

ORDINANCE NO. 180281

Approving the Sixth Amendment to the Universal Floodwater Detention Tax Increment Financing Plan; and directing the City Clerk to transmit copies of this ordinance.

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 five times by Ordinance Nos. 911507, 000777, 100476, 130305 and 170773; and

WHEREAS, among other things, the Fifth Amendment to the Plan (the "Fifth Amendment") provided for the reimbursement of Redevelopment Project Costs related to the Public Improvements, which are estimated to be approximately \$6,900,000 (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 (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 the County of Jackson County, Missouri (the "County") 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), and an additional portion of its surplus funds generated thereafter, in an amount not in excess of \$1,361,704, 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

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 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 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, the First Amendment to the Cooperative Agreement provided for the immediate distribution of \$1,361,704; and

ORDINANCE NO. 180281

WHEREAS, a sixth amendment to the Plan (“Sixth Amendment”) is required to modify the Budget of Redevelopment Project Costs, and Sources and Uses in accordance with the First Amendment to the Cooperative Agreement; NOW, THEREFORE,

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY:

Section 1. The Sixth Amendment, attached hereto as Exhibit A, is hereby approved.

Section 2. All terms used in this ordinance shall be construed as defined in Sections 99.800 to 99.865 of the Revised Statutes of Missouri, as amended (the “Act”).

Section 3. The City Council hereby finds that:

- (a) The Redevelopment Plan Area, as modified by the Sixth Amendment, as a whole and each Redevelopment Project Area are blighted as evidenced by the flooding problems, deterioration and underutilization of buildings and other blighting influences.
- (b) The Redevelopment Plan, as modified by the Sixth Amendment, does not alter the City’s previous finding that the Redevelopment Area, on the whole, has not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to be developed without the adoption of tax increment financing.
- (c) The Redevelopment Plan, as modified by the Sixth Amendment, does not alter the City’s previous finding that the Plan conforms to the City’s comprehensive plan.
- (d) The Redevelopment Plan, as modified by the Sixth Amendment, does not provide for the adoption of an Ordinance approving any Redevelopment Project later than ten (10) years from the adoption of the Plan.
- (e) The Redevelopment Plan, as modified by the Sixth Amendment, does not alter estimated dates to complete the Redevelopment Projects, which each is scheduled to be completed not more than twenty-three (23) years from the adoption of any Ordinance approving the Redevelopment Project.
- (f) In the event Obligations are issued to finance Redevelopment Project Costs, it is anticipated that such Obligations will be retired in less than twenty-three (23) years from the adoption of the Ordinance approving the last Redevelopment Project to be approved by the City Council from which payments in lieu of taxes and economic activity taxes are utilized to pay principal and interest on such Obligations.
- (g) The Redevelopment Plan, as modified by the Sixth Amendment, does not contemplate that any property located within a Redevelopment Project Area will be acquired by eminent domain later than five (5) years from the adoption of the Ordinance approving such Redevelopment Project.

ORDINANCE NO. 180281

- (h) The Redevelopment Plan, as modified by the Sixth Amendment, does not contemplate the relocation of any resident or business pursuant to the City's relocation policy.
- (i) The Redevelopment Plan, as modified by the Sixth Amendment, does not alter the previous cost-benefit analysis approved by the City, which assesses the economic impact of the Plan on each affected Taxing District and provides sufficient information to evaluate whether the Redevelopment Projects, as proposed by the Plan, are financially feasible.
- (j) The Redevelopment Plan, as modified by the Sixth Amendment, does not include the initial development or redevelopment of any gambling establishment as defined in the Act.

Section 4. The Commission is authorized to issue obligations in one or more series of bonds secured by the Universal Floodwater Detention TIF Account of the Special Allocation Fund to finance Redevelopment Project Costs within the Redevelopment Plan 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 1990 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 5. That the City Clerk shall send a copy of this ordinance to the County Clerk and County Executive of Jackson County, Missouri.

Approved as to form and legality:

Brian T. Rabineau
Assistant City Attorney