

# **Memorandum of Understanding (MOU) for 291 North & Highway 50 Interchange & Redevelopment Project**

Staff Presentation to City Council  
February 18, 2020



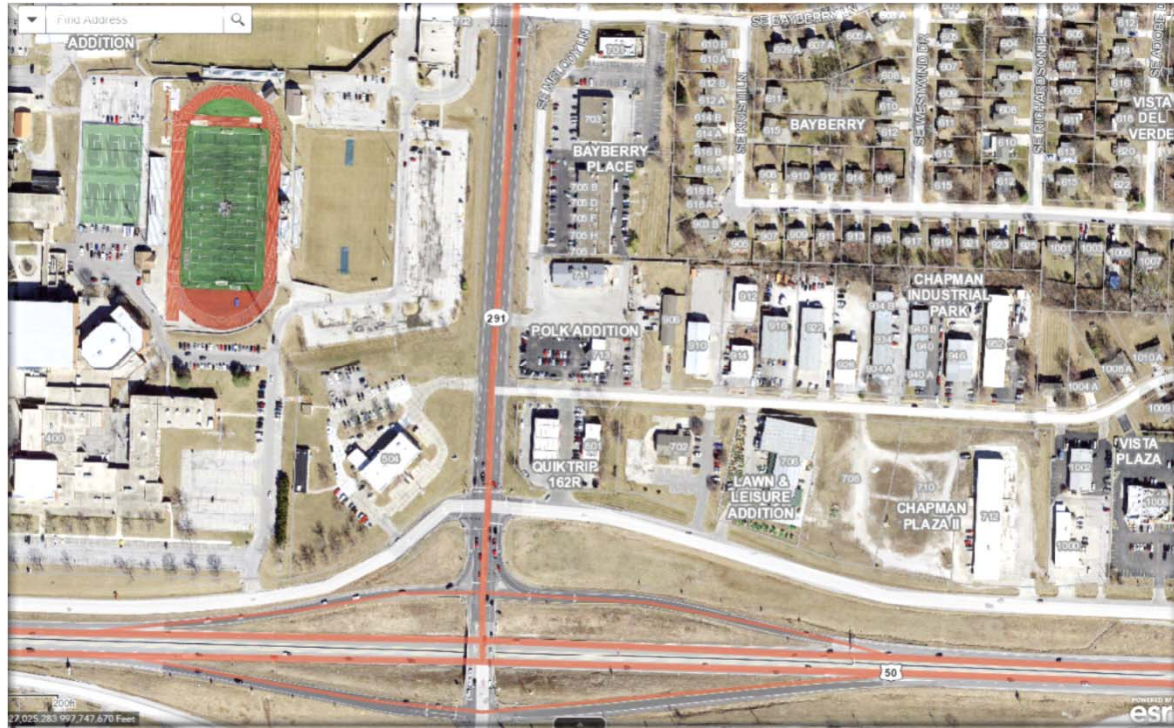
**LEE'S SUMMIT**  
MISSOURI



*Yours Truly*

# Presentation

1. Focus Area
2. Goals
3. Redevelopment Sequence
4. Estimated Costs & Funding
5. MOU and Next Steps

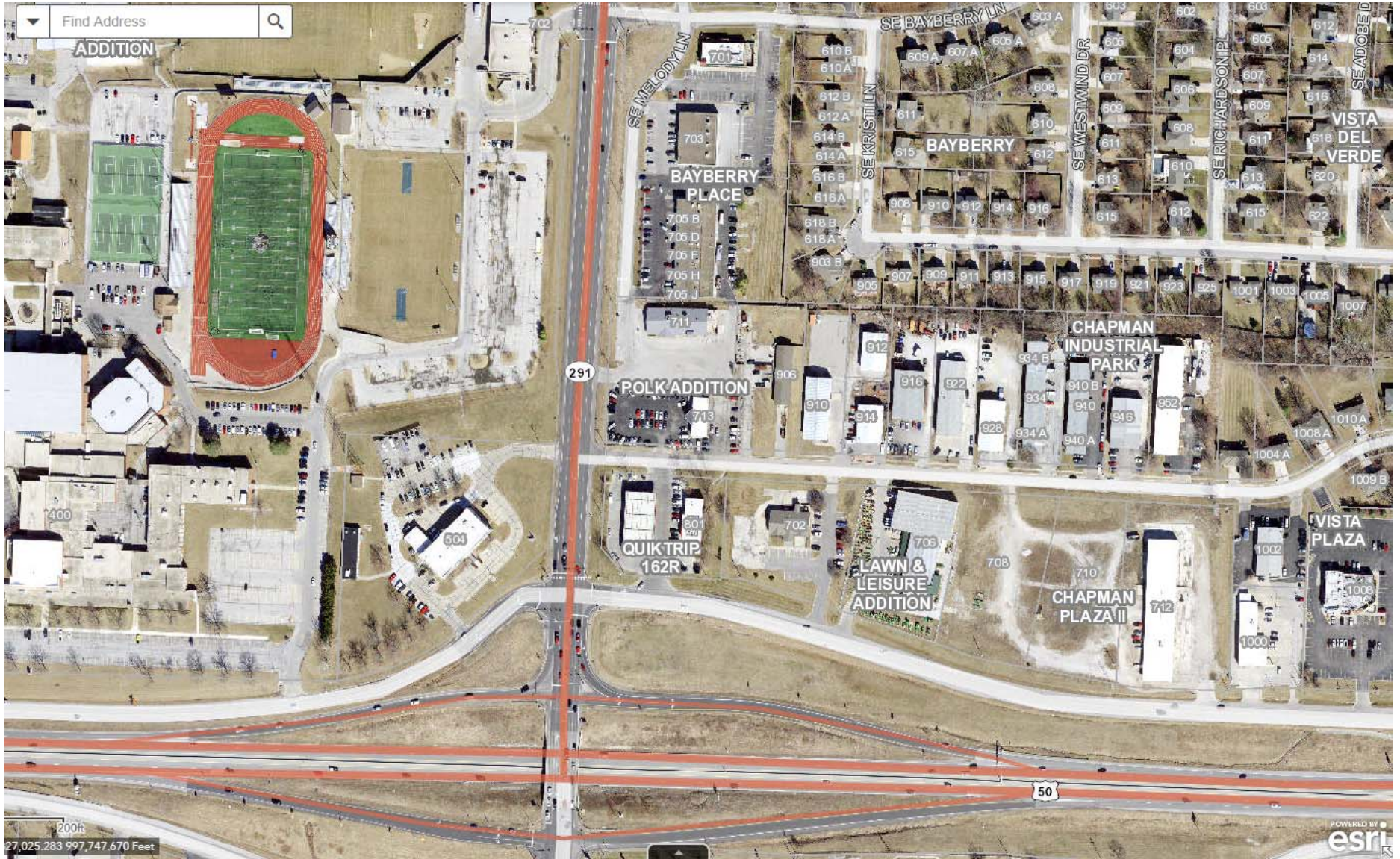


# 1. FOCUS AREA

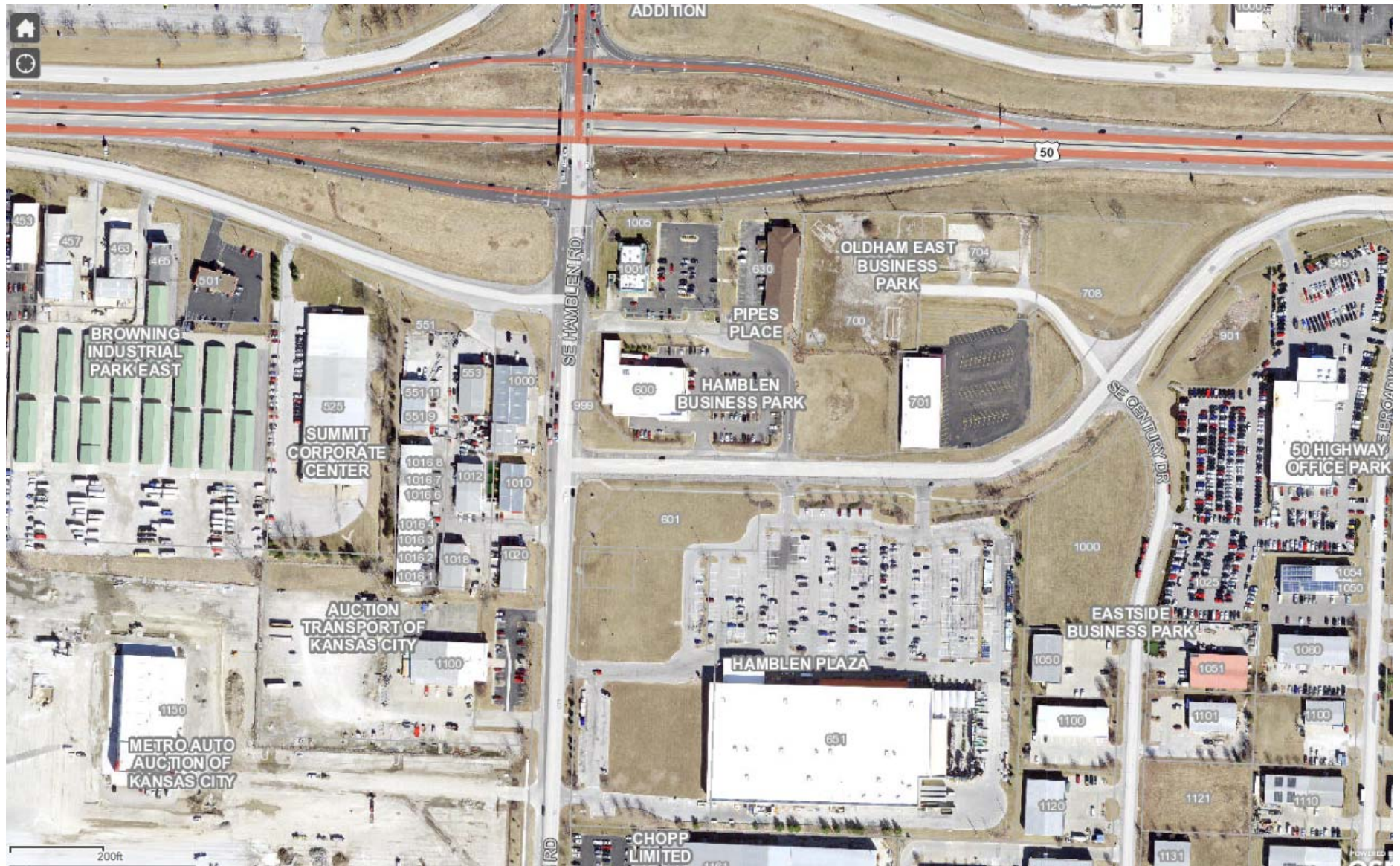




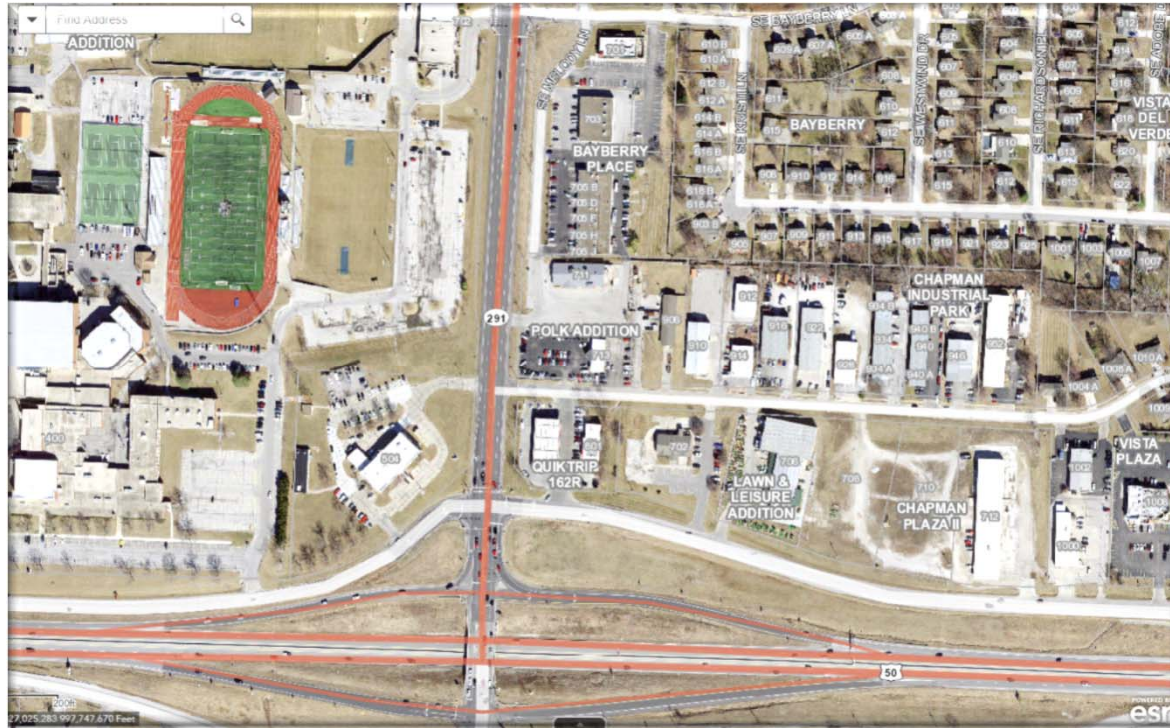












## 2. GOALS

What City wants to accomplish and the desired end result.

# What City wants to accomplish

- Enhance traffic safety & circulation
