

GENERAL

Ordinance Fact Sheet

Ordinance Number

**Brief Title** **Approval Deadline** **Reason**

**Blue Ridge Mall Tax Increment Financing Plan**  
**Revision to Legal Description for Redevelopment Area**

**Details**

**Purpose:**

At the time Ordinance No. 041238 was considered by the City Council and passed on February 24, 2005, there was an error related to the legal description, the first two paragraphs of the legal description were omitted, therefore, the ordinance needs to be amended to reflect the correct legal description that is included in the TIF Plan.

**TIF Plan Area:** The Redevelopment Plan Area is an area that includes the Blue Ridge Mall, surrounding parking and adjacent real property, generally consisting of 63 acres extending from Blue Ridge Boulevard west of Sterling Avenue, and from 43<sup>rd</sup> Street north to the city limit of Kansas City, Jackson County, Missouri.

**TIF Plan Area Legal Description:**

All that part of Lot 1, STERLING SQUARE, a subdivision in Kansas City, Jackson County, Missouri, according to the recorded plat thereof, and

All that part of Lots 6, 7, 8, 9, 14 and 15, OTT’S PLAT, a subdivision of land in the Cities of Kansas City and Independence, all in Jackson County, Missouri, according to the recorded plat thereof, together with a portion of the southwest quarter of the southeast quarter of Section 21, Township 49, Range 32, the parcel of land to be herein described lies wholly within said city of Kansas City, being more particularly described as follows:

Beginning at the point of intersection of the Westerly right-of-way line of Sterling Avenue with the Northerly right-of-way line of 43<sup>rd</sup> Street, as said Avenue and Street are now both established; thence North 90 degrees 00 minutes 00 seconds West along the Northerly right-of-way line of said 43<sup>rd</sup> Street, along a line 20 feet North of and parallel with the Southerly line of said Quarter, Quarter Section, a distance of 738.93 feet to a point of intersection with the Southerly extension of the Easterly line of STERLING SQUARE, a subdivision of land in said City, County and State, according to the recorded plat thereof; thence North 1 degree 22 minutes 56 seconds West (N.1 degree 58 minutes 51 seconds E., Plat) along

the Easterly line of said STERLING SQUARE and its Southerly extension, said line being parallel with the Westerly line of said Quarter, Quarter Section, a distance of 914.11 feet to a point on the Southerly right-of-way line of U.S. Interstate Highway Route No. 70, as now established; thence Southeasterly and Easterly along said Southerly right-of-way line, the following courses and distances; thence South 58 degrees 15 minutes 23 seconds East, 504.80 feet, more or less to a point 500 feet South of the survey centerline of said U.S. Interstate Highway Route No. 70 at Station 448+36.97; thence South 74 degrees 49 minutes 14 seconds East, 167.61 feet, more or less to a point 545 feet South of said survey centerline at Station 449+98.43; thence North 89 degrees 36 minutes 21 seconds East, 137.22 feet, more or less to a point 545 feet South of said survey centerline at Station 451+35.85; thence South 43 degrees 07 minutes 39 seconds East, 27.23 feet, more or less to a point on the Westerly right-of-way line of said Sterling Avenue, said point being 50 feet West of the Easterly line of said Quarter, Quarter Section, as measured perpendicular thereto; thence North 1 degree 22 minutes 43 seconds West along the Northerly Extension of the Westerly right-of-way line of said Sterling Avenue, along a line 50 feet West of and parallel with the Easterly line of said Quarter, Quarter Section, a distance of 438.30 feet, more or less to a point on the Westerly extension of the Southerly right-of-way line of U.S. Interstate Highway Route No. 70, as now established; thence North 88 degrees 42 minutes 04 seconds East along the Westerly extension of said Southerly right-of-way line, a distance of 100 feet, more or less to the point of intersection of the Easterly right-of-way line of said point being 50 feet East of the Westerly line of the Southeast Quarter of the Southeast Quarter of said Section 21, Township 49, Range 32; thence continuing North 88 degrees 42 minutes 04 seconds East along the Southerly right-of-way line of said U.S. Interstate Highway Route No. 70, a distance of 829.69 feet more or less to a point 112.09 feet South of the survey centerline of said U.S. Interstate Highway Route No. 70 at Station 460+76.17; thence South 82 degrees 11 minutes 30 seconds East along the Southerly right-of-way line of said U.S. Interstate Highway Route No. 70, a

