

Legislation Text

File #: BILL NO. 23-144, **Version:** 1

An Ordinance approving an LCRA Redevelopment Agreement between Kevin Higdon Construction, LLC and the City of Lee's Summit, MO, and authorizing the City Manager to execute the same.

(Note: First read by Council on July 11, 2023. Passed by unanimous vote)

Issue/Request:

An Ordinance approving an LCRA Redevelopment Agreement between Kevin Higdon Construction, LLC and the City of Lee's Summit, MO, and authorizing the City Manager to execute the same.

Key Issues:

On September 6, 2018, the City Council having heard and considered the objections, protests, comments, and other information presented, voted to direct City Staff to present an ordinance approving the "Kevin Higdon Construction LCRA Redevelopment Project" with an abatement of 100% of the incremental property taxes for a period of 5 years subject to the approval of a development agreement (or LCRA Redevelopment Agreement) outlining performance measures during the term of the abatement.

On September 20, 2018 the City Council passed Ordinance 8460 requiring a mutually agreeable development agreement to be approved prior to the execution and filing of a Certificate of Qualification of Tax Abatement with Jackson County, MO.

Staff has prepared the agreement and Kevin Higdon Construction, LLC has signed the agreement, therefore the agreement is being presented for consideration and approval by the Mayor and City Council. The agreement contains conditions by which the performance measures for minimum level of investment, job creation benchmarking and reporting, and change of use of the property shall be maintained while the abatement period is in effect.

Upon execution of the agreement by all parties, the LCRA will be able to issue the Certificate of Qualification for Tax Abatement to implement the actual abatement with Jackson County.

Proposed City Council Motion:

I move for adoption of An Ordinance approving an LCRA Redevelopment Agreement between Kevin Higdon Construction, LLC and the City of Lee's Summit, MO, and authorizing the City Manager to execute the same.

Background:

The Kevin Higdon Construction, LLC redevelopment project has been completed and a Certificate of Occupancy has been issued for the project. The project was completed in September of 2020, and the first year of abatement was scheduled to occur in 2021. Jackson County did not reassess the property until 2022, effectively providing the scheduled abatement for 2021. City staff will work with Kevin Higdon Construction, LLC and the Jackson County Assessor's office to initiate the tax abatement as was contemplated when the project was approved.

Ryan A. Elam, PE, Assistant City Manager

David Bushek, Chief Counsel of Economic Development and Planning

Staff recommends approval of the ordinance.