  - Reconstruct 291 North & 50 Interchange
  - Reconfigure Blue Parkway
- Move Highway Patrol to new location in City
- Redevelop Highway Patrol Property for commercial uses
- Redevelop QuikTrip & commercial sites
- Access is catalyst for additional redevelopment opportunities in the area



# What City wants to accomplish

1. Enhance Traffic Safety & Circulation
2. Facilitate Redevelopment

## Parties Involved

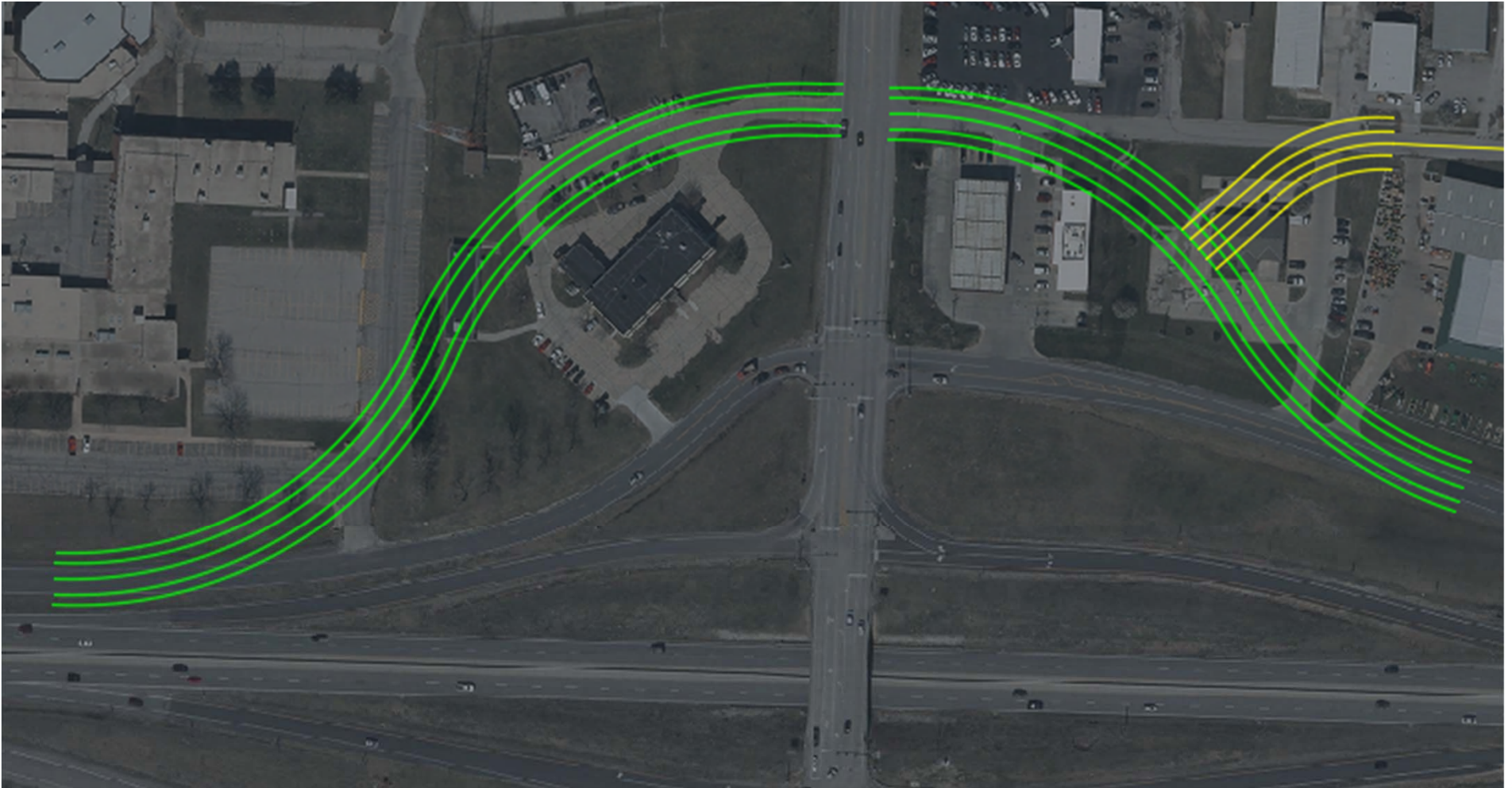
- City of Lee's Summit
- Missouri Highway Patrol
- Missouri Office of Administration
- Missouri Department of Transportation
- Lee's Summit R-7 School District
- Developer of Project #1
- QuikTrip & other commercial businesses



