

RESOLUTION NO. 2020-2

A RESOLUTION OF THE LEE'S SUMMIT TAX INCREMENT FINANCING COMMISSION RECOMMENDING THAT THE CITY COUNCIL APPROVE THE FIRST AMENDMENT TO THE I-470 AND VIEW HIGH TAX INCREMENT FINANCING PLAN.

WHEREAS, the Tax Increment Financing Commission of Lee's Summit, Missouri ("**TIF Commission**"), has been duly formed by the City Council of the City of Lee's Summit, Missouri ("**City Council**") pursuant to Section 99.820.2 of the Revised Statutes of Missouri ("**RSMo**");

WHEREAS, THE Lee's Summit City Council approved the I-470 and View High Tax Increment Financing Plan (the "**TIF Plan**") through the adoption of Ordinance No. 7833 on March 10, 2016, after a favorable recommendation of such action from the TIF Commission, and the City thereafter entered into a Tax Increment Financing Redevelopment Agreement dated October 20, 2016 (the "**TIF Agreement**") with Paragon Star, LLC (the "**Developer**") to implement the TIF Plan;

WHEREAS, THE City Council has adopted numerous other ordinances and resolutions in support of the TIF Plan;

WHEREAS, Developer filed a proposal First Amendment to the TIF Plan with the City Clerk on June 19, 2020, for the purposes of updating the TIF Plan to reflect the scope of development set forth on the Preliminary Development Plans that have been approved by the City Council, and to facilitate a revenue bond financing for the Sports Complex portion of the project;

WHEREAS, on June 18, 2020, the City mailed written notices of the scheduled TIF Commission public hearing on the First Amendment to all taxing districts from which taxable property is included in the Redevelopment Area (the "**Taxing Districts**"), in compliance with Sections 99.825 and 99.830, RSMo;

WHEREAS, on July 11 and August 1, 2020, the City published notice in the *Lee's Summit Tribune* of the scheduled TIF Commission public hearing to consider the merits of the First Amendment, in compliance with Section 99.830, RSMo;

WHEREAS, on July 23, 2020, the City mailed written notices of the scheduled TIF Commission public hearing to all persons in whose name the general taxes for the last preceding year were paid on each lot, block, tract, or parcel of land lying within the Redevelopment Area of the Plan, in compliance with Section 99.830, RSMo;

WHEREAS, on July 30, 2020, notice of the TIF Commission meeting at which the public hearing will be held for consideration of the Plan was posted in compliance with the Missouri Sunshine Law, Sections 610.010 to 610.225, RSMo, and the special notice requirements set forth in Section 67.2725, RSMo;

WHEREAS, the public hearing conducted by the TIF Commission to consider the First Amendment was open to the public, a quorum of the Commissioners was present and acted throughout, and the proper notice of such hearing was given in accordance with all applicable laws including Chapter 610, RSMo;

WHEREAS, a copy of the notice of the public hearing has been submitted to the Director of the Department of Economic Development, in compliance with Sections 99.825 and 99.830, RSMo.

WHEREAS, after considering the evidence and testimony received at the public hearing, the TIF Commission now desires to recommend that the City Council make required findings and take certain actions to adopt and implement the First Amendment.

NOW, THEREFORE, be it resolved by the Tax Increment Financing Commission for the City of Lee's Summit:

1. **Findings.** In accordance with Section 99.810, RSMo, the TIF Commission makes the following findings and recommends that the City Council by ordinance make the following findings, and further re-affirms certain prior findings and recommends that the City Council by ordinance re-affirm those prior findings, regarding the TIF Plan as amended by the First Amendment:

A. the TIF Commission re-affirms that TIF Plan as amended by the First Amendment sets forth in writing a general description of the program to be undertaken to accomplish its objectives, including the estimated redevelopment project costs, the anticipated sources of funds to pay the costs, evidence of the commitments to finance the initial project costs which are expected to be incurred, the anticipated type and term of the sources of funds to pay costs, the anticipated type and terms of the obligations to be issued, the most recent equalized assessed valuation of the property within the Redevelopment Area which is to be subjected to payments in lieu of taxes and economic activity taxes pursuant to Section 99.845, RSMo, an estimate as to the equalized assessed valuation after redevelopment, and the general land uses to apply in the Redevelopment Area;