distance of 127.63 feet, more or less to a point of intersection with the Northeasterly city limits line said Kansas City, being also the Southwesterly city limits line of said Independence, said city limits line being established 300 feet Southwesterly of and concentric with the survey centerline of U.S. Highway Route No. 40, as now established; thence Southeasterly along the city limits line between said Kansas City and said Independence the following courses and distances; thence Southeasterly along a curve to the left, having an initial tangent bearing of South 54 degrees 12 minutes 17 East, a radius of 4,119.72 and a central angle of 15 degrees 59 minutes 50 seconds, an arc length of 1,150.23 feet; thence South 70 degrees 12 minutes 07 seconds East, tangent to the last described curve, a distance of 495.35 feet, more or less to a point on the Southwesterly right-of-way line of Blue Ridge Spur as now established 40 feet Southwesterly of the survey centerline of said Blue Ridge Spur; thence Southeasterly along the Southwesterly right-of-way line of said Blue Ridge Spur, along a curve to the right, having an initial tangent bearing of South 25 degrees 43 minutes 27 seconds East, a radius of 915.37 feet and a central angle of 0 degrees 10 minutes 22 seconds, an arc length of 2.76 feet more or less to a point on the Northerly line of the CORRECTED PLAT OF VINEYARD HEIGHTS, a subdivision in said Kansas City, County and State, according to the recorded plat thereof; thence South 89 degrees 21 minutes 44 seconds West along the Northerly line of said CORRECTED PLAT OF VINEYARD HEIGHTS, a distance of 684.80 feet to the Northwest corner thereof; thence South 0 degrees 38 minutes 16 seconds East along the Westerly line of said plat, perpendicular to the last described course, a distance of 309.80 feet to the Southwest corner of said plat, being also a point on the Northerly right of way line of said 43<sup>rd</sup> Street, said point being 20 feet North of the Southerly line of the Southwest Quarter of Section 22, Township 49, Range 32 as measured perpendicular thereto; thence Westerly along the Northerly right-of-way line of said 43<sup>rd</sup> Street, the following courses and distances; thence South 89 degrees 21 minutes 44 seconds West, along a line 20 feet North of and parallel with the Southerly line of said Southwest Quarter, a distance of 460.35 feet to a point on the Westerly line of said Southwest Quarter, being also a point on the Easterly line of the Southeast Quarter of Section 21 Township 49, Range 32; thence North 89 degrees 59 minutes 45 seconds West, along a line 20 feet North of and parallel with the Southerly line of said Southeast Quarter, a distance of 536.08 feet; thence North 80 degrees 56 minutes 24 seconds West, 127.07 feet to a point 40 feet North of the Southerly line of said Southeast Quarter; thence North 89 degrees 59 minutes 45 seconds West, along a line 40 feet North of and parallel with the Southerly line of said Southeast Quarter, a distance of 609.99 feet to the point of

intersection with the Easterly right-of-way line of Sterling Avenue, said point being 50 feet East of the Westerly line of the Southeast Quarter of the Southeast Quarter of said Section 21, Township 49, Range 32; thence South 88 degrees 37 minutes 17 seconds West along a line drawn perpendicular to the Westerly line of said Quarter, Quarter Section, a distance of 100 feet to a point on the Westerly right-of-way line of Sterling Avenue, said point being 50 feet West of the Easterly line of the Southwest Quarter of the Southeast Quarter of said Section 21, Township 49, Range 32; thence South 1 degree 22 minutes 43 seconds East along the Westerly right-of-way line of said Sterling Avenue, along a line 50 feet West of and parallel with the Easterly line of said Quarter, Quarter Section, a distance of 17.59 feet to the Point of Beginning. Containing 62.731 acres, more or less.

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*Information listed below is from the **Blue Ridge Mall TIF Plan approved by the City Council on February 24, 2005 by Ordinance No. 041238.***

**Blue Ridge Mall TIF Plan:** The Blue Ridge Mall Tax Increment Financing Redevelopment Plan (the "Redevelopment Plan") proposes (i) demolition of the Blue Ridge Mall building; (ii) demolition of associated parking garages; (iii) construction of retail/entertainment uses of approximately 570,000 square feet; (iv) surface parking lot renovation and landscaping; (v) redevelopment of the Kaiser Building to accommodate conventional office users and (vi) improvements to 43<sup>rd</sup> Street. The Project Improvements and other redevelopment activities will be undertaken as Six (6) Redevelopment Projects.

**Redevelopment Project Costs:** The estimated Redevelopment Project Costs are approximately \$89,928,566. The Plan proposes that approximately \$26,754,940 in Redevelopment Project Costs be reimbursable from Payments in Lieu of Taxes and Economic Activity Taxes.

