

## Legislation Text

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**File #:** BILL NO. 18-30, **Version:** 1

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AN ORDINANCE RESCINDING ORDINANCE NO. 8094 AND APPROVING A DEVELOPMENT AGREEMENT AND LAND CLEARANCE FOR REDEVELOPMENT AUTHORITY REDEVELOPMENT PROJECT, BRIDGE SPACE PROJECT, PURSUANT TO THE PROVISIONS OF THE LAND CLEARANCE FOR REDEVELOPMENT AUTHORITY LAW, SECTIONS 99.300 TO 99.660 RSMo.

Issue/Request:

AN ORDINANCE RESCINDING ORDINANCE NO. 8094 AND APPROVING A DEVELOPMENT AGREEMENT AND LAND CLEARANCE FOR REDEVELOPMENT AUTHORITY REDEVELOPMENT PROJECT, BRIDGE SPACE PROJECT, PURSUANT TO THE PROVISIONS OF THE LAND CLEARANCE FOR REDEVELOPMENT AUTHORITY LAW, SECTIONS 99.300 TO 99.660 RSMo.

Key Issues:

The attached ordinance will rescind previously adopted Ordinance No. 8094 and establish a different methodology to achieve a level of incremental property tax abatement commensurate with that which was previously approved by Ordinance No. 8094. In addition, the proposed ordinance approves a development agreement containing performance standards by which the level of abatement may be adjusted.

The ordinance is placed on the agenda for first reading only.

Proposed City Council Motion:

AN ORDINANCE RESCINDING ORDINANCE NO. 8094 AND APPROVING A DEVELOPMENT AGREEMENT AND LAND CLEARANCE FOR REDEVELOPMENT AUTHORITY REDEVELOPMENT PROJECT, BRIDGE SPACE PROJECT, PURSUANT TO THE PROVISIONS OF THE LAND CLEARANCE FOR REDEVELOPMENT AUTHORITY LAW, SECTIONS 99.300 TO 99.660 RSMo. - I move for second reading.

Background:

December 8, 2016 - the City Council adopted Ordinance #8038 approving Cowork-Lee's Summit Preliminary Development Plan. The location of the redevelopment project is within the existing Downtown LCRA Urban Renewal Area known as "Project No. MO-R-47 Lee's Summit, Missouri" Urban Renewal Area.

January 5, 2017 - SF003, LLC presented a conceptual economic incentive request to the City Council in accordance with the adopted Economic Development Incentive Policy and received direction from the City Council to proceed with the request through the LCRA process.

January 25, 2017 - the LCRA considered the Cowork - Lee's Summit LCRA redevelopment project application and recommended approval of the project to the City Council with conditions.

February 9, 2017 - the City Council adopted Ordinance # 8094 approving the "Cowork Lee's Summit LCRA Redevelopment Project" subject to execution of a development agreement incorporating performance

measures.

January 24, 2018 - LCRA reconsidered the approved abatement and recommends approval of 100% abatement of the incremental increase in property value for a 10 year period. The estimated abatement is \$200,170 for the 10 year period.

Impact/Analysis:

Through adoption of this ordinance, Ordinance No. 8094 will be repealed and a commensurate level of incremental real property tax abatement established. In addition, the ordinance will approve a development agreement containing performance standards for the project.

Presenter: Mark Dunning, Assistant City Manager

Recommendation: Staff recommends approval of second reading.

Committee Recommendation: The LCRA voted unanimously 3-0 (two members absent) to recommend a 100% abatement on the incremental increase in value of the property for 210 SW Market Street for a 10 year period with conditions that the minimum level of investment be verified, a benchmark be created to evaluate job creation, and reconsidering the approved incentive should the use of the property change during the abatement period.