



Board of Aldermen Request for Action

MEETING DATE: September 23, 2025

DEPARTMENT: Administration

AGENDA ITEM: Public Hearing Pertaining to The Shops at Smithville Redevelopment Plan Pursuant to Chapter 353

REQUESTED BOARD ACTION

Hold a Public Hearing pertaining to The Shops at Smithville Redevelopment Plan Pursuant to Chapter 353.

SUMMARY

The City's Economic Development Policy and state statutes allow for the use of Chapter 353 real property tax abatement, and also outline the process by which a Governing Body of a City may approve Chapter 353. The Shops at Smithville Redevelopment Plan was filed with City and meets the statutory requirements of a valid redevelopment plan. The statutorily required notices were complied with, and the taxing jurisdictions were provided with a tax impact analysis. In conjunction with the approval of a redevelopment plan and the finding of blight under Chapter 353, the City must hold a public hearing.

Under Chapter 353, a redevelopment area may be subject to property tax abatement. This Redevelopment Plan allows for fixed PILOTs (payments in lieu of taxes) for ten years. The taxing jurisdictions will receive a pro-rata portion of a fixed PILOT throughout those ten years. Further, attached as Exhibit 5 to the Redevelopment Plan is the Tax Impact Analysis, which provides the impact to each taxing jurisdiction if the project was not built, if the project was built and Chapter 353 was approved, and if the project was built, but Chapter 353 was not approved. This was prepared by the Applicant's attorney.

The Redevelopment Plan contemplates the redevelopment and renovation of the property, including the demolition of a portion of the existing building, making significant improvements to the site conditions at the property, constructing a new parking lot, and substantially improving the interior and exterior of the building for future commercial tenants.

The Applicant is also seeking a blight finding pursuant to a Blight Study attached as Exhibit 4 to the Redevelopment Plan. The Blight Study provides that due to insanitary or unsafe conditions and the deterioration of site improvements, the redevelopment area constitutes an economic and social liability in its present use and condition.

PREVIOUS ACTION

N/A

POLICY OBJECTIVE

N/A

FINANCIAL CONSIDERATIONS

None.

ATTACHMENTS

- | | |
|---|-----------------------------------|
| <input checked="" type="checkbox"/> Ordinance | <input type="checkbox"/> Contract |
| <input type="checkbox"/> Resolution | <input type="checkbox"/> Plans |
| <input type="checkbox"/> Staff Report | <input type="checkbox"/> Minutes |
| <input checked="" type="checkbox"/> Other: Redevelopment Plan | |

The Shops at Smithville
Redevelopment Corporation



12:17 pm

Lide Brunson

CHAPTER 353, RSMo.

The Shops at Smithville REDEVELOPMENT PLAN

**Submitted to the
City of Smithville, Missouri**

*Submitted by
The Shops at Smithville Redevelopment Corporation*

Prepared by
Polsinelli PC
900 W. 48th Place, Suite 900
Kansas City, Missouri 64112
Phone: 816-753-1000

September 22, 2025

Exhibits

Exhibit 1	Articles of Association
Exhibit 2	Legal Description
Exhibit 3	Boundary Map
Exhibit 4	Blight Study
Exhibit 5	Tax Impact Analysis

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Chapter 353 Redevelopment Plan

PROJECT DESCRIPTION

The property at 1501 South 169 Highway, Smithville, Clay County, Missouri consists of an approximately 65,000 square foot building located on approximately 3.04 +/- acres (collectively, the “**Property**”). The Property is in poor condition, as detailed in the Blight Study attached hereto as Exhibit 4.

The Shops at Smithville Redevelopment Corporation (“**Redevelopment Corporation**”) is pleased to submit this plan (this “**Plan**”), pursuant to and in accordance with The Urban Redevelopment Corporations Law (“**Chapter 353**”), for the redevelopment and renovation of the Property. Redevelopment Corporation is joined in the preparation of this Plan by Smithville Holdings, LLC, a Missouri limited liability company (“**Developer**”) who has proposed a redevelopment and renovation project which includes demolishing a portion of the existing building, making significant improvements to the site conditions at the Property, constructing a new parking lot, and substantially improving the interior and exterior of the building, including, without limitation, installation of first-class finishes for commercial tenants.

TAX INCENTIVES

To remediate the existing blight and achieve the highest and best use of the Property, extensive investment is required. Redevelopment Corporation proposes addressing the challenges caused by the extraordinary costs of the redevelopment and renovation of the Property with the public incentive provided under Chapter 353.

This Plan is submitted as an application to the City for approval of Chapter 353 incentives. Chapter 353 allows up to one hundred percent (100%) abatement of property taxes on improvements for the first ten-year period, followed by at least fifty percent (50%) abatement on the collective value of the land and improvements for the following fifteen-year period.

However, in lieu of requesting a percentage abatement of property taxes, Redevelopment Corporation is requesting Developer make payments-in-lieu-of-taxes (“**PILOTs**”) for ten (10) years that cause the total property tax on the land (assuming frozen land valuation at 2025 assessed value) and PILOTs paid each year to be equal to the amounts shown in the chart below (excluding property taxes paid to the Smithville Area Fire District and Northland Regional Ambulance District, which will be payable to such Districts without regard to Chapter 353 as a result of the Districts’ written election under Chapter 353 to be exempt from this Plan, but which are not reflected in the totals below). This Plan’s abatement period will conclude after ten (10) years of abatement.

Project Year	Calendar Year	^{1,2}Total Property Tax on “Frozen” Land Value + PILOT Payments
1	2026	\$45,383
2	2027	\$58,468
3	2028	\$58,468
4	2029	\$60,807
5	2030	\$60,807
6	2031	\$63,239

¹ Amounts shown in column do not include property taxes paid to the Smithville Area Fire District and the Northland Regional Ambulance District as both have elected to be exempt from this Chapter 353 Plan.

² PILOTs will be distributed to the taxing jurisdictions pro rata and the Smithville Area Fire District and Northland Regional Ambulance District will receive their share of taxes otherwise due as provided under Chapter 353.

7	2032	\$63,239
8	2033	\$65,769
9	2034	\$65,769
10	2035	\$68,399

As more specifically outlined in the Tax Impact Analysis attached hereto as Exhibit 5, when comparing three scenarios: (i) a scenario where the Project is not undertaken; (ii) a scenario where the Project is completed and this Chapter 353 Plan is implemented; and (iii) a scenario where the Project is completed, but this Chapter 353 Plan is not implemented, it is evident the Taxing Jurisdictions will benefit substantially from the Project. The Taxing Jurisdictions will receive their respective share of the PILOTs and will receive one hundred percent (100%) of any new personal property taxes generated by the Project as Chapter 353 does not abate personal property taxes.

A Chapter 353 redevelopment corporation can utilize the power of eminent domain to acquire properties needed for its project. However, Developer currently owns fee title to the Property and has agreed to transfer fee title of the Property to Redevelopment Corporation, so the power of eminent domain will not be needed.

A Chapter 353 redevelopment corporation is limited to earnings of eight percent (8%) per year over the period of tax abatement, as determined pursuant to a statutory formula, as well as other limitations not applicable to general business corporations. Any earnings exceeding the rate of net earnings provided in Chapter 353 may be used by Redevelopment Corporation as a reserve for maintenance of such rate of return in the future and may be used by Redevelopment Corporation to offset any deficiency in such rate or return which may have occurred in prior years, or may be used to accelerate the amortization payments, or for the enlargement of the Project, or for the reduction in rentals therein; provided, that any excess of such surplus earnings remaining at the termination of the tax relief granted pursuant to Chapter 353 shall be turned over by Redevelopment Corporation to the City of Smithville, Missouri.

THE REDEVELOPMENT AREA

The “*Redevelopment Area*” consists of approximately 3.04 +/- acres located in Smithville, Clay, County, Missouri having a Parcel ID of 05913000102100. The Redevelopment Area is legally described on Exhibit 2 and generally depicted on Exhibit 3, both of which are attached hereto and incorporated hereby.

AMENITIES

Other than addressing the Property’s blighting conditions, as identified in the Blight Study attached hereto as Exhibit 4, no public amenities are proposed.

PUBLIC DEDICATIONS

No public dedications are proposed. The Property is surrounded and served by existing public streets, sidewalks, water mains and sewers, as well as city-franchised utilities.

ZONING

The project area is currently zoned “B-3.” The Plan does not require a change to the current zoning classification.

RELOCATION ASSISTANCE PLAN

There are no residential occupants impacted by this Plan and there are no commercial tenants occupying the Property.

Redevelopment Corporation is not requesting eminent domain authority in conjunction with the adoption of this Plan; therefore, in accordance with Missouri statutes and City Code, a Relocation Assistance Plan is not required for implementation of this Plan.

EMINENT DOMAIN

No eminent domain powers are being requested.

ASSIGNMENT OF PLAN

Chapter 353 specifically recognizes that a Chapter 353 redevelopment corporation may sell a redevelopment project during the abatement period and permits the new owner to receive the benefit of abatement so long as the new owner agrees to meet all redevelopment obligations for the project. In that regard, Sec. 353.150.4, RSMo 2000 states a Chapter 353 redevelopment corporation may convey its property by voluntary sale and, so long as the new owner operates the property in accord with the approved Chapter 353 redevelopment plan for the project, the tax abatement shall continue in the hands of the new owner. If the requested Chapter 353 incentives are granted and this Plan is approved, Redevelopment Corporation agrees that any assignment of this Plan, and the companion redevelopment agreement, will require the assignee's agreement to comply with all requirements of this Plan, the redevelopment agreement, and Chapter 353 in order for benefits of this Plan, including the fixed PILOTs discussed above, to apply to the Property conveyed to the assignee.

In that regard, a Chapter 353 redevelopment corporation operates under several limitations that a general business corporation does not. Most notably, the earnings of a Chapter 353 redevelopment corporation over the life of its project's tax abatement (usually 25 years) cannot exceed an annual average of eight percent (8%). Sec. 353.030(11), RSMo 2000. The statute lists items of income and expense to be included in making this computation and specifically requires annual payments to reserves for depreciation, obsolescence, taxes, etc. Sec. 353.090, RSMo 2000. However, these limitations shall not apply to any assignee of this project. Sec. 353.150.4, RSMo 2016.

If the Property is legally subdivided, the PILOTs payable in each of the ten (10) Project Years under this Plan shall be allocated to the subdivided parcels based on the relative building square footage on each such parcel.

MISSOURI CH. 353 CORPORATION

Redevelopment Corporation is a lawfully organized and existing Chapter 353 redevelopment corporation under Missouri law. A copy of Redevelopment Corporation's Articles of Association is attached hereto as Exhibit 1.

PAYMENTS IN LIEU OF TAXES

As discussed above, Redevelopment Corporation is requesting Developer make payments-in-lieu-of-taxes ("**PILOTs**") for ten (10) years (the "**Term**") that causes the total property tax and PILOTs paid each year to be equal to the amounts shown in the chart below.

Project Year	Calendar Year	^{3,4} Total Property Tax on “Frozen” Land Value + PILOT Payments
1	2026	\$45,383
2	2027	\$58,468
3	2028	\$58,468
4	2029	\$60,807
5	2030	\$60,807
6	2031	\$63,239
7	2032	\$63,239
8	2033	\$65,769
9	2034	\$65,769
10	2035	\$68,399

An estimate of the PILOTs expected to be made by the Developer to each affected taxing jurisdiction throughout the Term can be found in the Tax Impact Analysis on Exhibit 5 attached hereto.

The amounts of PILOTs shown above, which include both the taxes due on the “frozen” assessed value of the land plus the PILOTs on the incremental value created by the Project, will be distributed to the applicable taxing jurisdictions pro rata, and the Smithville Area Fire District and Northland Regional Ambulance District will receive their share of taxes otherwise due, as provided under Chapter 353.

