

GENERAL
Ordinance Fact Sheet

Brief Title: 40 Highway & Noland Road TIF Plan
Approval Deadline:
Reason:
Ordinance Number:

Details
Specific Address: The area as proposed by the Redevelopment Plan includes an area Generally bound by US 40 Highway on the north, railroad tracks on the west, Noland Road on the east, and E. 49th Street on the south in Kansas City, Jackson County, Missouri.
Reason For Legislation: The purpose of this ordinance is to recommend approval of the 40 Highway & Noland Road TIF Plan, which will provide a space for the Bennett Packaging Corporate Campus.

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.)
The proposed 40 Highway & Noland Road TIF Plan ("Redevelopment Plan") calls for:
1. the renovation of 192,000 sf space for manufacturing and office use;
2. the construction of 332,300 sf for manufacturing, office, warehouse and storage use and related improvements;
3. other necessary site improvements, including renovation and construction of surface parking lots, lighting, signage and landscaping;
4. related public infrastructure improvements.
The Total Budget for the completion of the Bennett Packaging Corporate Campus is \$75,935,150. The Redeveloper, through a combination of equity and conventional debt, will finance \$69,646,637 of the total costs to complete the project. The Redeveloper is seeking Chapter 100 real property tax abatement (75% for 10 years and 37.5% for 15 years) and an exemption from sales taxes on construction materials with a combined benefit totaling \$7,867,224. Up to \$6,288,513 in Economic Activity Taxes generated by the Redevelopment Project Areas will be made available to pay eligible Reimbursable Project Costs.

Positions/Recommendations
Sponsor: Tax Increment Financing Commission
Programs, Departments, or Groups Affected:
Applicants / Proponents: Applicant, City Department, Other
Opponents: Groups or Individuals, None Known, Basis of opposition
Staff Recommendation: [X] For, [] Against, Reason Against
Board or Commission Recommendation: By [X] For, [] Against, [] No action taken, [] For, with revisions or conditions (see details column for conditions)
Council Committee Actions: [] Do pass, [] Do pass (as amended), [] Committee Sub., [] Without Recommendation, [] Hold, [] Do not pass

(Continued on reverse side)

Details

The TIF Commission made the following findings as required by the TIF Act, specifically:

a) The Redevelopment Area described in the Redevelopment Plan, is a blighted area, as evidenced by deterioration of primary structural improvements and site improvements, defective and inadequate street layout, unsanitary or unsafe conditions including deterioration and dilapidation of site improvements, excessive vacancies, low tax revenue and high underutilization of property and a blight study has been completed;

(b) The Redevelopment Area 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. The Plan incorporates an analysis prepared by SB Friedman, and such analysis provides sufficient information to satisfy the "but for" test set forth in Section 99.810, RSMo.;

(c) The Redevelopment Plan conforms to the comprehensive plan for the development of the City as a whole and the Little Blue Valley Area Plan;

(d) The area selected for the Redevelopment Projects include only those parcels of real property and improvements thereon which will be directly and substantially benefited by the improvements;

(e) The estimated dates of completion of each respective Redevelopment Project and retirement of obligations incurred to finance Redevelopment Project Costs, have been stated in the Redevelopment Plan, and are not more than 23 years from the passage of any ordinance approving a Redevelopment Project authorized by the Redevelopment Plan;

(f) The Redevelopment Plan includes a plan for relocation assistance for business and residences;

(g) A cost-benefit analysis, in this case a tax impact analysis, showing the impact of the implementation of the Redevelopment Plan on each taxing district at least partially within the boundaries of the Redevelopment Area has been prepared in accordance with the Act;

(h) The Redevelopment Plan does not include the initial development or redevelopment of any gambling establishment;

(i) The Redevelopment Plan does not contemplate that any property located within a Redevelopment Project Area will be acquired by eminent domain later than five (5) years from the adoption of the Ordinance approving such Redevelopment Project; and

(j) The Plan does not provide for the adoption of an Ordinance approving any Redevelopment Project later than ten (10) years from the adoption of the Redevelopment Plan.

Policy/Program Impact

Policy or Program Change	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes
Operational Impact Assessment	

Finances	
Cost & Revenue Projections -- Including Indirect Costs	Total Budget \$75,935,150 Estimated EATS: \$4,139,806
Financial Impact	Plan will redirect future Economic Activity taxes; a portion of the PILOTs will be surplused to the affected taxing jurisdictions. The redeveloper will receive real property tax abatement under Chapter 100.
Fund Source (s) and Appropriation Account Codes	Funding sources will be private investment and TIF Revenues.
Is this Ordinance or Resolution Good for the Children?	Yes. The Plan will eliminate blighting conditions, enhance the tax base and increase employment opportunities.

Applicable Dates:

The 40 Highway & Noland Road TIF Plan was recommended for approval by the TIF Commission on August 11, 2020 by Resolution No. 8-19-20.

Fact Sheet Prepared by:

Heather A. Brown, Executive Director, Tax Increment Financing Commission.

Reviewed by:

Reference Number: \\E:\CKC\60\HUN\NORTHOAK\735\00120153.XLS /}