

The Redevelopment of



Independence, Missouri

February 2023

- ▼ 44 years in Business
- ▼ Based in Chicago
- ▼ Tri-Land currently employs 25 people
- ▼ Privately held
- ▼ Completed Over 50 Shopping Center Renovations in Eight States
 - Representing 8,600,000 Square Feet of Redeveloped Shopping Centers
 - With a Total investment of \$670,000,000
- ▼ Full-service Company:
 - Acquisitions
 - Leasing
 - Construction
 - Capital Markets
 - Finance
 - Property Management
 - Accounting
 - Human Resources

- ▼ Tri-Land's core business is to transform underutilized and underperforming retail centers into vibrant shopping environments.
- ▼ 90% of Tri-Land projects are supermarket anchored.

The logo for Schnucks, featuring the word "Schnucks" in a stylized, red, italicized font with a registered trademark symbol.The logo for Pick'n Save, with the words "Pick'n Save" in a red, italicized, cursive font.The logo for Dominick's, with the word "Dominick's" in a red, sans-serif font and a small green and red flag icon to the right.The logo for Cub Foods, with the word "Cub" in a large, red, bold, sans-serif font and "FOODS" in a smaller, red, bold, sans-serif font below it.The logo for Jewel-Osco, with the words "Jewel-Osco" in a red, italicized, sans-serif font, underlined.The logo for SuperValu, with the word "SUPERVALU" in a red, bold, sans-serif font.The logo for Shoppers, featuring a red and yellow circular icon with a shopping cart and the word "SHOPPERS" in a red, bold, sans-serif font.

Tri-Land's Kansas City Redevelopments

Cherokee South

**SWC 95th and Antioch
Overland Park, KS**

Ten Quivira

**NWC Shawnee Mission and Quivira
Shawnee, KS**

Devonshire

**127th and Mur-Len Rd
Olathe, KS**

Blue Springs

**NEC Highway 7 and Highway 40
KC, MO**

Before



After



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10 QUIVIRA PLAZA



Year Built / Remodeled	Price Chopper – (1972 Woolco/Walmart) / 1996 Small Shops - 1972 Firestone - 1990 Burger King – 1990
Building Size	161,423 SF
Total Site Area	15.92 acres
Occupancy	92%
Tenants	11 tenants, 2 vacant spaces, effective 3/1/22
Buildings	3