BLIGHTED CONDITION

The purpose of Chapter 353 is to rehabilitate “blighted areas.” RSMo. Sec. 353.030(12). By reference to § 99.805 RSMo., Chapter 353 defines a “blighted area” follows:

“an area which, by reason of the predominance of insanitary or unsafe conditions, deterioration of site improvements, of the existence of conditions which endanger life or property by fire or other causes, or any combination of such factors, retards the provision of housing accommodations or constitutes an economic or social liability or a menace to the public health, safety, morals or welfare in its present condition and use.”

Missouri courts have made it clear that the statutory definition of “blighted area” is not the same as a dictionary definition. As stated, to be declared a “blighted area” under Chapter 353, it is not necessary that the area be what commonly would be called a slum. *Parking Systems, Inc. v. Kansas City Downtown Redevelopment Corporation*, 518 S.W.2d 11, 15 (Mo. 1974). Additionally, Missouri courts have ruled that economic underutilization is a valid basis upon which to declare a property blighted under Chapter 353. *Crestwood Commons Redevelopment Corporation v. 66 Drive-In, Inc.*, 812 S.W.2d 903, 910 (Mo.App.E.D. 1991).

Lastly, an area may be declared blighted even though it may be vacant or not contain individual structures within the definitional ambit of blight. Sec. 353.020(1), RSMo, and *Maryland Plaza Redevelopment Corporation v. Greenberg*, 594 S.W.2d 284, 288 (Mo.App.E.D. 1979). According to Chapter 353:

³ Amounts shown in column do not include property taxes paid to the Smithville Area Fire District and the Northland Regional Ambulance District as both have elected to be exempt from this Chapter 353 Plan.

⁴ PILOTs will be distributed to the taxing jurisdictions pro rata and the Smithville Area Fire District and Northland Regional Ambulance District will receive their share of taxes otherwise due as provided under Chapter 353.

Any such area may include buildings or improvements not in themselves blighted, and any real property, whether improved or unimproved, the inclusion of which is deemed necessary for the effective clearance, replanning, reconstruction or rehabilitation of the area of which such buildings, improvements or real property form a part. RSMo. Sec. 353.020(1).

Therefore, the statute sets up a two-part question for blight determinations:

Step One: Has the area considered as whole by reason of:

- Age,
- Obsolescence,
- Inadequate or Outmoded Design; *or*
- Physical Deterioration,

Step Two: Become:

- An economic and social liability

Applying the “blight” factors in the statute, the Property is a “blighted area” as a whole, thereby qualifying for redevelopment incentives. The Blight Study for the Property is attached to this Plan as Exhibit 4 and is hereby incorporated.

REDEVELOPMENT AGREEMENT

Redevelopment Corporation and Developer are agreeable to entering into a redevelopment agreement with the City setting forth the City's and its respective rights, responsibilities, duties, obligations and remedies under this Plan and the City's redevelopment ordinance.

APPROVAL OF ORDINANCE

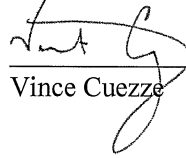
Redevelopment Corporation respectfully requests that the Board of Aldermen approve this Plan and ordinance.

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

Respectfully submitted,

POLSINELLI, PC

By:



Vince Cuezze

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ON BEHALF OF THE SHOPS AT SMITHVILLE
REDEVELOPMENT CORPORATION

EXHIBIT 1

Articles of Association

[See attached.]

**ARTICLES OF ASSOCIATION
OF
THE SHOPS AT SMITHVILLE REDEVELOPMENT CORPORATION**

The undersigned, being a natural person of the age of twenty-one (21) years or more, for the purpose of forming a corporation under Chapter 353 RSMo ("*The Urban Redevelopment Corporations Law*") of Missouri, hereby adopts the following Articles of Association.

ARTICLE I

The name of the corporation (the "Corporation") is **The Shops at Smithville Redevelopment Corporation**.

ARTICLE II

The Corporation is formed for the following purposes:

- A. To acquire, construct, maintain and operate a redevelopment project or redevelopment projects in accordance with the provisions of "*The Urban Redevelopment Corporations Law*" of Missouri (Sec. 353.010 *et seq.* RSMo 2000); and
- B. Clearance, replanning, reconstruction or rehabilitation of blighted areas, and the construction of such industrial, commercial, residential or public structures as may be appropriate, including provisions for recreational and other facilities incidental or appurtenant thereto.

ARTICLE III

The initial registered agent and office is John R. Davis Jr, 1000 Progress Drive, #299, Liberty, Missouri 64069.

ARTICLE IV

- A. The amount of the capital stock of the Corporation shall be One Hundred Dollars (\$100.00), all of which shall be in the form of common shares.
- B. The aggregate number of shares which the Corporation shall have authority to issue shall be One Hundred (100), all of which shall be common shares and shall have a par value of One Dollar (\$1.00) per share.
- C. No holder of stock of the Corporation shall be entitled, as such, as a matter of preemptive or preferential right, to subscribe for or purchase any part of any new or additional issue of stock or of securities of the Corporation or of any subsidiary of the Corporation convertible into, or exchangeable or, or carrying rights or options to purchase or subscribe, or both, to stock of any class whatsoever, whether now or hereafter authorized, and whether issued for cash, property, services or otherwise.
- D. Any person, upon becoming the owner or holder of any shares of stock or other securities issued by this Corporation, does thereby consent and agree that all rights, powers, privileges, obligations, or restrictions pertaining to such person or such securities in any way may be altered, amended, restricted, enlarged or repealed by legislative enactments of the State of Missouri or of the United States hereinafter adopted which have reference to or affect corporations, such securities, or such

persons if any; and that the Corporation reserves the right to transact any business of the Corporation, to alter, amend, or repeal these Articles of Association, or to do any other acts or things as authorized, permitted or allowed by such legislative enactments.

ARTICLE V

The principal business office of the Corporation shall be located in Liberty, Missouri.

ARTICLE VI

The duration of the Corporation shall be ninety-nine (99) years.

ARTICLE VII

- A. The number of directors to constitute the Board of Directors of the Corporation is three (3). The name and address of each person who is to serve as a director for the first year or until a successor is elected is:

John R. Davis, Jr.	1000 Progress Drive, #299, Liberty, Missouri 64069
C. Shane Crees	P.O. Box 475, Smithville, Missouri 64089
[NAME]	[ADDRESS]

- B. The number of directors to constitute subsequent Boards of Directors shall be fixed by, or in the manner provided in, the Bylaws of the Corporation, but shall be no less than three (3) nor more than thirteen (13).
- C. The Board of Directors shall have the power to make, alter, amend or repeal the Bylaws for the Corporation from time to time.

ARTICLE VIII

The name and address of the subscriber to the Articles of Association is [____], Polsinelli PC, 900 W. 48th Place, Suite 900, Kansas City, Missouri 64112.

ARTICLE IX

In the event that income debenture certificates are issued by the Corporation, the owners thereof shall have the same right to vote as they would have if possessed of certificates of stock of the amount and par value of the income debenture certificates held by them.

ARTICLE X

It is hereby declared that the Corporation has been organized to serve a public purpose and all real estate acquired by it and all structures erected by it are to be acquired for the purpose of promoting the public health, safety and welfare, and that the shareholders of the Corporation shall, when they subscribe to and receive the stock hereof, agree that the net earnings of the Corporation shall be limited to an amount not to exceed eight percent (8%) per annum of the cost to such Corporation of any redevelopment project, including the cost of the land or the balances of such cost as reduced by amortization payments, provided that the net earnings derived from any redevelopment project shall in no event exceed a sum equal to eight percent (8%) per annum upon the entire cost thereof. Such net earnings shall be computed after deducting from gross earnings the following:

- A. All costs and expenses of maintenance and operations;
- B. Amounts paid for taxes, assessments, insurance premiums and other similar charges;
An annual amount sufficient to amortize the cost of the entire project at the end of the period, which shall not be more than sixty (60) years from the date of completion of

the project.

However, pursuant to § 353.150.4 RSMo, should any purchaser of property from the Corporation not desire that the property continue under any approved development plan, or if the legislative authority of the relevant municipality refuse to grant tax relief to the property, the property may be owned and operated free from the conditions, restrictions or provisions of Chapter 353 RSMo, including the profit restriction referred to above.

ARTICLE XI

The private property of the shareholders shall not be subject to the payment of corporate debts to any extent whatsoever.

ARTICLE XII

- A. The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, other than an action by or in the right of the Corporation by reason of the fact that he or she is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, limited liability company, joint venture, trust, employee benefit plan or other enterprise, against expenses, including attorneys' fees, judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction or upon a plea of *nolo contendere* or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.
- B. The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that he or she is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, limited liability company, joint venture, trust, employee benefit plan or other enterprise against expenses, including attorneys' fees and amounts paid in settlement, actually and reasonably incurred by him or her in connection with the defense or settlement of the action or suit if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Corporation; except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his duty to the Corporation unless and only to the extent that the court in which the action or suit was brought determines upon application that, despite the adjudication of liability and in view of all the circumstances of the case, the person is fairly and reasonably entitled to indemnity for such expenses which the court shall deem proper.
- C. To the extent that a director, officer, employee or agent of the Corporation has been successful

on the merits or otherwise in defense of any action, suit or proceeding referred to in Sections A or B of this Article, or in defense of any claim, issue or matter therein, he or she shall be indemnified against expenses, including attorneys' fees, actually and reasonably incurred by him in connection with the action, suit or proceeding.

- D. Any indemnification under Sections A and B of this Article, unless ordered by a court, shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the director, officer, employee or agent is proper in the circumstances because he or she has met the applicable standard of conduct set forth in this Article. The determination shall be made by the Board of Directors of the Corporation by a majority vote of a quorum consisting of Directors who were not parties to the action, suit or proceeding, or if such a quorum is not obtainable, or even if obtainable a quorum of disinterested Directors so directs, by independent legal counsel in a written opinion, or by the shareholders of the Corporation.
- E. Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Corporation in advance of the final disposition of the action, suit or proceeding as authorized by the Board of Directors in the specific case upon receipt of an undertaking by or on behalf of the director, officer, employee or agent to repay such amount unless it shall ultimately be determined that he or she is entitled to be indemnified by the Corporation as authorized in this Article.
- F. The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any bylaw, agreement, vote of the shareholder or disinterested Board of Directors or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such person.
- G. The Corporation may give any further indemnity, in addition to the indemnity authorized or contemplated under this Article, including Section (f), to any person who is or was a director, officer, employee or agent or to any person who is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, limited liability company, joint venture, trust, employee benefit plan or other enterprise, provided such further indemnity is either (i) authorized, directed or provided for in these Articles of Association or any duly adopted amendment thereof, or (ii) is authorized, directed or provided for in any bylaw or agreement of the Corporation which has been adopted by a vote of the shareholders of the Corporation, and provided further that no such indemnity shall indemnify any person from or on account of such persons' conduct which was finally adjudged to have been knowingly fraudulent, deliberately dishonest or willful misconduct. Nothing in this Section G shall be deemed to limit the power of the Corporation under Section F of this Article to enact bylaws or to enter into agreements without shareholder adoption of the same.
- H. The Corporation may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, limited liability company, joint venture, trust, employee benefit plan or other enterprise against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Corporation would have the power to indemnify him or her against such liability under the provisions of this Article.

- I. For the purpose of this Article, references to "the Corporation" include all constituent corporations absorbed in a consolidation or merger as well as the resulting or surviving corporation so that any person who is or was a director, officer, employee or agent of such constituent or is or was serving at the request of such constituent corporation as a director, officer, employee or agent of another corporation, partnership, limited liability company, joint venture, trust, employee benefit plan or other enterprise shall stand in the same position under the provisions of this Article with respect to the resulting or surviving corporation as he or she would if he or she had served the resulting or surviving corporation in the same capacity.
- J. For purposes of this Article, the term "other enterprise" shall include employee benefit plans; the term "fines" shall include any excise taxes assessed on a person with respect to any employee benefit plan; and the term "serving at the request of the Corporation" shall include any service as a director, officer, employee or agent of the Corporation which imposes duties on, or involves services by, such director, officer, employee or agent with respect to an employee benefit plan, its participants or beneficiaries; and a person who acted in good faith and in a manner he or she reasonably believed to be in the best interest of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner "not opposed to the best interests of the Corporation" as referred to in this Section.

