

## **BILL NO. 19-11**

---

AN ORDINANCE APPROVING THE SECOND AMENDMENT TO THE SECOND AMENDED AND RESTATED LONGVIEW FARM TAX INCREMENT FINANCING PLAN, THE FIRST AMENDMENT TO THE NEW LONGVIEW TAX INCREMENT FINANCING PLAN, AND THE FIRST AMENDMENT TO THE TAX INCREMENT FINANCING CONTRACT BETWEEN THE CITY OF LEE'S SUMMIT AND M-III LONGVIEW, LLC, TO REVISE THE AMOUNTS AND PRIORITY OF FUNDING FOR IMPROVEMENTS TO LONGVIEW LAKE AND THE PERGOLA.

WHEREAS, on December 17, 2015, the City Council approved the Second Amended and Restated Longview Farm Tax Increment Financing Plan through the adoption of Ordinance No, 7778 and the New Longview Tax Increment Financing Plan through the adoption of Ordinance No, 7779 (collectively the "**TIF Plans**"), to fund the redevelopment of certain historic structures on the Longview Farm property, in accordance with the Real Property Tax Increment Allocation Redevelopment Act, sections 99.800 to 99.865 of the Revised Statutes of Missouri, as amended (the "**TIF Act**"); and,

WHEREAS, the TIF Plans authorize reimbursement for rehabilitation of Longview Lake and the Pergola located adjacent to the Lake in certain amounts and priorities as set forth in the TIF Plans; and,

WHEREAS, on December 1, 2016, the City and M-III Longview, LLC ("Developer"), executed the Tax Increment Financing Contract (the "**TIF Contract**") to implement the TIF Plans, which contains as Exhibit D the Project Budget which establishes the priority and amounts for historic preservation improvements which are funded by the TIF Plans including reimbursement for rehabilitation work to Longview Lake and the Pergola structure that is adjacent to the Lake; and,

WHEREAS, after extensive study by Developer and related parties, it has been determined that rehabilitation of Longview Lake will require more funding than initially anticipated when the TIF Plans were approved in 2015, and that combining the funding for Longview Lake and the Pergola under the TIF Plans will provide better flexibility for Developer and related parties to complete the design, engineering and physical improvements to the Lake and associated drainage and stormwater improvements that need to be constructed to the Lake and Pergola to provide better structural improvements and long-term preservation of those facilities; and,

WHEREAS, the City Council desires to amend the TIF Plans and the TIF Contract to facilitate rehabilitation of Longview Lake and the Pergola.

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

SECTION 1. The Second Amendment to the Second Amended and Restated Longview Farm Tax Increment Financing Plan, which is attached hereto as **Exhibit A** and incorporated herein by reference, is hereby approved.

SECTION 2. The First Amendment to the New Longview Tax Increment Financing Plan, which is attached hereto as **Exhibit B** and incorporated herein by reference, is hereby approved.

SECTION 3. The First Amendment to the Tax Increment Financing Contract between

**BILL NO. 19-11**

---

the City of Lee's Summit, Missouri, and M-III Longview, LLC, dated December 1, 2016, which is attached hereto as **Exhibit C** and incorporated herein by reference, is hereby approved and the City Manager is authorized and directed to execute the First Amendment to the TIF Contract.

SECTION 4. City officers and agents of the City are 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 and the amendments to the TIF Plans and the TIF Contract.

SECTION 5. All ordinances or parts of ordinances in conflict with this Ordinance are hereby repealed.

SECTION 6. This Ordinance shall be in full force and effect from and after its passage and adoption, and approval by the Mayor.

PASSED by the City Council of the City of Lee's Summit, Missouri, this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

\_\_\_\_\_  
Mayor *William A. Baird*

ATTEST:

\_\_\_\_\_  
City Clerk *Trisha Fowler Arcuri*

APPROVED by the Mayor of said city this \_\_\_\_ day of \_\_\_\_\_, 2019.

