

GENERAL

180119

Ordinance Fact Sheet

Ordinance Number

Brief Title	Approval Deadline	Reason
9th & Main TIF Plan		

Details	Positions/Recommendations												
<p>Specific Address</p> <p>The Redevelopment Area described by the 9th & Main Tax Increment Financing Plan (the "TIF Plan" or "Redevelopment Plan") and Redevelopment Project generally includes the southeast portion of the block that is generally bound by 8th Street on the north, 9th Street on the south, Main Street on the east and Baltimore Avenue on the west, all in Jackson County, Kansas City, Missouri.</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%;">Sponsor</td> <td style="width: 70%;">Tax Increment Financing Commission</td> </tr> <tr> <td>Programs, Departments, Groups</td> <td></td> </tr> <tr> <td>Applicants / Opponents</td> <td> Applicant Tax Increment Financing Commission City Department Other Basis of opposition </td> </tr> <tr> <td>Staff (TIF Staff) Recommendation</td> <td> <input checked="" type="checkbox"/> For <input type="checkbox"/> Against Reason Against </td> </tr> <tr> <td>Board or Commission Recommendation</td> <td> By Tax Increment Financing Commission <input checked="" type="checkbox"/> For <input type="checkbox"/> Against <input type="checkbox"/> No action taken <input type="checkbox"/> For, with revisions or conditions (see details column for conditions) <input type="checkbox"/> Not Applicable </td> </tr> <tr> <td>Council Committee Actions</td> <td> <input checked="" type="checkbox"/> Do pass <input type="checkbox"/> Do pass (as amended) <input type="checkbox"/> Committee Sub. <input type="checkbox"/> Without Recommendation <input type="checkbox"/> Hold <input type="checkbox"/> Do not pass </td> </tr> </table>	Sponsor	Tax Increment Financing Commission	Programs, Departments, Groups		Applicants / Opponents	Applicant Tax Increment Financing Commission City Department Other Basis of opposition	Staff (TIF Staff) Recommendation	<input checked="" type="checkbox"/> For <input type="checkbox"/> Against Reason Against	Board or Commission Recommendation	By Tax Increment Financing Commission <input checked="" type="checkbox"/> For <input type="checkbox"/> Against <input type="checkbox"/> No action taken <input type="checkbox"/> For, with revisions or conditions (see details column for conditions) <input type="checkbox"/> Not Applicable	Council Committee Actions	<input checked="" type="checkbox"/> Do pass <input type="checkbox"/> Do pass (as amended) <input type="checkbox"/> Committee Sub. <input type="checkbox"/> Without Recommendation <input type="checkbox"/> Hold <input type="checkbox"/> Do not pass
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<p>The Tax Increment Financing Commission recommends that the City Council of the City of Kansas City, Missouri approve the TIF Plan.</p>													
<p>The Redevelopment Plan contemplates the renovation and expansion of an office building for use as the headquarters for McCownGordon Construction LLC. This project includes the renovation of approximately 43,000 square feet of existing office space and the construction of an additional 6,500 square feet of new office space located at 850 Main Street, Kansas City, Missouri. Once completed, the improvements will result in a 4-story, 49,500 square-foot Class A office building (the "Project Improvements").</p> <p>The Project Improvements will be constructed on approximately one-half acre that is generally bound by a parking garage owned by the Catholic Diocese of Kansas City-St. Joseph located on the north, Main Street on the east, 9th Street on the south and a driveway providing access from 9th Street to the parking garage owned by the Catholic Diocese of Kansas City-St. Joseph located on the west in Kansas City, Jackson County, Missouri. The Redevelopment Plan further provides for the construction or reconstruction of such other public infrastructure improvements within the Redevelopment Area, which may consist of streetscape, signage, signaling, sidewalks and curbs and such other related public infrastructure improvements that support and enhance the Project Improvements (the "Public Improvements").</p>													
<p>General Development Program for the 9th & Main TIF Plan: The Redevelopment Plan provides for the renovation and expansion of an office building located at 850 Main Street, Kansas City, Missouri for use as the headquarters for the McCownGordon Construction Company. This will include the renovation of approximately 43,000 square feet and construction of approximately 6,500 square feet of new office space. The Plan further provides for the construction of such other public infrastructure improvements, which may consist of streetscape, signage, signaling, sidewalks and curbs and such other related public infrastructure improvements that support and enhance the Project Improvements.</p> <p>Estimated Redevelopment Project Costs: The total cost to implement the Project Improvements and Public Improvements is estimated to be \$18,745,545, plus costs of financing estimated to be \$29,190,393 for a total cost of \$47,935,938. The Redeveloper and third parties will finance \$45,622,236 through a combination of equity, third party funds and/or debt financing. Tax Increment Financing will be utilized to reimburse the remaining \$2,313,702 of Redevelopment Costs.</p>													

