

Legislation Details (With Text)

File #: 2021-4157 **Name:**

Type: Public Hearing - Sworn **Status:** Agenda Ready

File created: 5/10/2021 **In control:** City Council - Regular Session

On agenda: 5/18/2021 **Final action:**

Title: Public Hearing: Amended and Restated Master Plan for Industrial Development Projects (Chapter 100) for the Streets of West Pryor Development

Sponsors:

Indexes:

Code sections:

Attachments: 1. Notice to Taxing Districts, 2. Amended & Restated Chapter 100 Master Plan

Date	Ver.	Action By	Action	Result
------	------	-----------	--------	--------

Public Hearing: Amended and Restated Master Plan for Industrial Development Projects (Chapter 100) for the Streets of West Pryor Development

Issue/Request:

This is a public hearing to consider an amendment to the Chapter 100 Master Plan for the Streets of West Pryor Project to conform the Master Plan to the approved preliminary development plans for the project as a whole and the current development schedule.

Key Issues:

Streets of West Pryor, LLC (Developer) is requesting amendments to the Chapter 100 Master Plan for Industrial Development Projects to extend the schedule to match the current status of the development, to update the description of the Phase 2 apartment project and to change the boundaries between the commercial and the apartment projects.

Background:

On December 18, 2018, the City Council held the original public hearing for the Master Plan for Industrial Development Projects for the Streets of West Pryor Development pursuant to Chapter 100 of the Revised Statutes of Missouri. On January 8, 2019, the City Council approved the Master Plan for Industrial Development Projects for the Streets of West Pryor Project (the "Chapter 100 Master Plan" or the "Master Plan") through the adoption of Ordinance No. 8540.

On February 19, 2019, the City Council approved three separate Chapter 100 transactions and the associated Chapter 100 bond documents through the adoption of three separate ordinances for:

- (1) the Commercial Project (Ordinance No. 8564, \$60 million)
- (2) the Grocery Store Project (Ordinance No. 8565, \$17 million) and
- (3) the Apartment Project (Ordinance No. 8566, \$48 million)

Since the adoption of these ordinances, Developer has undertaken the construction of portions of the project, and has received additional zoning approvals to revise the development for the western and southern lots. The grocery store, two restaurants, a supplement store and a coffee shop are open. Another restaurant is under construction, and the construction of two restaurants on Lots 1 and 2 are about begin. The Phase 1 Apartments are currently under construction, and the construction of two restaurants on Lots 1 and 2 are about begin. The Phase 1 Apartments are currently under construction, and the preliminary development plan which includes the Phase 2 Apartments was approved by Ordinance No. 9090 on March 9, 2021. The original Chapter 100 Master Plan anticipated the issuance of taxable industrial development revenue bonds in the aggregate principal amount of not to exceed \$179,000,000 in several series, and \$125,000,000 has been issued to date. Due to various factors, including the COVID-19 pandemic, the implementation of a portion of the Commercial Project and a portion of the Apartments Project has taken longer than anticipated at the time that the original Master Plan was approved by the City, but the Developer continues to make progress on the project as a whole.

Developer has requested that the Chapter 100 Master Plan be amended to accomplish the following:

- (1) extend the construction period for the Commercial Project by three years,
- (2) update the original Master Plan with respect to the second phase of the Apartments Project by -
 - (A) adjusting the Cost-Benefit Analysis to reflect the delay in implementation of such phase, and
 - (B) change the use of such second phase from senior, age-restricted living to market-rate multifamily apartments, and
- (3) adjust the map showing the anticipated boundaries of the Commercial Project and the Apartments Project.

Impact/Analysis:

The Amended and Restated Master Plan includes an updated cost benefit analysis that reflects the current state of the project and the updated costs projections and impact of the sales tax exemption. The impact of the sales tax exemption reflects the updated higher total project costs. However, the incentive being provided remains the same, and the increased sales and use tax savings is only reflective of higher total project costs. Proportionally, the overall impact remains the same as compared to the original Chapter 100 Master Plan -- the same sales and use tax exemption is carried forward in the amendment to the Master Plan.

The Developer and City staff met with representatives of the Lee's Summit R-7 School District on May 7, 2021 to discuss the proposed Master Plan amendments. The primary impact on the School District is that a changing the Phase 1 apartments from age-restricted to market rate is more likely to generate students in the school system.

Timeline:

The project is already under construction and will continue to be constructed for the next several years. The anticipated opening dates are:

- Restaurant / Retail / Pad sites - 2020-2024
- Commercial portions of Phase 1 apartment building - 2021
- Hotel / Pad sites - 2024
- Grocery Store - opened 2020

David Bushek, Chief Counsel of Economic Development & Planning
Mark Dunning, Assistant City Manager
Jeff Haney, Haney Co. KC
Matt Pennington, Drake Development

Recommendation: Staff recommends approval of the Amended and Restated Master Plan

Committee Recommendation: Not applicable.