

## Legislation Text

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**File #:** BILL NO. 17-125, **Version:** 1

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AN ORDINANCE APPROVING A PUBLIC SERVICE AGREEMENT BY AND BETWEEN LEE'S SUMMIT ECONOMIC DEVELOPMENT COUNCIL. AND THE CITY OF LEE'S SUMMIT, MISSOURI, FOR SERVICES TO BE PROVIDED TO THE CITY AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE SAME BY AND ON BEHALF OF THE CITY. (F&BC 4/17/17)

Issue/Request:

AN ORDINANCE APPROVING A PUBLIC SERVICE AGREEMENT BY AND BETWEEN LEE'S SUMMIT ECONOMIC DEVELOPMENT COUNCIL. AND THE CITY OF LEE'S SUMMIT, MISSOURI, FOR SERVICES TO BE PROVIDED TO THE CITY AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE SAME BY AND ON BEHALF OF THE CITY.

Key Issues:

The Lee's Summit Economic Development Council (LSEDC) serves as a non-profit organization with the mission of supporting and promoting business and economic development in the Lee's Summit community. The City of Lee's Summit enters into a PSA with the LSEDC for the purpose of furthering the City's efforts to promote business and economic development in the community, which in turn supports a healthy tax base that provides for city services. Annually the City appropriates funding from the Business and Industry (B&I) Fund, therefore enters into a PSA to formalize the services provided by LSEDC and funding provided to accomplish the stated goals.

The proposed term of the agreement covers calendar years 2017 through 2020 and is subject to annual appropriation by the City Council. The 2017/2018 funding request is an increase of approximately \$25k, or 10%, above historical annual funding amounts of \$250,911.

With this increase, the B&I Fund is expected to have expenses in excess of revenues creating a small deficit of approximately \$4k. However, the B&I Fund has a reserve balance sufficient to absorb the increase in funding. Without additional revenue growth, future funding requests will need to be carefully reviewed to ensure the sustainability of financial resources.

Proposed City Council Motion:

FIRST MOTION: I move for second reading of AN ORDINANCE APPROVING A PUBLIC SERVICE AGREEMENT BY AND BETWEEN LEE'S SUMMIT ECONOMIC DEVELOPMENT COUNCIL. AND THE CITY OF LEE'S SUMMIT, MISSOURI, FOR SERVICES TO BE PROVIDED TO THE CITY AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE SAME BY AND ON BEHALF OF THE CITY.

SECOND MOTION: I move for adoption of AN ORDINANCE APPROVING A PUBLIC SERVICE AGREEMENT BY AND BETWEEN LEE'S SUMMIT ECONOMIC DEVELOPMENT COUNCIL. AND THE CITY OF LEE'S SUMMIT, MISSOURI, FOR SERVICES TO BE PROVIDED TO THE CITY AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE SAME BY AND ON BEHALF OF THE CITY.

Background:

On February 8, 2017, the Community and Economic Development Committee (CEDC) reviewed the draft scope of services for the LSEDC PSA. The CEDC recommended approval of the draft scope of services and recommended that the Agreement be forwarded to the Finance and Budget Committee to be considered for inclusion in the City's FY18 Budget.

If the F&BC motion passes, the ordinance will be placed on the City Council agenda that coincides with the consideration of the FY18 Budget Ordinance.

Presenter: Nick Edwards, Director of Administration

Recommendation: Staff Recommends approval of AN ORDINANCE APPROVING A PUBLIC SERVICE AGREEMENT BY AND BETWEEN LEE'S SUMMIT ECONOMIC DEVELOPMENT COUNCIL. AND THE CITY OF LEE'S SUMMIT, MISSOURI, FOR SERVICES TO BE PROVIDED TO THE CITY AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE SAME BY AND ON BEHALF OF THE CITY.

Committee Recommendation: N/A