Legislation Details (With Text)

File #:	BILL NO. 21-145	**Name:**	
Type:	Ordinance	**Status:**	Passed
File created:	6/30/2021	**In control:**	City Council - Regular Session
On agenda:	7/20/2021	**Final action:**	8/3/2021
Title:	An Ordinance Approving a Plan For an Industrial Development Project for Stag's Field Apartments. (Note: First reading by Council on July 20, 2021.)		
Sponsors:			
Indexes:			
Code sections:			
Attachments:	1. Ordinance, 2. Chapter 100 Master Plan		

Date	Ver.	Action By	Action	Result
8/3/2021	1	City Council - Regular Session	adopted and numbered	Pass
7/20/2021	1	City Council - Regular Session	advanced to second reading	Pass

An Ordinance Approving a Plan For an Industrial Development Project for Stag's Field Apartments.
(Note: First reading by Council on July 20, 2021.)

Issue/Request:
This ordinance would approve a Plan for an Industrial Development Project and Cost-Benefit Analysis for the Stag's Field Apartments and authorizing the issuance by the City of its taxable industrial development revenue bonds in the aggregate principal amount of not to exceed $85,000,000 to finance costs of the apartment project for Bowlin Rd Investments, LLC. The Bonds will be issued pursuant to the provisions of Sections 100.010 to 100.200 of the Revised Statutes of Missouri, as amended, and Article VI, Section 27(b) of the Missouri Constitution, as amended (collectively, the "Act").

Key Issues:
Stag Commercial (Developer) is requesting that the City approve incentives through a Chapter 100 Master Plan to provide sales tax exemption on construction materials for the apartment component of the Stag's Field residential project at 1215 NW Bowlin Road.

Council Motion:
I move for adoption of An Ordinance Approving a Plan For an Industrial Development Project for Stag's Field Apartments.

Background:
On October 27, 2021, the City Council approved Ordinance No. 8996 which approved the Stag's Field residential development on an approximately 82 acre site consisting of a 356-unit apartment complex and 16 single-family units for a total of 372 residential units, along with associated public improvements. The City Council's vote on the ordinance was 5-4.

On May 18, 2021, the City Council heard a conceptual presentation about the incentive request. A majority of the City Council expressed an interest in considering the incentive request through the formal Chapter 100 process. The City Council did not vote or render any type of final or binding decision as part of the conceptual presentation.

Based on the information in the Chapter 100 Master Plan, the Developer's budget for the overall project is:

Impact/Analysis:
Under Article X, Section 6 of the Missouri Constitution and Section 137.100 of the Revised Statutes of Missouri, all property of any political subdivision is exempt from taxation. In a typical transaction, the municipality holds fee title to the project and leases the project to the benefited company. Under this Plan, the Company will agree to make "payments in lieu of taxes" in an amount calculated to equal 100% of the taxes that would be due on the Project were it not for ownership by the City, resulting in no real property tax abatement to the Company.

The Master Plan includes a cost benefit analysis that shows the impact of the sales tax and use tax exemption on the affected sales taxing districts:

The total projected impact to the City from the sales and use tax exemption is $639,726.

Timeline:
If the Chapter 100 incentive is approved, the project is expected to begin this year and the construction will last through 2024.

David Bushek, Chief Counsel of Economic Development & Planning
Mark Dunning, Assistant City Manager
Kevin Tubbesing, Stag Commercial