

BILL NO. 20-162

AN ORDINANCE APPROVING THE FIRST AMENDMENT TO THE PARAGON STAR TAX INCREMENT FINANCING PLAN.

WHEREAS, the City of Lee's Summit, Missouri (the "City") is a charter city and a political subdivision of the State of Missouri, duly created, organized and existing under and by virtue of the Constitution and laws of the State of Missouri; and,

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 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, having heard and considered the objections, protests, comments and other evidence adduced at the meeting, the evidence and testimony submitted at the TIF Commission public hearing, the recommendation of the TIF Commission and the recommendation of City staff, the City Council desires to approve the First Amendment to the TIF Plan.

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

SECTION 1. The City Council hereby makes the following findings and re-affirms certain prior findings regarding the TIF Plan as amended by the First Amendment:

A. the 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,

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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 City Council 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 City Council 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 City Council 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 City Council 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 City Council 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, but in the event that 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 Plan does not include the initial development or redevelopment of any gambling establishment; and

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I. the City Council 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.

SECTION 2. The tract of land legally described in Exhibit A of this Ordinance is hereby designated as the Redevelopment Area for the TIF Plan as amended by the First Amendment.

SECTION 3. The First Amendment, a copy of which is attached to this Ordinance as Exhibit B, is hereby approved and adopted. In the event of any conflict or inconsistency between the TIF Plan as amended by the First Amendment and this Ordinance, the provisions of this Ordinance shall control.

SECTION 4. Approval of the First Amendment by this Ordinance is conditioned upon the developer of record entering into an amended and restated tax increment financing redevelopment contract with the City upon terms acceptable to the City to carry out the goals and objectives of the TIF Plan as amended by the First Amendment. The City Manager is authorized and directed to negotiate a tax increment financing redevelopment contract with Developer. Failure of the Developer to enter into the amended and restated tax increment financing redevelopment contract within one month after approval of this Ordinance shall nullify and render void the approvals granted in this Ordinance upon such declaration by the City Council.

SECTION 5. 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 6. 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.

SECTION 7. 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*

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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 THE REDEVELOPMENT AREA

[Attached]

EXHIBIT B

FIRST AMENDMENT TO THE TAX INCREMENT FINANCING PLAN

[Attached]