

LEGISLATIVE FISCAL NOTE

LEGISLATION
NUMBER:

140374

LEGISLATION IN BRIEF:

Approving and designating Redevelopment Project Area B of the Bannister & Wornall Tax Increment Financing Plan as a Redevelopment Project; adopting tax increment financing therefor; directing the City Clerk to transmit copies of this ordinance; and authorizing the City Manager to enter into the Amended and Restated Earnings Tax Contribution and Retention Agreement with Burns & McDonnell Engineering Company, Inc.

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 ordinance activates Project B and authorizes an amended and restated earnings tax contribution and retention agreement (the Amended Agreement). The Amended Agreement requires the City, to the extent funds are appropriated, to annually contribute the Project B Shortfall Amount, which is the amount necessary for Project B to receive 50% of the Earnings Tax EATs (E-tax) for any year tax increment financing is in effect. The direct impacts of both the project activation and the Amended Agreement are estimated below. The amounts reflect what was contemplated by the approved TIF plan (i.e. 100% of estimated EATs are shown as revenue, and 50% of E-tax redirection is shown as an expenditure). The utility tax redirection has been reduced due to the delayed activation. The City began receiving revenues from the project in mid-2020, however revenues are only displayed for the years which will be subject to redirection.

FINANCIAL IMPACT OF LEGISLATION

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

FUND	DEPTID	ACCOUNT	PROJECT		FY 22-23 BUD	FY 23-24 EST

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

FUND	DEPTID	ACCOUNT	PROJECT		FY 22-23 BUD	FY 23-24 EST

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

FUND	DEPTID	ACCOUNT	PROJECT		FY 22-23 BUD	FY 23-24 EST

NET IMPACT ON OPERATIONAL BUDGET

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RESERVE STATUS:

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

FUND	FUND NAME	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-28	All Outyears
1000	Earnings Tax	-	992,320	1,022,090	1,052,752	1,084,336	1,116,866	26,935,300
1000	Utility Taxes	-	31,680	31,680	31,680	31,680	31,680	567,768
TOTAL REV		-	1,024,000	1,053,770	1,084,432	1,116,016	1,148,546	27,503,068

FUND	FUND NAME	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-28	All Outyears
1000	Earnings Tax	-	496,160	511,045	526,376	542,168	558,433	13,467,650
1000	Utility Taxes	-	-	-	-	-	-	-
TOTAL EXP		-	496,160	511,045	526,376	542,168	558,433	13,467,650

NET Per-YEAR IMPACT

		-	527,840	542,725	558,056	573,848	590,113	14,035,418

NET IMPACT (SIX YEARS)

16,827,999.60

REVIEWED BY

DATE

10/26/2022