

ORDINANCE NO. 060406

Accepting the recommendations of the Tax Increment Financing Commission of Kansas City as to the Fourth Amendment to the Pershing Road Redevelopment Tax Increment Financing Plan; approving the Fourth Amendment to the Pershing Road Redevelopment Tax Increment Financing Plan.

WHEREAS, in Ordinance No. 030401, as amended by Second Committee Substitute for Ordinance No. 030674, the Council accepted the recommendations of the Tax Increment Financing Commission of Kansas City ("Commission") and approved the Pershing Road Tax Increment Financing Plan ("Plan"); and

WHEREAS, the first amendment to the Plan ("First Amendment"), reflecting an increase in redevelopment costs from approximately \$333 million to \$359 million and an increase in reimbursable project costs from approximately \$110 million to \$125 million, and including a revised financial analysis report projecting a 15% internal rate of return with the assistance of TIF and an estimated return of 6.4% without TIF assistance was approved by the Commission on July 9, 2003, by its Resolution No. 7-02-03; and

WHEREAS, by passage of Committee Substitute for Ordinance No. 030847, the Council accepted the recommendations of the Tax Increment Financing Commission of Kansas City and approved the First Amendment to the Pershing Road Tax Increment Financing Plan on August 7, 2003; and

WHEREAS, by passage of Committee Substitute for Ordinance No. 040564, the Council accepted the recommendations of the Tax Increment Financing Commission of Kansas City and approved the second amendment to the Pershing Road Tax Increment Financing Plan ("Second Amendment") on May, 27, 2004; and

WHEREAS, by passage of Ordinance No. 051322, the Council accepted the recommendations of the Tax Increment Financing Commission of Kansas City and approved the third amendment to the Pershing Road Tax Increment Financing Plan ("Third Amendment") on November 10, 2005; and

WHEREAS, the fourth amendment to the Plan, amending the budget by reducing the line-item Freight House District Infrastructure and reallocating those funds to a new line item for Pedestrian Bridge Maintenance and Relocation ("Fourth Amendment"), was proposed to the Commission; and

WHEREAS, after all proper notice was given, the Commission met in public hearing regarding the Fourth Amendment on March 4, 2006, at such time, and, after receiving the comments of all interested persons and taxing districts, the Commission approved Resolution No. 3-4-06 ("Resolution") recommending to the City Council the approval of the Fourth Amendment; NOW, THEREFORE,

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY:

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Section 1. The recommendations of the Commission concerning the Fourth Amendment as set forth in the Resolution attached hereto as Exhibit A are hereby accepted and the Fourth Amendment, a copy of which is attached hereto as Exhibit B, is hereby approved.

Section 2. All terms used in this ordinance, not otherwise defined herein, shall be construed as defined in the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 to 99.865, RSMo.

Section 3. The City Council hereby finds that good cause has been shown for the amendment of the Plan and that the findings of the Council in Ordinance No. 030401, as amended by Second Committee Substitute for Ordinance No. 030674, Committee Substitute for Ordinance No. 030847, Ordinance No. 040564 and Ordinance No. 051322 are not affected by the Fourth Amendment and apply equally to the Fourth Amendment.

Section 4. In accordance with the recommendations of the Commission as set forth in the Resolution, the City Council hereby finds that:

A. The Redevelopment Area as a whole is a blighted area, to wit: there is evidence of dilapidation, obsolescence, illegal use of structures, presence of structures which are below minimum code standards, excessive vacancies and other blighting conditions as defined in Section 99.805(3), RSMo.

B. The Fourth Amendment conforms to the comprehensive plan for the development of the City as a whole.

C. The areas selected for Redevelopment Projects include only those parcels of real property and improvements thereon which will be directly and substantially benefited by the Redevelopment Project Improvements.

D. The estimated dates of completion of the Redevelopment Projects and retirement of obligations incurred to finance Redevelopment Project Costs have been stated in the Fourth Amendment and are not more than 23 years from the adoption of any ordinance approving a Redevelopment Project within the Redevelopment Area.

E. The Fourth Amendment includes a plan for relocation assistance for businesses and residences.

F. A cost-benefit analysis showing the impact of the Fourth Amendment on each taxing district which is at least partially within the boundaries of the Redevelopment Area has been prepared in accordance with the Act.

G. The Fourth Amendment does not include the initial development or redevelopment of any gambling establishment.

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Section 5. The Commission is authorized to issue obligations in one or more series of bonds secured by the Pershing Road Tax Increment Plan Account of the Special Allocation Fund to finance Redevelopment Project Costs within the Redevelopment Area and, subject to any constitutional limitations, to acquire by purchase, donation, lease or eminent domain, own, convey, lease, mortgage, or dispose of land or other property, real or personal, or rights or interests therein, and grant or acquire licenses, easements and options with respect thereto, all in the manner and at such price the Commission determines, to enter into such contracts and take all such further actions as are reasonably necessary to achieve the objectives of the Redevelopment Plan pursuant to the power delegated to it in Ordinance No. 54556. Any obligations issued to finance Redevelopment Project Costs shall contain a recital that they are issued pursuant to Sections 99.800 to 99.865, which recital shall be conclusive evidence of their validity and of the regularity of their issuance.

Section 6. The City Council approves the pledge of all funds that are deposited into the Pershing Road Tax Increment Financing Plan Account of the Special Allocation Fund to the payment of Redevelopment Project Costs within the Redevelopment Area and authorizes the Commission to pledge such funds on its behalf.

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Approved as to form and legality:

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Heather A. Brown  
Assistant City Attorney