



The City of Lee's Summit

Final Agenda

Legislative and Intergovernmental Relations Committee

Monday, September 16, 2019

6:00 PM

City Council Chambers

City Hall

220 SE Green Street

Lee's Summit, MO 64063

1. Call to Order

2. Roll Call

3. Approval of Agenda

4. Public Comments

5. Items for Discussion

A. [2019-3030](#) Discussion of Intergovernmental Efforts and Needs

B. [2019-3031](#) Review and Discussion of 2020 Legislative Priorities Brochure

Presenter: Brian W. Head, City Attorney

C. [2019-3032](#) Review and Discussion of Lobbyist Contract

Presenter: Brian W. Head, City Attorney

D. [2019-3033](#) City Support for Amendments to the Missouri Community Improvement District (CID) Act Regarding Location of CID-Funded Public Improvements

Presenter: David Bushek, Chief Counsel of Econ. Dev. & Planning

6. Roundtable

7. Adjournment

For your convenience, City Council agendas, as well as videos of City Council and Council Committee meetings, may be viewed on the City's Legislative Information Center website at "lsmo.legistar.com"

Packet Information

File #: 2019-3030, **Version:** 1

Discussion of Intergovernmental Efforts and Needs

Packet Information

File #: 2019-3031, **Version:** 2

Review and Discussion of 2020 Legislative Priorities Brochure

Issue/Request:

Each year the Committee reviews and recommends various items as legislative priorities to the City Council. Generally, we attempt to complete that work and seek approval of the full City Council in December of each year. As part of that effort, we include the priorities in a printed brochure. The 2019 brochure is attached to the packet for review.

Brian W. Head, City Attorney

MAYOR AND CITY COUNCIL

District 1
Councilmembers



Mayor Bill Baird
wbaird@cityofLS.net
816.969.1010



Rob Binney
rob.binney@cityofLS.net
816.289.1929



Diane Forte
diane.forte@cityofLS.net
816.537.8958

District 2
Councilmembers



Trish Carlyle
trish.carlyle@cityofLS.net
816.309.6364



Craig Faith
craig.faith@cityofLS.net
816.204.4763

District 3
Councilmembers



Beto Lopez
beto.lopez@cityofLS.net
816.533.5059



Phyllis Q. Edson
phyllis.edson@cityofLS.net
816.352.6885

District 4
Councilmembers



Bob Johnson
bob.johnson@cityofLS.net
816.225.6126



Fred DeMoro
fred.demoro@cityofLS.net
816.419.1404

For questions regarding our Legislative Priorities, please contact City Attorney Brian Head.
816.969.1415 | brian.head@cityofLS.net

2019
LEGISLATIVE
INTERGOVERNMENTAL
PROGRAM

The fundamental goal of all City of Lee's Summit legislative and intergovernmental activities is to produce positive outcomes for the citizens of Lee's Summit as a whole. Numerous proposals in the General Assembly or by State agencies have the potential to seriously impact the ability of the City to carry out its overall mission. By taking a proactive role in monitoring and commenting on proposals, we are working to ensure that the citizens of the City of Lee's Summit can continue to enjoy the quality of life they have come to expect and deserve.

Lee's Summit General Position

As a general policy, the City of Lee's Summit seeks to preserve its current authority to govern the city, its citizens, and its property. The City may oppose any legislation viewed as detrimental to the City's strategic goals; or that is contrary to the health, safety, and welfare of its citizens; or that mandates increased costs or loss of revenues; or that would diminish the fundamental authority of the City.

Partnerships

The City will form strategic partnerships with cities, political subdivisions (counties and school districts) and private sector entities that share common goals with the City of Lee's Summit. Additionally, the City will work in coordination with organizations such as the Missouri Municipal League, Mid-America Regional Council, and Lee's Summit Chamber of Commerce when their adopted positions are in line with the legislative objectives and goals of the City. The formation of strategic partnerships and coordinated efforts is intended to provide the City with a stronger presence in the legislative and administrative process.

PRIORITIES TO WATCH

As a general policy, the City of Lee's Summit seeks to preserve its current authority to govern the city, its citizens, and its property. The City may oppose any legislation viewed as detrimental to the City's strategic goals; or that is contrary to the health, safety, and welfare of its citizens; or that mandates increased costs or loss of revenues; or that would diminish the fundamental authority of the City.

