

Legislation Text

File #: BILL NO. 17-53, **Version:** 1

AN ORDINANCE APPROVING THE FIRST AMENDMENT TO THE SECOND AMENDED AND RESTATED LONGVIEW FARM TAX INCREMENT FINANCING PLAN.

Issue/Request:

ORDINANCE APPROVING THE FIRST AMENDMENT TO THE SECOND AMENDED AND RESTATED LONGVIEW FARM TAX INCREMENT FINANCING PLAN

Key Issues:

This ordinance will approve the First Amendment to the Second Amended and Restated Longview Farm TIF Plan that was approved by the City Council in December 2015. The amendment will add the North Arch to the definition of Historical Structures and amend the estimated redevelopment project costs to include the estimated costs associated with restoration of the North Arch. The North Arch is located at the intersection of 3rd Street, View High Drive and Longview Boulevard, north of the Hawthorn Bank building.

The amendment presents no net increase in the total costs of historic preservation that is funded by the TIF Plan and the City Loan. The total amount to be funded under the City Loan remains at a maximum of \$3.65 million with this amendment.

The amendment also adjusts the Exhibit 6 Budget to match the facts known at the time that the Tax Increment Financing Contract between the City and M-III Longview, LLC (the "**TIF Contract**") was executed on December 1, 2016: (1) the Reimbursable Project Costs associated with the Show Horse Arena have been repaid in full and are now \$0; (2) the line-item for Farm Office and Dairy Manager's House Rehabilitation has been adjusted down to \$150,000; and (3) Lake Rehabilitation has been added to the Reimbursable Project Costs which may be funded pursuant to the City Loan as the result of having the Show Horse Arena fully repaid.

Proposed City Council Motion:

First Motion: An ORDINANCE APPROVING THE FIRST AMENDMENT TO THE SECOND AMENDED AND RESTATED LONGVIEW FARM TAX INCREMENT FINANCING PLAN, I move for second reading.

Second Motion: An ORDINANCE APPROVING THE FIRST AMENDMENT TO THE SECOND AMENDED AND RESTATED LONGVIEW FARM TAX INCREMENT FINANCING PLAN, I move for adoption.

Background:

The Redevelopment Plan was adopted by the Lee's Summit City Council on December 21, 2015, by Ordinance No. 7778. The Redevelopment Area contains approximately 260 acres of land generally located southeast of the intersection of Northwest View High Drive and Southwest 3rd Street in northwestern Lee's Summit. The Redevelopment Plan included four Redevelopment Project Areas and contemplated the continued collection of TIF Revenues in those areas for the purpose of funding the Historic Preservation Improvements.

The City and M-III Longview, LLC, executed the Tax Increment Financing Contract on December 1, 2016 to implement this TIF Plan and the companion New Longview TIF Plan. The TIF Contract contains a provision which provides that the City will amend the 2003 TIF Plan to include the estimated costs of the North Arch. This amendment follows through with

that TIF Contract provision.

Timeline:

Developer has engaged a company (Rau Construction) to evaluate the North Arch rehabilitation costs (along with the Pergola) and that work is underway as of the date that this Council agenda item is being prepared. It is anticipated that the North Arch costs will be finalized in March 2017 and the developer will enter into a contract for the work, and the work can occur as weather permits this year.

As an update on the overall timing of the historic preservation efforts for the project as a whole, Sunflower has been evaluating the scope of stabilization work and budgets with a structural engineer for the barns and the farm office/dairy manager house. Most recently, their structural engineer has provided a draft scope and bid which includes temporary shoring or scaffolding to support the structures until full rehabilitation commencement. When the structural engineer walked the barns more recently they found a couple areas of concern that may need to be addressed with a more permanent solution to avoid further destabilization.

Mariner and Sunflower have also recently undertaken the following items regarding the Mansion:

- Conducted site tour of the Mansion with architect and construction company
- Conducted follow-up tour by construction company for specific questions
- Engaged company to prepare historic tax credit application
- Completed existing conditions photos to include with historic tax credit application
- Held meetings with Mansion operators to understand future event bookings and long-term lease structure
- Sunflower is negotiating the Mansion purchase contract with Mariner
- Discussing parking lot lease with Mariner and options to secure permanent parking lot for long-term ownership of the Mansion

Presenter: David Bushek, Gilmore & Bell, P.C.

Recommendation: Staff recommends approval of the First Amendment to the Second Amended and Restated Longview Farm Tax Increment Financing Plan.