

AN ORDINANCE AUTHORIZING THE CITY OF GLADSTONE, MISSOURI, TO ISSUE ITS TAXABLE INDUSTRIAL DEVELOPMENT REVENUE BONDS (IWERX PROJECT), SERIES 2018, IN A PRINCIPLE AMOUNT NOT TO EXCEED \$1,500,000 TO FINANCE THE COSTS OF A PROJECT FOR IWERX, LLC, A MISSOURI LIMITED LIABILITY COMPANY, CONSISTING OF THE PURCHASE AND RENOVATION OF A COMMERCIAL BUILDING; APPROVING A PLAN FOR AN INDUSTRIAL DEVELOPMENT PROJECT FOR THE COMPANY; AUTHORIZING AND APPROVING CERTAIN DOCUMENTS; AND AUTHORIZING CERTAIN OTHER ACTIONS IN CONNECTION WITH THE ISSUANCE OF THE BONDS.

WHEREAS, the City of Gladstone, Missouri (the “City”) is a third-class city and political subdivision of the State of Missouri, duly created, organized and existing under and by virtue of the Constitution and laws of the State of Missouri; and

WHEREAS, the City is authorized under the provisions of Article VI, Section 27 of the Missouri Constitution, as amended, and Sections 100.010 to 100.200, inclusive, of the Revised Statutes of Missouri, as amended (collectively, the “Act”), to purchase, construct, extend and improve certain projects (as defined in the Act) for the purposes set forth in the Act and to issue industrial development revenue bonds for the purpose of providing funds to pay the costs of such projects and to lease or otherwise dispose of such projects to private persons or corporations for manufacturing, commercial, warehousing and industrial development purposes upon such terms and conditions as the City shall deem advisable; and

WHEREAS, the City, in accordance with Section 100.050 of the Act, has prepared a plan for industrial development (the “Plan”) for iWerx, LLC, a Missouri limited liability company (the “Company”), with respect to a project consisting of the purchase and renovation of the Linden Oaks Office Building into a coworking office and collaborative open space for growing businesses and independent workers (the “Project”) located at 7001 North Locust in the City (the “Project Site”); and

WHEREAS, notice of such Project was given to the taxing jurisdictions in accordance with Section 100.059.1 of the Act and the City now desires to approve the Plan; and

WHEREAS, the City desires to finance the costs of the Project out of the proceeds of a series of industrial development revenue bonds to be issued under the Act; and

WHEREAS, the City has and does hereby find and determine that it is desirable for the economic development of the City and within the public purposes of the Act that the City proceed with the issuance of the Bonds for the purpose described above; and

WHEREAS, the City further finds and determines that it is necessary and desirable in connection with the issuance of the bonds that the City enter into certain documents, and that the City take certain other actions and approve the execution of certain other documents as herein provided;

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF GLADSTONE, MISSOURI, AS FOLLOWS:

Section 1. Public Purpose. The Council hereby finds and determines that the Project will promote the economic welfare and the development of the City, and the issuance of the Bonds by the City to pay the costs of the Project will be in furtherance of the public purposes set forth in the Act.

Section 2. Approval of Plan. The Council hereby approves the Plan for Industrial Development Project attached hereto as **Exhibit A** in accordance with Section 100.050 of the Act.

Section 3. Authorization and Sale of the Bonds. The City is hereby authorized to issue and sell its Taxable Industrial Development Revenue Bonds (iWerx Project), Series 2018, in an aggregate principle amount not to exceed \$1,500,000, for the purpose of providing funds to pay the costs of the Project. The Bonds shall be issued and secured pursuant to the herein authorized Trust Indenture and shall bear such date, shall mature at such time, shall be in such denominations, shall bear interest at such rate (not to exceed 5.00%), shall be in such form, shall be subject to redemption, shall have such other terms and provisions, shall be issued, executed and delivered in such manner and shall be subject to such provisions, covenants and agreements as are specified in the Trust Indenture upon the execution thereof, and the signatures of the officers of the City executing the Trust Indenture shall constitute conclusive evidence of their approval and the City's approval thereof. The sale of the Bonds to the Company at private sale pursuant to the provisions of Section 108.170 of Revised Statutes of Missouri, as amended, at the interest rate and upon the terms set forth in the Trust Indenture is hereby approved.