GENERAL SUPPORT

The City will support initiatives that preserve municipal authority or that otherwise have a positive impact on municipal operations, including but not limited to legislation that would:

- 1. Maintain municipal authority,
- 2. Eliminate or reduce the impact of unfunded mandates,
- 3. Preserve local control over municipal revenue streams,
- 4. Increases the ability of Missouri cities to attract quality businesses and jobs.

GENERAL OPPOSITION

The City specifically opposes initiatives that undermine the local control of cities such as:

- 1. Preemption of local laws,
- 2. Unfunded mandates,
- 3. Limitations on the ability of cities to manage local revenue sources or to issue debt,
- 4. Restrictions on local right of way and land use authority,
- 5. Diversion of municipal revenue streams to other entities,
- 6. Elimination of proven economic development tools available to local governments.

LEE'S SUMMIT GENERAL POSITION

1. Preservation of Local Self-Governance

- a. Supports inclusion of an opt-in provision for local governments on any sales tax exemption passed by the State. Opposes any sales tax exemption passed by the state that mandates a local sales tax exemption.
- b. Supports legislation streamlining sales tax and use tax collection under recent U.S. Supreme Court decisions and preservation of local control of revenues.
- c. Opposes legislation that will result in an unnecessary loss of local control regarding the placement or permitting of communications or other infrastructure.
- d. Supports reimbursement to cities for direct costs of compliance with state laws, policies, and regulations and standards that impose additional costs and responsibilities on local governments, pursuant to the Missouri Constitution.
- e. Supports enabling legislation allowing airports to remove abandoned aircraft from airport property.
- f. Supports legislation maintaining municipal authority related to residential short term rentals.

2. Economic Development Programs

- a. Supports the continuation of proven economic development tools used to stimulate employment and leverage private investments, including but not limited to, the Missouri Technology Corporation and high-performing tax credit programs, such as the historic tax credit program.
- b. Supports continuation of workforce development efforts through community partners, Summit Technology Academy and the Missouri Innovation Campus.
- c. Encourages the addition of State tax credits and other incentives for projects that create and retain quality jobs or for capital investments in new or expanding businesses. We specifically support reasonable incentives for:
 - Investments in next generation businesses that focus on innovation in industries like healthcare, life sciences, and advanced technologies.
- d. We oppose efforts to reduce the effectiveness of such programs, including proposals to subject them to the annual appropriations process.
- e. Supports continued investment in the arts, tourism, and recreation as pro-economic development tools.
- f. Opposes legislation granting control of the air traffic control system to anyone other than the FAA.

3. Public Safety

- a. Supports legislation to allow voters to broaden the scope of communication devices where users are levied a fee to support 9-1-1, with revisions to state 9-1-1 statutes to allow for either a county fee or a statewide fee on all communication devices,

- including landline, wireless and VOIP devices to support emergency telephone 9-1-1 costs.
- b. Opposes the preemption of reasonable, local regulation of vehicles-for-hire.
- c. Supports open records and transparency regarding video and audio recordings collected by public safety agencies, but asks the General Assembly and Governor to provide for the protection of individual privacy and integrity of open investigations when considering any related legislation.
- d. Supports legislation that gives authority and limits liability of EMS agencies in treating and transporting patients that are unable to give consent and standardizes service protocols for such patients.
- e. Supports legislation authorizing extension of additional funding for ambulance services.

4. Transportation Funding

- a. Encourages legislation that would allocate direct funding for roads and highways within Lee's Summit. We also ask our local representatives support in urging the Missouri Department of Transportation to partner with the City of Lee's Summit to leverage combined resources to fund local projects.
- b. Supports funding to maintain and support passenger rail services in Missouri including AMTRAK's Missouri River Runner Service.
- c. Supports the continued funding of and administration of state aviation grant programs.
- d. Supports funding to provide for the continued development of the Rock Island Trail and Katy Trail.

At a GLANCE



Lee's Summit is a premier community in the Kansas City bi-state metro area. Though Lee's Summit, with a population of over 97,000, enjoys many of the attributes of a significant suburb within a major metropolitan area, it still maintains a small town feel with an award winning, historic downtown. Lee's Summit also holds four accreditation statuses in the Police, Fire, Parks & Recreation and Public Works. In combination with great shopping opportunities, outstanding community health facilities, award winning schools and the nationally recognized Missouri Innovation Campus, these are the reasons that *Money Magazine* voted Lee's Summit one of the 100 Best Places to Live" six times in a row.

