

## **BILL NO. 22-49**

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AN ORDINANCE AMENDING SECTION 28-179 OF THE CODE OF ORDINANCES OF THE CITY OF LEE'S SUMMIT BY REVISING THE TAX RATES BY LAND USE CATEGORY FOR CALCULATION OF THE LICENSE TAX ON BUILDING CONTRACTORS.

WHEREAS, Section 28-179 of the City's Code contains the methodology of the calculation of the license tax imposed by the City of Lee's Summit, Missouri ("City") upon building contractors; and,

WHEREAS, the License Tax Review Committee met December 15, 2021 and prepared recommendations regarding the license tax imposed on building contractors (the "License Tax"); and,

WHEREAS, the License Tax Review Committee recommended to increase the License Tax rate by 10% for FY2023 for development categorized as commercial and manufacturing / industrial; and,

WHEREAS, the City Council wishes to amend Section 28-179 to provide for the 10% increase for the commercial and manufacturing / industrial categories as recommended by the License Tax Review Committee.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LEE'S SUMMIT, MISSOURI, as follows:

SECTION 1. The City Council of the City of Lee's Summit hereby declares its support of the recommendations of the License Tax Review Committee as set forth herein.

SECTION 2. Section 28-179, entitled "Calculation of the license tax" of the Code of Ordinances of the City of Lee's Summit shall be deleted in its entirety and replaced with the following:

Sec. 28-179. - Calculation of the license tax.

- A. The Council shall, by ordinance, establish the license tax imposed upon a building contractor. The City shall calculate the license tax by multiplying the trip generation rate by the license tax rate.
  1. Trip generation rate. The trip generation rate is a measurement of the number of trips to and from a building for which a building permit application is submitted.
    - a. The License Tax Administrator shall determine the trip generation rate for residential property by multiplying the number of dwelling units by the trip generation rate specified for the specific type of land use category.
    - b. The License Tax Administrator shall determine the trip generation rate for non-residential property by dividing the total floor area of the building, measured in square feet, by one thousand (1,000), and then multiplying that number by the trip generation rate specified for the specific type of land use category.
  2. License tax rate. The license tax rate is a measurement of the rate of tax to be paid by building contractors according to land use classifications.

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B. Tax rates by land use category.

Land Use Category	Tax Rate
Residential	\$ 1,088.00 per new trip
Manufacturing/industrial	\$ 1,100.00 per new trip
Commercial	\$ 825.00 per new trip

SECTION 2. This Ordinance shall be in full force and effect from and after the date of its passage and adoption, and approval by the Mayor.

SECTION 3. Should any section, sentence, or clause of this Ordinance be declared invalid or unconstitutional, such declaration shall not affect the validity of the remaining sections, sentences, or clauses.

PASSED by the City Council of the City of Lee's Summit, Missouri, this \_\_\_\_ day of \_\_\_\_\_, 2022.

ATTEST:

\_\_\_\_\_  
Mayor *William A. Baird*

\_\_\_\_\_  
City Clerk *Trisha Fowler Arcuri*

APPROVED by the Mayor of said city this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

ATTEST:

\_\_\_\_\_  
Mayor *William A. Baird*

\_\_\_\_\_  
City Clerk *Trisha Fowler Arcuri*

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney *Brian W. Head*