

Legislation Text

File #: 2016-0837, **Version:** 1

PUBLIC HEARING - Plan for an Industrial Development Project for Archview Properties, LLC, for the Village at View High Apartments

Issue/Request:

Public Hearing - Plan for an Industrial Development Project for Archview Properties, LLC, for the Village at View High Apartments

Key Issues:

This is a Plan for an Industrial Development Project as required under Section 100.010 to 100.200 RsMO (Chapter 100). The public hearing is conducted to consider the approval of the plan which is attached along with the cost benefit analysis. If approved, the ordinance approving the Lease Agreement, Bond Purchase Agreement, Indenture, and Performance Agreement is provided later on the February 2, 2017 agenda. Notice of the public hearing was sent to all affected taxing jurisdictions regarding the Plan.

The project consists of the design and construction of the Village at View High Apartments, a 312 unit luxury apartment development with on-site amenities on approximately 21 acres in the vicinity of the northeast intersection of SW 3rd Street and View High Drive. The Company will receive tax abatement under the Chapter 100 on the real property included in the project, however the Company will make fixed Payments in Lieu of Taxes (PILOTS) in accordance with the following schedule:

2017-2018	\$ 1,149.00
2019-2021	\$327,912.00
2022-2026	\$336,110.00
2027-2028	\$344,513.00

The PILOT schedule was set based on information presented to the Council by City staff regarding tax payments and assessments on comparable properties based on 2015 assessment data at the December 15, 2016 City Council meeting. City staff received direction from the City Council to prepare these Chapter 100 plans for multi-family projects with a per unit PILOT amount of \$1,051 per unit. Based on the direction given at that time, staff advised applicants of the direction given, therefore this plan reflects the \$1,051 per unit PILOT beginning in 2019.

It is also anticipated that the construction material used to construct the project will be exempt from state and local sales taxes.

Proposed City Council Motion:

I move to direct staff to present an AN ORDINANCE APPROVING A PLAN FOR AN INDUSTRIAL DEVELOPMENT PROJECT FOR VILLAGE AT VIEW HIGH, CONSISTING OF THE CONSTRUCTION AND IMPROVEMENT OF A COMMERCIAL FACILITY; AUTHORIZING THE CITY OF LEE'S SUMMIT, MISSOURI TO ISSUE ITS TAXABLE

INDUSTRIAL DEVELOPMENT REVENUE BONDS (VILLAGE AT VIEW HIGH PROJECT), SERIES 2017, IN A PRINCIPAL AMOUNT NOT TO EXCEED \$39,500,000 TO FINANCE THE COSTS OF SUCH PROJECT; AUTHORIZING AND APPROVING CERTAIN DOCUMENTS; AND AUTHORIZING CERTAIN OTHER ACTIONS IN CONNECTION WITH THE ISSUANCE OF THE BONDS.

Background:

On October 20, 2016, the City Council approved a rezoning and preliminary development plan for the Village at View High Apartments. Also on October 20, 2016 and November 17, 2016 the City Council considered the Chapter 100 conceptual economic development incentive proposal for the project and provided the applicant and staff direction to proceed with preparing the Chapter 100 incentive request for formal consideration.

Timeline:

The project is expected to be constructed during the years 2017 and 2018.

Presenters:

Mark Dunning, Assistant City Manager

Curtis Peterson, Developer's Attorney, Polsinelli Law Firm

Rich Wood, City's Economic Development Counsel, Gilmore & Bell, P.C.