# City-Preferred Preliminary Design

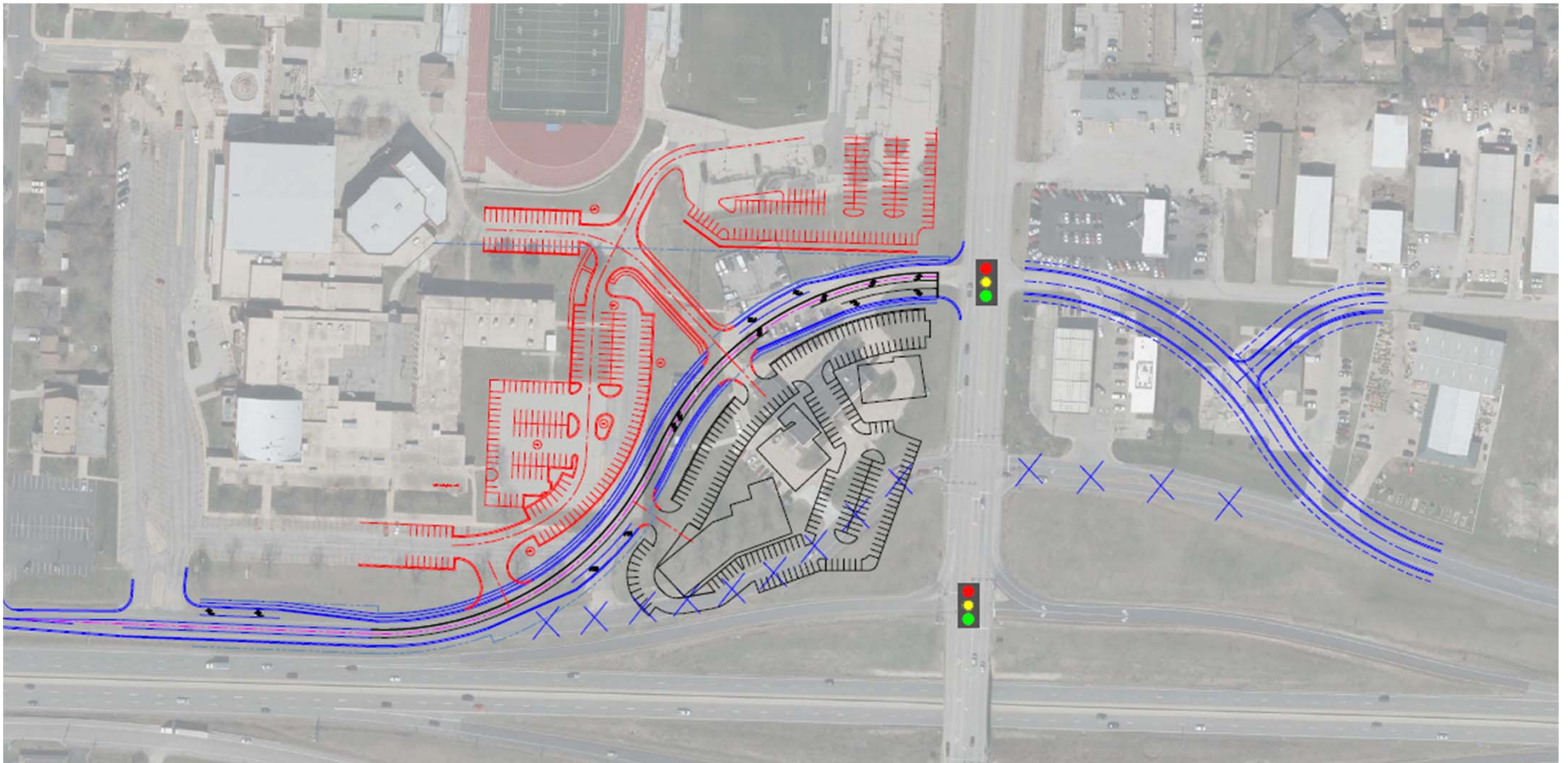


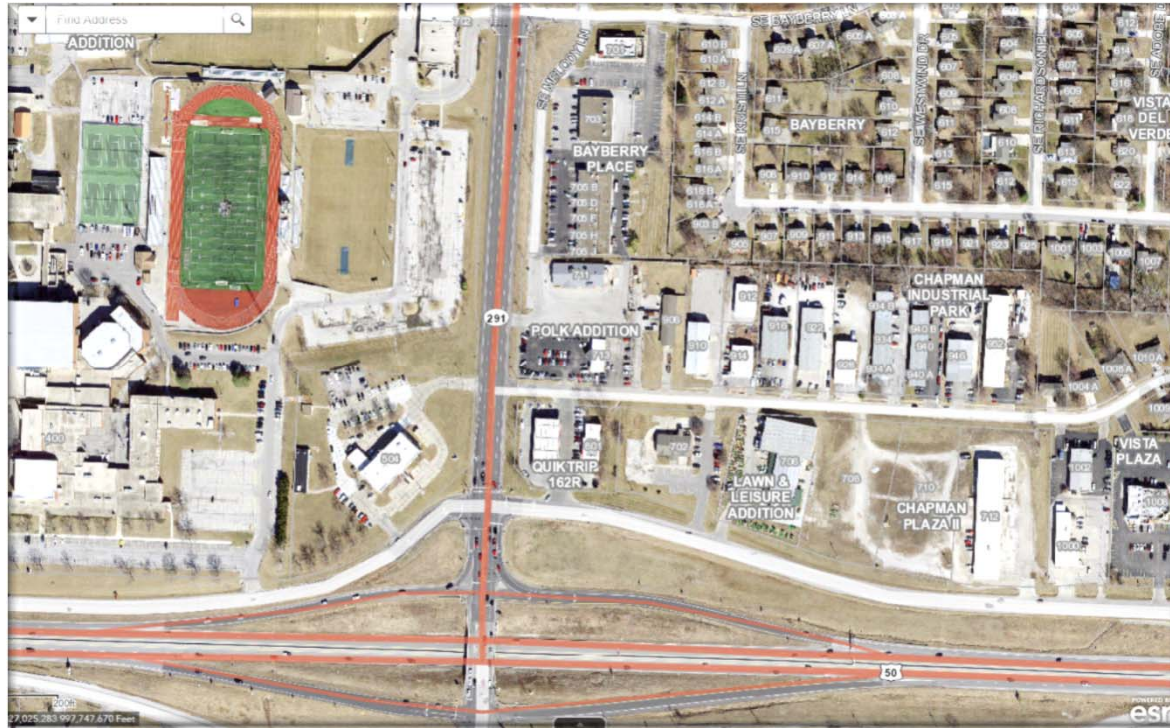
# Blue Parkway Realignment





# Blue Parkway Realignment

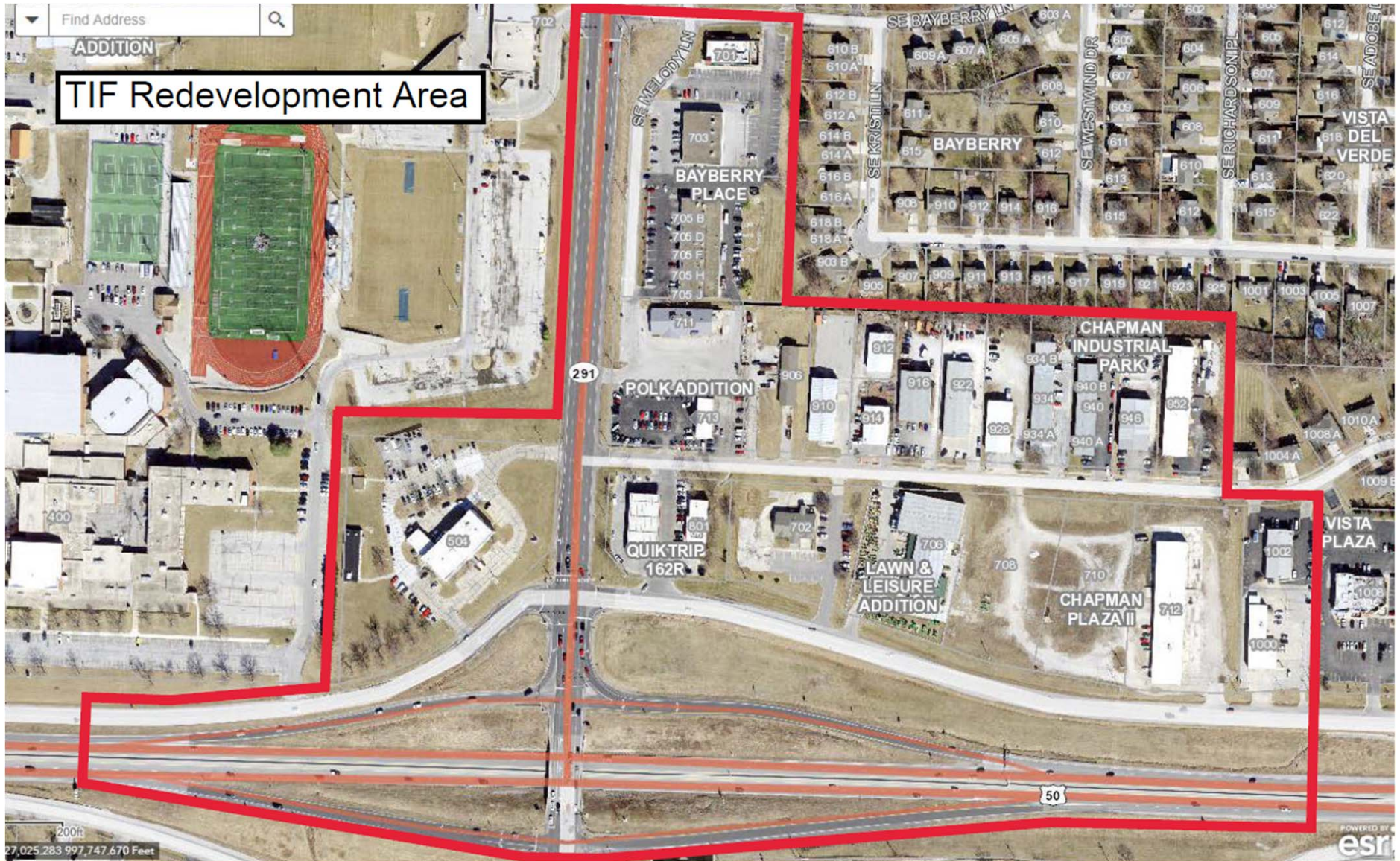