The Hub Shopping Center Existing Site Plan



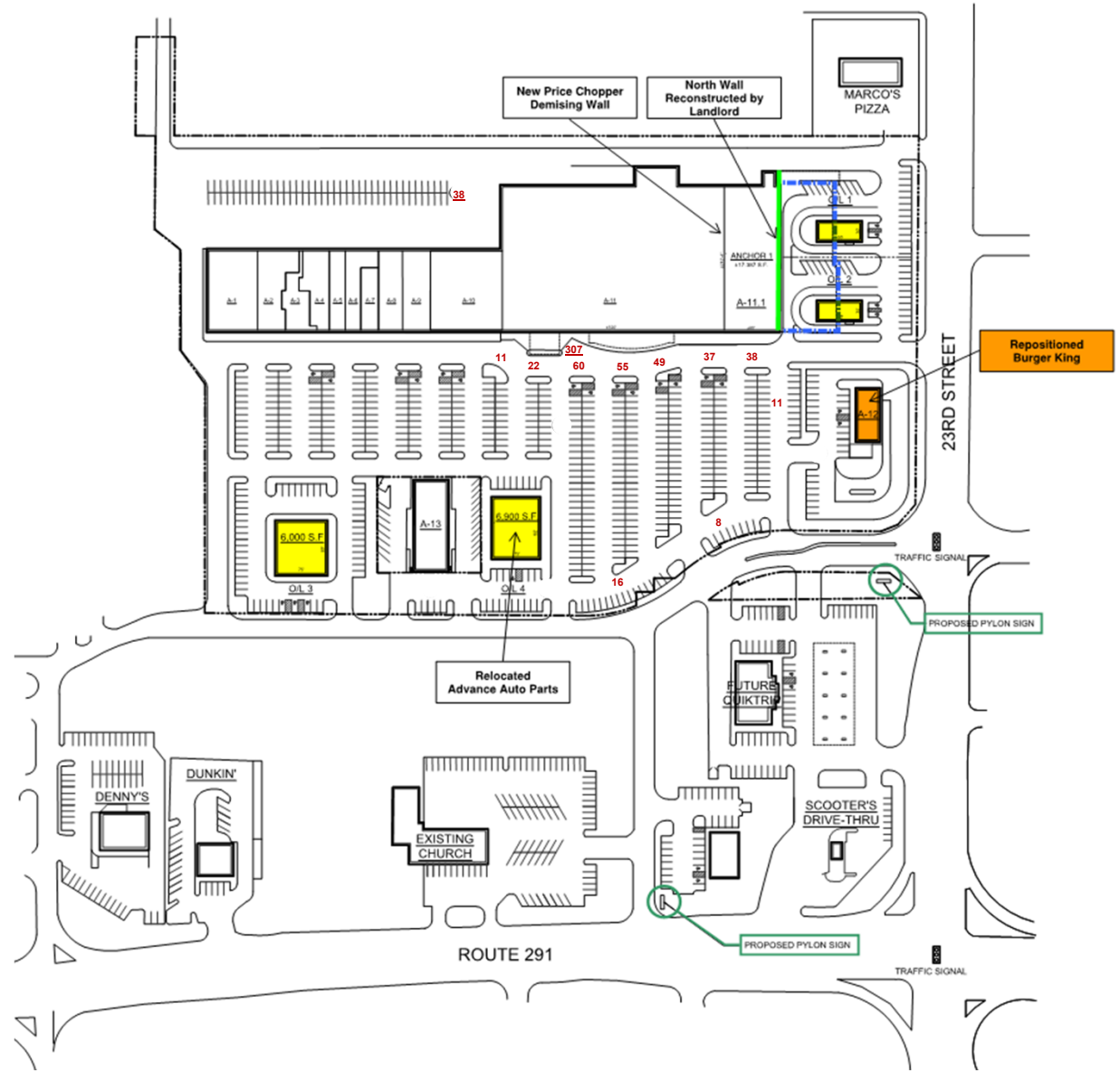


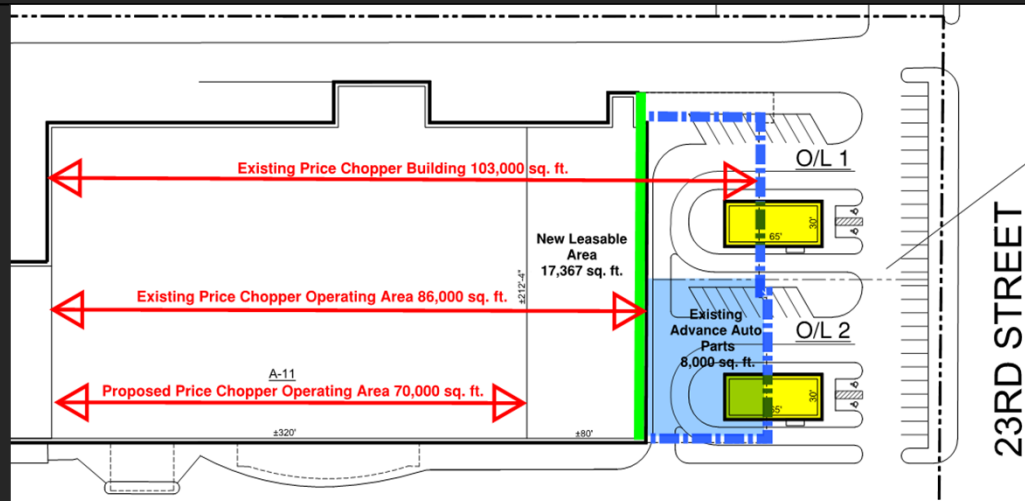
Future of The Hub

- **Building Façade Renovations and new, more visible tenant signage**
- **Replace roofs, parking lots, sidewalks**
- **Organize traffic flow and reconfigure the parking lot to include new curbed islands**
- **Add new high-impact landscaped areas**
- **Add new shopping center identification signage**
- **Add four new outlot buildings (two facing Hub Drive and two more fronting 23rd St)**
- **Downsize the existing Price Chopper store and create a new 17,000 SF tenant space**
- **Add new high-intensity LED site lights and building lights**