IN WITNESS WHEREOF, the undersigned Subscriber has executed these Articles of Association as of _____, 2025.

EXHIBIT 2

LEGAL DESCRIPTION

All that part of the Northwest Quarter of Section 35, Township 53, Range 33, in the City of Smithville, Clay County, Missouri, more particularly described by Phillip James Schnitz PLS2014020715, on April 19, 2022, as follows (Basis of Bearings: South 03°08'49" West as determined by global positioning system observations to the Missouri State Plane Coordinate System, West Zone along the East line of the surveyed tract, being the West line of SEA PORT ONE, a subdivision of land file for record on February 11, 1992, in Cabinet B, in sleeve 189 in the Clay County Recorder of Deeds office):

Commencing at the intersection of the South line of said Northwest Quarter with the previous Easterly Right of Way line of Missouri State Highway No. 169; Thence North 3° 19 32 East (Deed: North 2° 23 00 East) along said previous Easterly Right of Way line, a distance of 479.42 feet; Thence South 86° 53 17 East, 16.3 feet, to the currently established Easterly Right of Way line of said 169 Highway and the True Point of Beginning of the tract of land herein described; Thence North 3° 19 32 East (Deed: North 2° 23 00 East), 300.44 feet (Deed: 300.0 feet), along said current Easterly Right of Way line; Thence South 86° 47 42 East (Deed: South 87° 37 00 East), 437.86 feet (Deed: 455.0 feet) to the West line of the Plat of SEA PORT ONE, a subdivision of land recorded February 11, 1992, in the Office of the Clay County Recorder of Deeds, in Cabinet B, in Sleeve 189; Thence South 3° 08 49 West, (Deed: South 2° 28 00 West), 299.73 feet (Deed: 300.0 feet) on said West line to the Southwest corner of said plat of SEA PORT ONE, being a point on the North line of B.R.A.A.G. DEVELOPMENT, a subdivision of land recorded May 10, 1999, in the Office of the Clay County Recorder of Deeds, in Cabinet E, in Sleeve 104; Thence North 86° 53 17 West (Deed: North 87° 37 00 West), 438.80 feet (Deed: 455.0 feet), on said North line and the westerly extension thereof to the True Point of Beginning. The above written description excludes, however, that part of the tract of land dedicated to the Missouri Highways and Transportation Commission as set forth in the General Warranty Deed Filed April 26, 2000, in Book 3142 at Page 48.

The foregoing described property is intended to be the same as the legal description contained in vesting deed to Kays Furniture Co., Inc. recorded in 1974 in Book 1165 at Page 676, Clay County Recorder of Deeds, excluding, however, that part of the tract of land subsequently dedicated to the Missouri Highways and Transportation Commission as set forth in the General Warranty Deed Filed April 26, 2000, in Book 3142 at Page 48, Clay County Recorder of Deeds.

EXHIBIT 3

BOUNDARY MAP

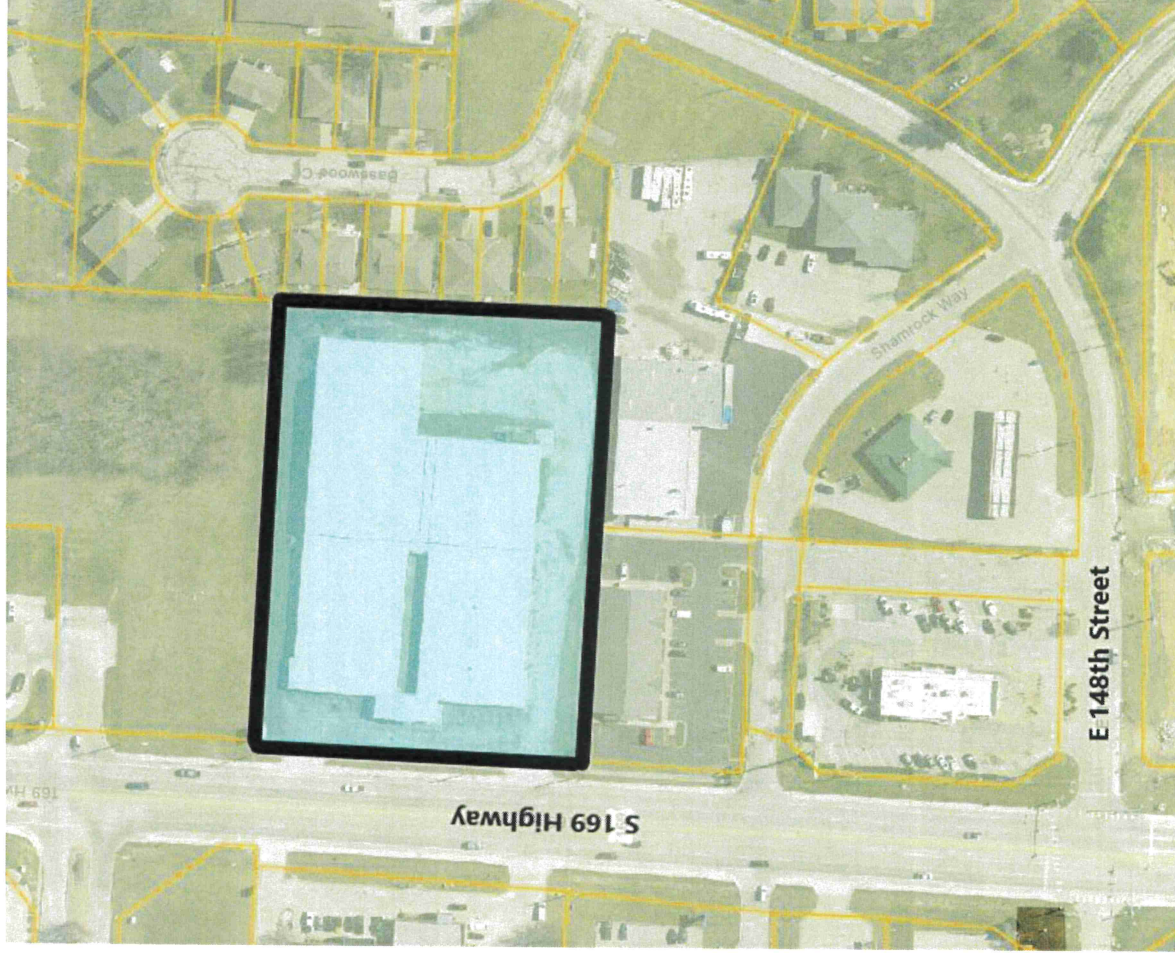


EXHIBIT 4

BLIGHT STUDY

[See attached.]

Blight Study

for

The Shops at Smithville

1501 South 169 Highway

Smithville, Missouri

July 2025

Prepared by:

**Polsinelli PC
900 West 48th Place, Suite 900
Kansas City, Missouri 64112**

BLIGHT STUDY

The Shops at Smithville, Smithville, Missouri

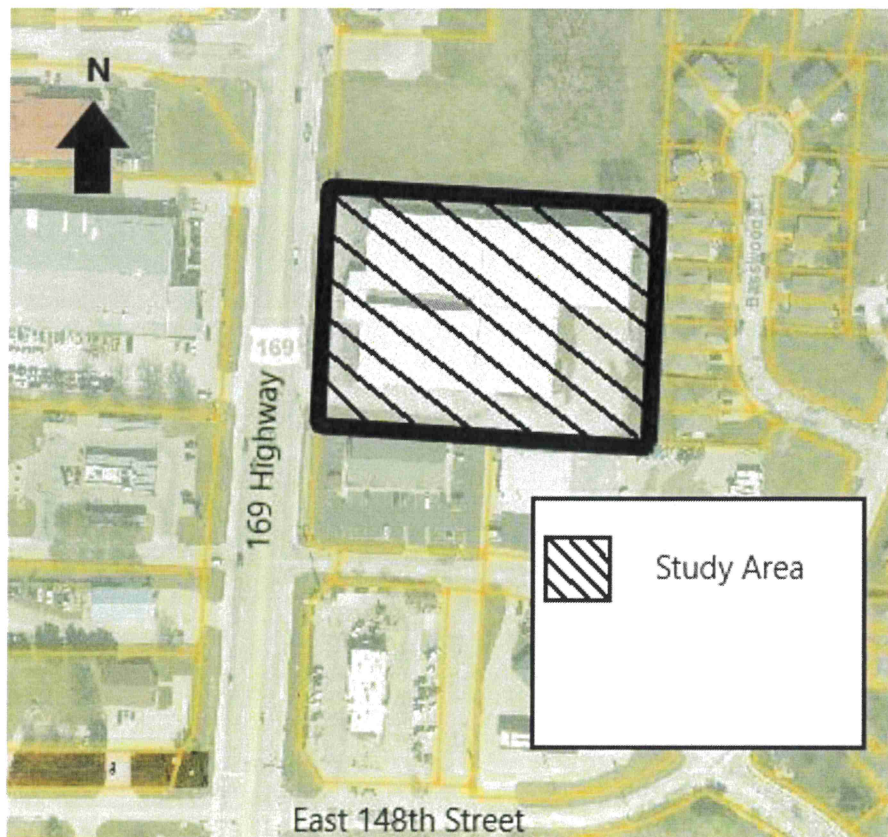
I. Introduction

Purpose

This analysis has been prepared to determine whether The Shops at Smithville in Smithville, Missouri is “blighted” according to § 353.020(2) of The Urban Redevelopment Corporations Law (“Chapter 353”) and § 67.1401.2(3) of the Missouri Community Improvement District Act (the “CID Act”). The property evaluated by this study is generally located in the northeast quadrant of the intersection of Highway 169 and East 148th Street, all located in the City of Smithville, Missouri (the “Study Area”).

Study Area

The Study Area is comprised of one (1) parcel of land located in the City of Smithville, Clay County, Missouri, and comprises approximately 3.04 +/- acres. A legal description and map of the Study Area are attached hereto as Exhibit A and Exhibit B, respectively, and the boundaries of the Study Area are generally shown as follows:



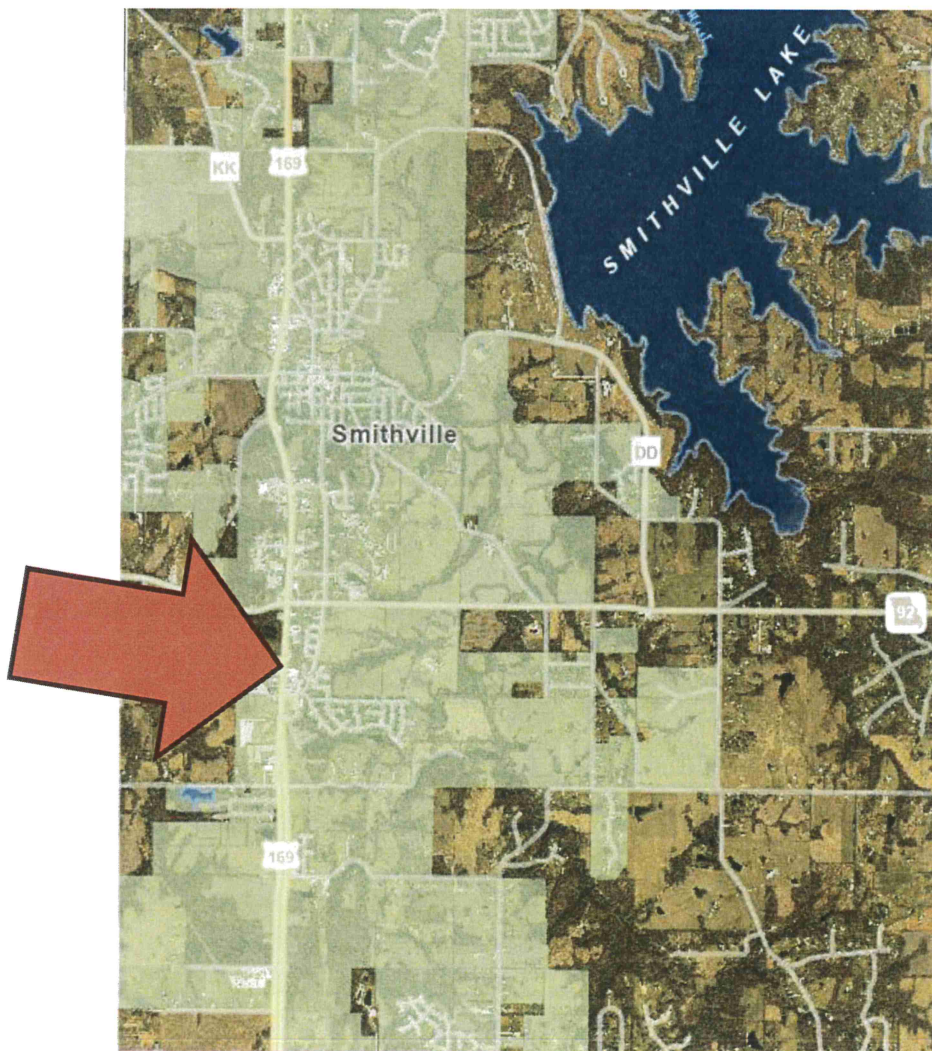
Statutory Analysis

Section 353.020(2) and Section 67.1401.2(3) of the Missouri Revised Statutes (by reference to Section 99.805) define a “Blighted Area” as “an area which, by reason of the predominance of insanitary or unsafe conditions, deterioration of site improvements, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, retards the provision of housing accommodations or constitutes an economic or social liability or a menace to the public health, safety, or welfare in its present condition and use.”

An exploration of the presence of these factors within the Study Area is included below.

II. Study Area Data

The Study Area is generally located in the southern portion of the corporate limits of Smithville, Missouri, approximately two miles north of the corporate limits of Kansas City, Missouri and one-half (½) mile south of Highway 92. The general location of the Study Area is shown below:



Property Data

Land Area

According to Clay County, Missouri records, the Study Area is comprised of the following parcels:

Parcel Number	Acres
05913000102100	3.04

Ownership and Current Use

According to Clay County, Missouri land records, the Study Area is owned entirely by Smithville Holdings LLC and is an improved, commercial property.

Access

The Study Area currently has two (2) access points, both of which provide access to the Study Area from Highway 169.

III. Blight Analysis

Section 353.020(2) and Section 67.1401.2(3) of the Missouri Revised Statutes (by reference to Section 99.805) define a “Blighted Area” as “an area which, by reason of the predominance of insanitary or unsafe conditions, deterioration of site improvements, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, retards the provision of housing accommodations or constitutes an economic or social liability or a menace to the public health, safety, or welfare in its present condition and use.”

We have prepared the following study pursuant to the statutory factors described above and accordingly determined whether the Study Area is blighted.

FACTOR #1: INSANITARY OR UNSAFE CONDITIONS

A substantial amount of trash and debris, including remnants of what appeared to be food, are present within the Study Area. Moreover, a large swath of the Study Area contains overgrown vegetation, which, when combined with the previously described food remnants, serves as a healthy habitat for rodent activity. Clearly, the presence of trash, debris, and a healthy habitat for rodents are indicators of insanitary conditions.

See Figures 1 and 2 below for photographed examples of the trash, debris, and the overgrown vegetation present within the Study Area.

Figure 1: Trash and Debris Within the Study Area

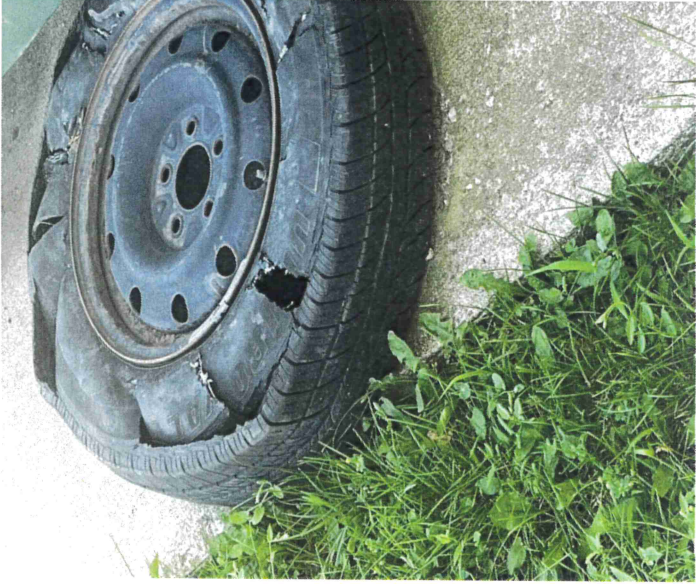


Figure 2: Vegetative Overgrowth Within the Study Area



FACTOR #2: DETERIORATION OF SITE IMPROVEMENTS

Certain site improvements within the Study Area are in a deteriorated state.

Particularly, both the parking improvements and the approximately 65,000 square foot building located within the Study Area (the “Building”) exhibit widespread deterioration.

See Figures 3 – 8 below for photographed examples of said deterioration that persists across the Study Area.

