

Legislation Text

File #: BILL NO. 20-39, **Version:** 1

An Ordinance authorizing the Execution of a Memorandum of Understanding by and between the City of Lee's Summit, Missouri, the Missouri Office of Administration and the Missouri State Highway Patrol regarding relocation of the Missouri Highway Patrol Troop A Headquarters to a new location in Lee's Summit, Missouri. (Note: First read by City Council on February 18, 2020. Passed by unanimous vote.)

Issue/Request:

Approval of a Memorandum of Understanding to establish a plan of action with the Missouri Highway Patrol regarding the financing, design and construction of a new Troop A Headquarters to facilitate the reconstruction of the Highways 291 North and 50 Interchange

Key Issues:

Reconstruction of the Highways 291 North and 50 Interchange
Relocation of the Troop A Headquarters to facilitate the Interchange reconstruction

Proposed City Council Motion:

I move for a adoption of an Ordinance authorizing the Execution of a Memorandum of Understanding by and between the City of Lee's Summit, Missouri, the Missouri Office of Administration and the Missouri State Highway Patrol regarding relocation of the Missouri Highway Patrol Troop A Headquarters to a new location in Lee's Summit, Missouri.

Background:

Interchange Project - The City of Lee's Summit seeks to facilitate the reconstruction of the 291 North and Highway 50 interchange, at a projected cost of about \$20 million. This interchange, in conjunction with the Blue Parkway outer road system, is a safety concern and is one of Lee's Summit's highest locations for automotive accidents. In addition to safety concerns, the traffic demand is often higher than capacity, thus causing significant travel delays for our citizens, visitors, and commerce. The City is planning to file a Cost Share Application with MoDOT in April for the Interchange Project. City staff has tentatively identified capital improvement and excise tax funds the possible sources of City funding.

Outer Road Relocation - Blue Parkway is the northern outer road that serves the interchange, which is currently in MoDOT's jurisdiction. Blue Parkway needs to be moved farther to the north for the interchange to function properly. The relocated western arm of Blue Parkway would bisect the Troop A Headquarters property, and that facility therefore would need to be relocated.

Missouri Highway Patrol Troop A Relocation - The Highway Patrol has estimated that the cost to relocate the Troop A Headquarters to State-owned property on Colburn Road in Lee's Summit is approximately \$8.1 million. These potential sources have been preliminarily identified to fund the relocation: (1) \$4.1 million in revenue bonds resulting from a TIF Plan; (2) \$2 million in direct City funding; and (3) \$2 million State

appropriation.

TIF Plan for Partial Relocation Funding - The City has prepared the 291 North & Highway 50 TIF Plan to generate funds for Highway Patrol Relocation Costs. The City has initially identified four redevelopment projects to generate TIF revenues. Project #1, consisting of the remnant Highway Patrol and MoDOT properties after the Interchange Project is constructed, would be about 4-acres on the western side of Highway 291 that could be redeveloped for commercial uses. The City will seek a developer for Project #1 through a competitive process. Projects #2, #3 and #4 are proposed to be a new QuikTrip store, a Wendy's restaurant, and reuse of a vacant Applebee's restaurant. The TIF Commission will consider the TIF Plan on February 26, 2020, and the City Council is expected to consider the TIF Plan in March/April 2020.

Funding for Remainder of Relocation Costs - The City Council will be asked to consider an appropriation of \$2 million in direct funding for the Troop A relocation, which would be repaid from the sale of land for TIF Project #1. The final \$2 million is proposed to be State appropriation of funds.

Benefits of TIF Plan and Redevelopment Efforts - The Interchange Project will substantially enhance traffic safety and reduce traffic delays in the region. Relocation of the Highway Patrol facilities will allow for a realignment of Blue Parkway, which is an essential component of the redesigned interchange. The TIF Plan is an essential component of the financing plan for Troop A relocation. The State and City appropriations are also essential for financing the relocation costs.

Process and Timing - In addition to processing the TIF Plan, the City plans to make a Cost Share Application with MoDOT in April 2020. A decision on that application is expected to occur by July 1, 2020. If the TIF Plan and Cost Share Application are approved, the City will aim to negotiate all implementing State contracts by October 2020. At the same time, the City will seek a developer of record for TIF Project #1. If these steps are successful, a complete financing plan for the Troop A relocation could be in place by October 2020. Troop A relocation could occur in 2022, and the Project #1 property would become available to the selected developer after Troop A leaves the Blue Parkway property. Construction of the interchange project could begin in Spring 2023, and construction is projected to take about 18 months.

Impact/Analysis:

This MOU does not legally bind the City to take actions, but instead establishes the plan of action that the parties mutually agree need to be completed to cause the relocation of the Troop A Headquarters.

Timeline:

Start: The TIF Plan will be considered on February 26, 2020, as the first step discussed in the MOU.

Finish: Under the schedule discussed in the MOU, the Troop A Headquarters would be relocated to the Colburn Road location in August 2022.

Other Information/Unique Characteristics:

This MOU established the plan of action to accomplish the goals stated in the MOU but does not legally bind the City to take action.

David Bushek, Chief Counsel of Economic Development & Planning
Steve Arbo, City Manager

Staff recommends approval of the MOU.