

LEGISLATIVE FISCAL NOTE

LEGISLATION
NUMBER:

210514

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 2023-24 to reimburse the Council District Four PIAC funds used.*

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	898401	619850	89004629	100,000.00	
3090	898401	609850	89004697	343.73	
3090	898401	619850	89004697	87,299.68	
3090	898401	619850	89004774	100,000.00	
3090	108400	619850	89009996	312,356.59	

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	Sales Tax Exemption Parks Fund, PMT Fund, Central City ED Fund, KCATA Fund, Fire Fund, Fire Capital Fund, Public Safety Fund, and Capital Improvements Fund							
2080								
2200								
2290								
2300								
2301								
2320								
3090		(193,488)	(154,512)	-	-	-	-	-
1000	Property Tax Abatement General Fund, Museum Fund, Health Fund, and Debt Fund							
2020								
2330								
5010		-	-	(79,873)	(79,873)	(80,671)	(80,671)	(493,773)
	PILOT Shared Success Fund							
2590			-	19,968	19,968	20,168	20,168	123,443
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								(1,559,146.00)	

REVIEWED BY **Tanner Owens**

DATE **7/15/2021**