Section 4. Limited Obligations. The Bonds and the interest thereon shall be limited obligations of the City payable solely out of the payments, revenues and receipts derived by the City from the herein authorized Lease Agreement, and such payments, revenues and receipts shall be pledged and assigned to the Trustee as security for the payment of the Bonds as provided in the Trust Indenture. The Bonds and interest thereon shall not be deemed to constitute a debt or liability of the City within the meaning of any constitutional provision, statutory limitation or City code provision and shall not constitute a pledge of the full faith and credit of the City. The issuance of the Bonds shall not, directly, indirectly or contingently, obligate the City to levy any form of taxation therefore or to make any appropriation for their payment.

Section 5. Approval and Authorization of Documents. The following documents (the "City Documents") are hereby approved in substantially the forms presented to the Council at this meeting (copies of which documents shall be filed in the records of the City), and the City is hereby authorized to execute and deliver the City Documents with such changes therein as

shall be approved by the officials of the City executing such documents, such officials' signatures thereon being conclusive evidence of their approval thereof:

(a) Trust Indenture dated as of the date set forth therein (the "Trust Indenture"), between the City and Security Bank of Kansas City, Kansas City, Kansas (the "Trustee"), pursuant to which the Bonds shall be issued and the City shall pledge and assign the payments, revenues and receipts received pursuant to the Lease Agreement to the Trustee for the benefit and security of the owners of the Bonds upon the terms and conditions as set forth in the Trust Indenture;

(b) Lease Agreement dated as of the date set forth therein (the "Lease Agreement"), between the City and the Company, under which the City will (i) provide funds for the purchase and renovation of the Project and (ii) lease the Project to the Company pursuant to the terms and conditions in the Lease Agreement, in consideration of rental payments by the Company which will be sufficient to pay the principle of, premium, if any, and interest on the Bonds;

(c) Bond Purchase Agreement dated as of the date set forth therein, between the City and the Company, pursuant to which the Company agrees to purchase the Bonds; and

(d) Performance Agreement dated as of the date set forth therein, between the City and the Company, pursuant to which the City will grant the Company certain rights with respect to the abatement of *ad valorem* real property taxes on the Project in consideration for the Company's agreement to operate each facility comprising the Project as a commercial facility.

Section 6. Execution of Documents. The Mayor or the City Manager of the City is hereby authorized and directed to execute the Bonds and to deliver the Bonds to the Trustee for authentication for and on behalf of and as the act and deed of the City in the manner provided in the Indenture. The Mayor or the City Manager of the City is hereby authorized and directed to execute the City Documents and such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance, for and on behalf of and as the act and deed of the City. The City Clerk of the City is hereby authorized and directed to attest to and affix the seal of the City to the Bonds and the City Documents and such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance.

Section 7. Further Authority. The City shall, and the officials, agents and employees of the City are hereby authorized and directed to, take such further action, and execute such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance and to carry out, comply with and perform the duties of the City with respect to the Bonds and the City Documents.

Section 8. Severability. The sections, paragraphs, sentences, clauses and phrases of this Ordinance shall be severable. In the event that any such section, paragraph, sentence, clause or phrase of this Ordinance is found by a court of competent jurisdiction to be invalid, the

remaining portions of this Ordinance are valid, unless the court finds the valid portions of the Ordinance are so essential to and inseparably connected with and dependent upon the void portion that it cannot be presumed that the City Council has enacted the valid portions without the void ones, or unless the court finds that the valid portions, standing alone, are incomplete and are incapable of being executed in accordance with the legislative intent.

Section 9. Governing Law. This Ordinance shall be governed exclusively by and construed in accordance with the applicable laws of the State of Missouri.

Section 10. Effective Date. This Ordinance shall take effect and be in full force from and after its passage by the City Council.

PASSED, SIGNED AND MADE EFFECTIVE BY THE COUNCIL OF THE CITY OF GLADSTONE, MISSOURI, THIS 14th DAY OF MAY, 2018.



Mayor Bill Garnos

(SEAL)

ATTEST:



Ruth E. Bocchino
City Clerk

First Reading: May 14th, 2018

Second Reading: May 14th, 2018

EXHIBIT A

PLAN FOR INDUSTRIAL DEVELOPMENT PROJECT

[FOLLOWS THIS PAGE]



Request for Council Action

RES ☐ # City Clerk Only

BILL # 18-19

ORD ☐ # City Clerk Only

Date: 5/8/2018

Department: General Administration

Meeting Date Requested: 5/14/2018

Public Hearing: Yes ☒ Date: 5/14/2018

Subject: Approval of an Ordinance which authorizes the City of Gladstone, Missouri, to issue taxable industrial revenue bonds for the iWerx project in a principal amount not to exceed \$1,500,000 to finance the costs of a project for iWerx LLC, consisting of the purchase and renovation of a commercial building; approving a plan for an industrial development project; authorizing and approving certain documents; and authorizing certain other actions in connection with the issuance of the bonds.

