

## MEMORANDUM

**TO:** City Council of Kansas City

**FROM:** Doug Stone/Lewis Rice LLC on behalf of Northland Gateway Community Improvement District (“Petitioner”)

**DATE:** February 12, 2024; Revised April 2, 2024

**RE:** Petition for the Establishment of the Northland Gateway Community Improvement District

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Per Section 74-303 of Chapter 74 of the Kansas City Code of Ordinances, this memorandum is provided by Petitioner for the purpose of addressing the criteria that the City Council is obligated to consider prior to approving a petition to establish a Community Improvement District (“CID”) such as the proposed Northland Gateway Community Improvement District (the “Proposed CID”).

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### **Considerations Not Specific to Blighted Areas**

- (1) Alignment with city goals expressed in the city's comprehensive plan, area plans, and economic development policies.

The revenue of the Proposed CID will be used to install, construct, operate, repair, and maintain improvements within the public right of way, and provide services for the security of the Proposed CID. The proposed improvements and services are consistent with the goals described in the City’s comprehensive plan, applicable area plan, and economic development policies.

The KC Spirit Playbook contains certain objectives, visions statements, and goals for the City’s overall development, and included among those objectives are providing walkable, clean, and safe communities for residents and visitors, increasing the physical beauty of the City, supporting local cultural amenities, and utilizing the City’s attractions to draw people from around the region. The amusement parks, hotels, and restaurants located within the Proposed CID have provided generations of Kansas City residents with a unique local cultural amenity while simultaneously being a significant tourist destination for visitors from across the Midwest. The improvements funded by the Proposed CID will be used to increase the physical beauty of the area, which in turn will both support a neighborhood that has become part of the City’s identity, while also making it a more attractive destination for visitors. Furthermore, the security services provided by the

Proposed CID will advance the City's developmental goals of making the community safer and enhancing the walkability of the neighborhood.

In addition to being a destination for many, the Proposed CID also functions as a gateway to the City's northland. A heavily trafficked vehicular corridor is located within the boundaries of the Proposed CID, and the infrastructure therein plays an important role in connecting the neighborhoods of Kansas City. Improvements made along the corridor will make the area more inviting to those visiting the Proposed CID, while also enhancing the aesthetic for travelers passing through.

- (2) Benefits to the community with preference for petitions that allocate at least ten percent of the CID's total projected sales tax revenues toward community benefits and services, including blight remediation.

All of the revenue generated by the Proposed CID (after payment of operating costs) will be used to fund design, acquisition and installation of landscaping, streetscaping, enhanced lighting and sidewalk improvements, and mowing and security services, in public rights of way within the Proposed CID, and the maintenance and repair of such public improvements. The benefits to the community will be the enhancement of the physical beauty along the streets and infrastructure of an area that is a cultural and entertainment destination for some, and a well-traveled thoroughfare and gateway to the City for others. The Proposed CID will not fund any private improvements.

- (3) Whether there are any existing CIDs within the boundaries of the proposed CID and if such existing CIDs support the establishment of the proposed CID as evidenced by a letter or similar evidence of support.

There are no other CIDs within the boundaries of the Proposed CID.

- (4) The current tax rate and a breakdown of taxes being imposed within the Proposed CID boundaries, how the proposed overall tax rate compares to neighboring cities in Missouri, and any impact on the city's ability to impose additional taxes. Such information shall be provided by the finance department.

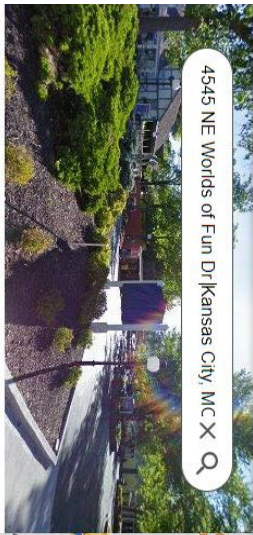
The Proposed CID will impose a 0.50% sales and use tax within its boundaries. The City's Finance Department (Sean Carroll) has provided the following information:

- The current tax rate and a breakdown of taxes being imposed within the Proposed CID boundaries is attached as Attachment 1.
- A comparison of the proposed overall tax rate within the Proposed CID to neighboring cities in Missouri is attached as Attachment 2.
- The City's Finance Department has advised that the proposed CID is not anticipated to impact the City's ability to impose additional taxes.

(5) Whether a shorter term is desirable based upon the nature of improvements and services and the projected budget.

The nature of the improvements and services will be that of an on-going nature, and because the number of visitors to the Proposed CID and travelers passing through the Proposed CID are not anticipated to decrease during the requested 20-year term of the Proposed CID, the need to maintain the services provided by the Proposed CID will remain and the revenues will be necessary for the entire 20 years of a maximum term for a CID.

