



File #: 241060

ORDINANCE NO. 241060

Approving the Fourth Amendment to the Union Hill Tax Increment Financing Plan; declaring surplus of certain PILOTS on deposit in the Special Allocation and remitting the same to the affected taxing jurisdictions; estimating and appropriating \$4,589,700.00 for Union Hill Streetscape Improvements; authorizing the City Manager to execute a redevelopment agreement with the Tax Increment Financing Commission for the implementation of certain public infrastructure improvements contemplated by the Union Hill Tax Increment Financing Plan; and directing the Clerk to send a copy of this ordinance to Jackson County.

WHEREAS, pursuant to the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 to 99.865 of the Revised Statutes of Missouri, as amended (the “Act”), the City Council of Kansas City, Missouri (the “City Council”) by Ordinance No. 54556 passed on November 24, 1982, and thereafter amended in certain respects by Committee Substitute for Ordinance No. 911076, as amended, passed on August 29, 1991, Ordinance No. 100089, as amended, passed on January 28, 2010, and Ordinance No. 130986, passed on December 19, 2013, Committee Substitute for Ordinance No. 140823, as amended on, June 18, 2015 and Committee Substitute for Ordinance No. 230524, passed on June 22, 2023, and created commission constituted pursuant to Section 99.820.2 (the “Kansas City TIF Commission”) and

WHEREAS, the City created the Administrative TIF Commission and has delegated all powers delegable under the Act, in particular powers enumerated in Section 99.820.1 RSMo, in connection with administering tax increment financing plans and projects to the Administrative TIF Commission, as provided in Code § 74-58; and

WHEREAS, on December 18, 1997, the City Council passed Committee Substitute for Ordinance No. 971698, as amended, which accepted the recommendations of the Kansas City TIF Commission and approved the Union Hill Tax Increment Financing Plan (the “Redevelopment Plan”) and designated the Redevelopment Area described therein to be a Conservation Area (the “Redevelopment Area”); and

WHEREAS, the Redevelopment Plan has been amended three times by Committee Substitute for Ordinance No. 081070 on December 4, 2008, by Ordinance No. 100772 on September 23, 2010, and by Ordinance No. 130239 on April 4, 2013; and

WHEREAS, a Fourth Amendment to the Redevelopment Plan (“Fourth Amendment”) was proposed to the Kansas City TIF Commission and the Kansas City TIF Commission, having

been duly constituted and its members appointed, after proper notice was given, met in a public hearing on November 13, 2024 and, after it received comments of all interested persons and taxing districts, (i) closed the public hearing, (ii) approved the Fourth Amendment and (iii) recommended that the City Council approve the Fourth Amendment; and

WHEREAS, the Fourth Amendment provides for (1) certain modifications to the description of the Redevelopment Area, (2) certain modifications to the Site Maps, (3) certain modifications to the description of Public Improvements, (4) certain modifications to the Redevelopment Schedule, (5) certain modifications to the Estimated Redevelopment Project Costs, (6) certain modifications to the Sources of Funds, (7) all Payments in Lieu of Taxes to be declared surplus and distributed to the impacted Taxing Districts located within the Redevelopment Area in accordance with the Act at such time as the Special Allocation Fund has accumulated, from the inception of the Plan, an aggregate amount of revenue equal to \$9,657,084 for the reimbursement of Reimbursable Project Costs, and (8) modifies certain exhibits to and sections of the Plan that are in furtherance of the foregoing;

WHEREAS, the Special Allocation Funds(s) established in connection with each Redevelopment Project Area described by the Plan (the "Special Allocation Fund") had, as of April 30, 2024, an existing balance of approximately \$7,750,00 (the "SAF Balance"), which is comprised of payments in lieu of taxes ("PILOTS") and economic activity taxes ("EATS") generated and collected within the Redevelopment Project Areas;

WHEREAS, after the Special Allocation Fund has accumulated, since the inception of the Plan, an aggregate amount of \$9,657,084, the remaining amount of PILOTS, in the estimated amount of \$3,468,000 (the "Existing Surplus PILOTS"), together with all subsequent PILOTS that shall be deposited in the Special Allocation Fund ("Future PILOTS"), shall be deemed surplus and shall be distributed to the taxing districts affected by the Plan, in a manner consistent with the Act;

WHEREAS, the City desires to construct the streetscape improvements, sidewalks, and any other required or desired infrastructure between Main Street and Campbell Street, as contemplated by the Fourth Amendment (the "Fourth Amendment Public Improvements"), and further desires and intends to contribute its portion of the Existing PILOT Surplus, in the approximate amount of \$560,000 and Future PILOTS, in the approximate of \$607,000, to the costs of such Fourth Amendment Public Improvements;

WHEREAS, the City's use of its portion of the Existing PILOT Surplus, as considered by this Ordinance, is consistent with the City's one-time revenue policy as defined in Committee Substitute for Ordinance No. 121017, as amended; and

WHEREAS, certain agreements must be authorized and appropriations made for the purpose of implementing the objectives outlined herein; NOW, THEREFORE,

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY:

Section 1. The Fourth Amendment is hereby approved and adopted as valid.