Background: iWerx, LLC has agreed to the terms of a development plan with the City of Gladstone for the property recently purchased by the City at 7001 North Locust Gladstone, Missouri. This development plan includes the issuance of taxable industrial revenue bonds, authorized under Missouri Sections 100.010 to 100.200, RSMo. The proceeds of these bonds will be used to purchase, construct, and improve the property iWerx LLC has agreed to use as entrepreneurial co-working space, as well as office space for the Clay County Economic Development Council.

Budget Discussion: Funds are budgeted in the amount of \$ 0 from the GENERAL fund. Ongoing costs are estimated to be \$ 0 annually. Previous years' funding was \$0

Public/Board/Staff Input: N/A

Provide Original Contracts, Leases, Agreements, etc. to: City Clerk

Bob Baer
Assistant City Manager

PC
City Attorney

SW
City Manager

EXHIBIT A

PLAN FOR INDUSTRIAL DEVELOPMENT PROJECT

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CITY OF GLADSTONE, MISSOURI

**PLAN FOR AN INDUSTRIAL
DEVELOPMENT PROJECT
AND
COST-BENEFIT ANALYSIS**

FOR

IWERX, LLC

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EXHIBIT 5 - PROJECTED TAX REVENUES WITHOUT ABATEMENT ON EXISTING FACILITIES AND REAL PROPERTY PROJECT IMPROVEMENTS

EXHIBIT 6 - PROJECTED TAX ABATEMENT ON EXISTING IMPROVEMENTS AND REAL PROPERTY PROJECT IMPROVEMENTS

EXHIBIT 7 – PROJECTED PILOT AMOUNTS ON EXISTING IMPROVEMENTS AND REAL PROPERTY PROJECT IMPROVEMENTS

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CITY OF GLADSTONE, MISSOURI

PLAN FOR AN INDUSTRIAL DEVELOPMENT PROJECT AND COST-BENEFIT ANALYSIS FOR IWERX, LLC

I. PURPOSE OF THIS PLAN

The City Council of the City of Gladstone, Missouri (the "City") will consider the issuance by the City of its industrial development revenue bonds in the aggregate principal amount of approximately \$1,500,000 (the "Bonds"), to finance and refinance the costs of an industrial development project (the "Project") for iWerx, LLC (the "Company"). The Bonds will be issued pursuant to the provisions of Sections 100.010 to 100.200 of the Revised Statutes of Missouri, as amended, and Article VI, Section 27(b) of the Missouri Constitution, as amended (collectively, the "Act").

This Plan for an Industrial Development Project and Cost-Benefit Analysis (the "Plan") has been prepared to satisfy the requirements of the Act and to analyze the potential costs and benefits, including the related tax impact on all affected taxing jurisdictions, of using industrial development revenue bonds to finance the Project and to facilitate abatement of ad valorem taxes on the bond-financed property.

II. DESCRIPTION OF CHAPTER 100 FINANCINGS

General. The Act authorizes cities, counties, towns and villages to issue industrial development revenue bonds to finance the purchase, construction, extension and improvement of warehouses, distribution facilities, research and development facilities, office industries, agricultural processing industries, service facilities that provide interstate commerce, industrial plants and other commercial facilities.

Issuance and Sale of Bonds. Revenue bonds issued pursuant to the Act do not require voter approval and are payable solely from revenues received from the project. The municipality issues its bonds and in exchange, the benefited company promises to make payments that are sufficient to pay the principal of and interest on the bonds as they become due. Thus, the municipality merely acts as a conduit for the financing.

Concurrently with the closing of the bonds, the municipality will hold title to the site on which the industrial development project will be located. (The municipality must be the legal owner of the property while the bonds are outstanding for the property to be eligible for tax abatement, as further described below.) At the same time, the municipality will lease the project site and the improvements thereon back to the benefited company pursuant to a lease agreement. The lease agreement will require the company, acting on behalf of the municipality, to use the bond proceeds to finance and refinance the costs or reimburse the costs of purchasing, constructing and installing the project, as applicable.