Figure 3: Degradation of Building Exterior

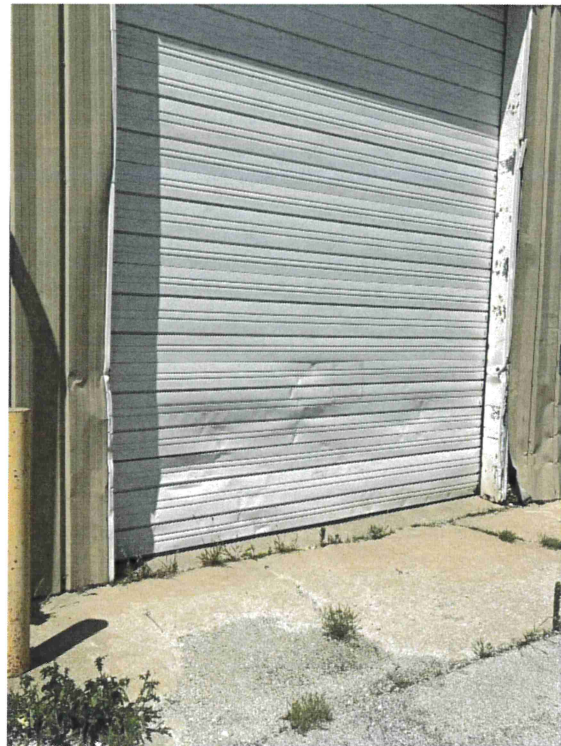


Figure 4: Degradation of Building Exterior

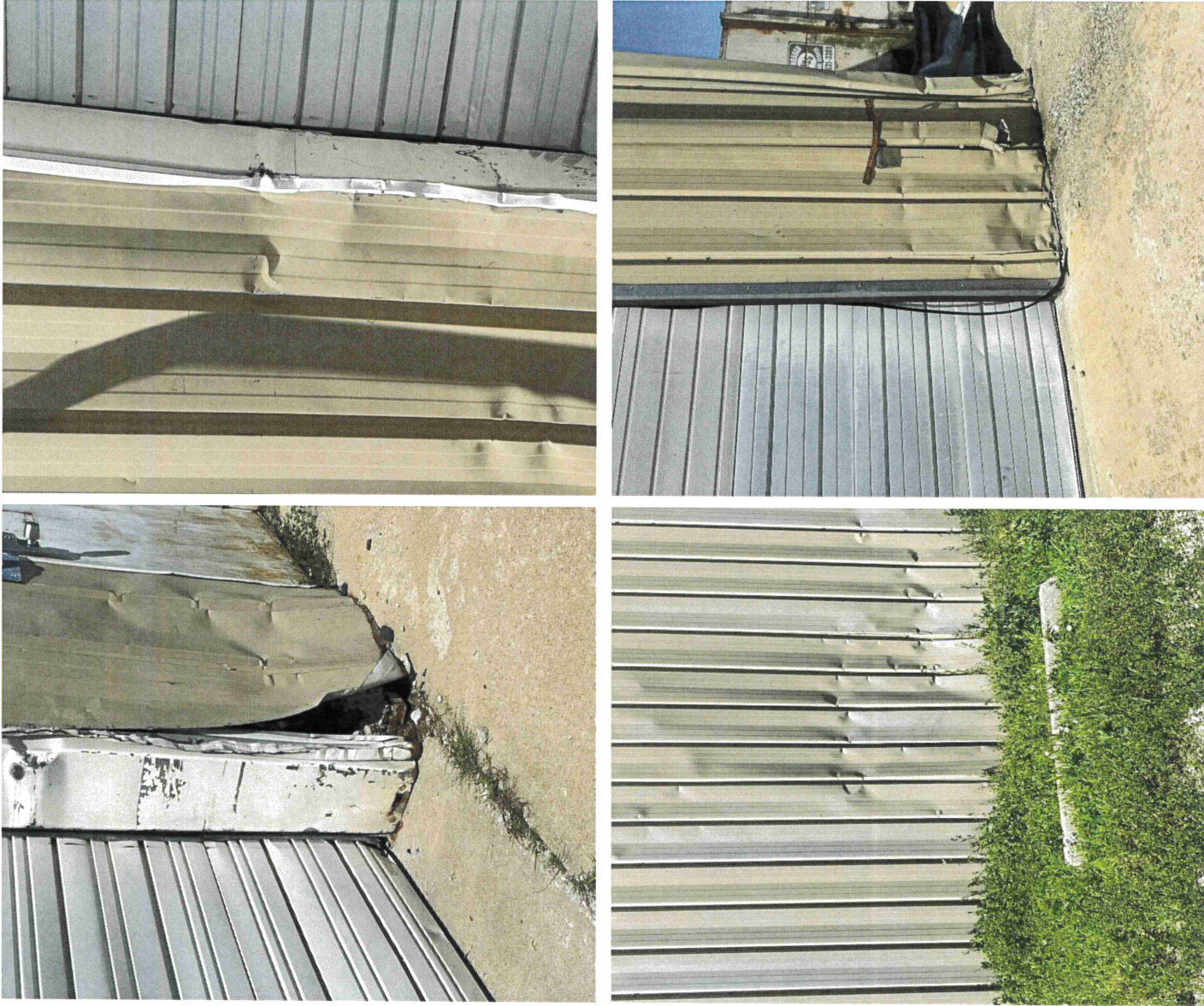


Figure 5: Degradation of Building Exterior



Figure 6: Degradation of Building Interior



Figure 7: Deteriorated Parking Improvements

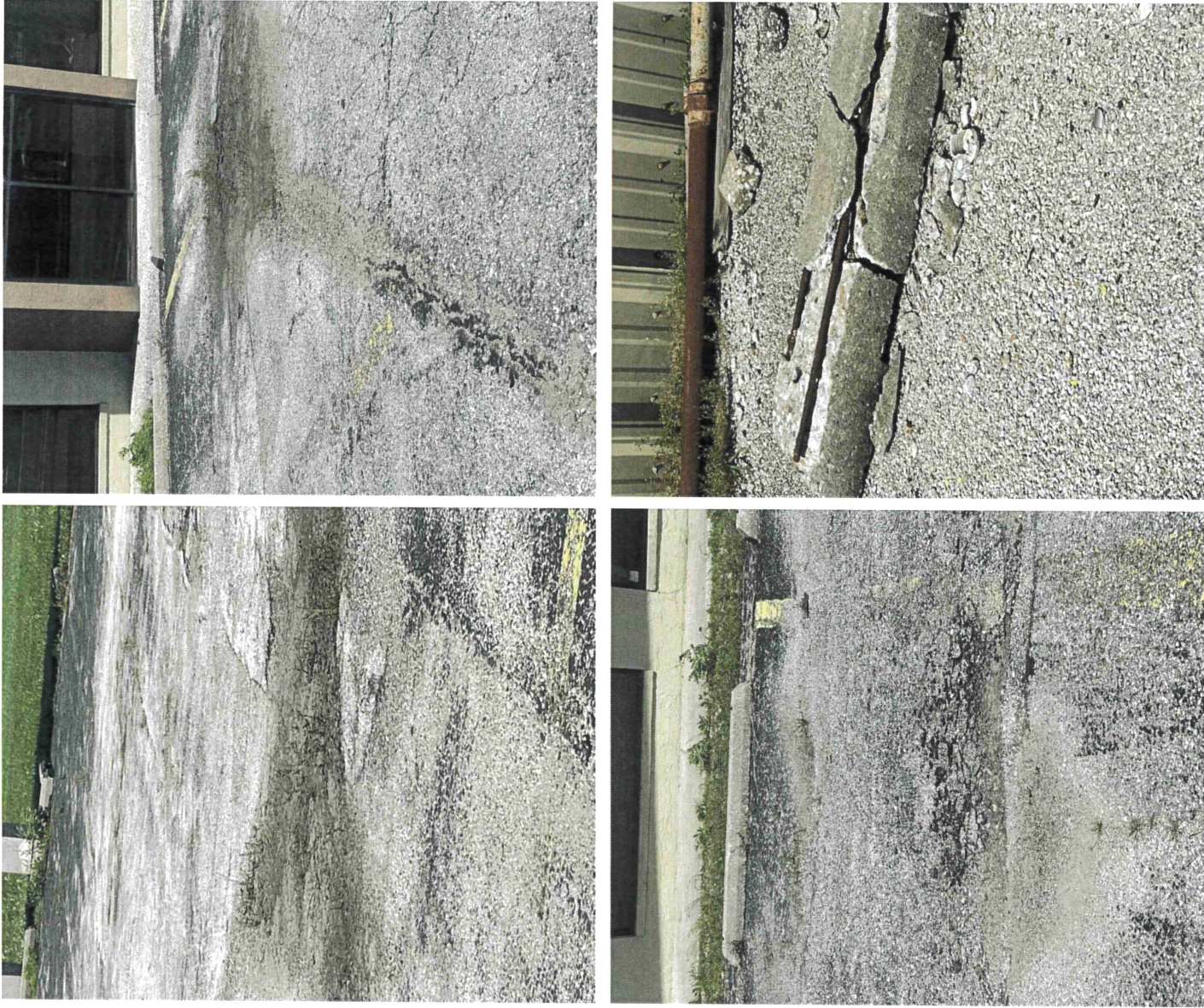


Figure 8: Deteriorated Parking Improvements



***FACTOR #3: EXISTENCE OF CONDITIONS WHICH ENDANGER
LIFE OR PROPERTY BY FIRE AND OTHER CAUSES***

This factor is not present within the Study Area.

IV. Conclusion

The above analysis indicates that two of the three defined conditions of blight are predominant within the Study Area. These components include:

1. Insanitary or Unsafe Conditions
2. Deterioration of site improvements

As a result of the preponderance of the factors above, the Study Area constitutes an economic and social liability in its present condition and use.

The concept of an economic liability and the economic underutilization of property as a basis for blight has been addressed by the Missouri Supreme Court. The Court has determined that “the concept of urban redevelopment has gone far beyond ‘slum clearance’ and the concept of economic underutilization is a valid one.” *Tierney v. Planned Industrial Expansion Authority of Kansas City*, 742 S.W.2d 146, 151 (Mo. banc 1987). Blight may be found if the redevelopment of an area “could promote a higher level of economic activity, increased employment, and greater services to the public.” *Tierney*, 742 S.W.2d at 151. Further, the Court determined that an otherwise viable use of a property may be considered blighted if it is an economic underutilization of the property. *Crestwood Commons Redevelopment Corporation v. 66 Drive-In, Inc.*, 812 S.W. 2d 903, 910 (MO. App. E.D.1991). The Court determined that blight exists to the extent an area is being utilized for less than its potential from an economic standpoint.

Presently, the Building is vacant and generates no local sales revenues. Further, there can be no reasonable expectation that the Building will be occupied as the costs required to remediate the existing blight and attract new tenants to the Building are substantial. Unfortunately, this reality deprives residents of having a variety of retail offerings to explore. However, if the blight is remediated and the Building is occupied, the Study Area is anticipated to produce more than \$5,000,000 per year in local sales revenues and, correspondingly, sales tax revenues. Those sales tax revenues may be utilized by the applicable taxing jurisdictions to enhance the life of its constituents and provide better quality services.

The Study Area’s diminished sales and the presence of blighting factors together are a clear indication that the Study Area is not being utilized for its highest and best use. The result is less sales tax revenue for the taxing jurisdictions to provide services to the public, a clear economic liability to taxpayers. Clearly, the Study Area “could promote a higher level of economic activity, increased employment and greater services to the public”, thus falling within the definition of a blighted area.

To achieve the Study Area’s highest, best, and most productive use, significant financial investment by a developer will be required.

Additionally, as described and evidenced above, the rodents, trash, and overgrown vegetation found within the Study Area constitute a social liability as all are menaces to public health and welfare of the community.

As a result of the factors detailed in this report, as of July 11, 2025, the Study Area constitutes an economic and social liability in its present condition and use, thus being a “blighted area” according to the definition provided in Section 353.020(2) and Section 67.1401.2(3) of the Missouri Revised Statutes.

EXHIBIT A

LEGAL DESCRIPTION OF STUDY AREA

All that part of the Northwest Quarter of Section 35, Township 53, Range 33, in the City of Smithville, Clay County, Missouri, more particularly described by Phillip James Schnitz PLS2014020715, on April 19, 2022, as follows (Basis of Bearings: South 03°08'49" West as determined by global positioning system observations to the Missouri State Plane Coordinate System, West Zone along the East line of the surveyed tract, being the West line of SEA PORT ONE, a subdivision of land file for record on February 11, 1992, in Cabinet B, in sleeve 189 in the Clay County Recorder of Deeds office):

Commencing at the intersection of the South line of said Northwest Quarter with the previous Easterly Right of Way line of Missouri State Highway No. 169; Thence North 3° 19 32 East (Deed: North 2° 23 00 East) along said previous Easterly Right of Way line, a distance of 479.42 feet; Thence South 86° 53 17 East, 16.3 feet, to the currently established Easterly Right of Way line of said 169 Highway and the True Point of Beginning of the tract of land herein described; Thence North 3° 19 32 East (Deed: North 2 ° 23 00 East), 300.44 feet (Deed: 300.0 feet), along said current Easterly Right of Way line; Thence South 86° 47 42 East (Deed: South 87° 37 00 East), 437.86 feet (Deed: 455.0 feet) to the West line of the Plat of SEA PORT ONE, a subdivision of land recorded February 11, 1992, in the Office of the Clay County Recorder of Deeds, in Cabinet B, in Sleeve 189; Thence South 3° 08 49 West, (Deed: South 2° 28 00 West), 299.73 feet (Deed: 300.0 feet) on said West line to the Southwest corner of said plat of SEA PORT ONE, being a point on the North line of B.R.A.A.G. DEVELOPMENT, a subdivision of land recorded May 10, 1999, in the Office of the Clay County Recorder of Deeds, in Cabinet E, in Sleeve 104; Thence North 86° 53 17 West (Deed: North 87° 37 00 West), 438.80 feet (Deed: 455.0 feet), on said North line and the westerly extension thereof to the True Point of Beginning. The above written description excludes, however, that part of the tract of land dedicated to the Missouri Highways and Transportation Commission as set forth in the General Warranty Deed Filed April 26, 2000, in Book 3142 at Page 48.

The foregoing described property is intended to be the same as the legal description contained in vesting deed to Kays Furniture Co., Inc. recorded in 1974 in Book 1165 at Page 676, Clay County Recorder of Deeds, excluding, however, that part of the tract of land subsequently dedicated to the Missouri Highways and Transportation Commission as set forth in the General Warranty Deed Filed April 26, 2000, in Book 3142 at Page 48, Clay County Recorder of Deeds.

EXHIBIT B
MAP OF STUDY AREA

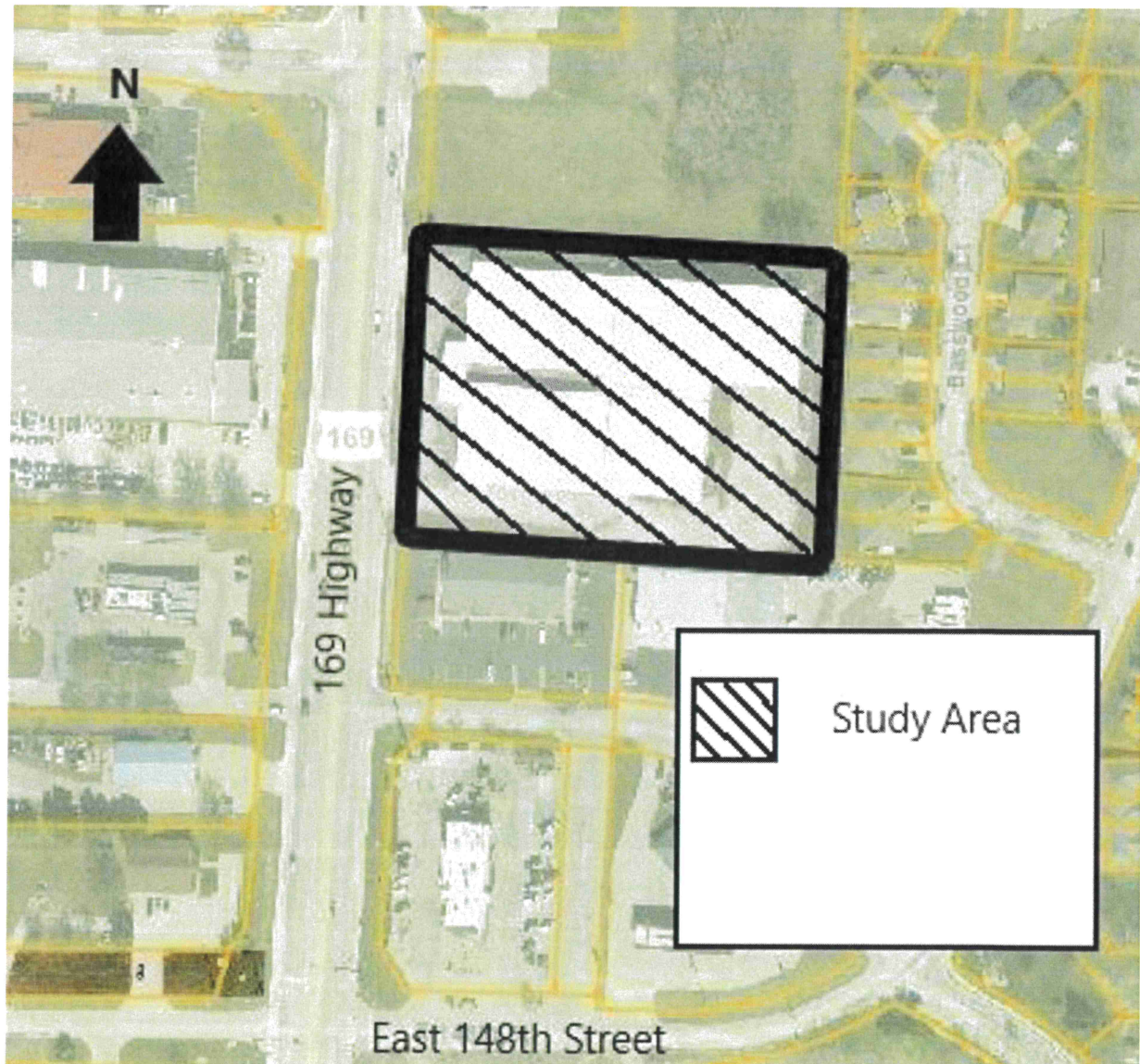


EXHIBIT 5

TAX IMPACT ANALYSIS

[See attached.]