Section 2. That all terms used in this ordinance, not otherwise defined herein, shall be construed as defined in Sections 99.800 to 99.865 of the Revised Statutes of Missouri, as amended (the "Act").

Section 3. That the City Council hereby finds that good cause has been shown for the Fourth Amendment of the Plan and that the findings of the Council in Committee Substitute for Ordinance No. 971698, as amended, Committee Substitute for 081070, Ordinance No. 100772 and Ordinance No. 130239, except as expressly modified by the Fourth Amendment, are not affected by the Fourth Amendment and apply equally to the Fourth Amendment

Section 4. That the Council hereby finds that:

- a. The Redevelopment Area as a whole is a conservation area, as defined in Section 99.805 of the Act, has not been subject to growth and development through investment by private enterprise, and would not reasonably be anticipated to be developed without the adoption of the Redevelopment Plan.
- b. The Redevelopment Plan, as amended by the Fourth Amendment, conforms to the comprehensive plan for the development of the City as a whole.
- c. The areas selected for Redevelopment Projects include only those parcels of real property and improvements thereon which will be directly and substantially benefited by the Redevelopment Project Improvements.
- d. The estimated dates of completion of the Redevelopment Projects and retirement of obligations incurred to finance Redevelopment Project Costs have been stated in the Redevelopment Plan, as amended by the Fourth Amendment, and are not more than 23 years from the passage of any ordinance approving a Redevelopment Project within the Redevelopment Area.
- e. The Redevelopment Plan, as amended by the Fourth Amendment, includes a plan for relocation assistance for businesses and residences.
- f. A cost-benefit analysis showing the impact of the Redevelopment Plan on each taxing district which is at least partially within the boundaries of the Redevelopment Area has been prepared in accordance with the Act.
- g. The Redevelopment Plan, as amended by the Fourth Amendment, does not include the initial development or redevelopment of any gambling establishment.
- h. A study has been completed and the findings of such study satisfy the requirements provided under Section 99.810, RSMo.

Section 5. That PILOTS on deposit in the Special Allocation Fund(s), in the amount of amount of \$3,468,000.00 (\$560,000.00 of which is estimated to be the City's portion), which represents the "Existing PILOTS Surplus", as described in the Recitals, are hereby declared as surplus and shall be distributed in accordance with the Act.

Section 6. That revenue in the following account of the Capital Improvements Fund is estimated in the following additional amount:

25-3090-895914-485381-89061082	TIF District Contribution	\$ 560,000.00
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Section 7. That revenue in the following account of the Capital Improvements Fund is estimated in the following additional amount:

25-3090-895914-485380-89061082	Reimbursement from TIF Commission	\$4,029,700.00
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Section 8. That the sum of \$4,589,700.00 is hereby appropriated from the Unappropriated Fund Balance of the Capital Improvements Fund to the following account in the Capital Improvements Fund:

25-3090-895914-B-89061082	Union Hill Streetscape Improvements	\$4,589,700.00
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Section 9. That the Director of Public Works is hereby designated requisitioning authority for Account No. 25-3090-895914-B-89061082 in the Capital Improvement Fund.

Section 10. That the City Manager, or his designee, is hereby authorized to execute a Redevelopment Agreement, for the purpose of purpose of implementing the "Fourth Amendment Public Improvements," as defined in the Recitals, is approved in substantial form to that which is on file in the office of the City Clerk.

Section 11. That the City Manager, or his designee, is hereby authorized to execute future amendments to the Redevelopment Agreement to address minor inaccuracies in the Redevelopment Agreement, unforeseen events of circumstance, or technical matters, provided that the future amendments do not alter the substance of the Redevelopment Agreement as approved in Section 10.

Section 12. That the City Clerk shall send a copy of this ordinance to the County Clerk and County Executive of Jackson County, Missouri.

I hereby certify that there is a balance, otherwise unencumbered, to the credit of the appropriation to which the foregoing expenditure is to be charged, and a cash balance, otherwise unencumbered, in the treasury, to the credit of the fund from which payment is to be made that is sufficient to meet the obligation hereby incurred.

Tammy L. Queen
Director of Finance

Approved as to form:

Emalea Black

Emalea Black
Associate City Attorney



Authenticated as Passed

Quinton Lucas

Quinton Lucas Mayor

Maxilyn Sandberg, City Clerk
DEC 9 2024

Date Passed