Under the lease agreement, the company typically: (1) will unconditionally agree to make payments sufficient to pay the principal of and interest on the bonds as they become due; (2) will agree, at its own expense, to maintain the project, to pay all taxes and assessments with respect to the project, and to maintain adequate insurance; (3) has the right, at its own expense, to make certain additions, modifications or improvements to the project; (4) may assign its interests under the lease agreement or sublease the project while remaining responsible for payments under the lease agreement; (5) will covenant to maintain its corporate existence during the term of the bond issue; and (6) will agree to indemnify the municipality for any liability the municipality might incur as a result of its participation in the transaction.

Property Tax Abatement. Under Article X, Section 6 of the Missouri Constitution and Section 137.100 of the Revised Statutes of Missouri, all property of any political subdivision is exempt from taxation. In a typical transaction, the municipality holds fee title to the project and leases the project to the benefited company. Although the Missouri Supreme Court has held that the leasehold interest is taxable, it is taxable only to the extent that the economic value of the lease is less than the actual market value of the lease. See *Iron County v. State Tax Commission*, 437 S.W.2d 665 (Mo. 1968)(*en banc*) and *St. Louis County v. State Tax Commission*, 406 S.W.2d 644 (Mo. 1966)(*en banc*). If the rental payments under the lease agreement equal the actual debt service payments on the bonds, the leasehold interest should have no “bonus value” and the bond-financed property should be exempt from ad valorem taxation and personal property taxation so long as the bonds are outstanding.

If the municipality and the company determine that partial tax abatement is desirable, the company may agree to make “payments in lieu of taxes.” The amount of payments in lieu of taxes is negotiable. The payments in lieu of taxes are payable by December 31 of each year, and are distributed to the municipality and to each political subdivision within the boundaries of the project in the same manner and in the same proportion as property taxes would otherwise be distributed under Missouri law.

III. DESCRIPTION OF THE PARTIES

iWerx, LLC. The Company is a limited liability company organized and existing under the laws of the State of Missouri and is authorized to do business in Missouri.

City of Gladstone, Missouri. The City is a third class city and municipal corporation organized and existing under the laws of the State of Missouri. The City is authorized and empowered pursuant to the provisions of the Act to purchase, construct, extend and improve certain projects (as defined in the Act) and to issue industrial development revenue bonds for the purpose of providing funds to pay the costs of such projects and to lease or otherwise dispose of such projects to private persons or corporations for manufacturing, commercial, warehousing and industrial development purposes upon such terms and conditions as the City deems advisable.

IV. REQUIREMENTS OF THE ACT

Description of the Project. The project to be financed by the Bonds consists of the purchase and renovation of the Linden Oaks Office Building, located at 7001 North Locust in the City of Gladstone, Clay County, Missouri, into a coworking office and collaborative open space for growing businesses and independent workers, to be occupied by a variety of users. The land and building in its current state located on the Project Site is referred to as the “Existing Facilities.” The Existing Facilities are further broken down into the “Existing Land” and “Existing Improvements.” The real property improvements being financed by the Bonds are referred to herein as the “Project Improvements” which are located on certain real estate referred to herein as the “Project Site.” The Project Improvements being constructed on the Project Site are also referred to herein as the “Project.”

Estimate of the Costs of the Project. The Project Improvements are expected to cost approximately \$1,500,000 and to occur in 2018.

Source of Funds to be Expended for the Project Improvements. The sources of funds to be expended for the Project will be the proceeds of the Bonds in a principal amount of approximately \$1,500,000 to be issued by the City and purchased by the Company or its lender (the “Bondholder”) and, if needed, other available funds of the Company. The Bonds will be payable solely from the revenues derived by the

City from the lease or other disposition of the Project (as further described below). The Bonds will not be an indebtedness or general obligation, debt or liability of the City or the State of Missouri.

Statement of the Terms Upon Which the Project is to be Leased or Otherwise Disposed of by the City. The Company will deed the Project Site and the Project Improvements to the City subject to permitted encumbrances. The City will lease the Project Site and the Project Improvements to the Company pursuant to a lease agreement that will provide for lease payments equal to the principal and interest payments on the Bonds. Under the terms of the lease agreement with the City, the Company will have the option to purchase the Project at any time and will have the obligation to purchase the Project at the termination of the lease. The lease agreement between the City and the Company will terminate in 2030, unless terminated sooner pursuant to the terms of the lease agreement.

Affected School District, Community College District, County and City. The North Kansas City School District is the school district affected by the Project. Clay County, Missouri is the county affected by the Project. Metropolitan Community College is the community college district affected by the Project. The City is the city affected by the Project. The Cost-Benefit Analysis attached hereto identifies all other taxing districts affected by the Project (other than those taxing entities solely affected by the Project with respect to receipt of tax revenues from the commercial surcharge tax).