Packet Information

File #: 2019-3032, **Version:** 1

Review and Discussion of Lobbyist Contract

Issue/Request:

The City entered into a contract with our current lobbyist, James Durham with the Britton Group, in 2017. The contract term was for 1 year with 2 automatic renewals for a total of 3 years. This is our last year of the contract. The Law Department has calendared the creation of a new RFP for lobbying services for July 1, 2020. At that time, we will work with the Committee to decide what services we would like to include in the RFP.

Brian W. Head, City Attorney

SERVICE AGREEMENT

This Agreement is entered into this 1st day of December 2017, by and between the Britton Group, LLC ("Consultant"), and the City of Lee's Summit, Missouri, ("City") a municipal corporation.

WHEREAS, the General Assembly for the State of Missouri, through deliberations and legislative activities, formulates policies and laws that directly affect the public health, safety and welfare of the citizens of Lee's Summit, Missouri; and

WHEREAS, the Consultant has a unique combination of skills and experience that enables Consultant to understand the impact of the General Assembly's activities on the City, represent the City's interests before the General Assembly and its committees, and report on potential legislation to elected and administrative officials of the City; and

WHEREAS, the City has determined that it is in the public interest and will further the health, safety and welfare of the citizens of Lee's Summit, Missouri, to retain the Consultant's services as provided in this Agreement; and

WHEREAS, the Consultant represents that he has unique combination of skills and experience to perform the services as provided in this Agreement; and

WHEREAS, the City Manager, upon approval by the City Council and by virtue of the City Charter and the laws of the State of Missouri, is authorized to enter into this Agreement on behalf of the City.

NOW THEREFORE, by these presents, it is hereby agreed between the parties as follows:

1. **TERM.** This Agreement is effective beginning December 1, ~~2017~~ and continue to and until November 30, 2018. The term of this Agreement shall automatically be extended for two (2) additional one (1) year terms unless terminated as provided herein.
2. **SCOPE OF SERVICE.** Consultant shall provide legislative representation to the City for the including the following:
 1. State Lobbying Services – General Requirements:
The general scope of work consists of the Firm performing all of the following services:
 - a. Provide a broad range of State lobbying services on behalf of the City before the Legislative and Executive branches of the Missouri State Government.
 - b. Assist in the formulation of a State policy agenda, working with the Mayor and Council and designated City department heads.
 - c. Represent the City's interests in the State budget process as well as identify, solicit, and lobby for Capital Bond Bills and grants.
 - d. Review and analyze on a continuing basis, all existing and proposed State of Missouri policies, programs, and legislation; identify issues that may impact the City; and provide prompt notification of issues to the City.
 - e. Based on policy direction provided by the City, develop and implement strategies to advance the City's legislative goals.

- f. In areas such as the environment and transportation, where State and Federal policy overlap, coordinate and collaborate with the City's contracted Federal lobbyist, as necessary.
- g. This work requires that the Consultant follow the Commission's policy regarding the use of the City's name and logo in the Consultant's report.

2. **Communications:**

- a. Throughout the year and on a real time basis, inform the City of developments coming out of the Legislative and Executive branches of the State Government that impact Lee's Summit.
- b. Be available in a timely manner in person, by telephone, or email to provide consultation and advice.
- c. In response to City direction, act quickly on the City's behalf to rapidly changing developments in the State Government with impact on policy and legislative matters.
- d. Represent the City on a year round basis, at Task Force/Work Group meetings, bill hearings, Committee meetings, and provide timely written notices and summaries to City staff.
- e. Provide periodic, timely written reports that track the status of the City's legislative priorities and other legislation of interest on a weekly basis during the Legislative Session, and no less than quarterly at other times of the year, delineating the Firm's activities and actions for the City.
- f. Provide two in-person reports to the City Council, at least one to occur during the legislative session.
- g. Work with City staff to prepare written communications that convey the City's position on State legislative, policy, and intergovernmental issues.
- h. Assist with the logistics related to City officials testifying at bill hearings.

3. **COMPENSATION.** In consideration for the Services provided under this Agreement, City shall pay Consultant in three (3) equal installments of \$3,000.00 each, after invoice, during the months of December, February and April. Total Compensation shall not exceed \$9,000.00 unless authorized by written amendment to this Agreement, duly executed and authorized by the parties.

4. **COMPLIANCE WITH LAWS / INSURANCE REQUIREMENTS.** Consultant shall comply with all applicable laws, rules and regulations relating to the Services provided under this Agreement, including but not limited to, complying with the rules and regulations of the City. Consultant further specifically agrees to comply with all lobbyist registration and reporting requirements. Consultant shall maintain at all times during the term of this Agreement, insurances coverages of the types and in the amounts described in Exhibit "A" hereto and incorporated herein by reference.

