# **GENERAL**

## **Ordinance Fact Sheet**

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Authorizing the City	Manager to execute a Cooperative Agreement
with 1200 Main/Sou	th Loop Community Improvement District and

**Kansas City Live, LLC** 

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### **Reason for Legislation**

To provide revenue to pay all or a portion of District Project Costs Associated with Block 110 and 126 Parking Garages and future residential parking garages within the District pursuant to the 13th Amendment to the MDA.

**Discussion** (explain all financial aspects of the proposed legislation. including future implications, any direct/indirect costs, specific account numbers, ordinance references, and budget page numbers.)

Pursuant to Ordinance 190306 the 1200 Main/South Loop Community Improvement District was established as a political subdivision of the State of Missouri. This ordinance authorizes the City Manager to execute a Cooperative Agreement between the City, 1200 Main/South Loop CID, and Kansas City Live, LLC to implement procedures necessary to collect and expend revenues to fund improvements contemplated in the original CID Petition which was approved May 2, 2019.

The District has the powers and authority to levy a sales tax of up to one percent (1.0%) on the selling of tangible personal property, subject to the approval by the registered voters residing in the District, which has been approved and the sales tax became effective January 1, 2020.

Under this agreement, 50% of the District revenues will flow to the existing 1200 Main/South Loop TIF Plan, as required by TIF act and be used for expenses in conjunction with TIF budget and Plan. These additional revenues will help to pay off TIF expenses faster.

The remaining Net Non-EATS Revenues (the other 50% of CID revenues) are to be used by Developer to operate, maintain, manage and repair Block 110 and Block 126 Garages, and future garages constructed for residential projects in District. In conjunction with the 13th Amendment to the MDA, the Developer agreed to take over management and operations of these parking garages from the City. This provides a source of revenues to help defray some of those costs.

Reason

To provide revenue to pay all or a portion of District Project Costs

Associated with Block 110 and 126 Parking Garages and future residential parking garages within the District pursuant to the 13th Amendment to the MDA Positions/Recommendations Sponsor Programs, Departments. City Manager's Office or Groups Public Works Department Affected Finance Department Applicants / Kansas City Live, LLC and 1200 Main/South **Proponents** Loop CID **City Department** City Manager's Office Other Opponents **Groups or Individuals** None Known **Basis of opposition** Staff X For Recommendation Against **Reason Against** Board or Commission Recommendation For Against No action taken For, with revisions or conditions (see details column for conditions) Council Do pass **Committee Actions** Do pass (as amended) Committee Sub. Without Recommendation

Do not pass

### Details

Once the TIF plan expires, that 50% of District CID funds will flow to the City instead for capital costs on Block 110 and 126 garages or for D/S on any other parking garages in conjunction with the KC Live MDA. The remaining 50% of District Funds will flow to Developer to pay operating maintenance and management for Block 110 and 126 and future residential garages just like when the TIF Plan was in effect. Both of these are net CID admin costs.

The estimated costs for the District Services are approximately five million forty-two thousand seven hundred and eighteen dollars (\$5,042,718) over five years.

**Projected Operating Costs** 

**Eligible Costs** 

EATS: \$2,521,359
Administration \$50,000
KC Live Allocation \$2,471,359

Applicable Dates:

Fact Sheet Prepared by:

Kerrie Tyndall, City Manager's Office

Reviewed by:

**Reference Numbers** 

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Policy	/Program	Impact
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Policy or Program Change	X No Yes
Operational Impact Assessment	None

#### Finances

Finances	
Cost & Revenue Projections Including Indirect Costs	Approximately \$1M annually in total revenues for District Expenses. See Exhibit A to the 5 Year Plan for the CID
Financial Impact	Provides additional revenues for certified costs of the 1200 Main/South Loop TIF Plan, including City Debt Service, and provides supplemental funding to the District for garage maintenance and operations expenses for Block 110 and 126 Garages.
Fund Source (s) and Appropriation Account Codes	
Is this Ordinance or Resolution Good for the Children?	Yes, The improvements provided by the District will improve the economic viability and security of the District and surrounding community.