The Hub Shopping Center Redevelopment Site Plan















The renovation of The Hub will:

- **Improve the appearance of the shopping center**
- **Create a more appealing environment for its existing customers and tenants**
- **Attract new customers and tenants**
- **Provide additional businesses at which to shop, eat and work.**
- **New businesses will generate increased sales and sales tax revenue.**
- **The new buildings will increase the real estate tax revenue to the City, setting a new benchmark for other development projects and acting as a catalyst for future investments in other local properties.**

Hub Shopping Center Redevelopment By The Numbers

\$37 million	Total Development Cost (All Investment)
<u>- \$11 million</u>	Costs by Others
\$26 million	Net Development Cost of Developer
\$1.37 million	Net Operating Income Generated
5.3%	Unfinanceable Return on Investment
10.0%	Financeable Return on Investment
\$12 million	Total Problem to Solve

Scenario 1

Statutory TIF (100% PILOTS / 50% EATS) + TDD; CID; Sales Tax Exemption

Scenario 2

Tax Abatement; Sales Tax Rebate + TDD; CID; Sales Tax Exemption

Scenario 3 (proposed financing plan)

Revised TIF (50% PILOTS / 50% EATS) + TDD; CID; Sales Tax Exemption

Note: Detailed analysis of each scenario is available

Scenario 1

Statutory TIF (100% PILOTS / 50% EATS); TDD; CID; Sales Tax Exemption

Advantages

- Gap Solved
- Incentive Capacity Generated Could Be Spent

Issue

- 100% PILOTS request is in excess of City policy

Scenario 2

Tax Abatement; Sales Tax Rebate; TDD; CID; Sales Tax Exemption

Advantages

- Eliminates TIF Request
- Uses Other Incentive Tools

Issues

- Gap remains unsolved by \$3.6MM
- Without TIF, there are insufficient eligible costs to spend all of the incentive dollars generated

Proposed financing plan

Scenario 3

Revised TIF (50% PILOTS / 50% EATS); TDD; CID; Sales Tax Exemption

Advantages

- Gap Solved
- Incentive Capacity Generated Could Be Spent
- Request Inline with City Policy

Issue

- Justify Need for TIF

Why is TIF Needed to Make the Project Possible?

- **Does not call for the City of Independence to be responsible for any payment of debt service for the financing!**
- **Does not create any payment risk of any kind to the City of Independence!**
- **Does not require the City of Independence to guarantee any revenues!**
- **Does not call for the City of Independence to issue any bonds (bonds would instead be issued by the industrial development authority or another issuer)!**
- **Aligns with the Economic Development Policy of the City of Independence!**
- **Results in \$1 million of funding for the City of Independence to move forward with its request for a grant to fund the 23rd St. Corridor Project!**

- **Maintains current levels of tax revenues to the City and all taxing jurisdictions and ensures the City and all taxing jurisdictions enjoy a share of the increased tax revenues by providing for 50% of the increase in sales taxes and property taxes to flow to the taxing jurisdictions during the term of the TIF!**
- **Relies on TIF Revenue to fund less than 8% of the costs of the redevelopment, far below the 15% - 20% maximum established in the Economic Development Policy!**
- **Will be subject to independent review by advisors hired by the City of Independence to verify the need for the requested support from the City!**
- **Facilitates the redevelopment of the Hub Shopping Center in a fashion that assures its long-term viability and creates a community anchor in the Northeast portion of the City of Independence!**

**We Welcome Your
Questions & Comments**