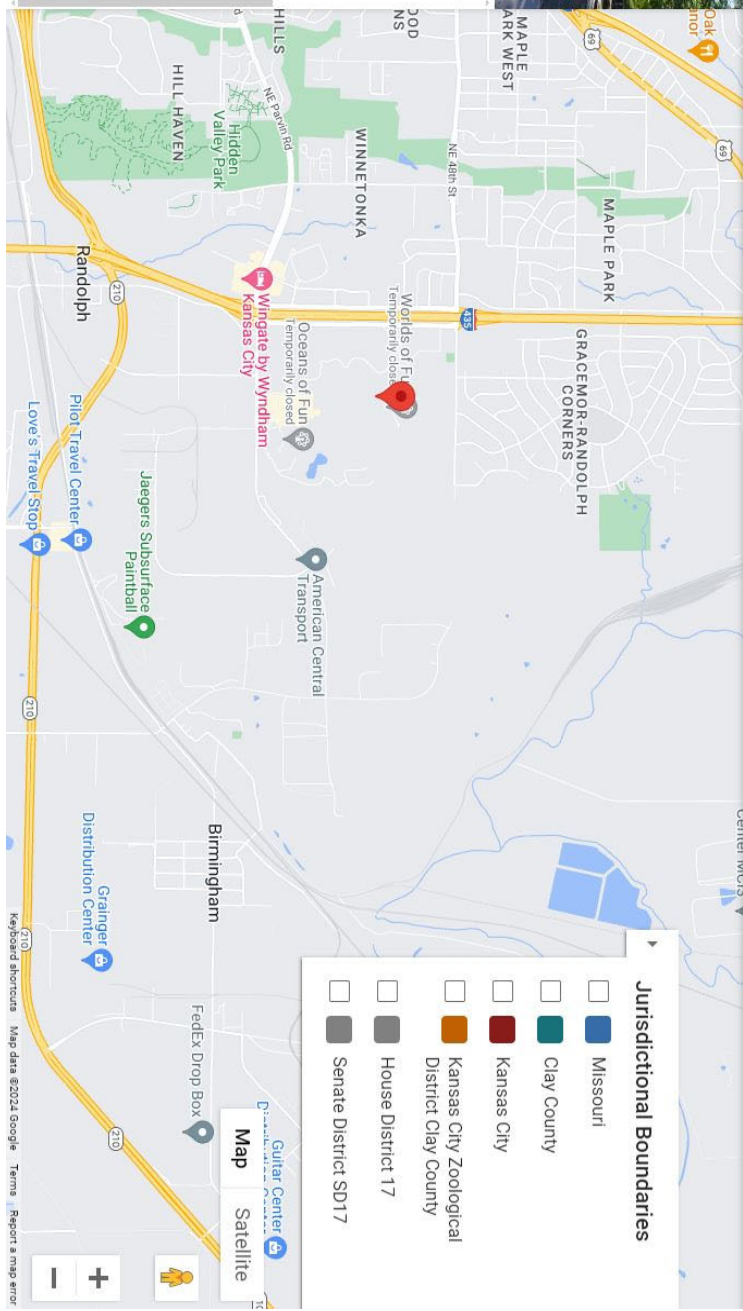
## Missouri Sales and Use Tax Lookup



Current Overview Question Export

### Tax Rate Details

Missouri	4.2250%
Sales Tax	4.2250%
Clay County	1.1250%
Sales Tax	1.1250%
Kansas City	3.2500%
Sales Tax	3.2500%
Kansas City Zoological District Clay County	0.1250%
Sales Tax	0.1250%
<b>Total Tax Rate:</b>	<b>8.7250%</b>



ATTACHMENT 2

Jurisdiction Name	Jurisdiction Code	Sales Tax Rate (0000)	Use Tax Rate (0000) (0010)	Food Sales Tax (1001)	Food Use Tax (1001) (1011)	Domestic Utility Rate (3200)	AMJ Rate (7003) (7004)
BLUE SPRINGS JACKSON COUNTY KANSAS CITY ZOOLOGICAL DISTRICT	06652-095-000	8.225%	4.225%	5.225%	1.225%	1.000%	14.225%
GLADSTONE CLAY COUNTY KANSAS CITY ZOOLOGICAL DISTRICT	27190-047-000	8.475%	8.350%	5.475%	5.350%	1.000%	11.475%
GRANDVIEW JACKSON COUNTY KANSAS CITY ZOOLOGICAL DISTRICT	28324-095-000	8.725%	7.225%	5.725%	4.225%	1.500%	14.725%
INDEPENDENCE JACKSON COUNTY KANSAS CITY ZOOLOGICAL DISTRICT	35000-095-000	8.350%	6.850%	5.350%	3.850%	1.125%	14.350%
LEE'S SUMMIT JACKSON COUNTY KANSAS CITY ZOOLOGICAL DISTRICT	41330-095-000	8.475%	6.975%	5.475%	3.975%	1.500%	14.475%
LIBERTY CLAY COUNTY KANSAS CITY ZOOLOGICAL DISTRICT	42032-047-000	8.850%	8.725%	5.850%	5.725%	1.000%	11.850%
NORTH KANSAS CITY CLAY COUNTY KANSAS CITY ZOOLOGICAL DISTRICT	53102-047-000	7.725%	5.350%	4.725%	2.350%	1.000%	7.725%
RAYTOWN JACKSON COUNTY KANSAS CITY ZOOLOGICAL DISTRICT RAYTOWN FIRE PROTECTION DISTRICT	60788-095-000	8.475%	6.725%	5.475%	3.725%	2.000%	14.475%

<b>Proposed CID Incl. KCMO</b>	<b>8.725%</b>
Blue Springs Main	8.225%
Gladstone Main	8.475%
Grandview Main	8.725%
Independence Main	8.350%
Lee's Summit Main	8.475%
Liberty Main	8.850%
North Kansas City Main	7.725%
Raytown Main	8.475%