



City of Kansas City, Missouri

Docket Memo

Ordinance/Resolution #

Submitted Department/Preparer: Please Select

Docket memos are required on all ordinances initiated by a Department Director. More information can be found in [Administrative Regulation \(AR\) 4-1](#).

Executive Summary

The applicant is seeking approval of the 6500 Troost PIEA Planning Area and declare the area blighted and insanitary and in need of redevelopment and rehabilitation pursuant to the Missouri Planned Industrial Expansion Authority (PIEA) Law 100.300-100.620 on about 1.91 acres generally located at 6500 Troost Avenue.

Discussion

The proposed redevelopment area includes approximately 1.19 acres of property with access off Troost Avenue and East 65th Street. The property has access to public transit and pedestrian access around the block. Abatement for projects within the redevelopment area will not exceed 10 years at 100% abatement and 15 years at 50% abatement. The City Plan Commission approved the general development plan and agreed on the finding of blight.

Fiscal Impact

1. Is this legislation included in the adopted budget? Yes No

2. What is the funding source?

The funding sources are private equity, conventional debt, historic preservation tax credits and property tax abatement.

3. How does the legislation affect the current fiscal year?

This developer is requesting they forgo future incremental increases in real property taxes, so this project has no negative effect on the current fiscal year.

4. Does the legislation have fiscal impact in future fiscal years? Please notate the difference between one-time and recurring costs.

Yes. It is projected this project will provide an immediate slight increase in property taxes with a Payment in Lieu of Tax and land tax for ten years and then a substantial increase in year 11-25 of the abatement term. The Developer also anticipates an increase in earnings and sales tax related to the project.



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- 5. Does the legislation generate revenue, leverage outside funding, or deliver a return on investment?

Yes. If successful, potentially this project will immediately generate Earnings Tax from the office tenants and Earning and Sales Tax from the retail/restaurant space. Outside funding includes private equity and conventional debt.

Office of Management and Budget Review

(OMB Staff will complete this section.)

- 1. This legislation is supported by the general fund. Yes No
- 2. This fund has a structural imbalance. Yes No

Additional Discussion (if needed)

Click or tap here to enter text.

Citywide Business Plan (CWBP) Impact

View the [FY23 Citywide Business Plan](#)

Which CWBP goal is most impacted by this legislation?

Infrastructure and Accessibility (Press tab after selecting.)

Which objectives are impacted by this legislation (select all that apply):

- Enhance the City's connectivity, resiliency, and equity through a safe, efficient, convenient, inclusive, accessible, sustainable and better connected multi-modal transportation system
- Develop environmentally sound and sustainable infrastructure strategies that improve quality of life and foster economic growth
- Increase and support local workforce development and minority, women, and locally-owned businesses
- Engage in efforts to strategically invest in the City's infrastructure and explore emerging technologies
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Prior Legislation

None

Service Level Impacts

Click or tap here to provide a description of how this ordinance will impact service levels. List any related key performance indicators and impact.

Other Impacts

1. What will be the potential health impacts to any affected groups?

Currently, the property is only 17% occupied and blighted and insanitary and in need of renovation.

2. How have those groups been engaged and involved in the development of this ordinance?

The Developer says he will do his best to retain tenants who can remain in business while they renovate around them. If the tenant is in a space that will require they vacate the property, the Developer will work with them to relocate, and come back to the property if a suitable deal can be reached.

3. How does this legislation contribute to a sustainable Kansas City?

The Developer plans to take a building that has an inefficient energy structure, and is non contributing to the neighborhood, and renovate it with better insulation, energy efficient HVAC and make it a long term useful building and an anchor for office space on Troost Avenue.

4. Does the ordinance/resolution include Civil Rights antidiscrimination requirements in compliance with the Code of Ordinances (Chapter 38, titled "Civil Rights")?

The Developer will reconnect with CREO prior to seeking Project Approval from the PIEA and comply with all M/WBE requirements.

5. Has the ordinance/resolution been submitted for review of economic equity & inclusion requirements in compliance with the Code of Ordinances (Chapter 3, titled "Contracts and Leases")?

The Ordinance will be submitted.