

Legislation Text

File #: BILL NO. 20-163, **Version:** 1

An Ordinance approving Redevelopment Project 1 for the Paragon Star Tax Increment Financing Plan and activating the collection of tax increment financing revenues therein.

(Note: First reading by Council on September 1, 2020. Passed by the unanimous vote.)

Issue/Request:

This ordinance will approve Project 1 for the Paragon Star TIF Plan as amended by the First Amendment and activate the collection of TIF revenues within the Project 1 Area. The Project 1 Area covers the Sports Complex and the mixed-use Village.

NOTE: An updated legal description has been attached as on November 6, 2023.

The original shape of the Project 1 area remains the same as in 2020, and only the language of the legal description is changing. The legal description is now a blend of metes and bounds and platted lots. Certain information that was in the 2020 legal description (parcels numbers and ownership information) is no longer applicable, and certain parcels were platted after 2020.

Proposed City Council Motion:

I move for adoption of an Ordinance Approving Redevelopment Project 1 for the Paragon Star Tax Increment Financing Plan and Activating the Collection of Tax Increment Financing Revenues Therein.

Background:

New Background Information for November 7, 2023 Council Meeting

The following new supporting documents from Developer are included in the meeting packet:

- Developer Presentation Slides
- Development Agreement Conditions Report
- 2020 vs 2023 Development Assumptions
- A set of spreadsheets comparing the financial impact of TIF Project activation dates in 2023, 2024 and 2025
- Documents related to public improvements completion within Kansas City's jurisdiction

Original Background Statement from September 1, 2020 Council Meeting

The City Council adopted Ordinance No. 7833 on March 10, 2016, designating the Redevelopment Area of the TIF Plan as a blighted area, approving the Redevelopment Plan, designating the Redevelopment Area as a "redevelopment area" as provided in the TIF Act and appointing the Developer as the developer for the Redevelopment Plan.

On June 19, 2020, Developer submitted the proposed First Amendment to the TIF Plan (the “First Amendment”) which proposed to amend certain portions of the TIF Plan to conform to the land use approvals that have been granted by the City Council and to revise the Project Budget and other financial data in the TIF Plan to facilitate a revised finance package for the Sports Complex in the Redevelopment Area.

On August 5, 2020 the Tax Increment Financing Commission (“TIF Commission”) conducted a public hearing to consider the First Amendment and thereafter adopted Resolution 2020-2 which recommended that the City Council approve the First Amendment and take other actions associated with implementation of the TIF Plan as amended by the First Amendment.

Other details about the history of the project and the approval of other incentives for the project, including all ordinances and resolutions adopted by the City Council, are set forth in the attached Staff memorandum.

Impact/Analysis:

This ordinance will activate the collection of TIF revenues in the Project 1 Area for up to 23 years.

Timeline:

The Developer’s timeline provides for the following:

- Land Acquisition complete by December 31, 2020
- Blight Removal complete by November 1, 2025
- Construction complete by November 1, 2025

Other Information/Unique Characteristics:

This Ordinance for Project 1 incorporates the amendment to the scope of Project 1 as set forth in the First Amendment to the TIF Plan.

Sid Douglas, Gilmore & Bell, P.C., bond counsel for the City
Ryan Elam, Assistant City Manager
Christine Bushyhead, Bushyhead Law Firm
Bill Brown, Paragon Star, LLC

On August 5, 2020, the Lee’s Summit Tax Increment Financing Commission approved Resolution 2020-2 by a 8-1 vote, which included a recommendation to approve this Project 1 ordinance.