

Legislation Text

File #: BILL NO. 22-87, **Version:** 1

An Ordinance amending the Economic Development Incentive Policy by incorporating policy statements relating to incentive requests for residential development for the City of Lee's Summit, Missouri. (CEDC 4/13/22)

Issue/Request:

An Ordinance Amending the Economic Development Incentive Policy by Incorporating Policy Statements Relating to Incentive Requests for Residential Development for the City of Lee's Summit, Missouri.

Key Issues:

In January and February of 2022 the Community and Economic Development Committee (CEDC) held discussions regarding the use of incentives for multi-family projects and began exploring potential amendments to the adopted Economic Development Policy to guide future decision making with regard to such requests. The purpose of this review and discussion item is to continue dialogue and determine if there is a desire to incorporate policy language within the Economic Development Incentive Policy pertaining to the use of incentives for multi-family and residential projects.

Staff has developed proposed language based on the feedback provided by the CEDC for discussion and consideration of incorporating within the adopted policy.

Background:

At the January and February 2022 CEDC meetings, staff highlighted the process utilized when considering incentives and how the adopted Economic Development Incentive Policy guides decision making for incentive requests. In addition, staff provided a historical review of projects that have utilized incentives for residential uses. The CEDC provided general feedback regarding the use of incentives for residential developments:

- * Greater caution and awareness of sales and use tax abatement requests due to financial impact(s) to taxing jurisdictions
- * Concern regarding fixed Payment in Lieu of Taxes (PILOTS) as unintentional abatements have occurred over time
- * Desire to match level of incentive to the cost of public improvements necessary for the project, or extraordinary costs related to the proposed project
- * Potentially incorporate language within the policy that is similar to the LCRA Guidelines - "most favorable consideration will be given to projects that...."

Mark Dunning, Assistant City Manager

David Bushek, Chief Counsel of Economic Development and Planning

Ryan Elam, Director of Development Services

Staff recommends approval of the proposed amendments to the adopted Economic Development Incentive Policy