

LEGISLATIVE FISCAL NOTE

LEGISLATION
NUMBER:

Revised 210514
7.14.2021

LEGISLATION IN BRIEF:

Approving an Industrial Development Plan for Lux Living, LLC for the purpose of acquisition and construction of a 190-unit market rate multifamily complex and associated 175 space parking garage at 3948 Main; authorizing the issuance of Taxable Industrial Revenue Bonds in an amount not to exceed \$32 million in conjunction with the projects and the execution of various documents; and authorizing certain other actions in connection with the issuance of said bonds.

What is the purpose of this legislation?

ECONOMIC DEVELOPMENT

For the purpose of entering an agreement between the city and third party for the attraction or retention of economic activity for the purpose of economic development.

Does this legislation spend money appropriated in the current fiscal year?

NO

Yes/No

What is the city's obligation in future fiscal Years (See Section 04)

Does this Legislation estimate new revenue in the current Fiscal Year?

NO

Yes/No

What is the city's gross new revenue in future Fiscal Years? (See Section 01)

Section 00: Notes:

This legislation has a fiscal impact due to a FY2021-22 and FY2022-23 sales tax exemption for construction of the project in the event the materials are purchased within city limits and a property tax abatement partially offset by a PILOT outlined in Section 4. The bonds issued for this project will be repaid solely by Lux Living, LLC, under the terms of the lease agreement. Council District Four PIAC Funds will be expended in the amount of \$600,000 for the current fiscal year. There will be a future appropriation of \$600,000 from the Midtown STIF Fund in Fiscal Year 2022-23 to reimburse the Council District Four PIAC funds used. The TIF Plan must be amended to make the \$600,000 in funding available in Fiscal Year 2022-23.

FINANCIAL IMPACT OF LEGISLATION

Section 01: If applicable, where are funds appropriated in the current budget?

FUND	DEPTID	ACCOUNT	PROJECT	FY 21-22 BUD	FY 22-23 EST
3090	898404	B	89008897	129,787.00	
3090	108400	B		470,213.00	

Section 02: If applicable, where will new revenues be estimated?

FUND	DEPTID	ACCOUNT	PROJECT	FY 21-22 BUD	FY 22-23 EST

Section 03: If applicable, where will appropriations be increased?

FUND	DEPTID	ACCOUNT	PROJECT	FY 21-22 BUD	FY 22-23 EST

NET IMPACT ON OPERATIONAL BUDGET

RESERVE STATUS:

SECTION 04: FIVE-YEAR FISCAL IMPACT (Direct and indirect)

FUND	FUND NAME	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27	All Outyears
2030	Parks Fund, PMT Fund, Central City ED Fund, KCATA Fund, Fire Fund, Fire Capital Fund, Public Safety Fund, and Capital Improvements Fund	(193,488)	(154,512)	-	-	-	-	-
2080								
2200								
2290								
2300								
2301								
2320	General Fund, Museum Fund, Health Fund, and Debt Fund	-	-	(79,873)	(79,873)	(80,671)	(80,671)	(493,773)
5010								
2590								
TOTAL REV		(193,488)	(154,512)	(59,905)	(59,905)	(60,503)	(60,503)	(370,330)

FUND	FUND NAME	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27	All Outyears
3090	Capital Improvements Fund	600,000						
3090	Capital Improvements Fund		(600,000)					

5180	Midtown STIF Fund		600,000					
TOTAL EXP		600,000	-	-	-	-	-	-
NET Per-YEAR IMPACT		(793,488)	(154,512)	(59,905)	(59,905)	(60,503)	(60,503)	(370,330)
NET IMPACT (SIX YEARS)		(1,559,146.00)						
REVIEWED BY	Tanner Owens			DATE	7/14/2021			