

Legislation Text

File #: BILL NO. 21-109, **Version:** 1

An Ordinance Approving the First Amendment to the Streets of West Pryor Tax Increment Financing Contract.
(Note: First read by Council on May 18, 2021.)

Issue/Request:

Approve the First Amendment to the TIF Contract to provide for the collection of the Hotel Revenues in a hotel that is located outside the TIF Redevelopment Project Area.

Key Issues:

Collection of the Hotel Revenues as originally contemplated in the Tax Increment Financing Contract.

Proposed City Council Motion:

I move for adoption of An Ordinance Approving the First Amendment to the Streets of West Pryor Tax Increment Financing Contract.

Background:

On January 8, 2019, the City Council approved the Streets of West Pryor Tax Increment Financing Plan (the "Redevelopment Plan") through the adoption of Ordinance No. 8539 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"). On January 22, 2019, the City Council approved Ordinance No. 8549 which approved the Tax Increment Financing Contract between the City and Streets of West Pryor, LLC, to implement the Redevelopment Plan. The executed TIF Contract is dated January 9, 2019.

In the TIF Contract, the "**Hotel Revenues**" are defined as the revenue generated by the City's 1.0% general sales tax imposed upon rents and charges for sleeping rooms which are paid by transient guests within the Redevelopment Project Area for a period not to exceed the lesser of (a) 30 years from the Effective Date or (b) the date that all Obligations and Reimbursable Project Costs have been repaid. This definition restricts the collection of the Hotel Revenues to a hotel that is within the Redevelopment Project Area.

On March 9, 2021, the City Council approved Ordinance No. 9090 which approved a rezoning of the western portion of the Redevelopment Area, which included approval of a hotel to be located on Lot 7C of that Preliminary Development Plan. This hotel on Lot 7C would be located outside the TIF Redevelopment Project Area. Developer has requested that the TIF Contract be amended to allow for the collection of the Hotel Revenues in a hotel that is developed on Lot 7C which will be outside the TIF Redevelopment Project Area.

Impact/Analysis:

This amendment carries out the original intent of the TIF Plan and allows for the collection of the Hotel Revenues in a hotel that is located outside the TIF Redevelopment Project Area.

Timeline:

Developer has not provided a timeline for development of the hotel yet.

David Bushek, Chief Counsel of Economic Development & Planning

Staff recommends approval of the ordinance.