

Legislation Text

File #: BILL NO. 19-28, **Version:** 1

An Ordinance authorizing the waiver of the Lee's Summit Housing Authority's payment in lieu of taxes for the Authority's fiscal year ended September 30, 2018 in the amount of \$33,874.16. (F&BC 2-11-19)

Issue/Request:

The City is considering the recurring annual request of the Lee's Summit Housing Authority to waive the Authority's Payment in Lieu of Taxes (PILOT) payment for the Authority's Fiscal Year ended September 30, 2018, in the amount of \$33,874.16.

Background:

The Lee's Summit Housing Authority is a tax-exempt agency that operates the 116 units at Lee Haven and Duncan Estates housing developments, to provide low income housing for the elderly residents of the City. The Authority is primarily dependent on U.S. Department of Housing and Urban Development for funding. The City and the Lee's Summit Housing Authority have an agreement that requires the Authority to make a Payment in Lieu of Taxes (PILOT) to the City each year equal to the lesser of (i) 10% of the total of the total rental payments minus utility expenses or (ii) the Authority's estimated County property taxes.

For more than 10 years the Housing Authority has requested the City waive the PILOT payment in order to use the monies to maintain and improve the facilities and keep costs as low as possible for its residents.

The Lee's Summit Housing Authority has requested the City waive the 2018 PILOT payment in the amount of \$33,874.16.

Impact/Analysis:

The requested waiver amount of \$33,874.16 is the same amount as the City waived for Fiscal Year ending on September 30, 2017. The City has not budgeted the receipt of the PILOT as revenue in anticipation of a waiver request from the Housing Authority.

Proposed City Council Motion:

FIRST MOTION: I move for a second reading of an ordinance authorizing the waiver of the Lee's Summit Housing Authority's payment in lieu of taxes for the Authority's fiscal year ended September 30, 2018 in the amount of \$33,874.16.

SECOND MOTION: I move for adoption of an ordinance authorizing the waiver of the Lee's Summit Housing Authority's payment in lieu of taxes for the Authority's fiscal year ended September 30, 2018 in the amount of \$33,874.16.

Bette Wordelman, Finance Director

Recommendation: Staff recommends approval of an ordinance authorizing the waiver of Lee's Summit Housing

Authority's payment in lieu of taxes for the authority's fiscal year ended September 30, 2018 in the amount of \$33,874.16.

Committee Recommendation:

On motion by Councilmember Edson, seconded by Councilmember Lopez, this Ordinance was recommended for approval to the Feb 19, 2019 City Council - Regular Session. The vote was unanimous.