

ORDINANCE NO. 100749

Authorizing the City Manager to execute a Reimbursement Agreement with the National Association of Insurance Commissioners to provide an economic incentive to relocate certain business operations within the city limits of Kansas City, Missouri.

WHEREAS, the National Association of Insurance Commissioners ("NAIC"), together with the National Insurance Producer Registry ("NIPR") and the Interstate Insurance Product Regulation Commission ("IIPRC") (NAIC, NIPR and IIPRC are collectively referred to as "Employer") currently conduct certain of their business operations at an office location in the City leased by NAIC; and

WHEREAS, NAIC is considering various locations in which Employer will conduct certain of its business operations following the expiration of its current lease for space in the City, including locations in the City (each a "KCMO Location" and collectively the "KCMO Locations") and locations in Kansas; and

WHEREAS, the City desires to retain Employer, and the existing jobs created by Employer's current business operations in the City, within the City at one of the KCMO Locations following the expiration of its current lease for space in the City; and

WHEREAS, the KCMO Locations are in areas that the City Council of the City has determined to be blighted under applicable law, including without limitation the Land Clearance for Redevelopment Authority Law, RSMo. §99.300 et seq., as amended; the Real Property Tax Increment Allocation Redevelopment Act, RSMo. §99.800 et seq., as amended; Planned Industrial Expansion Law, RSMo. §100.300 et seq., as amended; and The Urban Redevelopment Corporations Law, RSMo. §353.010 et seq., as amended; and

WHEREAS, if NAIC selects any of the KCMO Locations, NAIC and City anticipate that economic activity will be created at the KCMO Location selected (the "Selected Location") that will result in tax revenues to the City, including without limitation tax revenues from (i) expenditures of funds by NAIC and/or the landlord that is the owner of the Selected Location to construct, rehabilitate, remodel and improve the Selected Location, (ii) substantial new investment in personal property to equip the Selected Location in order to render it suitable for Employer's use (the construction, rehabilitation, remodeling, improving and equipping of the Selected Location, as more fully set forth in Section 2.1 below, is hereinafter referred to as the "Project"), (iii) conduct of Employer's business at the Selected Location with resulting consumption of goods, services and utilities, and (iv) activities of employees of Employer in the City while located at or traveling to or from the Selected Location such as, but not limited to, retail purchases, consumption of goods and services and patronage of restaurant, entertainment and other facilities in the City; and

WHEREAS, in connection with the development and operation of the Project, Employer intends to retain at least 400 jobs in the City at the Selected Location; and

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WHEREAS, the City Council of the City has determined that the primary purpose of the Project serves a public municipal purpose because, without limitation, the Project (i) prevents the recurrence of blight by preventing vacancies which may be conducive to crime, fire hazards, vandalism and other safety concerns; (ii) preserves the tax base of the Selected Property; (iii) is anticipated to retain at least 400 jobs within the City and potentially create additional new jobs within the City, (iv) maintains NAIC's economic presence in the City, (v) promotes economic development in the area of the City in which the Selected Location is located, and promotes consideration of areas of the City that the City Council of the City has determined to be blighted as a location for business operations, (vi) results in generation of tax revenues to the City from the conduct of business and other activities by Employer and its employees in the City that would not otherwise occur, (vii) is intended to serve as a catalyst for additional investment in and further redevelopment and rehabilitation of the area of the City in which the Selected Location is located, (viii) furthers the City's policy of encouraging economic stability and growth, and (ix) because of NAIC's commitment to hold meetings in the City that will attract out-of-town visitors into the City, promotes travel to the City and generates additional tax revenues from the use of hotel rooms and other spending by such out-of-town visitors, and therefore the City desires to encourage NAIC to carry out the Project; NOW, THEREFORE,

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY:

Section 1. That the City Manager is hereby authorized to execute a Reimbursement Agreement with the National Association of Insurance Commissioners ("NAIC"), in substantial form as that on file in the office of the City Manager, which provides reimbursement for business expenses incurred by NAIC in consideration of the relocation of certain business operations of NAIC to office space within the city limits of Kansas City, Missouri.

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Approved as to form and legality:

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Heather A. Brown  
Assistant City Attorney