5. **ASSIGNMENT.** Neither party shall assign, subcontract or otherwise transfer its rights or obligations under this Agreement, except with the prior written consent of the other party.

6. **TERMINATION.** City may terminate this Agreement upon written notice to Consultant, effective five (5) calendar days from the date such notice is sent. Upon such termination, City shall be obligated to Consultant only for the Services provided up to the notice, with compensation prorated to the effective date of such notice. This right of termination shall be in addition to all other rights and remedies at law or in equity.

7. **INDEPENDENT CONTRACTOR.** Consultant agrees and understands that all Services to be provided under this Agreement shall be performed as an independent contractor and not as

an employee or agent of the City. Consultant has no authority to act on behalf of City, other than as provided in this Agreement, and can in no way represent any such authority to third parties. City shall not exercise any supervision over Consultant other than consulting and advising on specific issues of interests and desired results. Consultant shall be solely responsible for determining the methods employed to achieve such results. Consultant agrees and understands that the Services provided under this Agreement do not entitle Consultant to service credit and/or benefits as an "employee" under the benefit plan of the City.

8. CONFLICT OF INTEREST. Consultant agrees that during the term of this Agreement, Consultant shall not undertake to perform or engage in any activities before or in relation to any state or federal legislature, regulatory agency or administrative agency, contrary to or in conflict with the express interests of the City.
9. INDEMNIFICATION. Consultant shall indemnify and hold harmless City from and against any and all losses, damages, claims, demands, suits, and liabilities (including court costs and reasonable attorney fees) that arise out of or result from the Consultant's failure to comply with the terms of this Agreement. Consultant agrees to defend City at City's request, against any such claim, demand, or suit or at City's sole option, reimburse City for its expenses (including court costs and reasonable attorney fees) of defending against any such liability, claim, demand or suit. City agrees to notify Consultant within a reasonable time of any written claims or demands against City for which Consultant is responsible under this clause.
10. NOTICES. Any notice or other communication provided under the terms of this Agreement shall be addressed to the respective parties as follows:

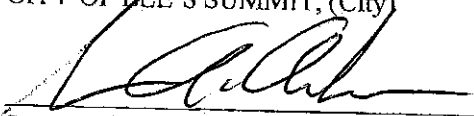
City: City of Lee's Summit
 City Manager
 220 S.E. Green Street
 Lee's Summit, MO 64063

Consultant: James L. Durham
 415 East High Street
 P. O. Box 1708
 Jefferson City, MO 65102
11. SEVERABILITY. If any of the provisions of this Agreement shall be declared invalid or unenforceable, such invalidity or unenforceability shall not invalidate or render unenforceable the entire Agreement, but rather the entire Agreement shall be construed as if not containing the particular invalid or unenforceable provision or provisions, and the rights and obligations of the Consultant and City shall be construed and enforced accordingly.
12. ENTIRE AGREEMENT. The terms contained in this Agreement shall constitute the entire agreement between the Consultant and City and may not be modified except by written amendment duly executed and authorized by the Consultant and City.
13. CHOICE OF LAW. This Agreement shall be governed by the laws of Missouri.

THIS AGREEMENT shall be binding on the parties thereto only after it has been duly executed and approved by the City and the Consultant.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the date first above written.

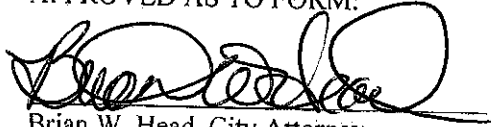
CITY OF LEE'S SUMMIT, (City)


Stephen A. Arbo, City Manager

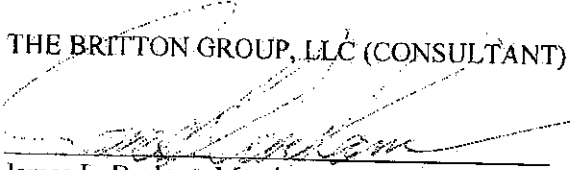
ATTEST:


Trisha Fowler Arcuri, City Clerk

APPROVED AS TO FORM:


Brian W. Head, City Attorney

THE BRITTON GROUP, LLC (CONSULTANT)


James L. Durham, Member

ATTEST:

EXHIBIT A

INSURANCE REQUIREMENTS GOVERNING RESPONSES AND SUBSEQUENT CONTRACTS

CERTIFICATE OF INSURANCE: The Contractor shall secure and maintain, throughout the duration of this contract, insurance of such types and in at least the amounts that are required herein. Contractor shall provide certificate(s) of insurance confirming the required protection on an ACORD 25 (or equivalent form). The City shall be notified by receipt of written notice from the insurer at least thirty (30) days prior to material modification or cancellation of any policy listed on the certificate(s). The City reserves the right to require formal copies of any Additional Insured endorsement, as well as the right to require completed copies of all insuring policies applicable to the project. The cost of such insurance shall be included in the Contractor's bid.