B. the TIF Commission re-affirms that the Redevelopment Area is a blighted area, as such term is defined in Section 99.805(1), RSMo, due to the presence of several blighting factors as set forth in the Blight Study set forth in Exhibit 4 of the TIF Plan. The TIF Plan is also accompanied by an affidavit which is set forth in Exhibit 11, signed by the Developer, attesting to the conditions of the Redevelopment Area which qualify the area as a blighted area;

C. the TIF Commission re-affirms that the proposed redevelopment satisfies the "but for" test set forth in Section 99.810, RSMo, in that the Redevelopment Area 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, and the Plan is accompanied by an affidavit which is set forth in Exhibit 11, signed by the Developer, attesting to this statement;

D. the TIF Commission re-affirms that the TIF Plan as amended by the First Amendment is in conformance with the Comprehensive Plan for the development of the City as a whole;

E. the TIF Commission re-affirms that the TIF Plan as amended by the First Amendment contains estimated dates of completion of the redevelopment projects and estimated dates for the retirement of obligations incurred to finance redevelopment project costs, and said dates are not more than twenty-three (23) years from the adoption of an ordinance approving each Redevelopment Project within the Redevelopment Area;

F. The TIF Commission re-affirms that there are no businesses existing in the Redevelopment Area that have been or will be required to relocate in order to implement the Plan. However, in the event relocation of any occupant is necessary, it will be carried out in accordance with Section 523.205 and pursuant to the Relocation Assistance Plan attached as Exhibit 13 to the TIF Plan;

G. the TIF Plan as amended by the First Amendment is accompanied by a Cost Benefit Analysis and other evidence and documentation from Developer showing the economic impact of the Plan on each taxing district and political subdivision, and that the proposed projects are financially feasible, but only with TIF assistance, and the TIF Plan as amended by the First Amendment and Redevelopment Projects are financially feasible for the developer only if TIF assistance is provided;

H. the TIF Commission re-affirms that the TIF Plan does not include the initial development or redevelopment of any gambling establishment; and

I. the TIF Commission re-affirms that the areas selected for the Redevelopment Projects include only those parcels of real property and improvements thereon which will be directly and substantially benefited by the Redevelopment Project improvements.

2. **Recommendations.** The TIF Commission recommends that the City Council take the following actions with respect to the TIF Plan:

A. adopt an ordinance to make the findings recommended in Section 1 above and approve the First Amendment to the TIF Plan;

B. the TIF Agreement should be amended simultaneously with approval of the First Amendment to address the following;

(1) The terms and conditions upon which the City will consider the issuance of revenue bonds for Project 1;

(2) The terms and conditions under which the City property transaction with Developer shall be completed prior to or simultaneously with the issuance of revenue bonds for Project 1;

(3) The updated project data and information set forth in the First Amendment.

C. City staff shall to continue to review of the feasibility, advisability and structure of a revenue bond issuance with the City's financial advisor and bond counsel prior to the issuance of revenue bonds. The goal of this condition is to complete the following prior to a revenue bond issuance: (a) an update of the 2013 market studies that were conducted for Project 1, (b) ongoing evaluation of the retail, restaurant, office and sports markets as the Covid health situation continues to evolve, (c) ongoing evaluation of the debt markets for the requested revenue bond issuance, and (d) evaluation of the appropriate terms and conditions under which a revenue bond issuance should occur, including the appropriate costs of issuance associated with such issuance.

APPROVED BY THE TAX INCREMENT FINANCING COMMISSION FOR THE CITY OF LEE'S SUMMIT THIS 5th DAY OF AUGUST, 2020.

By: _____
James Freeman, Chair of the Tax Increment
Financing Commission