

Legislation Text

File #: BILL NO. 21-107, **Version:** 1

An Ordinance Approving an Amended and Restated Master Plan for Industrial Development Projects for the Streets of West Pryor Development.

(Note: First read by Council on May 18, 2021. Passed by unanimous vote.)

Proposed City Council Motion:

I move for adoption of an Ordinance Approving an Amended and Restated Master Plan for Industrial Development Projects for the Streets of West Pryor Development.

Background:

On December 18, 2018, the City Council held the original public hearing for the Master Plan for Industrial Development Projects for the Streets of West Pryor Development pursuant to Chapter 100 of the Revised Statutes of Missouri. On January 8, 2019, the City Council approved the "Master Plan for Industrial Development Projects for the Streets of West Pryor Project" (the "Chapter 100 Master Plan" or the "Master Plan") through the adoption of Ordinance No. 8540.

On February 19, 2019, the City Council approved three separate Chapter 100 transactions and the associated Chapter 100 bond documents through the adoption of three separate ordinances for:

- (1) the Commercial Project (Ordinance No. 8564, \$60 million)
- (2) the Grocery Store Project (Ordinance No. 8565, \$17 million)
- (3) the Apartment Project (Ordinance No. 8566, \$48 million)

Since the adoption of these ordinances, Developer has undertaken the construction of certain parts of the project, and has received certain additional zoning approvals. The grocery store, two restaurants, a supplement store and a coffee shop are open. Another restaurant is under construction, and the construction of two restaurants on Lots 1 and 2 are about begin. The Phase 1 Apartments are currently under construction, and the preliminary development plan which includes the Phase 2 Apartments was approved by Ordinance No. 9090 on March 9, 2021. The original Chapter 100 Master Plan anticipated the issuance of taxable industrial development revenue bonds in the aggregate principal amount of not to exceed \$179,000,000 in several series, and \$125,000,000 as noted above has been issued to date. Due to various factors, including the COVID-19 pandemic, the implementation of a portion of the Commercial Project and a portion of the Apartments Project has taken longer than anticipated at the time that the original Master Plan was approved by the City.

Developer has requested that the Chapter 100 Master Plan be amended to accomplish the following:

- (1) extend the construction period for the Commercial Project by three years,

(2) update the original Master Plan with respect to the second phase of the Apartments Project by -
 (A) adjusting the Cost-Benefit Analysis to reflect the delay in implementation of such phase, and
 (B) change the use of such second phase from senior, age-restricted living to market-rate multifamily apartments, and

(3) adjust the map showing the anticipated boundaries of the Commercial Project and the Apartments Project.

Impact/Analysis:

The Amended and Restated Master Plan includes an updated cost benefit analysis that reflects the current state of the project and the updated costs projections and impact of the sales tax exemption. The impact of the sales tax exemption reflects the updated higher total project costs. However, the incentive being provided remains the same, and the increased sales and use tax savings is only reflective of higher total project costs. Proportionally, the overall impact remains the same as compared to the original Chapter 100 Master Plan.

The Developer and City staff met with representatives of the Lee's Summit R-7 School District on May 7, 2021 to discuss the proposed Master Plan amendments. The primary impact on the School District is that a changing the Phase 1 apartments from age-restricted to market rate is more likely to generate students in the school system.

Timeline:

The project is already under construction and will continue to be constructed for the next several years. The anticipated opening dates are:

Restaurant / Retail / Pad sites - 2020-2024

Commercial portions of Phase 1 apartment building - 2021

Hotel / Pad sites - 2024

Grocery Store - opened 2020

David Bushek, Chief Counsel of Economic Development & Planning

Mark Dunning, Assistant City Manager

Jeff Haney, Haney Co. KC

Matt Pennington, Drake Development

Staff recommends approval of the Amended and Restated Master Plan

Not applicable.