Current Assessed Valuation. The most recent equalized assessed valuation of the Project Site is \$291,580. The estimated total equalized assessed valuation of the Project Site after the Project Improvements are made (2019) is estimated to be \$675,580 (\$291,580 attributable to Existing Facilities and \$384,000 for the Project Improvements). This valuation was calculated based upon an appraised value of \$2,111,188 (the value of the Existing Facilities (\$911,188) plus 80% of the costs of the Project Improvements (\$1,200,000)) multiplied by the assessment rate of 32%.

Payments in Lieu of Taxes. If this Plan is approved by the City Council, the City intends to issue the Bonds and to extend tax abatement to the Company. The Company will convey the entire Project Site to the City in 2018. The Project is expected to be fully operational beginning in 2019 and the Company will receive twelve years of abatement of 100% for the period 2019 through 2030 for the Project Improvements.

Because ownership of the Project Site will be transferred to the City in 2018, the real property would not be subject to ad valorem taxation for 2018, and, therefore, the Company will be required to make a payment in lieu of taxes equal to 100% of the taxes that would otherwise be due for the Project Site.

No tax abatement will be provided for the Existing Land. Because it was impractical to separate the Project Site into separate portions where the Existing Facilities (combination of Existing Land and Existing Improvements) are located and where the Project Improvements will be located, it is necessary for the Company to convey the entire Project Site to the City. To ensure that the taxing jurisdictions continue to receive revenue based on the assessed valuation of the Existing Land, during the period of 2019 through 2030, the Company will make a payment in lieu of taxes equal to 100% of the taxes that would otherwise be due on the Existing Land assuming an assessed valuation of \$87,744. An estimate of such payments is set forth in **Exhibit 4** in the attached Cost-Benefit Analysis.

Such payments in lieu of taxes would, after reduction for actual costs of the City for distributing such payments, be distributed among the taxing jurisdictions in proportion to the amount of taxes which would have been paid in each year had the Project not been exempt from taxation, pursuant to Section 100.050.3 of the Act.

Sales Tax Exemption. It is anticipated that the construction materials used to construct the Project will be exempt from state and local sales taxes.

Cost-Benefit Analysis and Discussion of Exhibits. In compliance with Section 100.050.2(3) of the Revised Statutes of Missouri, as amended, this Plan has been prepared to show the costs and benefits to the City and to other taxing jurisdictions affected by the tax abatements and exemptions of the Project. The following is a summary of the exhibits attached to this Plan that show the direct tax impact the Project is expected to have on each taxing jurisdiction. This Plan does not attempt to quantify the overall economic impact of the Project.

Project Assumptions. **Exhibit 1** presents a list of the assumptions related to the determination of assessed valuations and the tax formulas.

Summary of Cost-Benefit Analysis. **Exhibit 2** presents a summary of **Exhibits 3** through **7**.

Real Property Tax Revenues. **Exhibit 3** provides the projected tax revenues that would be generated from the Project Site without tax abatement and prior to the Project Improvements. **Exhibit 4** provides the projected tax revenues that would be generated from the land only portion of the Project Site without the Project Improvements and without tax abatement. **Exhibit 6** provides the projected value of the real property tax abatement to the Company. **Exhibit 7** provides the project PILOT Amounts on the Project Site minus the land only value.

V. ASSUMPTIONS AND BASIS OF PLAN

In preparing this Plan, key assumptions have been made to estimate the fiscal impact of the abatement and exemptions proposed for the Project. See **ATTACHMENT A** for a summary of these assumptions.

Information necessary to complete this Plan, has been furnished by representatives of the City, representatives of the Company and its counsel, the Bondholder and other persons deemed appropriate and such information has not been independently verified for accuracy, completeness or fairness.

* * *

ATTACHMENT A

SUMMARY OF KEY ASSUMPTIONS

1. The cost of constructing the Project Improvements is estimated to be \$1,500,000.
2. The construction of the Project Improvements will be completed in 2018.
3. The Project will be owned by the City and leased to the Company with an option to purchase. As long as the Project is owned by the City, it will be exempt from ad valorem taxes.
4. The Project Improvements will be excluded from the calculation of ad valorem property taxes for a period of twelve years beginning in 2019 and continuing through 2030.
5. During the entire term of the Bonds through 2030, the Company will make payments in lieu of taxes in accordance with that portion of Section IV above in the Plan entitled "Payments in Lieu of Taxes."
6. Commercial real property taxes are calculated using the following formula:
$$(\text{Assessed Value} * \text{Tax Rate})/100$$
7. The assessed value of the Project Improvements is calculated using the following formula:
$$\text{Estimated Value} * \text{Assessment Ratio of 32\%}$$
8. After development, the assessed value of the Project Site is subject to growth at an estimated rate of 2% every year an assessment is made (every odd year).
9. The tax rates used in this Plan reflect the rates in effect for the tax year 2017. The tax rates were held constant through the 2030 tax year.