### 3. REDEVELOPMENT SEQUENCE

Land transactions, road reconstruction, TIF Plan approvals, redevelopment

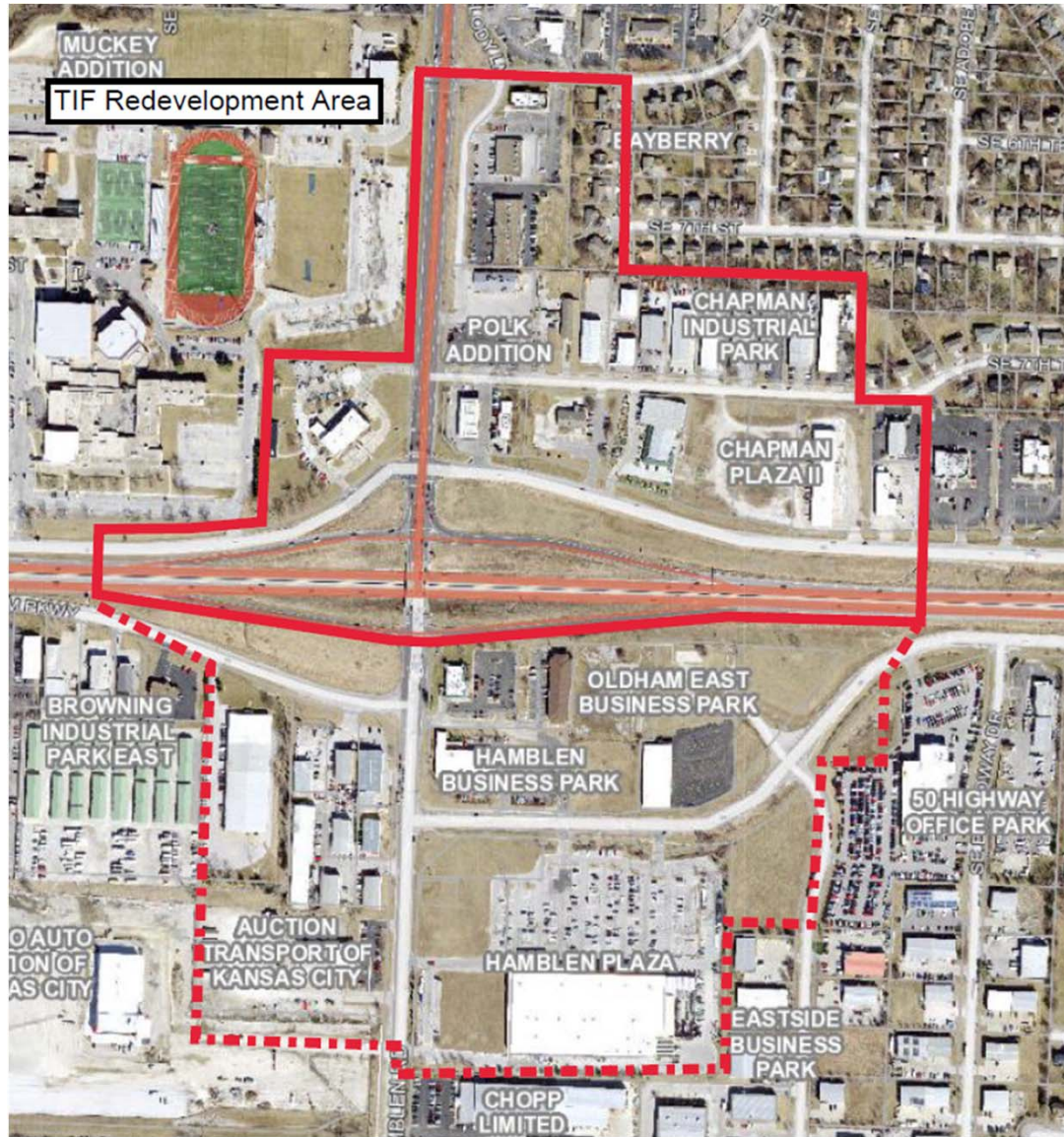




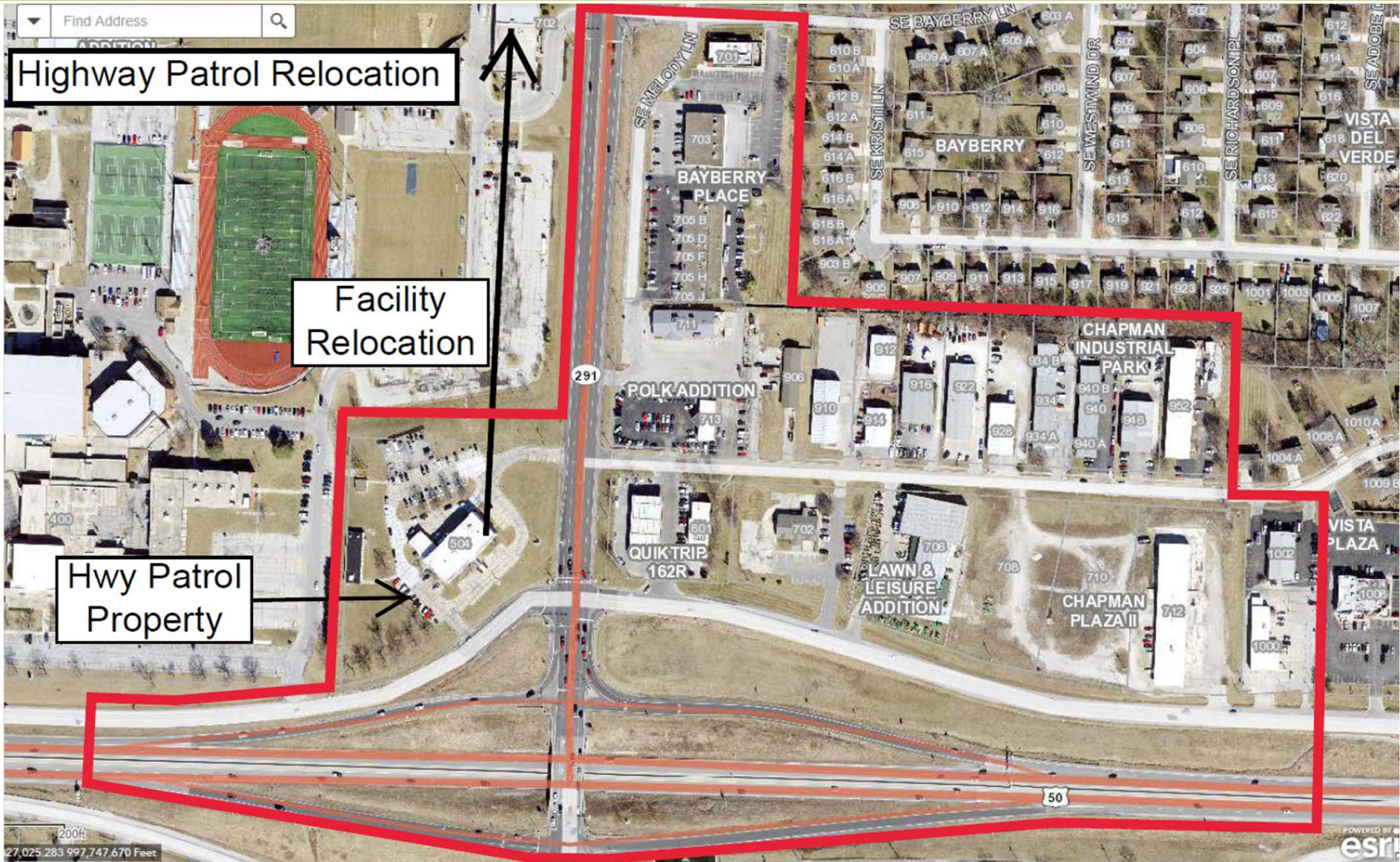
