

Legislation Text

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Paragon Star - Presentation of I-470 Western Gateway Transportation Development District proposal

Issue/Request:

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Key Issues:

The Paragon Star Development Team will be presenting the City Council with a request to form a new regional Transportation Development District (referred to as the I-470 Western Gateway TDD). The purpose of forming a new TDD and replacing the existing regional TDD is to include additional properties including the Paragon Star Village (retail area), and fund additional projects in the region.

A resolution supporting the formation of the I-470 Western Gateway TDD has been placed on the January 4, 2018 City Council agenda for consideration. Approval of the resolution will authorize staff to file an action in Jackson County Circuit Court to form the I-470 Western Gateway Transportation Development District. This TDD will fund improvements to the I-470 and View High interchange to convert View High Drive under the interstate into a diverging-diamond configuration, along with other transportation improvements within and near the TDD.

Proposed City Council Motion:

Presentation only. A Resolution supporting the formation of the proposed I-470 Western Gateway TDD has been placed on the January 4, 2018 City Council agenda for consideration.

Background:

The Existing Regional TDD (Southwest I-470 TDD) -

The City Council previously authorized the formation of the Southwest I-470 Transportation Development District (the "Southwest I-470 TDD"). This TDD was approved by the Jackson County Circuit Court on September 12, 2016 and formation was completed in an election of the property owners in December 2016. The Southwest I-470 TDD generally includes the property within the Summit Woods Shopping Center and property along the north side of I-470 from Pryor Road to View High Drive. The purpose of the Southwest I-470 TDD was to fund regional transportation improvements that would allow the Paragon Star sports and entertainment complex to be constructed.

The Southwest I-470 TDD is operational, but the TDD sales tax has not been imposed. There are several conditions that must be satisfied to impose the Southwest I-470 TDD sales tax, some of which have not been completed. The boundaries of the Southwest I-470 TDD did not include the planned retail areas in the Paragon Star project.

Public Incentive Restructuring -

The City Council has previously approved a TIF Plan and a Community Improvement District for the project, along with the TDD discussed above. Paragon Star is preparing to restructure the public financing components of the project, which includes a larger transportation development district that will fund additional road and transportation projects. This restructuring includes a larger TDD so that the TDD sales tax is also imposed on the retail areas in the Paragon Star project.

Expansion of an existing TDD requires the unanimous consent of all property owners in the existing TDD area. This would be practically impossible given the diverse ownership of property in the existing Southwest I-470 TDD.

As a result, Paragon Star is proposing to form a new TDD which would have expanded boundaries and an expanded project list. If approved, the 1% sales tax would go into effect throughout the district boundaries, including the Summit Woods shopping center and the planned retail area for the Paragon Star project.

If the resolution is approved by the City Council, the Paragon Star Community Improvement District will adopt a similar resolution and then City staff will file a petition in Jackson County Circuit Court to form the new TDD. If the new TDD is approved at an election by the property owners in the district area, the existing Southwest I-470 TDD will be terminated. Only one new 1% sales tax will be imposed in the Summit Woods Shopping Center.

Timeline:

If the resolution is approved, the TDD petition would be filed in circuit court as soon as the Paragon Star CID approves a similar resolution of support. It is projected that a court order for the TDD could be received during the first quarter of 2018, subject to circuit court dockets and scheduling, and the property owner election could occur during the second quarter of 2018.

Presenter:

Paragon Star Development Team

David Bushek, Gilmore & Bell, Economic Development Counsel for the City
City Staff