$ 38,235	\$ 312,761	\$ 328,856	\$ 25,763	\$ 354,619	\$ 667,379
2022	\$ 281,172	\$ 39,973	\$ 321,145	\$ 336,015	\$ 26,536	\$ 362,551	\$ 683,696
2023	\$ 287,953	\$ 41,762	\$ 329,715	\$ 343,317	\$ 27,332	\$ 370,649	\$ 700,364
2024	\$ 294,869	\$ 43,605	\$ 338,474	\$ 350,765	\$ 28,152	\$ 378,917	\$ 717,391
2025	\$ 301,923	\$ 45,504	\$ 347,427	\$ 358,362	\$ 28,996	\$ 387,359	\$ 734,785
2026	\$ 309,118	\$ 47,459	\$ 356,577	\$ 366,111	\$ 29,866	\$ 395,978	\$ 752,555
2027	\$ 316,457	\$ 49,473	\$ 365,931	\$ 374,015	\$ 30,762	\$ 404,778	\$ 770,708
2028	\$ 323,943	\$ 51,548	\$ 375,491	\$ 382,078	\$ 31,685	\$ 413,763	\$ 789,254
2029	\$ 331,579	\$ 53,684	\$ 385,263	\$ 390,301	\$ 32,636	\$ 422,937	\$ 808,200
2030	\$ 339,368	\$ 55,885	\$ 395,253	\$ 398,689	\$ 33,615	\$ 432,304	\$ 827,556
2031	\$ 347,312	\$ 58,152	\$ 405,464	\$ 407,245	\$ 34,623	\$ 441,868	\$ 847,331
2032	\$ 355,415	\$ 60,487	\$ 415,901	\$ 415,971	\$ 35,662	\$ 451,633	\$ 867,535
2033	\$ 363,680	\$ 62,891	\$ 426,571	\$ 424,873	\$ 36,732	\$ 461,604	\$ 888,176
Present Value @	6.50%		\$ 3,115,072			\$ 2,960,215	\$ 6,075,286

Exhibit H

Property Control Map

<u>Map No.</u>	<u>Description</u>	<u>Parcel No.</u>	<u>Square Footage</u>
1	Small Commercial Building	RP66200000 0005B	52,272.0
2	Three-Story Office Building	RP66200000 0005	57,063.6
3	Woodside North	RP69500000 0001	192,535.2
4	Woodside South	RP69500000 0002	208,216.8

