

Legislation Details (With Text)

File #: BILL NO. 19-23
Name:
Type: Ordinance
Status: Passed
File created: 1/29/2019
In control: City Council - Regular Session
On agenda: 2/5/2019
Final action: 2/19/2019
Title: An Ordinance authorizing the City of Lee's Summit, Missouri to issue Taxable Industrial Development Revenue Bonds in a principal amount not to exceed \$17,000,000 in connection with the Streets of West Pryor Grocery Store Development; and authorizing certain documents and actions in connection therewith.
 (First Reading by Council on February 5, 2019.)

Sponsors:

Indexes:

Code sections:

Attachments: 1. Ordinance, 2. Indenture - Grocery Store, 3. Lease - Grocery Store, 4. BPA - Grocery Store, 5. Assignment - Grocery Store

Date	Ver.	Action By	Action	Result
2/19/2019	1	City Council - Regular Session	adopted and numbered	Pass
2/5/2019	1	City Council - Regular Session	advanced to second reading	Pass

An Ordinance authorizing the City of Lee's Summit, Missouri to issue Taxable Industrial Development Revenue Bonds in a principal amount not to exceed \$17,000,000 in connection with the Streets of West Pryor Grocery Store Development; and authorizing certain documents and actions in connection therewith.
 (First Reading by Council on February 5, 2019.)

Issue/Request:

An Ordinance authorizing the City of Lee's Summit, Missouri to issue Taxable Industrial Development Revenue Bonds in a principal amount not to exceed \$17,000,000 in connection with the Streets of West Pryor Grocery Store Development; and authorizing certain documents and actions in connection therewith.

Key Issues:

This ordinance will authorize the issuance of the Chapter 100 bonds in order to allow for the sales tax exemption on the purchase of construction materials for the grocery store in the Streets of West Pryor project.

Proposed City Council Motion:

I move for adoption of an An Ordinance authorizing the City of Lee's Summit, Missouri to issue Taxable Industrial Development Revenue Bonds in a principal amount not to exceed \$17,000,000 in connection with the Streets of West Pryor Grocery Store Development; and authorizing certain documents and actions in connection therewith.

Background:

The City Council approved the Streets of West Pryor TIF Plan and other financing items on January 8, 2019, including approval of the Master Plan for Industrial Development Projects for the Streets of West Pryor

Development. As approved, the Master Plan allows for the Developer to use the City's sales tax exemption certificate for the purchase of construction materials used in the construction of the project improvements, along with a set PILOTs schedule for the two apartment complexes. The TIF Plan contained a project budget which itemizes the project costs and lists the items that are reimbursable from public sources (TIF, CID, TDD) and the Chapter 100 cost savings.

This ordinance allows for the Chapter 100 transaction to implement the Master Plan with respect to the grocery store in the project.

Impact/Analysis:

This Chapter 100 transaction, along with the other Chapter 100 transactions that will be separately approved by ordinance, allows for approximately \$6.05 million in sales tax savings for the overall project.

Timeline:

Developer is taking steps to start construction of the project this year.

David Bushek, Chief Counsel of Economic Development & Planning

Mark Dunning, Assistant City Manager

David Martin, Gilmore & Bell

Recommendation: Staff recommends approval of the Ordinance.