**THE SHOPS AT SMITHVILLE
TAX IMPACT ANALYSIS - SUMMARY AND ASSUMPTIONS**

TAXING JURISDICTION	TAX RATE	[5] ESTIMATED AD VALOREM TAX REVENUES - NO PROJECT	[1,4] PILOTs - PROJECT; CH. 353	[6] ESTIMATED AD VALOREM TAX REVENUES - PROJECT; NO CH. 353
State of Missouri	0.0300	\$ 1,958	\$ 2,505	\$ 1,579
Smithville School District	4.7504	\$ 310,089	\$ 396,715	\$ 249,972
Smithville Fire District #1	0.6720	\$ 43,866	\$ 36,489	\$ 35,362
City of Smithville	0.3880	\$ 25,327	\$ 32,403	\$ 20,417
Mental Health	0.0809	\$ 5,281	\$ 6,756	\$ 4,257
Library	0.3152	\$ 20,575	\$ 26,323	\$ 16,586
Health	0.0809	\$ 5,281	\$ 6,756	\$ 4,257
Handicap	0.0970	\$ 6,332	\$ 8,101	\$ 5,104
Clay County	0.1261	\$ 8,231	\$ 10,531	\$ 6,636
Northland Regional Ambulance District	0.6792	\$ 44,336	\$ 35,740	\$ 35,740
Commercial Surtax	1.4400	\$ 93,998	\$ 120,257	\$ 75,775
	8.6597	\$ 565,273	\$ 682,576	\$ 455,685

NOTES & ASSUMPTIONS:	
[1] Fire District and Northland Regional Ambulance District are exempt from Ch. 353 and will not receive PILOTs. Instead, each will receive its share of property tax payments in the ordinary course.	
[2] Biennial Real Property Growth Rate:	2%
[3] Assessment Rate:	32%
[4] Projected Assessed Value (Project; Ch. 353) and PILOTs are based on Appraised Value of \$2,500,000, which is higher than the appraised values of comparable properties.	
[5] Projected Assessed Value (No Project) is based on Appraised Value of:	\$ 1,940,480
[6] Projected Assessed Value (Project; No. Ch. 353) is based on Appraised Value of \$53/SF, per data from comparable properties.	
[7] Assumes Assessed Value in Project Year 0 is the "frozen" base assessed value.	

[illegible]

**THE SHOPS AT SMITHVILLE
TAX IMPACT ANALYSIS - STATE**

		ASSUMING NO PROJECT		ASSUMING WITH PROJECT AND CHAPTER 353		ASSUMING WITH PROJECT AND WITHOUT CHAPTER 353	
Calendar Year	Project Year	[5] Projected Assessed Value	Estimated Ad Valorem Taxes to State	[6,7] Projected Assessed Value	[8] Ch. 353 PILOT to State	[9,10] Projected Assessed Value	Estimated Ad Valorem Taxes to State
2025	0	\$ 620,960	\$ 186	\$ 620,960	\$ 186	\$ 620,960	\$ 186
2026	1	\$ 620,960	\$ 186	\$ 620,960	\$ 186	\$ 620,960	\$ 186
2027	2	\$ 633,379	\$ 190	\$ 800,000	\$ 240	\$ 497,678	\$ 149
2028	3	\$ 633,379	\$ 190	\$ 800,000	\$ 240	\$ 497,678	\$ 149
2029	4	\$ 646,047	\$ 194	\$ 816,000	\$ 250	\$ 507,632	\$ 152
2030	5	\$ 646,047	\$ 194	\$ 816,000	\$ 250	\$ 507,632	\$ 152
2031	6	\$ 658,968	\$ 198	\$ 832,320	\$ 260	\$ 517,784	\$ 155
2032	7	\$ 658,968	\$ 198	\$ 832,320	\$ 260	\$ 517,784	\$ 155
2033	8	\$ 672,147	\$ 202	\$ 848,966	\$ 270	\$ 528,140	\$ 158
2034	9	\$ 672,147	\$ 202	\$ 848,966	\$ 270	\$ 528,140	\$ 158
2035	10	\$ 685,590	\$ 206	\$ 865,946	\$ 281	\$ 538,703	\$ 162
Total			\$ 1,958		\$ 2,505		\$ 1,579

Notes & Assumptions	
[1] Assumes Project Year 2 Fixed PILOT of:	\$ 58,468
[2] Assumes PILOT Increases Biennially at :	4%
[3] Assumes Appraised Value Increases Biennially at:	2%
[4] Assessment Rate:	32%
[5] Projected Assessed Value (Assuming No Project) is based on Appraised Value of:	\$1,940,480
[6] Projected Assessed Value (Assuming With Project) is based on Appraised Value of:	\$2,500,000
[7] Projected Assessed Value (Project; Ch. 353) and PILOTs are based on Appraised Value of \$2,500,000, which is higher than the appraised values of comparable properties.	
[8] Amounts include PILOTs and taxes paid on frozen land value.	
[9] Projected Assessed Value (Assuming With Project and Without Chapter 353) is based on Appraised Value of \$53/SF, or:	\$ 1,555,244
[10] "Assuming With Project and Without Chapter 353" Appraised Value is based off appraised values of comparable properties applied to reduced square footage of Property.	
[11] Assumes Assessed Value in Project Year 0 is the "frozen" base assessed value.	

**THE SHOPS AT SMITHVILLE
TAX IMPACT ANALYSIS - SCHOOL DISTRICT**

		ASSUMING NO PROJECT		ASSUMING WITH PROJECT AND CHAPTER 353		ASSUMING WITH PROJECT AND WITHOUT CHAPTER 353	
Calendar Year	Project Year	[5] Projected Assessed Value	Estimated Ad Valorem Taxes to School District	[6,7] Projected Assessed Value	[8] Ch. 353 PILOT to School District	[9,10] Projected Assessed Value	Estimated Ad Valorem Taxes to School District
2025	0	\$ 620,960	\$ 29,498	\$ 620,960	\$ 29,498	\$ 620,960	\$ 29,498
2026	1	\$ 620,960	\$ 29,498	\$ 620,960	\$ 29,498	\$ 620,960	\$ 29,498
2027	2	\$ 633,379	\$ 30,088	\$ 800,000	\$ 38,003	\$ 497,678	\$ 23,642
2028	3	\$ 633,379	\$ 30,088	\$ 800,000	\$ 38,003	\$ 497,678	\$ 23,642
2029	4	\$ 646,047	\$ 30,690	\$ 816,000	\$ 39,523	\$ 507,632	\$ 24,115
2030	5	\$ 646,047	\$ 30,690	\$ 816,000	\$ 39,523	\$ 507,632	\$ 24,115
2031	6	\$ 658,968	\$ 31,304	\$ 832,320	\$ 41,104	\$ 517,784	\$ 24,597
2032	7	\$ 658,968	\$ 31,304	\$ 832,320	\$ 41,104	\$ 517,784	\$ 24,597
2033	8	\$ 672,147	\$ 31,930	\$ 848,966	\$ 42,748	\$ 528,140	\$ 25,089
2034	9	\$ 672,147	\$ 31,930	\$ 848,966	\$ 42,748	\$ 528,140	\$ 25,089
2035	10	\$ 685,590	\$ 32,568	\$ 865,946	\$ 44,458	\$ 538,703	\$ 25,591
Total			\$ 310,089		\$ 396,715		\$ 249,972

Notes & Assumptions	
[1] Assumes Project Year 2 Fixed PILOT of:	\$ 58,468
[2] Assumes PILOT Increases Biennially at :	4%
[3] Assumes Appraised Value Increases Biennially at:	2%
[4] Assessment Rate:	32%
[5] Projected Assessed Value (Assuming No Project) is based on Appraised Value of:	\$1,940,480
[6] Projected Assessed Value (Assuming With Project) is based on Appraised Value of:	\$2,500,000
[7] Projected Assessed Value (Project; Ch. 353) and PILOTs are based on Appraised Value of \$2,500,000, which is higher than the appraised values of comparable properties.	
[8] Amounts include PILOTs and taxes paid on frozen land value.	
[9] Projected Assessed Value (Assuming With Project and Without Chapter 353) is based on Appraised Value of \$53/SF, or:	\$ 1,555,244
[10] "Assuming With Project and Without Chapter 353" Appraised Value is based off appraised values of comparable properties applied to reduced square footage of Property.	
[11] Assumes Assessed Value in Project Year 0 is the "frozen" base assessed value.	

**THE SHOPS AT SMITHVILLE
TAX IMPACT ANALYSIS - FIRE DISTRICT**

		ASSUMING NO PROJECT		ASSUMING WITH PROJECT AND CHAPTER 353		ASSUMING WITH PROJECT AND WITHOUT CHAPTER 353	
Calendar Year	Project Year	[5] Projected Assessed Value	Estimated Ad Valorem Taxes to Fire District	[8,9] Projected Assessed Value	Estimated Ad Valorem Taxes to Fire District	[8,9] Projected Assessed Value	Estimated Ad Valorem Taxes to Fire District
2025	0	\$ 620,960	\$ 4,173	\$ 620,960	\$ 4,173	\$ 620,960	\$ 4,173
2026	1	\$ 620,960	\$ 4,173	\$ 620,960	\$ 4,173	\$ 620,960	\$ 4,173
2027	2	\$ 633,379	\$ 4,256	\$ 497,678	\$ 3,344	\$ 497,678	\$ 3,344
2028	3	\$ 633,379	\$ 4,256	\$ 497,678	\$ 3,344	\$ 497,678	\$ 3,344
2029	4	\$ 646,047	\$ 4,341	\$ 507,632	\$ 3,478	\$ 507,632	\$ 3,411
2030	5	\$ 646,047	\$ 4,341	\$ 507,632	\$ 3,478	\$ 507,632	\$ 3,411
2031	6	\$ 658,968	\$ 4,428	\$ 517,784	\$ 3,617	\$ 517,784	\$ 3,480
2032	7	\$ 658,968	\$ 4,428	\$ 517,784	\$ 3,617	\$ 517,784	\$ 3,480
2033	8	\$ 672,147	\$ 4,517	\$ 528,140	\$ 3,762	\$ 528,140	\$ 3,549
2034	9	\$ 672,147	\$ 4,517	\$ 528,140	\$ 3,762	\$ 528,140	\$ 3,549
2035	10	\$ 685,590	\$ 4,607	\$ 538,703	\$ 3,912	\$ 538,703	\$ 3,620
Total			\$ 43,866		\$ 36,489		\$ 35,362

Notes & Assumptions	
[3] Assumes Appraised Value Increases Biennially at:	2%
[4] Assessment Rate:	32%
[5] Projected Assessed Value (Assuming No Project) is based on Appraised Value of:	\$1,940,480
[8] Projected Assessed Value (Assuming With Project and Without Chapter 353) is based on Appraised Value of \$53/SF, or:	\$ 1,555,244
[9] "Assuming With Project and Without Chapter 353" Appraised Value is based off appraised values of comparable properties applied to reduced square footage of Property.	
[10] Assumes Assessed Value in Project Year 0 is the "frozen" base assessed value.	