NOTICE OF CLAIM: The Contractor shall upon receipt of notice of any claim in connection with this contract promptly notify the City, providing full details thereof, including an estimate of the amount of loss or liability. The Contractor shall also promptly notify the City of any reduction in limits of protection afforded under any policy listed in the certificate(s) of insurance in excess of \$10,000.00, whether or not such impairment came about as a result of this contract. If the City shall subsequently determine that the Contractor's aggregate limits of protection shall have been impaired or reduced to such extent that they are inadequate for the balance of the project, the Contractor shall, upon notice from the City, promptly reinstate the original limits of liability required hereunder and shall furnish evidence thereof to the City.

INDUSTRY RATING: The City will only accept coverage from an insurance carrier who offers proof that it:

- Is licensed to do business in the State of Missouri;
- Carries a Best's policyholder rating of "A" or better;
- Carries at least a Class VII financial rating.
- OR
- Is a company mutually agreed upon by the City and the Contractor.

SUB-CONTRACTOR'S INSURANCE: If any part of the contract is to be sublet, the Contractor shall either:

- Cover all sub-contractors in the Contractor's liability insurance policy or,

Require each sub-contractor not so covered to secure insurance in the minimum amounts required of the Contractor and submit such certificates to the City as outlined herein.

SELF-INSURED RETENTIONS/DEDUCTIBLES: Any Contractor that maintains a Self-Insured Retention or Deductible (in excess of \$50,000) must be declared on the Certificates provided the City, such amounts shall be the sole responsibility of the Contractor. The City reserves the right to approve such self-insured retentions/deductibles and may require guarantees from the Contractor for such assumed limits.

COMMERCIAL GENERAL LIABILITY POLICY: Limits:

Each occurrence	\$1,000,000
Personal & Advertising Injury	\$1,000,000
Products/Completed Operations Aggregate	\$2,000,000
General Aggregate	\$2,000,000

Policy must include the following conditions:

- Bodily Injury and Property Damage
- Insured Contract's Contractual Liability
- Additional Insured: City of Lee's Summit, Missouri

WORKERS' COMPENSATION: This insurance shall protect the Contractor against all claims under applicable state Workers' Compensation laws. The Contractor shall also be protected against claims for injury, disease or death of employees which, for any reason, may not fall within the provisions of a Workers' Compensation law and contain a waiver of subrogation against the City. If Workers' Compensation Insurance is statutorily required, the policy limits shall not be less than the following:

Workers' Compensation	Statutory
Employer's Liability	
Bodily Injury by Accident	\$100,000 Each Accident

EXHIBIT A

Bodily Injury, by Disease
Bodily Injury by Disease

\$500,000 Policy Limit
\$100,000 Each Employee

GENERAL INSURANCE PROVISIONS:

- 1) The insurance limits outlined above represent the minimum coverage limit and do not infer or place a limit of liability of the Contractor nor has the City assessed the risk that may be applicable to the Contractor.
- 2) The Contractor's liability program will be Primary and any insurance maintained by the City (including self-insurance) will not contribute with the coverage maintained by the Contractor.
- 3) Coverage limits outlined above may be met by a combination of primary and excess liability insurance programs.
- 4) Any coverage provided on a Claims Made policy form must contain a 3-year tail option (extended reporting period) or the program must be maintained for 3-years subsequent to completion of the Contract.
- 5) Any failure on the part of the Contractor with any policy reporting provision shall not affect the coverage provided to the City.
- 6) When "City" is utilized, this includes its officers, employees and volunteers in respect to their duties for the City.

Before, entering into contract, the successful respondent shall furnish to the City of Lee's Summit Procurement and Contract Services Office a Certificate of Insurance verifying all of the foregoing coverage's and identifying the City of Lee's Summit as an "additional insured" on the general liability policy. This inclusion shall not make the City a partner or joint venture with the contractor in its operations hereunder.

