



The proposed redevelopment project is located within an existing Urban Renewal Area known as "US 50/M 291 Highway" Urban Renewal Area which was created June 12, 2014. The LCRA is recommending a 100% real property tax abatement for a 5 year period on the incremental increase in value of the project. The estimated new investment in real property is \$815,000. A 5 year 100% abatement is estimated to be \$57,283.00

Proposed City Council Motion:

I move to direct staff to present an ordinance approving LCRA Application 2016-001, Minsky's Pizza Urban Renewal Redevelopment Application Project, 1251 NE Rice Road, Aardvark Foods, Inc, Applicant

Background:

- June 12, 2014 - The City Council adopted Ordinance No. 7472 creating the "50/M 291 Highway" Urban Renewal Area.

- May 2, 2016 - Minsky's Pizza submitted a LCRA Urban Renewal Redevelopment Project application.

- May 12, 2016 - Minsky's presented a request to the City Council to obtain building permits and start work on the project prior City Council making a determination on the LCRA request. Within the Economic Incentive Policy is a provision that states "The City Council will not consider or grant incentives for projects that have received any type of building permit excluding the land disturbance permit". City Council determined that Mr. Parker would be allowed to proceed with pulling the applicable building permits and begin construction as he had been in discussion with staff since February 2016 and was under a deadline to vacate his current location.

-May 25, 2016 - The LCRA considered the Urgan Renewal Redevelopment Project application and unanimously recommended approval of a 100% real property abatement for a 5 year period on the incremental increase in value of the project.

Impact/Analysis:

Should the City Council approve the LCRA recommendation of real property tax abatement for the proposed project, the estimated amount of the tax abatement over the 5 year period is approximately \$57,283.00.

The proposed project does not include any residential aspects, therefore negative impact(s) in terms of student enrollment to the Lee's Summit R-7 School District do not exist.

Timeline:

The anticipated schedule for the project currently reflects a construction start in May 2016 with a completion in August of 2016.

Recommendation:

Staff findings below are prepared to document required findings as required by State statute(s). The incentive requested is within the parameters as outlined within the Economic Development Incentive Policy.

- The proposed redevelopment project is located within a designated blighted area (50/M-291 Highway Urban Renewal Area).

- The proposed redevelopment project is in conformance with the City's Comprehensive Plan and lies within the M-291 North targeted area.

- The proposed redevelopment project is sufficiently complete to indicate its relationship to local objectives.

- The proposed redevelopment project provides for a coordinated and harmonious development that will enhance the M-291 North Corridor.
- The plan includes a financial analysis, estimated schedule of completion and there is no need for a relocation plan as the existing building is vacant.

Committee Recommendation:

The LCRA voted unanimously (4-0) to recommend a 100% real property tax abatement for a period of 5 years on the incremental increase in value of the real property value of the project.