TIF Redevelopment Area







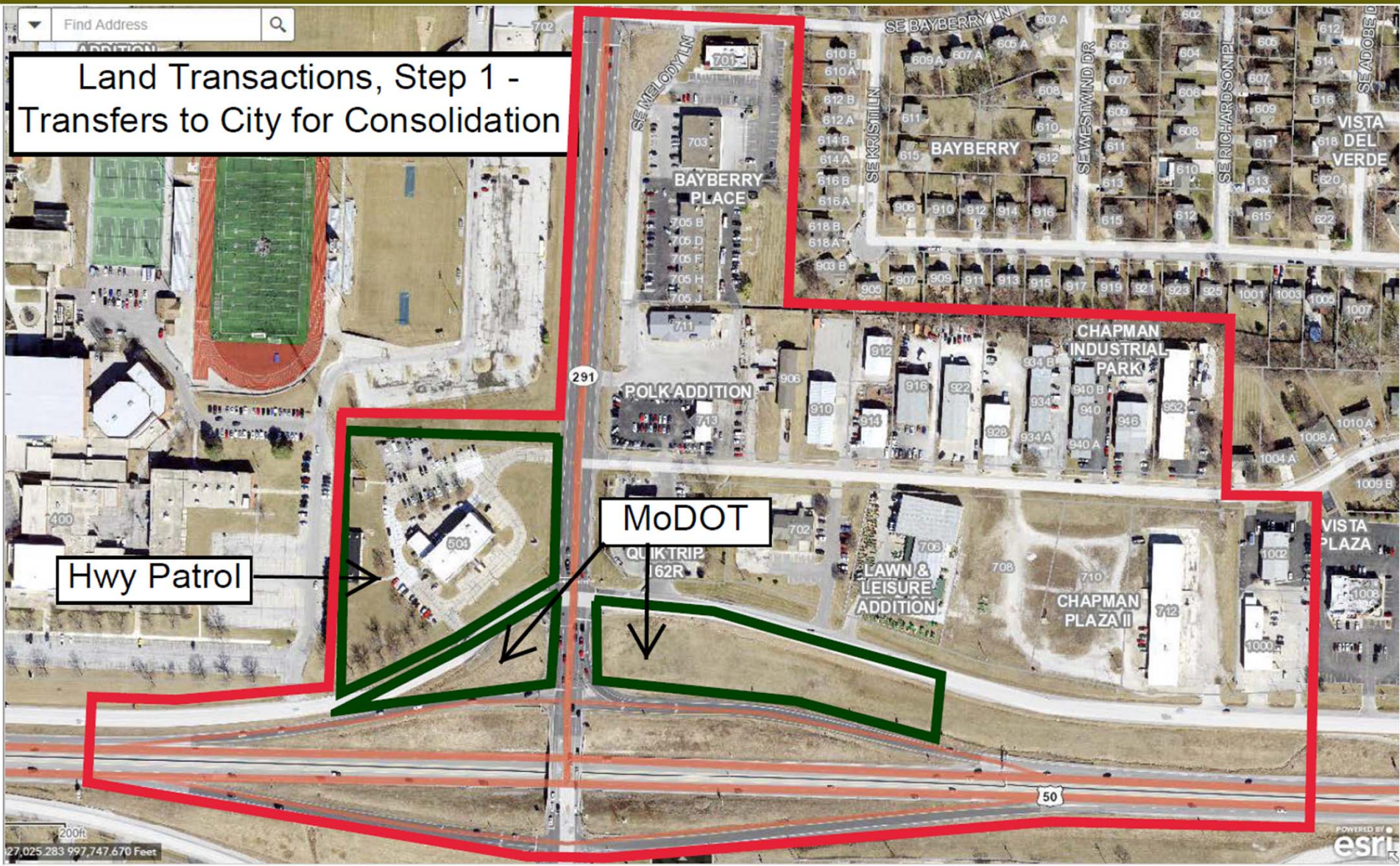






Find Address

# Land Transactions, Step 1 - Transfers to City for Consolidation

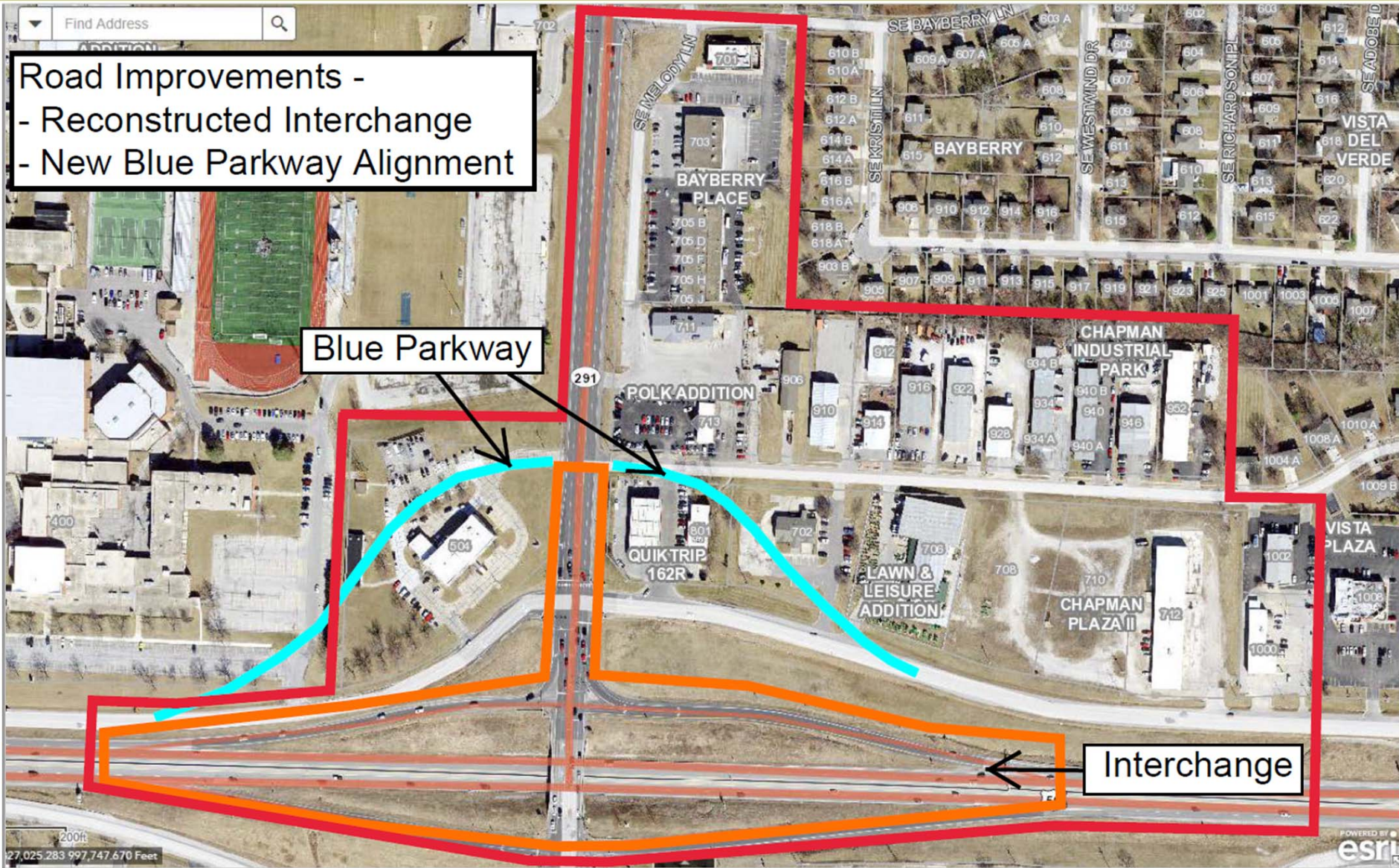