**THE SHOPS AT SMITHVILLE
TAX IMPACT ANALYSIS - CITY OF SMITHVILLE**

		ASSUMING NO PROJECT		ASSUMING WITH PROJECT AND CHAPTER 353		ASSUMING WITH PROJECT AND WITHOUT CHAPTER 353	
Calendar Year	Project Year	[5] Projected Assessed Value	Estimated Ad Valorem Taxes to City	[6,7] Projected Assessed Value	[8] Ch. 353 PILOT to City	[9,10] Projected Assessed Value	Estimated Ad Valorem Taxes to City
2025	0	\$ 620,960	\$ 2,409	\$ 620,960	\$ 2,409	\$ 620,960	\$ 2,409
2026	1	\$ 620,960	\$ 2,409	\$ 620,960	\$ 2,409	\$ 620,960	\$ 2,409
2027	2	\$ 633,379	\$ 2,458	\$ 800,000	\$ 3,104	\$ 497,678	\$ 1,931
2028	3	\$ 633,379	\$ 2,458	\$ 800,000	\$ 3,104	\$ 497,678	\$ 1,931
2029	4	\$ 646,047	\$ 2,507	\$ 816,000	\$ 3,228	\$ 507,632	\$ 1,970
2030	5	\$ 646,047	\$ 2,507	\$ 816,000	\$ 3,228	\$ 507,632	\$ 1,970
2031	6	\$ 658,968	\$ 2,557	\$ 832,320	\$ 3,357	\$ 517,784	\$ 2,009
2032	7	\$ 658,968	\$ 2,557	\$ 832,320	\$ 3,357	\$ 517,784	\$ 2,009
2033	8	\$ 672,147	\$ 2,608	\$ 848,966	\$ 3,492	\$ 528,140	\$ 2,049
2034	9	\$ 672,147	\$ 2,608	\$ 848,966	\$ 3,492	\$ 528,140	\$ 2,049
2035	10	\$ 685,590	\$ 2,660	\$ 865,946	\$ 3,631	\$ 538,703	\$ 2,090
Total			\$ 25,327		\$ 32,403		\$ 20,417

Notes & Assumptions	
[1] Assumes Project Year 1 Fixed PILOT of:	\$ 58,468
[2] Assumes PILOT Increases Biennially at :	4%
[3] Assumes Appraised Value Increases Biennially at:	2%
[4] Assessment Rate:	32%
[5] Projected Assessed Value (Assuming No Project) is based on Appraised Value of:	\$1,940,480
[6] Projected Assessed Value (Assuming With Project) is based on Appraised Value of:	\$2,500,000
[7] Projected Assessed Value (Project; Ch. 353) and PILOTs are based on Appraised Value of \$2,500,000, which is higher than the appraised values of comparable properties.	
[8] Amounts include PILOTs and taxes paid on frozen land value.	
[9] Projected Assessed Value (Assuming With Project and Without Chapter 353) is based on Appraised Value of \$53/SF, or:	\$ 1,555,244
[10] "Assuming With Project and Without Chapter 353" Appraised Value is based off appraised values of comparable properties applied to reduced square footage of Property.	
[11] Assumes Assessed Value in Project Year 0 is the "frozen" base assessed value.	

**THE SHOPS AT SMITHVILLE
TAX IMPACT ANALYSIS - MENTAL HEALTH**

		ASSUMING NO PROJECT		ASSUMING WITH PROJECT AND CHAPTER 353		ASSUMING WITH PROJECT AND WITHOUT CHAPTER 353	
Calendar Year	Project Year	[5] Projected Assessed Value	Estimated Ad Valorem Taxes to Mental Health	[6,7] Projected Assessed Value	[8] Ch. 353 PILOT to Mental Health	[9,10] Projected Assessed Value	Estimated Ad Valorem Taxes to Mental Health
2025	0	\$ 620,960	\$ 502	\$ 620,960	\$ 502	\$ 620,960	\$ 502
2026	1	\$ 620,960	\$ 502	\$ 620,960	\$ 502	\$ 620,960	\$ 502
2027	2	\$ 633,379	\$ 512	\$ 800,000	\$ 647	\$ 497,678	\$ 403
2028	3	\$ 633,379	\$ 512	\$ 800,000	\$ 647	\$ 497,678	\$ 403
2029	4	\$ 646,047	\$ 523	\$ 816,000	\$ 673	\$ 507,632	\$ 411
2030	5	\$ 646,047	\$ 523	\$ 816,000	\$ 673	\$ 507,632	\$ 411
2031	6	\$ 658,968	\$ 533	\$ 832,320	\$ 700	\$ 517,784	\$ 419
2032	7	\$ 658,968	\$ 533	\$ 832,320	\$ 700	\$ 517,784	\$ 419
2033	8	\$ 672,147	\$ 544	\$ 848,966	\$ 728	\$ 528,140	\$ 427
2034	9	\$ 672,147	\$ 544	\$ 848,966	\$ 728	\$ 528,140	\$ 427
2035	10	\$ 685,590	\$ 555	\$ 865,946	\$ 757	\$ 538,703	\$ 436
Total			\$ 5,281		\$ 6,756		\$ 4,257

Notes & Assumptions	
[1] Assumes Project Year 1 Fixed PILOT of:	\$ 58,468
[2] Assumes PILOT Increases Biennially at :	4%
[3] Assumes Appraised Value Increases Biennially at:	2%
[4] Assessment Rate:	32%
[5] Projected Assessed Value (Assuming No Project) is based on Appraised Value of:	\$1,940,480
[6] Projected Assessed Value (Assuming With Project) is based on Appraised Value of:	\$2,500,000
[7] Projected Assessed Value (Project; Ch. 353) and PILOTs are based on Appraised Value of \$2,500,000, which is higher than the appraised values of comparable properties.	
[8] Amounts include PILOTs and taxes paid on frozen land value.	
[9] Projected Assessed Value (Assuming With Project and Without Chapter 353) is based on Appraised Value of \$53/SF, or:	\$ 1,555,244
[10] "Assuming With Project and Without Chapter 353" Appraised Value is based off appraised values of comparable properties applied to reduced square footage of Property.	
[11] Assumes Assessed Value in Project Year 0 is the "frozen" base assessed value.	

**THE SHOPS AT SMITHVILLE
TAX IMPACT ANALYSIS - LIBRARY**

		ASSUMING NO PROJECT		ASSUMING WITH PROJECT AND CHAPTER 353		ASSUMING WITH PROJECT AND WITHOUT CHAPTER 353	
Calendar Year	Project Year	[5] Projected Assessed Value	Estimated Ad Valorem Taxes to Library	[6,7] Projected Assessed Value	[8] Ch. 353 PILOT to Library	[9,10] Projected Assessed Value	Estimated Ad Valorem Taxes to Library
2025	0	\$ 620,960	\$ 1,957	\$ 620,960	\$ 1,957	\$ 620,960	\$ 1,957
2026	1	\$ 620,960	\$ 1,957	\$ 620,960	\$ 1,957	\$ 620,960	\$ 1,957
2027	2	\$ 633,379	\$ 1,996	\$ 800,000	\$ 2,522	\$ 497,678	\$ 1,569
2028	3	\$ 633,379	\$ 1,996	\$ 800,000	\$ 2,522	\$ 497,678	\$ 1,569
2029	4	\$ 646,047	\$ 2,036	\$ 816,000	\$ 2,622	\$ 507,632	\$ 1,600
2030	5	\$ 646,047	\$ 2,036	\$ 816,000	\$ 2,622	\$ 507,632	\$ 1,600
2031	6	\$ 658,968	\$ 2,077	\$ 832,320	\$ 2,727	\$ 517,784	\$ 1,632
2032	7	\$ 658,968	\$ 2,077	\$ 832,320	\$ 2,727	\$ 517,784	\$ 1,632
2033	8	\$ 672,147	\$ 2,119	\$ 848,966	\$ 2,836	\$ 528,140	\$ 1,665
2034	9	\$ 672,147	\$ 2,119	\$ 848,966	\$ 2,836	\$ 528,140	\$ 1,665
2035	10	\$ 685,590	\$ 2,161	\$ 865,946	\$ 2,950	\$ 538,703	\$ 1,698
Total			\$ 20,575		\$ 26,323		\$ 16,586

Notes & Assumptions	
[1] Assumes Project Year 1 Fixed PILOT of:	\$ 58,468
[2] Assumes PILOT Increases Biennially at :	4%
[3] Assumes Appraised Value Increases Biennially at:	2%
[4] Assessment Rate:	32%
[5] Projected Assessed Value (Assuming No Project) is based on Appraised Value of:	\$1,940,480
[6] Projected Assessed Value (Assuming With Project) is based on Appraised Value of:	\$2,500,000
[7] Projected Assessed Value (Project; Ch. 353) and PILOTs are based on Appraised Value of \$2,500,000, which is higher than the appraised values of comparable properties.	
[8] Amounts include PILOTs and taxes paid on frozen land value.	
[9] Projected Assessed Value (Assuming With Project and Without Chapter 353) is based on Appraised Value of \$53/SF, or:	\$ 1,555,244
[10] "Assuming With Project and Without Chapter 353" Appraised Value is based off appraised values of comparable properties applied to reduced square footage of Property.	
[11] Assumes Assessed Value in Project Year 0 is the "frozen" base assessed value.	

**THE SHOPS AT SMITHVILLE
TAX IMPACT ANALYSIS - HEALTH**

Calendar Year	Project Year	ASSUMING NO PROJECT		ASSUMING WITH PROJECT AND CHAPTER 353		ASSUMING WITH PROJECT AND WITHOUT CHAPTER 353	
		[5] Projected Assessed Value	Estimated Ad Valorem Taxes to Health	Projected [6,7] Assessed Value	[8] Ch. 353 PILOT to Health	[9,10] Projected Assessed Value	Estimated Ad Valorem Taxes to Health
2025	0	\$ 620,960	\$ 502	\$ 620,960	\$ 502	\$ 620,960	\$ 502
2026	1	\$ 620,960	\$ 502	\$ 620,960	\$ 502	\$ 620,960	\$ 502
2027	2	\$ 633,379	\$ 512	\$ 800,000	\$ 647	\$ 497,678	\$ 403
2028	3	\$ 633,379	\$ 512	\$ 800,000	\$ 647	\$ 497,678	\$ 403
2029	4	\$ 646,047	\$ 523	\$ 816,000	\$ 673	\$ 507,632	\$ 411
2030	5	\$ 646,047	\$ 523	\$ 816,000	\$ 673	\$ 507,632	\$ 411
2031	6	\$ 658,968	\$ 533	\$ 832,320	\$ 700	\$ 517,784	\$ 419
2032	7	\$ 658,968	\$ 533	\$ 832,320	\$ 700	\$ 517,784	\$ 419
2033	8	\$ 672,147	\$ 544	\$ 848,966	\$ 728	\$ 528,140	\$ 427
2034	9	\$ 672,147	\$ 544	\$ 848,966	\$ 728	\$ 528,140	\$ 427
2035	10	\$ 685,590	\$ 555	\$ 865,946	\$ 757	\$ 538,703	\$ 436
Total			\$ 5,281		\$ 6,756		\$ 4,257

Notes & Assumptions	
[1] Assumes Project Year 1 Fixed PILOT of:	\$ 58,468
[2] Assumes PILOT Increases Biennially at :	4%
[3] Assumes Appraised Value Increases Biennially at:	2%
[4] Assessment Rate:	32%
[5] Projected Assessed Value (Assuming No Project) is based on Appraised Value of:	\$1,940,480
[6] Projected Assessed Value (Assuming With Project) is based on Appraised Value of:	\$2,500,000
[7] Projected Assessed Value (Project; Ch. 353) and PILOTs are based on Appraised Value of \$2,500,000, which is higher than the appraised values of comparable properties.	
[8] Amounts include PILOTs and taxes paid on frozen land value.	
[9] Projected Assessed Value (Assuming With Project and Without Chapter 353) is based on Appraised Value of \$53/SF, or:	\$ 1,555,244
[10] "Assuming With Project and Without Chapter 353" Appraised Value is based off appraised values of comparable properties applied to reduced square footage of Property.	
[11] Assumes Assessed Value in Project Year 0 is the "frozen" base assessed value.	

