

**RESOLUTION NO. 2022-1**

**A RESOLUTION OF THE TAX INCREMENT FINANCING COMMISSION OF LEE'S SUMMIT, MISSOURI, RECOMMENDING THAT THE CITY COUNCIL APPROVE THE DISCOVERY PARK TAX INCREMENT FINANCING PLAN AND TAKE OTHER ACTIONS IN CONNECTION WITH IMPLEMENTATION OF THE 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, on September 9, 2022, the proposed Discovery Park Tax Increment Financing Plan (the "**TIF Plan**") was submitted to the City of Lee's Summit, Missouri (the "**City**") pursuant to the Real Property Tax Increment Allocation Redevelopment Act as Sections 99.800 through 99.965 (the "**TIF Act**") which calls for a mixed-use development project likely containing approximately 660,500 square feet of retail, office, entertainment and hospitality space and/or other related commercial uses, approximately 2,930 luxury multi-family units and approximately 1,520 structured parking stalls, along with associated public improvements that would serve the Redevelopment Area, in four Redevelopment Project Areas;

WHEREAS, the Redevelopment Area for the TIF Plan, which contains approximately 265 acres, is located between NE Colbern Road and NE Douglas Street on the north, I-470 on the south, NE Douglas Street on the east, and Main Street on the West, in Lee's Summit, Missouri;

WHEREAS, on September 2, 2022, the City mailed written notices of the scheduled TIF Commission public hearing to consider the TIF Plan to all taxing districts from which taxable property is included in the proposed Redevelopment Area, in compliance with Sections 99.825 and 99.830, RSMo;

WHEREAS, on September 14, 2022, the City published notice in the *Lee's Summit Journal* of the scheduled TIF Commission public hearing to consider the merits of the TIF Plan, in compliance with Section 99.830, RSMo;

WHEREAS, on September 14, 2022, the City published a Request for Proposals for the Discovery Park Tax Increment Financing Plan in *The Lee's Summit Tribune*, requesting alternative proposals to the TIF Plan as filed with the City Clerk;

WHEREAS, on September 19, 2022, 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, in compliance with Section 99.830, RSMo;

WHEREAS, on October 8, 2022, the City again published notice in the *Lee's Summit Journal* of the scheduled TIF Commission public hearing to consider the merits of the TIF Plan, in compliance with Section 99.830, RSMo;

WHEREAS, on October 11, 2022, notice of the TIF Commission meeting at which the public hearing will be held for consideration of the TIF 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, 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, on October 17, 2022, at 4:00 p.m., the TIF Commission opened the public hearing to consider the proposed TIF Plan, and after hearing testimony and receiving evidence, the TIF Commission closed the public hearing to consider the proposed TIF Plan;

WHEREAS, the public hearing conducted by the TIF Commission to consider the TIF Plan 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; and

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 TIF Plan.

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 regarding the TIF Plan:

A. The TIF Plan 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 Redevelopment Area is a blighted area, in fact as previously determined by the City Council, in that:

1. The City Council found that Redevelopment Project Areas 3 and 4 is a blighted area pursuant to The Urban Redevelopment Corporations Law as set forth in Chapter 353 of the Revised Statutes of Missouri through the adoption of Ordinance No. 7163 on March 22, 2012. The definition of "blighted area" under Chapter 353 matches the definition of "blighted area" under the TIF Act and therefore the previous finding by the City Council satisfies the TIF Act requirement as to the property within Redevelopment Project Areas 3 and 4, and further that the blighting conditions within such area have not been cured by redevelopment since the date of the blight finding in 2012.

2. The Redevelopment Area is a blighted area as defined in the TIF Act. The TIF Plan is accompanied by a Blight Study dated September 6, 2022 which is set forth as Exhibit 3 of the TIF Plan, demonstrating that the Redevelopment Area is a blighted area as such term is defined in Section 99.805(1), RSMo, due to insanitary and unsafe conditions and the deterioration of site improvements and that the property is an economic liability as well as a menace to the public health, safety and welfare in its present condition and use. The TIF Plan is also accompanied by an affidavit which is set forth in Exhibit 12, signed by the Developer, attesting to the conditions of the Redevelopment Area which qualify the area as a blighted area.

C. 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 12, signed by the Developer, attesting to this statement. The Commission has also received information from Columbia Capital Municipal Advisors which concludes that the Redevelopment Area would not be redeveloped with the proposed project without the use of tax increment financing.

D. The TIF Plan is in conformance with the Ignite Comprehensive Plan for the development of the City as a whole. The Comprehensive Plan calls for the Redevelopment Area to be a “Mixed Use” area. The description of “Mixed Use” in the Comprehensive Plan is:

“This land use designation is intended to accommodate in low-rise buildings a mix of retail, office, service and public uses with a complimentary mix of residential development of varying densities to provide for the greatest amount of flexibility. Business park type of uses may also be mixed with retail and office uses where appropriate. In general, unlike the “Commercial-dominant Mix Use” classification, the mix in this land use category does not impose, in any regulatory terms, an emphasis on any particular type of land use or activity for development. Rather, this emphasis should be determined at the planning and review stage based upon a particular land use plan. The use of “Planned Mixed Use” classification, as its name indicates, should include a master development plan.”

The description of “Uses” in a Mixed Use area in the Comprehensive Plan is:

Low-rise buildings containing a variable mix of retail, office, hotel and residential uses. Also includes a mixed commercial area that can contain office parks, industrial and warehouse uses and some retail.

E. The TIF Plan 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 Plan includes a Relocation Assistance Plan attached as Exhibit 4 to the TIF Plan.

G. The TIF Plan is accompanied by a Cost Benefit Analysis in Exhibit 8 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 project is financially feasible, but only with TIF assistance, and the Plan and Redevelopment Project are financially feasible for the Developer only if TIF assistance is provided.

H. The TIF Plan does not include the initial development or redevelopment of any gambling establishment.

I. The areas selected for the Redevelopment Project includes 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 adopt the TIF Plan, provided that such recommendation is contingent upon receipt of a report from Columbia Capital which materially concurs with developer's rate of return conclusion;

B. approve the TIF Plan;

C. designate the Redevelopment Area as a redevelopment area as provided in Section 99.805(12);

D. approve the Redevelopment Projects by ordinance as described in the TIF Plan, provided that Developer provides sufficient data to the City to demonstrate that each separate Redevelopment Project is financially feasible to be undertaken with TIF assistance based on data that is provided to the City for each Redevelopment Project;

E. designate Discovery Park Lee's Summit, LLC, as the developer of record for the TIF Plan and the Redevelopment Project and enter into a tax increment financing contract with the developer for implementation of the TIF Plan; and

F. include provisions in the TIF contract which provide for the phased reimbursement of Reimbursable Project Costs based on the production of the non-residential land uses within each Redevelopment Project Area, in order to incentivize the developer to construct the non-residential land uses within each Redevelopment Project Area.

APPROVED BY THE TAX INCREMENT FINANCING COMMISSION FOR THE CITY OF LEE'S SUMMIT THIS 17<sup>th</sup> DAY OF OCTOBER, 2022.

By:   
Chair of the Tax Increment  
Financing Commission