

RESOLUTION NO. 2020-1

A RESOLUTION OF THE TAX INCREMENT FINANCING COMMISSION OF LEE'S SUMMIT, MISSOURI, RECOMMENDING THAT THE CITY COUNCIL APPROVE THE 291 NORTH AND HIGHWAY 50 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, on January 17, 2020, the proposed 291 North and Highway 50 Tax Increment Financing Plan (the "**TIF Plan**") was filed with the City Clerk of 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 the redevelopment of an approximately 56 acre Redevelopment Area located north of the interchange of Highway 291 North and Highway 50, along with four Redevelopment Project Areas which would generate TIF revenues to pay for redevelopment costs associated with the construction of a redesigned interchange and outer roads;

WHEREAS, on January 10, 2020, the City mailed written notices by certified mail regarding 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 January 18, 2020, the City published a Request for Proposals for the TIF Plan in *The Lee's Summit Tribune*, requesting proposals to the TIF Plan as filed with the City Clerk, and in particular redevelopment proposals for Redevelopment Project #1 which would become when the Missouri Highway Patrol vacates that property;

WHEREAS, on January 24, 2020, a revised version of the TIF Plan was filed with the City Clerk, and on February 6, 2020 the City sent written notices of the changes to the TIF Plan to the taxing districts by certified mail;

WHEREAS, on February 6, 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, in compliance with Section 99.830, RSMo;

WHEREAS, on February 8, 2020, 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 February 20, 2020, 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, on February 22, 2020, 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, 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 February 26, 2019, at 6:00 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 remains a blighted area as previously determined by the City Council, in that:

1. The City Council found that the Redevelopment Area, as part of a larger area of the City, is a blighted area pursuant to the Land Clearance for Redevelopment Act (“**LCRA Act**”) through the adoption of Ordinance No. 7472 on June 12, 2014. The definition of “blighted area” under the LCRA Act matches the definition of “blighted area” under the TIF Act and therefore the previous finding by the City Council satisfies the TIF Act requirement.

2. The TIF Plan is accompanied by a new Blight Study set forth in **Exhibit 3**, demonstrating that the Redevelopment Area is still a blighted area as such term is defined in Section 99.805(1), RSMo, due to the presence of deteriorating site improvements, inadequate street layout, unsafe conditions, deterioration of site improvements which constitutes an economic liability and a menace to the public health and safety in its present condition and use and that the property is an economic liability in its present condition and use. The TIF Plan is accompanied by an affidavit in **Exhibit 11**, signed by the City as the initial developer of record for Redevelopment Project #1, 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 11** attesting to this statement. The TIF Commission received evidence and testimony and hereby finds that without the use of tax increment financing, the Highway Patrol facility would not be relocated, the Blue Parkway realignment could not occur using the selected design, and the interchange project would not function as intended without the relocation of Blue Parkway. Without the use of tax increment financing, the interchange project would not move forward using the preferred design to enhance capacity and safety. Without a redesign of the interchange and the outer roads, redevelopment in the Redevelopment Area as a whole is not likely to occur.

D. The TIF Plan is in conformance with the Comprehensive Plan for the development of the City as a whole. The Comprehensive Plan calls for the Redevelopment Area to be developed primarily for retail uses. The Redevelopment Plan envisions that the initial four Redevelopment Project Areas will contain retail uses.

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 in **Exhibit 4**.

G. The TIF Plan is accompanied by a Cost Benefit Analysis in **Exhibit 9** showing the economic impact of the Plan on each taxing district and political subdivision, and that the proposed project is financially feasible with TIF assistance.

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

I. 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. The redesigned interchange and outer road improvements will benefit the entire Redevelopment Area.

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;
- 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 at the appropriate times;

E. move forward with the selection of a developer of record for Redevelopment Project #1.

APPROVED BY THE TAX INCREMENT FINANCING COMMISSION FOR THE CITY OF LEE'S SUMMIT, MISSOURI, THIS 26th DAY OF FEBRUARY, 2020.

By: _____
Chair of the Tax Increment Financing
Commission