**THE SHOPS AT SMITHVILLE
TAX IMPACT ANALYSIS - HANDICAP**

Calendar Year	Project Year	ASSUMING NO PROJECT		ASSUMING WITH PROJECT AND CHAPTER 353		ASSUMING WITH PROJECT AND WITHOUT CHAPTER 353	
		[5] Projected Assessed Value	Estimated Ad Valorem Taxes to Handicap	[6,7] Projected Assessed Value	[8] Ch. 353 PILOT to Handicap	[9,10] Projected Assessed Value	Estimated Ad Valorem Taxes to Handicap
2025	0	\$ 620,960	\$ 602	\$ 620,960	\$ 602	\$ 620,960	\$ 602
2026	1	\$ 620,960	\$ 602	\$ 620,960	\$ 602	\$ 620,960	\$ 602
2027	2	\$ 633,379	\$ 614	\$ 800,000	\$ 776	\$ 497,678	\$ 483
2028	3	\$ 633,379	\$ 614	\$ 800,000	\$ 776	\$ 497,678	\$ 483
2029	4	\$ 646,047	\$ 627	\$ 816,000	\$ 807	\$ 507,632	\$ 492
2030	5	\$ 646,047	\$ 627	\$ 816,000	\$ 807	\$ 507,632	\$ 492
2031	6	\$ 658,968	\$ 639	\$ 832,320	\$ 839	\$ 517,784	\$ 502
2032	7	\$ 658,968	\$ 639	\$ 832,320	\$ 839	\$ 517,784	\$ 502
2033	8	\$ 672,147	\$ 652	\$ 848,966	\$ 873	\$ 528,140	\$ 512
2034	9	\$ 672,147	\$ 652	\$ 848,966	\$ 873	\$ 528,140	\$ 512
2035	10	\$ 685,590	\$ 665	\$ 865,946	\$ 908	\$ 538,703	\$ 523
Total			\$ 6,332		\$ 8,101		\$ 5,104

Notes & Assumptions	
[1] Assumes Project Year 1 Fixed PILOT of:	\$ 58,468
[2] Assumes PILOT Increases Biennially at :	4%
[3] Assumes Appraised Value Increases Biennially at:	2%
[4] Assessment Rate:	32%
[5] Projected Assessed Value (Assuming No Project) is based on Appraised Value of:	\$1,940,480
[6] Projected Assessed Value (Assuming With Project) is based on Appraised Value of:	\$2,500,000
[7] Projected Assessed Value (Project; Ch. 353) and PILOTs are based on Appraised Value of \$2,500,000, which is higher than the appraised values of comparable properties.	
[8] Amounts include PILOTs and taxes paid on frozen land value.	
[9] Projected Assessed Value (Assuming With Project and Without Chapter 353) is based on Appraised Value of \$53/SF, or:	\$ 1,555,244
[10] "Assuming With Project and Without Chapter 353" Appraised Value is based off appraised values of comparable properties applied to reduced square footage of Property.	
[11] Assumes Assessed Value in Project Year 0 is the "frozen" base assessed value.	

**THE SHOPS AT SMITHVILLE
TAX IMPACT ANALYSIS - CLAY COUNTY**

		ASSUMING NO PROJECT		ASSUMING WITH PROJECT AND CHAPTER 353		ASSUMING WITH PROJECT AND WITHOUT CHAPTER 353	
Calendar Year	Project Year	[5] Projected Assessed Value	Estimated Ad Valorem Taxes to County - Without Ch. 353	[6,7] Projected Assessed Value	[8] Ch. 353 PILOT to County	[9,10] Projected Assessed Value	Estimated Ad Valorem Taxes to County
2025	0	\$ 620,960	\$ 783	\$ 620,960	\$ 783	\$ 620,960	\$ 783
2026	1	\$ 620,960	\$ 783	\$ 620,960	\$ 783	\$ 620,960	\$ 783
2027	2	\$ 633,379	\$ 799	\$ 800,000	\$ 1,009	\$ 497,678	\$ 628
2028	3	\$ 633,379	\$ 799	\$ 800,000	\$ 1,009	\$ 497,678	\$ 628
2029	4	\$ 646,047	\$ 815	\$ 816,000	\$ 1,049	\$ 507,632	\$ 640
2030	5	\$ 646,047	\$ 815	\$ 816,000	\$ 1,049	\$ 507,632	\$ 640
2031	6	\$ 658,968	\$ 831	\$ 832,320	\$ 1,091	\$ 517,784	\$ 653
2032	7	\$ 658,968	\$ 831	\$ 832,320	\$ 1,091	\$ 517,784	\$ 653
2033	8	\$ 672,147	\$ 848	\$ 848,966	\$ 1,135	\$ 528,140	\$ 666
2034	9	\$ 672,147	\$ 848	\$ 848,966	\$ 1,135	\$ 528,140	\$ 666
2035	10	\$ 685,590	\$ 865	\$ 865,946	\$ 1,180	\$ 538,703	\$ 679
Total			\$ 8,231		\$ 10,531		\$ 6,636

Notes & Assumptions	
[1] Assumes Project Year 1 Fixed PILOT of:	\$ 58,468
[2] Assumes PILOT Increases Biennially at :	4%
[3] Assumes Appraised Value Increases Biennially at:	2%
[4] Assessment Rate:	32%
[5] Projected Assessed Value (Assuming No Project) is based on Appraised Value of:	\$1,940,480
[6] Projected Assessed Value (Assuming With Project) is based on Appraised Value of:	\$2,500,000
[7] Projected Assessed Value (Project; Ch. 353) and PILOTs are based on Appraised Value of \$2,500,000, which is higher than the appraised values of comparable properties.	
[8] Amounts include PILOTs and taxes paid on frozen land value.	
[9] Projected Assessed Value (Assuming With Project and Without Chapter 353) is based on Appraised Value of \$53/SF, or:	\$ 1,555,244
[10] "Assuming With Project and Without Chapter 353" Appraised Value is based off appraised values of comparable properties applied to reduced square footage of Property.	
[11] Assumes Assessed Value in Project Year 0 is the "frozen" base assessed value.	

**THE SHOPS AT SMITHVILLE
TAX IMPACT ANALYSIS - AMBULANCE DISTRICT**

		ASSUMING NO PROJECT		ASSUMING WITH PROJECT AND CHAPTER 353		ASSUMING WITH PROJECT AND WITHOUT CHAPTER 353	
Calendar Year	Project Year	[5] Projected Assessed Value	Estimated Ad Valorem Taxes to Ambulance District	[8,9] Projected Assessed Value	Estimated Taxes to Ambulance District	[8,9] Projected Assessed Value	Estimated Ad Valorem Taxes to Ambulance District
2025	0	\$ 620,960	\$ 4,218	\$ 620,960	\$ 4,218	\$ 620,960	\$ 4,218
2026	1	\$ 620,960	\$ 4,218	\$ 620,960	\$ 4,218	\$ 620,960	\$ 4,218
2027	2	\$ 633,379	\$ 4,302	\$ 497,678	\$ 3,380	\$ 497,678	\$ 3,380
2028	3	\$ 633,379	\$ 4,302	\$ 497,678	\$ 3,380	\$ 497,678	\$ 3,380
2029	4	\$ 646,047	\$ 4,388	\$ 507,632	\$ 3,448	\$ 507,632	\$ 3,448
2030	5	\$ 646,047	\$ 4,388	\$ 507,632	\$ 3,448	\$ 507,632	\$ 3,448
2031	6	\$ 658,968	\$ 4,476	\$ 517,784	\$ 3,517	\$ 517,784	\$ 3,517
2032	7	\$ 658,968	\$ 4,476	\$ 517,784	\$ 3,517	\$ 517,784	\$ 3,517
2033	8	\$ 672,147	\$ 4,565	\$ 528,140	\$ 3,587	\$ 528,140	\$ 3,587
2034	9	\$ 672,147	\$ 4,565	\$ 528,140	\$ 3,587	\$ 528,140	\$ 3,587
2035	10	\$ 685,590	\$ 4,657	\$ 538,703	\$ 3,659	\$ 538,703	\$ 3,659
Total			\$ 44,336		\$ 35,740		\$ 35,740

Notes & Assumptions	
[3] Assumes Appraised Value Increases Biennially at:	2%
[4] Assessment Rate:	32%
[5] Projected Assessed Value (Assuming No Project) is based on Appraised Value of:	\$1,940,480
[8] Projected Assessed Value (Assuming With Project and Without Chapter 353) is based on Appraised Value of \$53/SF, or:	\$ 1,555,244
[9] "Assuming With Project and Without Chapter 353" Appraised Value is based off appraised values of comparable properties applied to reduced square footage of Property.	
[10] Assumes Assessed Value in Project Year 0 is the "frozen" base assessed value.	

THE SHOPS AT SMITHVILLE
TAX IMPACT ANALYSIS - COMMERCIAL SURTAX

		ASSUMING NO PROJECT		ASSUMING WITH PROJECT AND CHAPTER 353		ASSUMING WITH PROJECT AND WITHOUT CHAPTER 353	
Calendar Year	Project Year	[5] Projected Assessed Value	Estimated Ad Valorem Taxes to Surtax	Projected [6,7] Assessed Value	[8] Ch. 353 PILOT to Surtax	[9,10] Projected Assessed Value	Estimated Ad Valorem Taxes to Surtax
2025	0	\$ 620,960	\$ 8,942	\$ 620,960	\$ 8,942	\$ 620,960	\$ 8,942
2026	1	\$ 620,960	\$ 8,942	\$ 620,960	\$ 8,942	\$ 620,960	\$ 8,942
2027	2	\$ 633,379	\$ 9,121	\$ 800,000	\$ 11,520	\$ 497,678	\$ 7,167
2028	3	\$ 633,379	\$ 9,121	\$ 800,000	\$ 11,520	\$ 497,678	\$ 7,167
2029	4	\$ 646,047	\$ 9,303	\$ 816,000	\$ 11,981	\$ 507,632	\$ 7,310
2030	5	\$ 646,047	\$ 9,303	\$ 816,000	\$ 11,981	\$ 507,632	\$ 7,310
2031	6	\$ 658,968	\$ 9,489	\$ 832,320	\$ 12,460	\$ 517,784	\$ 7,456
2032	7	\$ 658,968	\$ 9,489	\$ 832,320	\$ 12,460	\$ 517,784	\$ 7,456
2033	8	\$ 672,147	\$ 9,679	\$ 848,966	\$ 12,958	\$ 528,140	\$ 7,605
2034	9	\$ 672,147	\$ 9,679	\$ 848,966	\$ 12,958	\$ 528,140	\$ 7,605
2035	10	\$ 685,590	\$ 9,872	\$ 865,946	\$ 13,477	\$ 538,703	\$ 7,757
Total			\$ 93,998		\$ 120,257		\$ 75,775

Notes & Assumptions	
[1] Assumes Project Year 1 Fixed PILOT of:	\$ 58,468
[2] Assumes PILOT Increases Biennially at :	4%
[3] Assumes Appraised Value Increases Biennially at:	2%
[4] Assessment Rate:	32%
[5] Projected Assessed Value (Assuming No Project) is based on Appraised Value of:	\$1,940,480
[6] Projected Assessed Value (Assuming With Project) is based on Appraised Value of:	\$2,500,000
[7] Projected Assessed Value (Project; Ch. 353) and PILOTs are based on Appraised Value of \$2,500,000, which is higher than the appraised values of comparable properties.	
[8] Amounts include PILOTs and taxes paid on frozen land value.	
[9] Projected Assessed Value (Assuming With Project and Without Chapter 353) is based on Appraised Value of \$53/SF, or:	\$ 1,555,244
[10] "Assuming With Project and Without Chapter 353" Appraised Value is based off appraised values of comparable properties applied to reduced square footage of Property.	
[11] Assumes Assessed Value in Project Year 0 is the "frozen" base assessed value.	