Road Improvements -  
- Reconstructed Interchange  
- New Blue Parkway Alignment

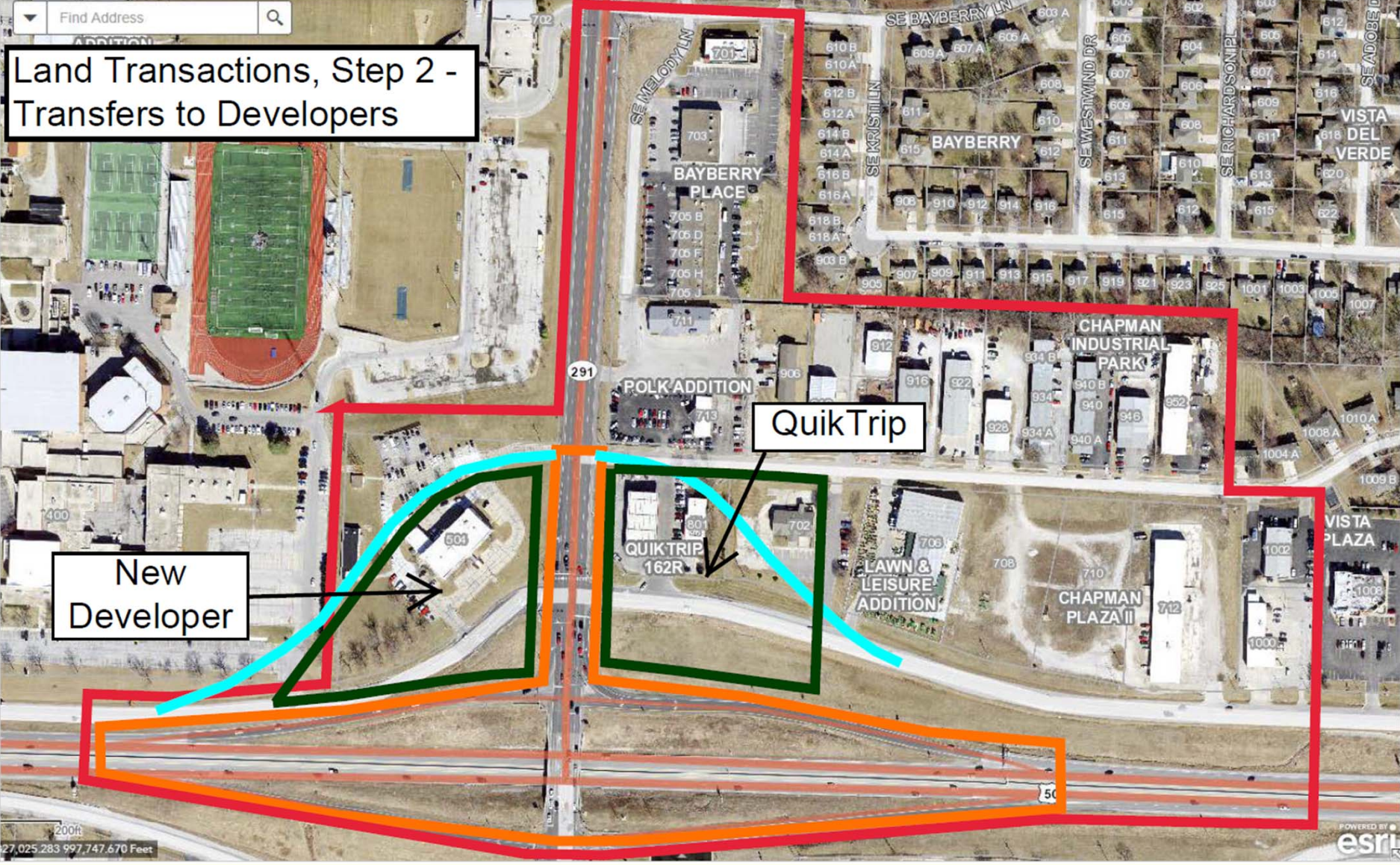
Blue Parkway

Interchange

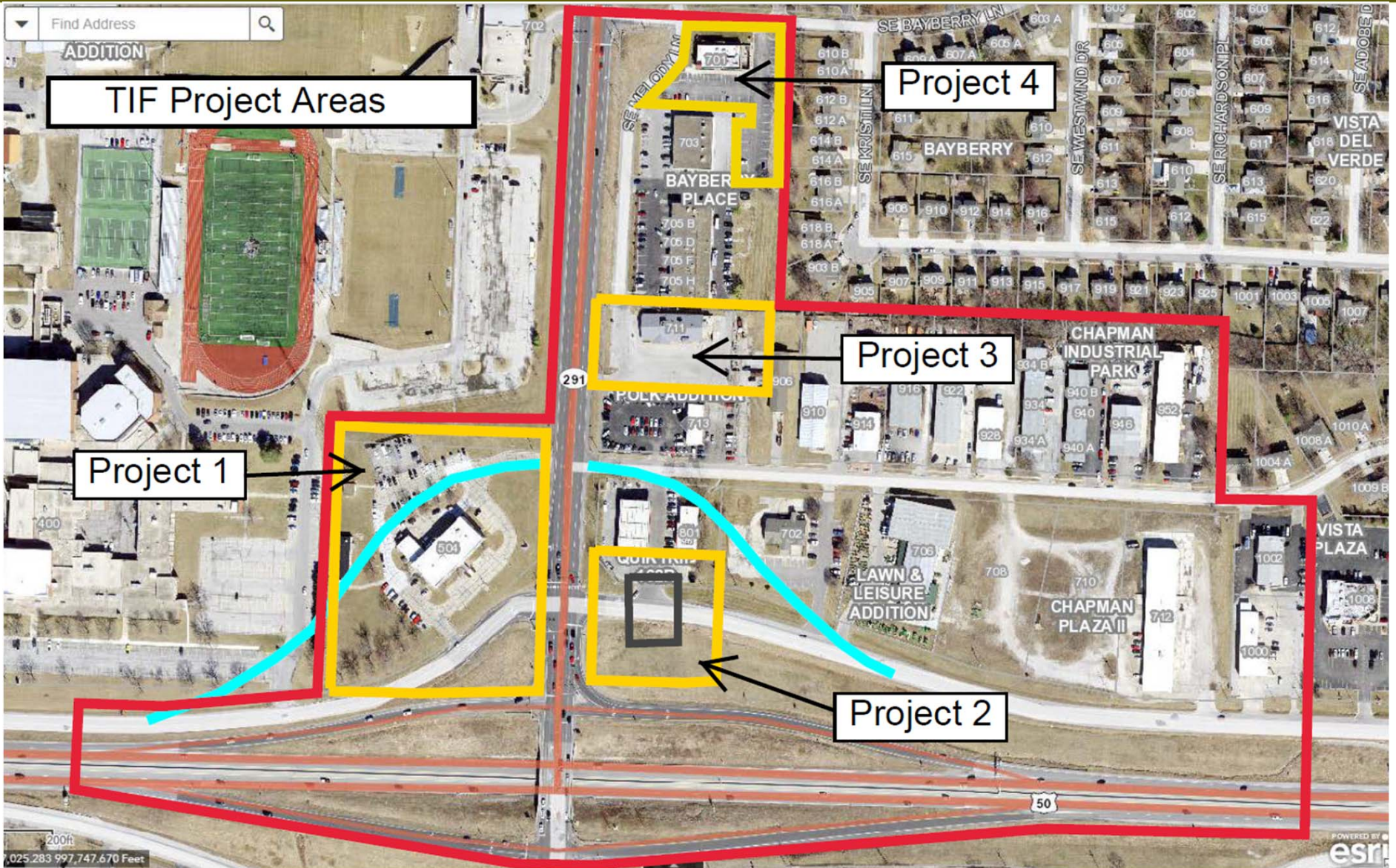