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**City of Gladstone, Missouri
(IWERX, LLC)**

**COST BENEFIT ANALYSIS
PLAN FOR INDUSTRIAL DEVELOPMENT PROJECT**

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This information is provided based on the factual information and assumptions provided to Gilmore & Bell, P.C. by a party to or a representative of a party to the proposed transaction. This information is intended to provide factual information only and is provided in conjunction with our legal representation. It is not intended as financial advice or a financial recommendation to any party. Gilmore & Bell, P.C. is not a financial advisor or a "municipal advisor" as defined in the Securities Exchange Act of 1934, as amended.

Exhibit 1
Project Assumptions

♦ Initial year taxes assessed	2019	
♦ Appraised value of existing land	\$	274,200
♦ Assessed value of existing land	\$	87,744
♦ Appraised value of existing improvements	\$	636,988
♦ Assessed value of existing improvements	\$	203,836
♦ Appraised value of existing facilities (land and improvements)	\$	911,188
♦ Assessed value of existing facilities (land and improvements)	\$	291,580
♦ Cost of real property improvements	2018 \$	1,500,000
♦ Appraised value of project improvements (80% of costs of real property improvements)	\$	1,200,000
♦ Bi-annual growth rate of appraised value of real property project improvements		2.0%
♦ Assessed value as a percentage of appraised value of existing facilities and real property project improvements		32.0%
♦ Assessed value of real property project improvements	\$	384,000
♦ Terms of abatement:		
Existing Facilities		
2019-2030		0%
Project Improvements		
2019-2030		100%

Exhibit 2

Taxing Jurisdiction	Tax Rate	Projected Tax Revenues									
		Projected Tax Revenues on Existing Facilities		Projected PILOT Amounts on Existing Facilities (Land Only)		Without Abatement on Existing Facilities and Real Property Project Improvements					
		With No Project	\$	With No Project	\$	Property Project Improvements	\$				
City of Gladstone, Missouri	0.9280	\$	32,470	\$	9,771	\$	79,096	\$	68,823	\$	-
Clay County, Missouri	0.2143		7,498		2,256		18,265		15,893		-
North Kansas City School District	6.4280		224,913		67,682		547,877		476,719		-
Gladstone Library District	0.3963		13,866		4,173		33,778		29,391		-
Gladstone Handicap	0.1181		4,132		1,244		10,066		8,759		-
Gladstone Health	0.0984		3,443		1,036		8,387		7,298		-
Gladstone Mental Health	0.0984		3,443		1,036		8,387		7,298		-
KCJC Tax	0.2297		8,037		2,419		19,578		17,035		-
State Tax	0.0300		1,050		316		2,557		2,225		-
	8.5412	\$	298,853	\$	89,933	\$	727,991	\$	633,439	\$	-

Exhibit 3
Projected Tax Revenues on Existing Facilities With No Project

Estimated Assessed Value of Existing Facilities	\$291,580	\$291,580	\$291,580	\$291,580	\$291,580	\$291,580	\$291,580	\$291,580	\$291,580	\$291,580	\$291,580	\$291,580	\$291,580	\$291,580	\$291,580	\$291,580	Total
Taxing Jurisdiction	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030					
City of Gladstone, Missouri	0.9280	\$ 2,706	\$ 2,706	\$ 2,706	\$ 2,706	\$ 2,706	\$ 2,706	\$ 2,706	\$ 2,706	\$ 2,706	\$ 2,706	\$ 2,706	\$ 2,706	\$ 2,706	\$ 2,706	\$ 2,706	\$ 32,470
Clay County, Missouri	0.2143	625	625	625	625	625	625	625	625	625	625	625	625	625	625	625	7,498
North Kansas City School District	6.4280	18,743	18,743	18,743	18,743	18,743	18,743	18,743	18,743	18,743	18,743	18,743	18,743	18,743	18,743	18,743	224,913
Gladstone Library District	0.3963	1,156	1,156	1,156	1,156	1,156	1,156	1,156	1,156	1,156	1,156	1,156	1,156	1,156	1,156	1,156	13,866
Gladstone Handicap	0.1181	344	344	344	344	344	344	344	344	344	344	344	344	344	344	344	4,132
Gladstone Health	0.0984	287	287	287	287	287	287	287	287	287	287	287	287	287	287	287	3,443
Gladstone Mental Health	0.0984	287	287	287	287	287	287	287	287	287	287	287	287	287	287	287	3,443
KCJC Tax	0.2297	670	670	670	670	670	670	670	670	670	670	670	670	670	670	670	8,037
State Tax	0.0300	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	1,050
	8.5412	\$ 24,904	\$ 24,904	\$ 24,904	\$ 24,904	\$ 24,904	\$ 24,904	\$ 24,904	\$ 24,904	\$ 24,904	\$ 24,904	\$ 24,904	\$ 24,904	\$ 24,904	\$ 24,904	\$ 24,904	\$298,853