Prior to any material change or cancellation, the City of Lee's Summit will be given thirty (30) days advance notice by registered mail to the stated address of the certificate holder. Further, the City will be immediately notified of any reduction or possible reduction in aggregate limits of any such policy where such reduction, when added to any previous reductions, would exceed 10% of the aggregate.

In the event of an occurrence, it is further agreed that any insurance maintained by the City of Lee's Summit, shall apply in excess of and not contribute with insurance provided by policies named in this contract.

The certificate holder on the Certificate of Insurance shall be as follows:

City of Lee's Summit
220 S.E. Green Street
Lee's Summit, MO 64063 -2358

Packet Information

File #: 2019-3033, **Version:** 1

City Support for Amendments to the Missouri Community Improvement District (CID) Act Regarding Location of CID-Funded Public Improvements

Issue/Request:

This item seeks Committee support for City staff to pursue amendments to the Missouri CID Act to authorize CID funding for public improvements outside the boundaries of a CID if the public improvements have a direct and substantial benefit to the properties in the CID area.

Key Issues:

The CID Act prohibits a CID from funding public improvements outside the boundaries of a CID. This creates problems with achieving a validly signed CID petition in many cases, and can cause developers to take extraordinary and artificial steps to meet the petition signing requirements. This can also cause jurisdictional issues which require extraordinary measures to solve.

Proposed City Council Motion:

I move that the Committee direct staff to work with the City's lobbyist and pursue the proposed amendments to the CID Act.

Background:

The Missouri Community Improvement District Act (CID Act) contains the restriction that all public improvements funded by a CID must be physically located within the geographic boundaries of the CID. This has caused numerous problems for CIDs throughout the state for the following reasons:

1. It creates problems with achieving a validly signed CID petition.
2. It can create jurisdictional problems which require extraordinary measures to solve.

The attached memorandum from the Law Department explains the concerns in more detail. This statutory restriction causes unique problems for the Paragon Star project in particular, and a change in the state statute would address the problem and allow more funds from the transportation development district to be spent on debt retirement.

Impact/Analysis:

The proposed CID Act amendments present no financial or other impacts for the City. The proposed amendments would address the concerns for all CIDs in the City and also throughout the state.

Timeline:

Staff would pursue the amendments during the 2020 Missouri legislative session that starts on January 9, 2020 and ends on May 17, 2020.


Other Information/Unique Characteristics:

Staff will also present this request to the Community and Economic Development Committee in October.

David Bushek, Chief Counsel of Econ. Dev. & Planning

Recommendation: Staff recommends approval of the request.

Committee Recommendation: [Enter Committee Recommendation text Here]

	City of Lee's Summit Law Department Memorandum	
	To:	Legislative & Intergovernmental Relations Committee; Community & Economic Development Committee
	From:	David Bushek, Chief Counsel of Economic Development & Planning
	Date:	September 6, 2019
	Re:	Proposed CID Act Amendment to allow CIDs to fund improvements outside CID boundaries

Issue: The Missouri Community Improvement District Act (CID Act) contains the restriction that all public improvements funded by a CID must be physically located within the geographic boundaries of the CID. This has caused numerous problems for CIDs throughout the state for the following reasons:

1. It creates problems with achieving a validly signed CID petition.

- Many CID-funded public improvements are streets and associated improvements (utilities, stormwater features, curbs and gutters) that are located at the perimeter of a project that uses a CID. As a result, the boundaries of the CID must be expanded beyond the project boundaries and across the street to geographically include the improvements within the CID area.
- This shape of the CID brings property owners into the CID area that are not connected with the project, because persons who own property adjacent to a street actually own fee title to the land under the street to the centerline of the street.
- A valid CID petition must be signed by more than 50% per capita (headcount) and more than 50% measured by assessed value of all properties within the proposed CID area. The unintended consequence of adding adjacent streets is that it also adds property owners to the CID area. This artificially makes it more difficult to achieve the 50% per capita (headcount) requirement to file a valid CID petition.
- This has caused developers to take extraordinary and artificial steps in order to meet the 50% per capita (headcount) signing requirement. For example, in a CID that would have only one property owner, adding an adjacent street might bring in two additional property owners who are located across the street. To meet the 50% per capital signing requirement, developer creates two new small parcels within the project which are owned by entities that are controlled by developer, in order to have a majority of the

property owners by headcount (3 of 5) sign the CID petition so it can be filed with the City.