(Continued on reverse side)

Projections and Application of Payments in Lieu of Taxes and Economic Activity Taxes: Pursuant to the Act, Economic Activity Taxes ("EATs") and Payment in Lieu of Taxes ("PILOTs") generated and collected within the Redevelopment Project Area may be used to pay Redevelopment Project Costs. McCownGordon Construction, LLC the proponent of the TIF Plan (the "Redeveloper") intends to seek certain tax incentives from the City that are available under Sections 100.010 – 100.200 RSMo. (the "Chapter 100 Incentive"), including the abatement of 75% of real property taxes which will result in no PILOTs captured within the Redevelopment Project Area during such period. If the proposed Chapter 100 Incentive is not approved by the City, any and all PILOTs generated, collected and deposited in the Special Allocation Fund shall not be utilized or pledged to the payment of Redevelopment Project Costs, but shall be deemed surplus and distributed to the affected Taxing Districts located wholly or partially within the Redevelopment Project Areas, as provided for in the Act. The estimated total Economic Activity Taxes generated within the Redevelopment Project Area during the first thirteen years after the Redevelopment Project is approved by Ordinance, deposited into the Special Allocation Fund and, upon annual appropriation or budgeted and transferred by the City Council, available to pay reimbursable Project Costs is approximately \$4,627,404 of which approximately \$2,313,702 may be used to reimburse eligible Redevelopment Project Costs, including interest certified by the Commission.

Statutory Findings: It is Staff's recommendation that the 9th & Main Tax Increment Financing Plan meets each of the required statutory findings identified by the TIF Act. Specifically:
Conservation Area: The Redevelopment Area qualifies as a Conservation Area;
But-For Analysis: The analysis prepared by SB Friedman concluded that the Redevelopment Area has not been subject to growth and development by private enterprise and the Project Improvements and Public Improvements within the Redevelopment Area would not reasonably be anticipated to be developed without the adoption of Tax Increment Financing;
General Land Use: The Redevelopment Plan identifies the property to be redeveloped for office use. The Redevelopment Area is currently zoned as DC-15. Office use is a permitted use in that district DC-15;
City's Comprehensive Plan: The Redevelopment Plan conforms to the City's FOCUS Plan;
Acquisition and Disposition: Eminent Domain is currently not contemplated under the Redevelopment Plan;
Relocation Assistance: Relocation assistance is available under the Redevelopment Plan if needed;
Enterprise Zone: The Redevelopment Plan will follow Section 135.215. RSMo.;
Provision of Public Facilities: The Redeveloper will provide all necessary public facilities and utilities to serve the Redevelopment Area;
Redevelopment Schedule: The Redevelopment Plan provides that the estimated date of completion of any redevelopment project described by the Plan and retirement of obligations incurred to finance redevelopment project costs identified by the Plan shall not occur later than twenty-three (23) years after such redevelopment project is approved by Ordinance.

Applicable Dates:
Gambling Establishment: The Redevelopment Plan does not include development or redevelopment of any gambling establishment;
Date of Ordinance: The Redevelopment Plan does not include development or redevelopment of any gambling establishment;
Enterprise Zone: The Redevelopment Plan does not provide for the adoption of an Ordinance approving any Redevelopment Project later than ten (10) years from the adoption of the Plan;
Reviewed by:
Redevelopment Agreement: Upon approval of this TIF Plan, the Commission and Redeveloper will enter into a Redevelopment Agreement
Reference Numbers:

Policy/Program Impact

Policy or Program Change	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
Operational Impact Assessment	

Finances

Cost & Revenue Projections -- Including Indirect Costs	<p style="text-align: center;">Not Applicable</p>
Financial Impact	
Fund Source (s) and Appropriation Account Codes	

Is this Ordinance or Resolution Good for the Children?

Yes.

for the implementation of the Project Improvements and Public