Exhibit 4
Projected PILOT Amounts on Existing Facilities (Land Only) With No Project

Estimated Assessed Value of Existing Facilities (Land Only)		2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Total
PILOT Payment		\$ 87,744 100%	\$ 87,744 100%	\$ 87,744 100%	\$ 87,744 100%	\$ 87,744 100%	\$ 87,744 100%	\$ 87,744 100%	\$ 87,744 100%	\$ 87,744 100%	\$ 87,744 100%	\$ 87,744 100%	\$ 87,744 100%	
Taxing Jurisdiction	Tax Rate per \$100													
City of Gladstone, Missouri	0.9280	\$ 814	\$ 814	\$ 814	\$ 814	\$ 814	\$ 814	\$ 814	\$ 814	\$ 814	\$ 814	\$ 814	\$ 814	\$ 9,771
Clay County, Missouri	0.2143	188	188	188	188	188	188	188	188	188	188	188	188	2,256
North Kansas City School District	6.4280	5,640	5,640	5,640	5,640	5,640	5,640	5,640	5,640	5,640	5,640	5,640	5,640	67,682
Gladstone Library District	0.3963	348	348	348	348	348	348	348	348	348	348	348	348	4,173
Gladstone Handicap	0.1181	104	104	104	104	104	104	104	104	104	104	104	104	1,244
Gladstone Health	0.0984	86	86	86	86	86	86	86	86	86	86	86	86	1,036
Gladstone Mental Health	0.0984	86	86	86	86	86	86	86	86	86	86	86	86	1,036
KCJC Tax	0.2297	202	202	202	202	202	202	202	202	202	202	202	202	2,419
State Tax	0.0300	26	26	26	26	26	26	26	26	26	26	26	26	316
		\$ 7,494	\$ 7,494	\$ 7,494	\$ 7,494	\$ 7,494	\$ 7,494	\$ 7,494	\$ 7,494	\$ 7,494	\$ 7,494	\$ 7,494	\$ 7,494	\$ 89,933

Exhibit 5
Projected Tax Revenues Without Abatement on Existing Facilities and Real Property Project Improvements

Estimated Assessed Value of Existing Facilities and Real Property Project Improvements														
	\$675,580	\$675,580	\$689,092	\$689,092	\$702,874	\$702,874	\$716,931	\$716,931	\$731,270	\$731,270	\$745,895	\$745,895		
Taxing Jurisdiction	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Total	
City of Gladstone, Missouri	0.9280	\$ 6,269	\$ 6,269	\$ 6,395	\$ 6,523	\$ 6,523	\$ 6,653	\$ 6,653	\$ 6,786	\$ 6,786	\$ 6,922	\$ 6,922	\$ 79,096	
Clay County, Missouri	0.2143	1,448	1,448	1,477	1,506	1,506	1,536	1,536	1,567	1,567	1,598	1,598	18,265	
North Kansas City School District	6.4280	43,426	43,426	44,295	45,181	45,181	46,084	46,084	47,006	47,006	47,946	47,946	547,877	
Gladstone Library District	0.3963	2,677	2,677	2,731	2,785	2,785	2,841	2,841	2,898	2,898	2,956	2,956	33,778	
Gladstone Handicap	0.1181	798	798	814	830	830	847	847	864	864	881	881	10,066	
Gladstone Health	0.0984	665	665	678	692	692	705	705	720	720	734	734	8,387	
Gladstone Mental Health	0.0984	665	665	678	692	692	705	705	720	720	734	734	8,387	
KCJC Tax	0.2297	1,552	1,552	1,583	1,615	1,615	1,647	1,647	1,680	1,680	1,713	1,713	19,578	
State Tax	0.0300	203	203	207	211	211	215	215	219	219	224	224	2,557	
	8,5412	\$ 57,703	\$ 57,703	\$ 58,857	\$ 60,034	\$ 60,034	\$ 61,235	\$ 61,235	\$ 62,459	\$ 62,459	\$ 63,708	\$ 63,708	\$727,991	