2. It can create jurisdictional problems which require extraordinary measures to solve.

- Restricting CID public improvements to include only improvements within the geographic boundaries of the CID can cause unintended jurisdictional issues in certain situations.
- The Paragon Star project includes a CID and a transportation development district (TDD). The boundaries of the CID are limited to the property located in the City of Lee's Summit. Certain streets and parking lots being constructed for the Paragon Star project will be located in Kansas City. It was the City's original intention to have the CID own and maintain all of the streets and parking lots for the project. However, since certain streets and parking lots are outside Lee's Summit and therefore outside the CID boundaries, we had to take special measures to have the TDD own and pay for maintenance of the streets and parking lots that are in Kansas City. This split in the maintenance responsibilities between the CID and TDD also requires special contract provisions to coordinate for maintenance work. All of these special measures would not be needed if the CID could fund improvements that are outside its boundaries but which benefit the CID area.

Solution: Amend the CID Act so that a CID can fund public improvements which are outside the CID boundaries but which provide a direct and substantial benefit to the properties within the CID area. The proposed CID Act amendments to implement this solution are attached.

- This is a reasonable approach and still ensures that CID revenues are expended on public improvements that benefit the properties in the CID area.
- This approach is already legally allowed in TDDs, in tax increment financing plans, in neighborhood improvement districts, in special benefit districts, and in other types of public funding mechanisms in Missouri. The proposed amendments would bring CIDs in line with all other types of public funding tools in the state.

Request: Authorize City staff to work with the City's lobbyist to seek an amendment to the CID Act during the 2020 Missouri legislative session to achieve the attached amendments.

Proposed CID Act Amendment

Proposed revisions are shown by underline and ~~strikethrough~~

Powers of district--reimbursement of municipality--limitations.

67.1461. 1. Each district shall have all the powers, except to the extent any such power has been limited by the petition approved by the governing body of the municipality to establish the district, necessary to carry out and effectuate the purposes and provisions of sections 67.1401 to 67.1571 including, but not limited to, the following:

- (1) To adopt, amend, and repeal bylaws, not inconsistent with sections 67.1401 to 67.1571, necessary or convenient to carry out the provisions of sections 67.1401 to 67.1571;
- (2) To sue and be sued;
- (3) To make and enter into contracts and other instruments, with public and private entities, necessary or convenient to exercise its powers and carry out its duties pursuant to sections 67.1401 to 67.1571;
- (4) To accept grants, guarantees and donations of property, labor, services, or other things of value from any public or private source;
- (5) To employ or contract for such managerial, engineering, legal, technical, clerical, accounting, or other assistance as it deems advisable;
- (6) To acquire by purchase, lease, gift, grant, bequest, devise, or otherwise, any real property ~~within its boundaries~~, personal property, or any interest in such property; necessary or convenient to exercise its powers and carry out its duties pursuant to sections 67.1401 to 67.1571;
- (7) To sell, lease, exchange, transfer, assign, mortgage, pledge, hypothecate, or otherwise encumber or dispose of any real or personal property or any interest in such property;
- (8) To levy and collect special assessments and taxes as provided in sections 67.1401 to 67.1571. However, no such assessments or taxes shall be levied on any property exempt from taxation pursuant to subdivision (5) of section 137.100. Those exempt pursuant to subdivision (5) of section 137.100 may voluntarily participate in the provisions of sections 67.1401 to 67.1571;
- (9) If the district is a political subdivision, to levy real property taxes and business license taxes in the county seat of a county of the first classification containing a population of at least two hundred thousand, as provided in sections 67.1401 to 67.1571. However, no such assessments or taxes shall be levied on any property exempt from taxation pursuant to subdivisions (2) and (5) of section 137.100. Those exempt pursuant to subdivisions (2) and (5) of section 137.100 may voluntarily participate in the provisions of sections 67.1401 to 67.1571;
- (10) If the district is a political subdivision, to levy sales taxes pursuant to sections 67.1401 to 67.1571;
- (11) To fix, charge, and collect fees, rents, and other charges for use of any of the following:

- (a) The district's real property, except for public rights-of-way for utilities;
- (b) The district's personal property, except in a city not within a county; or
- (c) Any of the district's interests in such real or personal property, except for public rights-of-way for utilities;

(12) To borrow money from any public or private source and issue obligations and provide security for the repayment of the same as provided in sections 67.1401 to 67.1571;

(13) To loan money as provided in sections 67.1401 to 67.1571;

