

BILL NO. 20-163

AN ORDINANCE APPROVING REDEVELOPMENT PROJECT 1 FOR THE PARAGON STAR TAX INCREMENT FINANCING PLAN AND ACTIVATING THE COLLECTION OF TAX INCREMENT FINANCING REVENUES THEREIN.

WHEREAS, pursuant to the Real Property Tax Increment Financing Allocation Redevelopment Act, Sections 99.800 to 99.865 of the Revised Statutes of Missouri (the "TIF Act"), Paragon Star, LLC (the "Developer") submitted the I-470 and View High Tax Increment Financing Plan (the "TIF Plan") to the City in 2016; and,

WHEREAS, the City Council adopted Ordinance No. 7833 on March 10, 2016, designating the Redevelopment Area of the TIF Plan as a blighted area, approving the Redevelopment Plan, designating the Redevelopment Area as a "redevelopment area" as provided in the TIF Act and appointing the Developer as the developer for the Redevelopment Plan; and,

WHEREAS, on June 19, 2020, Developer submitted the proposed First Amendment to the TIF Plan (the "First Amendment") which proposed to amend certain portions of the TIF Plan to conform to the land use approvals that have been granted by the City Council and to revise the Project Budget and other financial data in the TIF Plan to facilitate a revised finance package for the Sports Complex in the Redevelopment Area; and,

WHEREAS, on August 5, 2020 the Tax Increment Financing Commission ("TIF Commission") conducted a public hearing to consider the First Amendment and thereafter adopted Resolution 2020-2 which recommended that the City Council approve the First Amendment and Project 1 and take other actions associated with implementation of the TIF Plan as amended by the First Amendment; and,

WHEREAS, on September 1, 2020, at a public meeting of the City Council, after the posting of proper notice of the consideration of this issue and after all parties in interest and citizens were provided the opportunity to be heard, the City Council considered the First Amendment to the TIF Plan, the recommendation of the TIF Commission, the recommendations of City staff and considered the public objections, protests, comments and other evidence; and,

WHEREAS, on September 8, 2020, the City Council approved the First Amendment to the TIF Plan through the adoption of Ordinance No. 8946; and,

WHEREAS, the City Council desires to approve Redevelopment Project 1 (hereinafter the "Redevelopment Project") as described in the TIF Plan and activate the collection of tax increment financing revenues in such redevelopment project area.

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

SECTION 1. The City hereby approves the Redevelopment Project, which is legally described in Exhibit A which is attached to this ordinance and incorporated herein by reference. The City Council hereby finds that 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 as set forth in the Redevelopment Plan.

BILL NO. 20-163

SECTION 2. Tax increment financing is hereby adopted for the Redevelopment Project as follows:

A. Tax increment allocation financing is hereby adopted for taxable real property in the above-described area selected for the Redevelopment Project. After the total equalized assessed valuation of the taxable real property in the Redevelopment Project exceeds the certified total initial equalized assessed valuation of the taxable real property in the Redevelopment Project, the ad valorem taxes, and payment in lieu of taxes, if any, arising from the levies upon the taxable real property in such project by taxing districts and tax rates determined in the manner provided in subsection 2 of Section 99.855 each year after the effective date of the ordinance until redevelopment costs have been paid shall be divided as follows:

1. That portion of taxes, penalties and interest levied upon each taxable lot, block, tract, or parcel of real property which is attributable to the initial equalized assessed value of each such taxable lot, block, tract, or parcel of real property in the area selected for the Redevelopment Project shall be allocated to and, when collected, shall be paid by the Jackson County Collector and the city treasurer or other designated financial officer of the City to the respective affected taxing districts in the manner required by law in the absence of the adoption of tax increment allocation financing.

2. Payments in lieu of taxes attributable to the increase in the current equalized assessed valuation of each taxable lot, block, tract, or parcel of real property in the area selected for the Redevelopment Project, and any applicable penalty and interest over and above the initial equalized assessed value of each such unit of property shall be allocated to and, when collected, shall be paid to the city treasurer or other designated financial officer of the City who shall deposit such payment in lieu of taxes into the Special Allocation Fund that has been established by the City for the Redevelopment Plan.

B. The amount of real property taxes generated from post development real property values in excess of a base market value of \$60,000,000 as determined by the Jackson County Assessor's Office for taxable land and improvements (not publically owned property) within the Redevelopment Project shall be treated as follows: 50% of such incremental property tax revenues shall be declared surplus and distributed *pro rata* to the affected taxing jurisdictions and 50% of such incremental property tax revenues shall be pledged to retirement of TIF Obligations (as defined in the Redevelopment Plan) for the term of the Redevelopment Project.