**Projections and Application of Payments in Lieu of Taxes and Economic Activity Taxes:** Over the life of the Plan, the total Economic Activity Tax revenues are estimated to be approximately \$101,125,989 over the life of the Plan, will be made available upon annual appropriation, to pay eligible Redevelopment Project Costs.

Anticipated PILOTS generated over the 23 year-term are estimated to be \$30,547,657.

**Redevelopment Schedule:** Per Exhibit 5 of the TIF Plan,

Project 1 will include Lot 1 to be completed February 1, 2006; Project 2 includes Lots 2,3, and 5 to be completed November 1, 2006; and lot 4 to be completed July 1, 2007. Project 3 includes Lots 7 and 8 to be completed November 1, 2007; Project 4 includes Lot 11 to be included November 1 2007, Project 5 includes Lot 12 to be completed November 1, 2007; Project 6 includes Lots 9 and 10 to be completed July 1, 2008.

**Finding of Blight Area:**

The Redevelopment Area qualifies as a Blighted Area. The Blue Ridge Mall Redevelopment Area Blight Study provides for evidence of deteriorating and obsolete improvements, economic underutilization, depreciating values, and other blight conditions stated within the Redevelopment Act in Section 99.805(1) RS Mo.

**Finding the Area Conforms to the City's Comprehensive Plan:** The TIF Plan is consistent with the Sports Area Complex Plan approved by the City. The Plan also incorporates three out of four of the recommendations from the FOCUS Plan for Mixed use/Multi-Modal Centers including general retail, regional retail, and office. The fourth recommendation for residential use was reviewed by the District City Council Representatives as well as the City Planning Commission and it was determined that the area was not suited for residential uses.

The City Planning and Development Staff also made recommendations on the following Characteristics in order to better comply with the Kansas City Urban Core Plan component of the FOCUS Quality Places to Live and Work Building Block. These include: walking is feasible, safe and inviting; transportation alternatives are convenient and easy to use; buildings are designed to create or contribute to a sense of community; neighborhoods and commercial districts have identifiable centers that create places for residents or employees to gather, interact, and communicate, and that help create an identity for the area; neighborhoods and districts have distinct and identifiable characters; and development preserves or creates open space, respects existing topography, and minimizes the impact of development on the natural environment.

A traffic study was conducted as well as, enhancements to the design were submitted by the Developers prior to the URD hearing on October 19, 2004. The URD was approved with conditions.

**Review by City Plan Commission:** The plans have been reviewed City Planning Department staff and an informational presentation was made to the City Planning Commission. The Developer submitted a URD

application and it was approved by the CPC with conditions on October 19, 2004.

**But For Analysis:** Robert Miller of Applied Real Estate Analysis, Inc. was retained to undertake a "But For" and financial analysis of the Project projections as shown in Exhibit 9 of the TIF Plan. For the project, the internal rate of return with TIF was between 17% - 18%. The market rate of return most developers would hope to achieve is a minimum 20%. Regarding the internal rate of return without TIF, the entire project would not generate enough revenue to provide a positive cash flow after debt service without TIF assistance.

**Cost Benefit Analysis:** A Cost Benefit Analysis was completed as part of the original TIF Plan shown in Exhibit 8. The Analysis reflects that the City of Kansas City, Mo would have a fiscal impact of \$19,887,204, Jackson County would have a fiscal impact of \$16,193,452 and Raytown, MO School District would have a fiscal impact of \$605,221 over the life of the Plan.

<b>Sponsor</b>	
<b>Programs, Departments, or Groups Affected</b>	<b>Council District</b> 3 <sup>rd</sup> District (Curls and Reed) <b>Other Districts (school, etc.)</b> Raytown School District, Jackson County, and the Mid-Continent Library District
<b>Applicants / Proponents</b>	<b>Applicant</b> <b>City Department</b> <b>Other:</b>
<b>Opponents</b>	<b>Groups or Individuals:</b> <b>Basis of opposition:</b>
<b>Recommendation</b>	The Blue Ridge Mall TIF Plan was approved by the TIF Commission on October 13, 2004 by Resolution. 10-28-2004  The City Council approved Ordinance No. 041238 on February 24, 2005
<b>Board or Commission Recommendation</b>	<b>By</b> Tax Increment Financing Commission RES NO. 10-28-2004 Date: October 1, 2004

<b>Council Committee Actions</b>	
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Fact Sheet Prepared by:  
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Economic Development Corporation  
Date: July 17, 2014