Exhibit 6
Projected Tax Abatement on Existing Improvements and Real Property Project Improvements

Estimated Assessed Value of Existing Improvements and Real Property Project		Tax Rate												Total	
Improvements	Abatement Percentage	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030		
	100%	\$ 587,836	\$ 587,836	\$ 599,593	\$ 599,593	\$ 611,585	\$ 611,585	\$ 623,816	\$ 623,816	\$ 636,293	\$ 636,293	\$ 649,018	\$ 649,018	100%	100%
Taxing Jurisdiction															
City of Gladstone, Missouri	0.9280	\$ 5,455	\$ 5,455	\$ 5,564	\$ 5,564	\$ 5,676	\$ 5,676	\$ 5,789	\$ 5,789	\$ 5,905	\$ 5,905	\$ 6,023	\$ 6,023	\$ 68,823	\$ 68,823
Clay County, Missouri	0.2143	1,259.73	1,259.73	1,284.93	1,284.93	1,310.63	1,310.63	1,336.84	1,336.84	1,363.58	1,363.58	1,390.85	1,390.85	15,893.12	15,893.12
North Kansas City School District	6.4280	37,786.10	37,786.10	38,541.82	38,541.82	39,312.66	39,312.66	40,098.91	40,098.91	40,900.89	40,900.89	41,718.91	41,718.91	476,718.58	476,718.58
Gladstone Library District	0.3963	2,329.59	2,329.59	2,376.19	2,376.19	2,423.71	2,423.71	2,472.18	2,472.18	2,521.63	2,521.63	2,572.06	2,572.06	29,390.72	29,390.72
Gladstone Handicap	0.1181	694.23	694.23	708.12	708.12	722.28	722.28	736.73	736.73	751.46	751.46	766.49	766.49	8,758.62	8,758.62
Gladstone Health	0.0984	578.43	578.43	590.00	590.00	601.80	601.80	613.84	613.84	626.11	626.11	638.63	638.63	7,297.62	7,297.62
Gladstone Mental Health	0.0984	578.43	578.43	590.00	590.00	601.80	601.80	613.84	613.84	626.11	626.11	638.63	638.63	7,297.62	7,297.62
KCJC Tax	0.2297	1,350.26	1,350.26	1,377.26	1,377.26	1,404.81	1,404.81	1,432.91	1,432.91	1,461.56	1,461.56	1,490.80	1,490.80	17,035.20	17,035.20
State Tax	0.0300	176.35	176.35	179.88	179.88	183.48	183.48	187.14	187.14	190.89	190.89	194.71	194.71	2,224.90	2,224.90
		\$ 50,208	\$ 50,208	\$ 51,212	\$ 51,212	\$ 52,237	\$ 52,237	\$ 53,281	\$ 53,281	\$ 54,347	\$ 54,347	\$ 55,434	\$ 55,434	\$ 633,439	\$ 633,439

Exhibit 7
Projected PILOT Amounts on Existing Improvements and Real Property Project Improvements

Estimated Assessed Value of Existing Improvements and Real Property Project PILOT Payment		2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Total
		\$587,836	\$587,836	\$599,593	\$599,593	\$611,585	\$611,585	\$623,816	\$623,816	\$636,293	\$636,293	\$649,018	\$649,018	
		0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	
Taxing Jurisdiction		Tax Rate per \$100												
City of Gladstone, Missouri		0.9280	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Clay County, Missouri		0.2143	-	-	-	-	-	-	-	-	-	-	-	-
North Kansas City School District		6.4280	-	-	-	-	-	-	-	-	-	-	-	-
Gladstone Library District		0.3963	-	-	-	-	-	-	-	-	-	-	-	-
Gladstone Handicap		0.1181	-	-	-	-	-	-	-	-	-	-	-	-
Gladstone Health		0.0984	-	-	-	-	-	-	-	-	-	-	-	-
Gladstone Mental Health		0.0984	-	-	-	-	-	-	-	-	-	-	-	-
KCJC Tax		0.2297	-	-	-	-	-	-	-	-	-	-	-	-
State Tax		0.0300	-	-	-	-	-	-	-	-	-	-	-	-
		8.5412	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-