# Land Transactions, Step 2 - Transfers to Developers

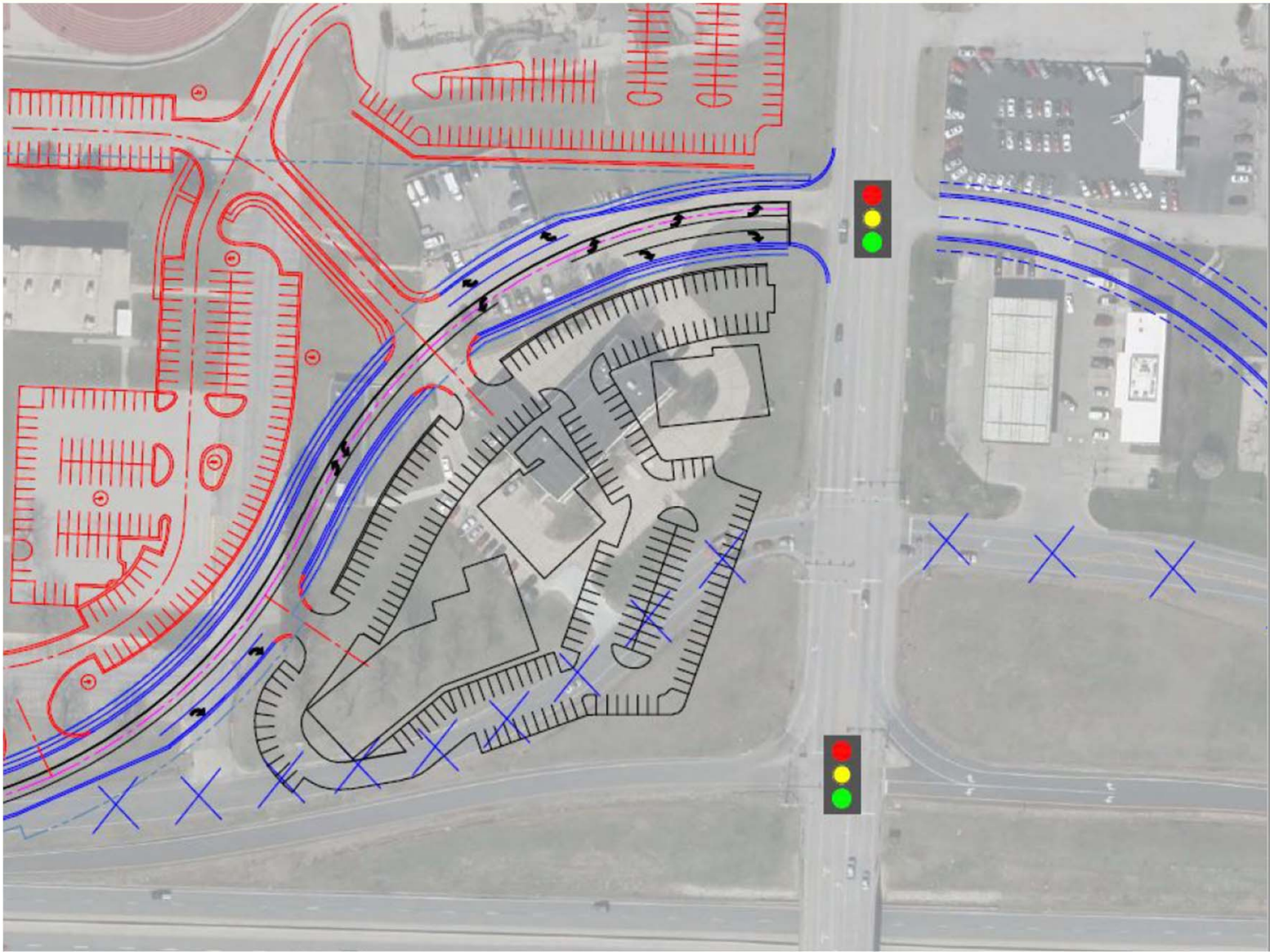




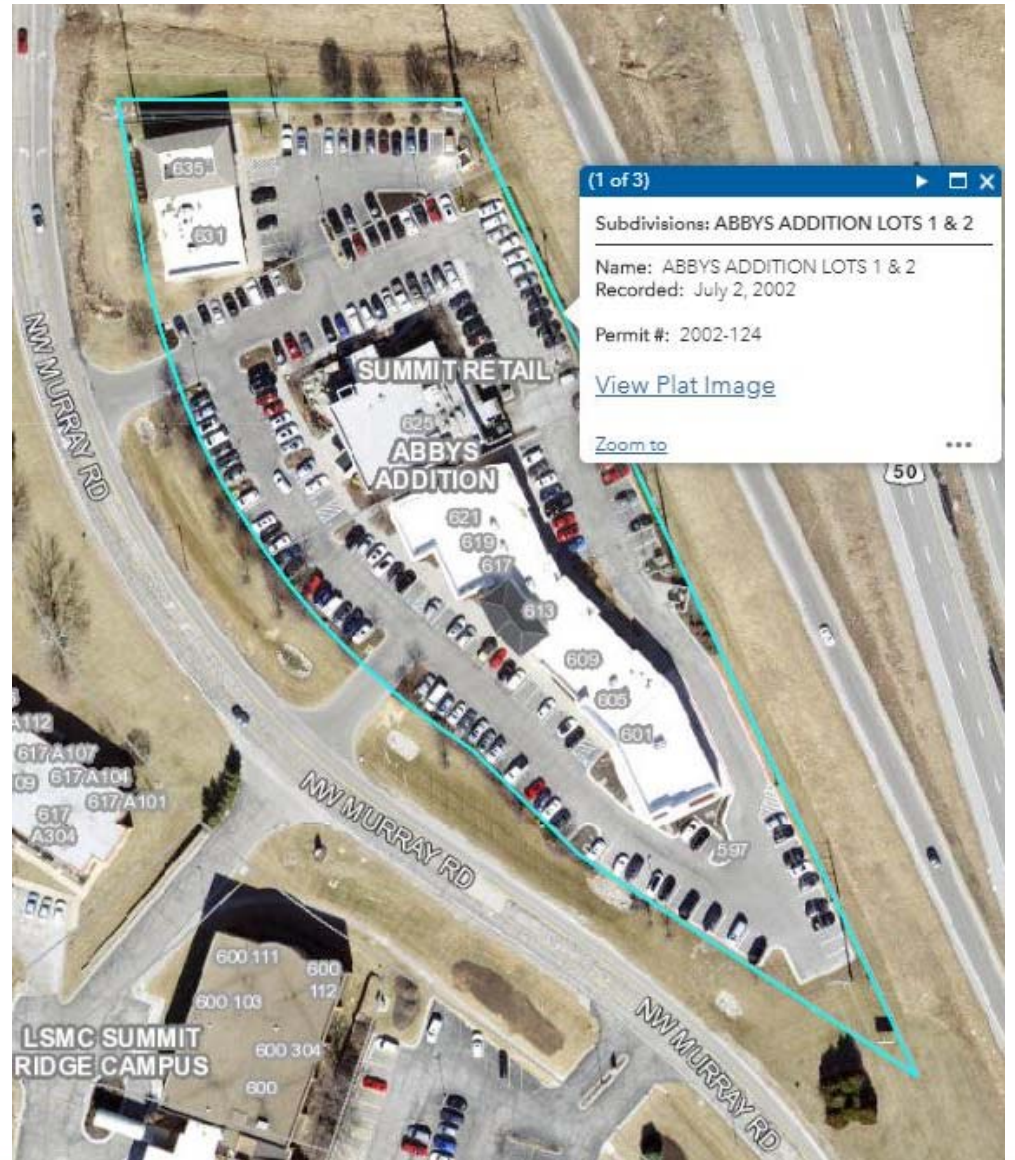
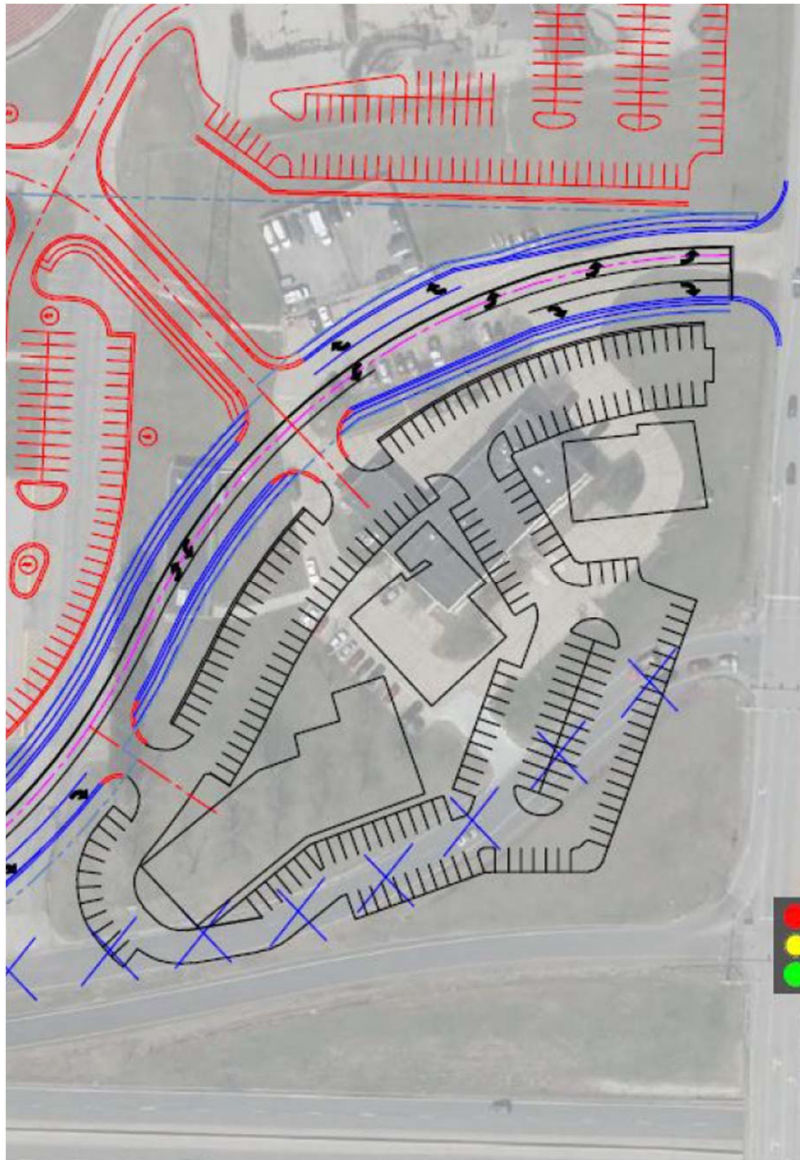