\_\_\_\_\_  
Mayor *William A. Baird*

ATTEST:

\_\_\_\_\_  
City Clerk *Trisha Fowler Arcuri*

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney *Brian W. Head*

EXHIBIT A

SECOND AMENDMENT TO THE SECOND AMENDED AND RESTATED  
LONGVIEW FARM TAX INCREMENT FINANCING PLAN

[ATTACHED]

**SECOND AMENDMENT TO THE  
SECOND AMENDED AND RESTATED  
LONGVIEW FARM  
TAX INCREMENT FINANCING PLAN**

**Lee's Summit, Missouri**

---

January 8, 2019

Capitalized terms shall have the meaning set forth in Article II of the Second Amended and Restated Longview Farm Tax Increment Financing Plan (the “**Redevelopment Plan**”).

### **BACKGROUND**

The Redevelopment Plan was adopted by the Lee’s Summit City Council on December 21, 2015, by Ordinance No. 7778. The Redevelopment Area contains approximately 260 acres of land generally located southeast of the intersection of Northwest View High Drive and Southwest 3<sup>rd</sup> Street in northwestern Lee’s Summit. The Redevelopment Plan includes four activated Redevelopment Project Areas and TIF Revenues will continued to be collected in those areas for the purpose of funding the Historic Preservation Improvements until the expiration of each Redevelopment Project Area in accordance with the TIF Act. The Redevelopment Plan was amended in 2017 to provide additional funding for the North Arch.

### **SUMMARY OF THE SECOND AMENDMENT**

This Second Amendment revises the Exhibit 6 budget to provide for additional funding for the lake rehabilitation and pergola, and combines those two reimbursable items into one collective project so the developer has more flexibility to receive TIF reimbursement for the combined “Lake & Pergola project.” This Second Amendment adjusts the Exhibit 6 Budget to provide for the combined Lake & Pergola project and increase the TIF funding for this work from the City Loan (as defined in the TIF Contract). The cost of the Lake & Pergola work as set forth in the revised Exhibit 6 Budget is an estimate and the TIF funding for this work will be in accordance with the tax increment financing contract executed between the City and developer of record for the Redevelopment Plan.

This Second Amendment does not increase the overall TIF budget and keeps the total reimbursement at \$3,650,000.

This Second Amendment is accompanied by an amendment to the New Longview Tax Increment Financing Redevelopment Plan which takes additional actions to provide additional TIF reimbursement for the combined Lake & Pergola project. The TIF Contract will also be amended to implement the two

TIF plan amendments and establish an adjusted order of priority for funding the Reimbursable Project Costs as requested by the Developer of record.

**REVISIONS TO THE PLAN**

No changes to the text of the Redevelopment Plan are required for this Second Amendment

**REVISIONS TO THE PLAN EXHIBITS**

Exhibit 6 to the Plan is deleted in its entirety and is hereby replaced with the new Exhibit 6 Estimated Redevelopment Project Costs attached hereto.

**Exhibit 6**  
**Estimated Redevelopment Project Costs**  
**Longview Farm TIF**  
**Use of Revenues from Project Areas 1B, 2C, 3, 6**

**Longview Farm TIF**

<b>Project Costs</b>	<b>Total Project Costs</b>	<b>TIF</b>
<b>Portion of Mansion Rehabilitation</b>	\$ 1,100,000	\$ 1,100,000
Structural rehab		
New roof and exterior façade improvements		
Interior repairs and improvements		
Improvements to grounds and landscape		
<b>Barn Stabilization</b>	\$ 650,000	\$ 650,000
Patch and seal major roof and stucco issues		
Temporary structural support / repair where critical		
Secure windows and doors		
Assess, store and catalogue historic items and materials		
Install temporary lighting and electricity		
<b>Lake &amp; Pergola Rehabilitation</b>	\$ 1,365,000	\$ 1,365,000
New roof, exterior, lighting and decorative balustrades		
Structural rehab		
New "stage" on the north end between the lily ponds		
New retaining wall along Old Longview Lake		
New Landscape / Hardscape		
<b>Farm Office &amp; Dairy Manager's House Stabilization</b>	\$ 150,000	\$ 150,000
Patch and seal major roof and stucco issues		
Temporary structural and eave support / repair		
Secure windows and doors		
<b>North Arch</b>	\$ 75,290	\$ 75,290
<b>Contingency</b>	\$ 9,710	\$ 9,710
<b>Legal &amp; Professional Services</b>	\$ 300,000	\$ 300,000
<b>Total Development Costs</b>	<b>\$ 3,650,000</b>	<b>\$ 3,650,000</b>

Notes:

- (1) Amount set forth in the TIF column totaling \$3,650,000 is a net reimbursable project cost reimbursement and does not include (other than certain limited interest and financing costs during the construction and ramp-up period to stabilization) interest expenses, financing expenses, fees, or costs of issuance for bonds or any other financing instruments, all of which are reimbursable project costs.
- (2) Any amounts paid to the City for payment or reimbursement of its professional fees and other charges of any kind related to these projects are deemed Reimbursable Project Costs.
- (3) The TIF reimbursable amounts set forth in this Exhibit 6 are reasonable best estimates at the time of approval of this Plan and it is agreed to and understood that such estimates are subject to change as part of the development process. The TIF reimbursable amount may be applied to any one or all of the stated line items, irrespective of the costs set forth in this exhibit, up to the maximum reimbursable amount of \$3,650,000 pursuant to the Redevelopment Agreement. The revenue generated from Redevelopment Project Areas 1B, 2C, 3 and 6 may be available to reimburse any approved Developer expenses related to the Plan, and not solely to reimburse expenses within the Redevelopment Project Areas within which the TIF Revenues were generated.
- (4) For complete Mansion redevelopment budget, see Exhibit 10.

EXHIBIT B

FIRST AMENDMENT TO THE NEW LONGVIEW TAX INCREMENT FINANCING PLAN

[ATTACHED]

**FIRST AMENDMENT TO THE  
NEW LONGVIEW  
TAX INCREMENT FINANCING PLAN**

**Lee's Summit, Missouri**

---

January 8, 2019

Capitalized terms shall have the meaning set forth in Article II of the New Longview Tax Increment Financing Plan (the “**Redevelopment Plan**”).

## **BACKGROUND**

The Redevelopment Plan was adopted by the Lee’s Summit City Council on December 21, 2015, by Ordinance No. 7779. The Redevelopment Area contains approximately 107 acres of land generally located southeast of the intersection of Northwest View High Drive and Southwest 3<sup>rd</sup> Street in northwestern Lee’s Summit. The Redevelopment Plan includes fifteen Redevelopment Project Areas and TIF Revenues will be collected in those areas for the purpose of funding the Historic Preservation Improvements until the expiration of each Redevelopment Project Area in accordance with the TIF Act.

## **SUMMARY OF THE FIRST AMENDMENT**

This First Amendment revises the Exhibit 6 budget to provide for additional funding for the lake rehabilitation and pergola, and combines those two reimbursable items into one collective project so the developer has more flexibility to receive TIF reimbursement for the combined “Lake & Pergola project.” This First Amendment adjusts the Exhibit 6 Budget to provide for the combined Lake & Pergola project and increase the TIF funding for this work. The cost of the Lake & Pergola work as set forth in the revised Exhibit 6 Budget is an estimate and the TIF funding for this work will be in accordance with the tax increment financing contract executed between the City and developer of record for the Redevelopment Plan.

This First Amendment does not increase the overall TIF budget and keeps the total reimbursement at \$16,939,463.

This First Amendment is accompanied by an amendment to the Second Amended and Restated Longview Farm Tax Increment Financing Redevelopment Plan which takes additional actions to provide additional TIF reimbursement for the combined Lake & Pergola project. The TIF Contract will also be amended to implement the two TIF plan amendments and establish an adjusted order of priority for funding the Reimbursable Project Costs as requested by the Developer of record.

**REVISIONS TO THE PLAN**

No changes to the text of the Redevelopment Plan are required for this First Amendment

**REVISIONS TO THE PLAN EXHIBITS**

Exhibit 6 to the Plan is deleted in its entirety and is hereby replaced with the new Exhibit 6  
Estimated Redevelopment Project Costs attached hereto.

