

ORDINANCE NO. 180214

Approving the First Amendment to the Cooperative Agreement among the City, the Tax Increment Financing Commission and Jackson County, Missouri relating to the Fifth Amendment to the Universal Floodwater Tax Increment Financing Plan to accelerate the schedule for distribution of surplus to the affected taxing jurisdictions.

WHEREAS, on April 18, 1991, the City Council passed Committee Substitute for Ordinance No. 910047, as amended, approving the Universal Floodwater Detention Tax Increment Financing Plan (the "Plan") which authorized tax increment financing for redevelopment of an area bounded by Reynolds Avenue on the west, the south bank of the Missouri River on the north, Interstate 435 on the east and Front Street on the south (the "Redevelopment Area"); and

WHEREAS, the Plan has previously been amended four times by Ordinance Nos. 911507, 000777, 100476 and 130305; and

WHEREAS, the Fifth Amendment to the Plan (the "Fifth Amendment") was approved by the Council by passage of Committee Substitute for Ordinance No. 170773 on October 15, 2017; and

WHEREAS, among other things, the Fifth Amendment provides for the reimbursement of Redevelopment Project Costs related to the Public Improvements, which are estimated to be approximately \$6,900,000.00 (the "Fifth Amendment Costs"); and

WHEREAS, the Special Allocation Fund established in connection with the Plan (the "Special Allocation Fund") had, as of April 30, 2017, an existing balance of \$11,885,799.00 (the "SAF Balance"), which is comprised of payments in lieu of taxes ("PILOTS") and economic activity taxes ("EATS") generated and collected within the Redevelopment Project Areas; and

WHEREAS, the City, the Commission and Jackson County, Missouri entered into a Cooperative Agreement which provided for the contribution of the City's portion of existing funds deemed to be surplus, (approximately \$2,250,520.00), and an additional portion of its surplus funds generated thereafter, in an amount not in excess of \$1,361,704.00, to the County for distribution to each of the taxing districts affected by the Plan in a manner consistent with Section 99.820.1(12); and

WHEREAS, the amount of the SAF Balance in excess of the Fifth Amendment Costs as well as the City's portion of existing surplus funds, were deemed surplus and have been distributed by the Commission to the taxing jurisdictions, pursuant to the Cooperative Agreement; and

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WHEREAS, subject to the collection and receipt of sufficient PILOTS and EATS, the additional portion of the City's surplus funds not in excess of \$1,361,704.00 are anticipated to be distributed to the taxing jurisdictions affected by the Plan in early 2018, following the first quarter's collections; and

WHEREAS, the City desires to distribute \$1,361,704.00 to the taxing jurisdictions immediately in order to allow the taxing jurisdictions to use their portions of the surplus for their immediate needs; and

WHEREAS, immediate distribution of \$1,361,704.00 requires an amendment to the Cooperative Agreement; NOW, THEREFORE,

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY:

Section 1. That the City Manager is authorized to enter into the First Amendment to the Cooperative Agreement with the Commission and County which shall provide for an advance of \$1,361,704.00 from the Special Allocation Fund to the County for distribution to each of the taxing districts affected by the Plan. The First Amendment shall also provide that the Special Allocation Fund will be reimbursed by additional City surplus funds generated by the Redevelopment Area in the amount of \$1,361,704.00. The First Amendment to the Cooperative Agreement is approved in such form as the City Manager shall determine to be appropriate for such purposes.

Approved as to form and legality:

Brian T. Rabineau
Assistant City Attorney