(14) To make expenditures, create reserve funds, and use its revenues as necessary to carry out its powers or duties and the provisions and purposes of sections 67.1401 to 67.1571;

(15) To enter into one or more agreements with the municipality for the purpose of abating any public nuisance within the boundaries of the district including, but not limited to, the stabilization, repair or maintenance or demolition and removal of buildings or structures, provided that the municipality has declared the existence of a public nuisance;

(16) ~~Within its boundaries, to~~To provide assistance to or to construct, reconstruct, install, repair, maintain, and equip any of the following public improvements which provide a direct and substantial benefit to the district:

- (a) Pedestrian or shopping malls and plazas;
- (b) Parks, lawns, trees, and any other landscape;
- (c) Convention centers, arenas, aquariums, aviaries, and meeting facilities;
- (d) Sidewalks, streets, alleys, bridges, ramps, tunnels, overpasses and underpasses, traffic signs and signals, utilities, drainage, water, storm and sewer systems, and other site improvements;
- (e) Parking lots, garages, or other facilities;
- (f) Lakes, dams, and waterways;
- (g) Streetscape, lighting, benches or other seating furniture, trash receptacles, marquees, awnings, canopies, walls, and barriers;
- (h) Telephone and information booths, bus stop and other shelters, rest rooms, and kiosks;
- (i) Paintings, murals, display cases, sculptures, and fountains;
- (j) Music, news, and child-care facilities; and
- (k) Any other useful, necessary, or desired improvement;

(17) To dedicate to the municipality, with the municipality's consent, streets, sidewalks, parks, and other real property and improvements ~~located within its boundaries~~ for public use;

(18) Within its boundaries and with the municipality's consent, to prohibit or restrict vehicular and pedestrian traffic and vendors on streets, alleys, malls, bridges, ramps, sidewalks, and tunnels and to provide the means for access by emergency vehicles to or in such areas;

(19) Within its boundaries, to operate or to contract for the provision of music, news, child-care, or parking facilities, and buses, minibuses, or other modes of transportation;

(20) Within its boundaries, to lease space for sidewalk cafe tables and chairs;

(21) Within its boundaries, to provide or contract for the provision of security personnel, equipment, or facilities for the protection of property and persons;

(22) Within its boundaries, to provide or contract for cleaning, maintenance, and other services to public and private property;

(23) To produce and promote any tourism, recreational or cultural activity or special event in the district by, but not limited to, advertising, decoration of any public place in the district, promotion of such activity and special events, and furnishing music in any public place;

(24) To support business activity and economic development in the district including, but not limited to, the promotion of business activity, development and retention, and the recruitment of developers and businesses;

(25) To provide or support training programs for employees of businesses within the district;

(26) To provide refuse collection and disposal services within the district;

(27) To contract for or conduct economic, planning, marketing or other studies;

(28) To repair, restore, or maintain any abandoned cemetery on public or private land within the district; and

(29) To carry out any other powers set forth in sections 67.1401 to 67.1571.

2. Each district which is located in a blighted area or which includes a blighted area shall have the following additional powers:

(1) Within its blighted area, to contract with any private property owner to demolish and remove, renovate, reconstruct, or rehabilitate any building or structure owned by such private property owner; and

(2) To expend its revenues or loan its revenues pursuant to a contract entered into pursuant to this-subsection, provided that the governing body of the municipality has determined that the action to be taken pursuant to such contract is reasonably anticipated to remediate the blighting conditions and will serve a public purpose.

3. Each district shall annually reimburse the municipality for the reasonable and actual expenses incurred by the municipality to establish such district and review annual budgets and reports of such district required to be submitted to the municipality; provided that, such annual reimbursement shall not exceed one and one-half percent of the revenues collected by the district in such year.

4. Nothing in sections 67.1401 to 67.1571 shall be construed to delegate to any district any sovereign right of municipalities to promote order, safety, health, morals, and general welfare of the public, except those such police powers, if any, expressly delegated pursuant to sections 67.1401 to 67.1571.

5. The governing body of the municipality establishing the district shall not decrease the level of publicly funded services in the district existing prior to the creation of the district or transfer the financial burden of providing the services to the district unless the services at the same time are decreased throughout the municipality, nor shall the governing body discriminate in the provision of the publicly funded services between areas included in such district and areas not so included.

(L. 1998 H.B. 1636 § 7, A.L. 1999 S.B. 20, A.L. 2000 H.B. 1238, A.L. 2003 H.B. 472, A.L. 2004 S.B. 1155)

Proposed Ownership Map