C. In addition to the payments in lieu of taxes described above, fifty percent (50%) of the total additional revenue from taxes, penalties and interest which are imposed by the city or taxing districts, and which are generated by economic activities within the area selected for the Redevelopment Project over the amount of such taxes generated by economic activities within such area in the calendar year prior to the adoption of this ordinance, while tax increment financing remains in effect, but excluding those items set forth in Section 99.845, RSMo, and elsewhere in the Missouri statutes, and penalties and interest thereon, shall be allocated to, and paid by the local political subdivision collecting

BILL NO. 20-163

officer to the city treasurer or other designated financial officer of the City, who shall deposit such funds in a separate segregated account within the Special Allocation Fund.

SECTION 3. City officers and agents of the City are each hereby authorized and directed to take such action and execute such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance.

SECTION 4. This Ordinance shall be in full force and effect from and after its passage, adoption, and approval by the Mayor.

PASSED by the City Council for the City of Lee's Summit, Missouri, this _____ day of _____, 2020.

Mayor *William A. Baird*

ATTEST:

City Clerk *Trisha Fowler Arcuri*

APPROVED by the Mayor of said city this _____ day of _____, 2020.

Mayor *William A. Baird*

ATTEST:

City Clerk *Trisha Fowler Arcuri*

APPROVED AS TO FORM:

City Attorney *Brian W. Head*

EXHIBIT A

LEGAL DESCRIPTION OF REDEVELOPMENT PROJECT 1

Beginning at the Southwest corner of the Northwest Quarter of said Section 34; thence North 02°25'47" East, along the West line of said Quarter, a distance of 2632.77 feet, to the Northwest Corner of said Quarter; thence South 86°33'45" East, departing said West line, and along the North line of said Quarter, a distance of 2611.90 feet, to a point on the West line of the Kansas City Rock Island Railway right-of-way as recorded in Book 244, Page 79 in the recorder's office of Jackson County, Missouri, as now established; thence South 18°46'13" West, departing said North line, and along said West right-of-way line, a distance of 76.95 feet to a point of curvature; thence Southerly, continuing along said West right-of-way, and along a curve to the left, having a radius of 2508.01 feet, and a central angle of 28°06'45", a distance of 1230.57 feet, to a point of tangency; thence South 09°20'32" East, continuing along said West right-of-way line, a distance of 30.31 feet; thence South 86°26'21" East, continuing along said right-of-way line, a distance of 16.41 feet, thence South 09°20'32" East, continuing along said right-of-way line, a distance of 354.98 feet, to a point on the East line of said Quarter; thence South 02°29'17" West, continuing along said West right-of-way line, and along said East line, a distance of 468.48 feet, to a point on the North right-of-way line of Interstate Route 470, as now established; thence departing said West right-of-way line and said East line, and along said North right-of-way line the following courses; North 85°05'37" West, a distance of 899.87 feet; thence North 75°10'03" West, a distance of 203.04 feet; thence South 77°15'22" West, a distance of 228.92 feet, to a point on the West line of the Southeast Quarter of said Quarter; thence South 02°29'01" West, departing said North right-of-way line, and along said West line of the Southeast Quarter, a distance of 410.64 feet, to a point on the South right-of-way line of Interstate Route 470, as now established; thence departing said West line of the Southeast Quarter, and along said South right-of-way line the following courses; North 71°05'22" West, 205.31 feet; thence North 85°05'37" West, 50.00 feet; thence South 85°33'47" West, 991.68 feet; thence South 19°44'16" West, 196.72 feet; thence South 21°11'08" West, 85.21 feet, to a point on the West line of the Southwest Quarter of said Section 34; thence North 02°27'40" East, along said West line, a distance of 265.01 feet to the Point of Beginning.

ALSO all that part of the Kansas City Rock Island Railway right-of-way as recorded in Book 244, Page 79 in the recorder's office of Jackson County, Missouri, lying in the North Half of said Section 34, and North of the North right-of-way line of Interstate Route 470, as now established.

ALSO portions of the above-described metes and bounds described real property have been platted within the following recorded plats:

BILL NO. 20-163

Final Plat of Lots 1-4 and Tracts A-G Paragon Star First Plat, recorded 12/30/21, Instrument No. 2021E0142218, Book: 198 Page: 7;

and Final Plat of Lots 9, 10, 14, 16, and 20 Paragon Star, Second Plat, recorded 12/30/21, Instrument No. 2021E0142219, Book: 198 Page: 11;

and Minor Plat Paragon Star Fifth Plat, Lot 13, recorded 12/30/21, Instrument No. 2021E142220, Book: 198 Page 17;

and Final Plat of Lots 6, 7A, 7B, 7C, and 8, Paragon Star Fourth Plat Replat of all of Lot 2 Paragon Star First Plat, recorded 2/22/22, Instrument No. 2022E0016978, Book: 199 Page 25.