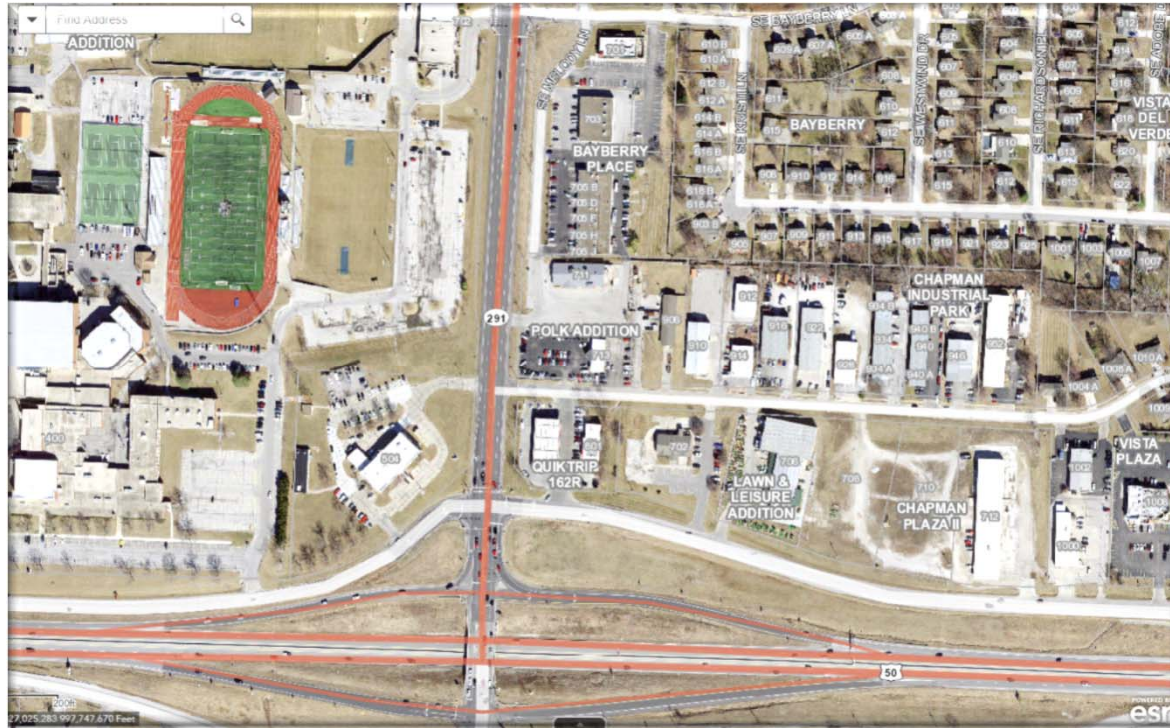












## 4. ESTIMATED COSTS & FUNDING

Project Budget, responsible parties, financing options



	<u>Total Project Cost</u>	Funded by Users	Funded by City		Funded by State
			Direct Funding & TIF Reimbursable	Priority TIF Reimbursable	
Land Acquisition	\$3,304,250	\$1,304,250	\$0		
Demolition	\$300,000		\$300,000		
<b>Hwy Patrol Relocation Costs</b>	<b>\$8,113,000</b>	<b>\$2,000,000</b>		<b>\$4,056,500</b>	<b>\$2,056,500</b>
Site Development Costs	\$1,100,000	\$1,100,000			
Public Improvements					
<b>Outer Roads - Blue Parkway</b>	<b>\$2,957,500</b>		<b>\$2,957,500</b>		
<b>Interchange</b>	<b>\$18,000,000</b>		<b>\$9,000,000</b>		<b>\$9,000,000</b>
Building Construction Costs	\$7,040,000	\$7,040,000			
Professional Services and Soft Costs (15% of construction)	\$1,026,000	\$1,026,000			
Financing Costs (5% during construction)	\$1,451,000	\$362,750	\$435,300	\$290,200	\$362,750
Contingency (10% of construction costs)	\$2,800,000	\$704,000	\$1,195,893		\$900,107
<b>Totals</b>	<b>\$44,091,750</b>	<b>\$13,537,000</b> 30.7%	<b>\$13,888,693</b> 31.5%	<b>\$4,346,700</b> 9.9%	<b>\$12,319,357</b> 27.9%

# TIF Reimbursement Priorities

- City for Highway Patrol Relocation Costs (“Business Relocation Costs”)
- City for Interchange Improvement Costs (Outer Roads and Interchange)
- Financing Costs and Contingency
- Site-specific Improvement Costs



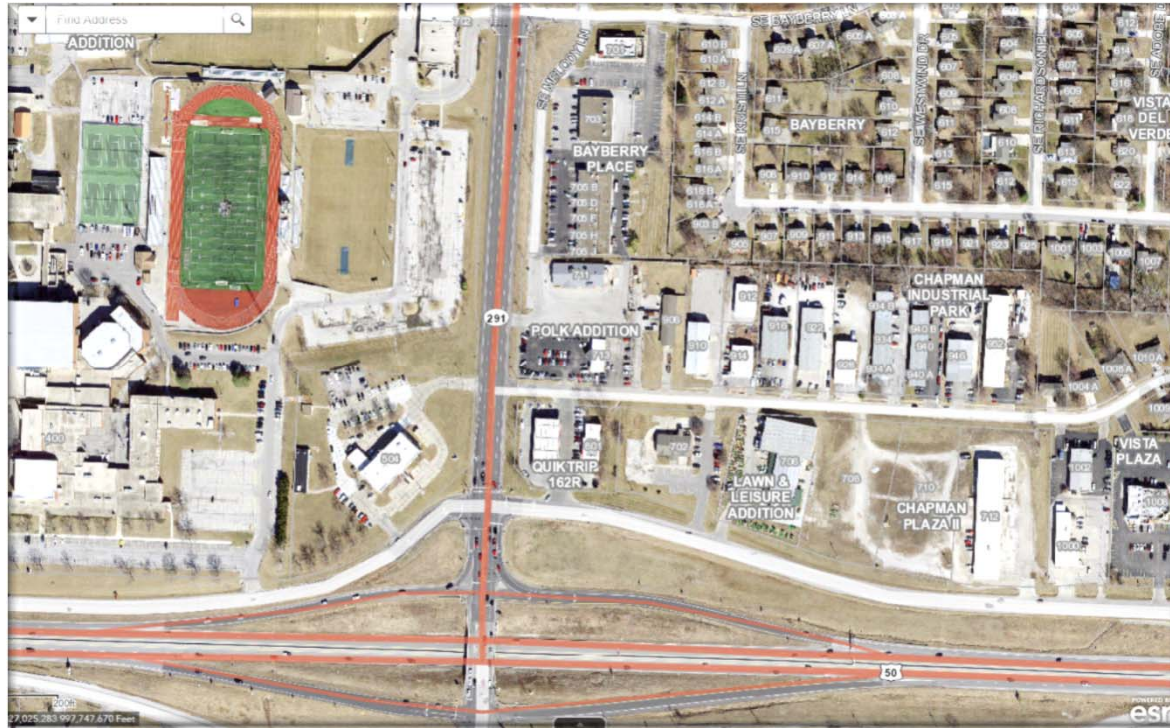
# Financing Components

## Interchange Project

- Cost Share Application; State appropriation
- Capital Improvements Sales Tax Funds
- License Tax funds

## Highway Patrol Relocation

- TIF Revenue Bonds
- General Fund appropriation with reimbursement
- State Appropriation



## 5. MOU AND NEXT STEPS



# MOU

- Not legally binding obligations
- Mutual arrangement to coordinate for financing, designing, constructing new Troop A Headquarters
- Several legislative actions by City Council will be required for full implementation

# Next Steps

- TIF Commission public hearing on February 26, 2020
- Council considers TIF Plan on March 17, 2020
- Continued coordination with other parties
- Refine financing options
- Cost Share Application in April 2020
- Select Developer for Project #1

**Goal: Finish all contracts by October 2020**



# Future City Council Items

- TIF Plan and TIF Project Ordinances (March/April)
- Funding actions by City
- Cost Share Agreement with MoDOT
- Agreement with Highway Patrol
- Selection of Developer for Project #1
- TIF Contract with Developer for Project #1
- Agreement with School District