**Exhibit 6**  
**Estimated Redevelopment Costs**  
**New Longview TIF**  
**Project Areas A - O**

**New Longview Redevelopment**

Project	Total Project Costs	Private Capital	Federal / State Historic Tax Credits	TIF
Project A - Senior	\$ 5,000,000	\$ 5,000,000	\$ -	\$ -
Project B - Commercial Pad	\$ 875,000	\$ 875,000	\$ -	\$ -
Project C - Commercial	\$ 2,625,000	\$ 2,625,000	\$ -	\$ -
Project D - Commercial	\$ 1,575,000	\$ 1,575,000	\$ -	\$ -
Project E - Commercial	\$ 2,100,000	\$ 2,100,000	\$ -	\$ -
Project F - Commercial	\$ 3,850,000	\$ 3,850,000	\$ -	\$ -
Project G - Commercial / Senior	\$ 4,375,000	\$ 4,375,000	\$ -	\$ -
Project H - Commercial / Senior	\$ 4,375,000	\$ 4,375,000	\$ -	\$ -
Project I - Senior	\$ 20,000,000	\$ 20,000,000	\$ -	\$ -
Project J - Commercial	\$ 5,775,000	\$ 5,775,000	\$ -	\$ -
Project K - Commercial	\$ 2,187,500	\$ 2,187,500	\$ -	\$ -
Project L - Commercial (Barns Redevelopment)	\$ 17,805,285	\$ 3,361,041	\$ 4,794,244	\$ 9,650,000
Project M - Farm Office / Dairy Manager's House	\$ 1,743,000	\$ 543,000	\$ -	\$ 1,200,000
Project N - Commercial Pad	\$ 1,400,000	\$ 1,400,000	\$ -	\$ -
Project O - Commercial	\$ 875,000	\$ 875,000	\$ -	\$ -
Mansion Renovation / Temporary Structure Rehab (4)	\$ 2,347,700	\$ 473,571	\$ 474,129	\$ 1,400,000
Mansion Permanent Structure	\$ 1,704,550	\$ 204,550	\$ -	\$ 1,500,000
Lake & Pergola Rehabilitation	\$ 1,150,000	\$ -	\$ -	\$ 1,150,000
Interfund Loan Repayment, Restructuring Costs & Contingency	\$ 2,039,463	\$ -	\$ -	\$ 2,039,463
<b>Total Development Costs</b>	<b>\$ 81,802,498</b>	<b>\$ 59,594,662</b>	<b>\$ 5,268,373</b>	<b>\$ 16,939,463</b>

21%

Notes:

- (1) Amounts set forth in the TIF column are net reimbursable project cost reimbursements and do not include (other than certain limited interest and financing costs during the construction and ramp-up period to stabilization) interest expenses, financing expenses, fees, or costs of issuance for bonds or any other financing instruments, all of which are also reimbursable project costs in addition to the amount shown.
- (2) Any amounts paid to the City for payment or reimbursement of its professional fees and other charges of any kind related to these projects are deemed Reimbursable Project Costs.
- (3) The reimbursable amounts set forth in this Exhibit 6 are reasonable best estimates at the time of approval of this Plan and it is agreed to and understood that such estimates are subject to change as part of the development process. The revenue generated from Redevelopment Project Areas A - O may be available to reimburse any approved Developer reimbursable expenses related to this Plan, and not solely to reimburse expenses within the Redevelopment Project Areas within which the TIF Revenues were generated.
- (4) \$1.1 million of the redevelopment cost to renovate the mansion is expected to be reimbursed by the Second Amended and Restated Longview Farm TIF Plan. The amounts shown above are in addition to that amount.
- (5) The Interfund Loan Repayment, Restructuring Costs & Contingency line item may be used for (i) the funding of any obligations, including repayment of the Interfund Loan, issued for the Second Amended and Restated Longview Farm TIF Plan. Such sources and uses are shown below, (ii) restructuring and formation costs of the New Longview TIF Plan or (iii) any cost overruns of the New Longview TIF Plan so long as such overruns are in accordance with the Redevelopment Agreement. Any such use of the contingency line item shall be in accordance with state statutory limitations on the use of TIF Revenues.
- (6) The TIF reimbursable amounts set forth in this Exhibit 6 are reasonable best estimates at the time of approval of this Plan and it is agreed to and understood that such estimates are subject to change as part of the development process. The TIF reimbursable amount may be applied to any one or all of the stated line items, irrespective of the costs set forth in this exhibit, up to the maximum reimbursable amount of \$16,939,463 pursuant to the Redevelopment Agreement. The revenue generated from the Redevelopment Project Areas may be available to reimburse any approved Developer expenses related to the Plan, and not solely to reimburse expenses within the Redevelopment Project Areas within which the TIF Revenues were generated.

EXHIBIT C

FIRST AMENDMENT TO THE LONGVIEW TAX INCREMENT FINANCING CONTRACT

[ATTACHED]