



# 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

Ordinance approves an Industrial Development Plan to allow for the acquisition and installation of equipment at a project located at 9000 NE 48<sup>th</sup> Street, Suite 100-400, Kansas City, MO, 64161.

### Discussion

The Plan supports the issuance of Chapter 100 bonds, 50% personal property tax abatement, and sales tax exemption on the purchase of equipment for McKesson Medical Surgical Inc., for the purchase of equipment that will be installed at a new construction distribution facility. Ordinance approval of the Chapter 100 Plan also authorizes the City to issue Taxable Industrial Revenue Bonds in an amount not to exceed \$50,000,000.

The project will be a new ~306,000 sq ft building for Company to expand their distribution business. The project will create 35 new jobs with an average salary of approximately \$43,000 and retain 194 jobs with an average salary of approximately \$43,000. Total investment will be around \$108 million with around \$48 million invested in machinery and equipment and the remaining \$60 million invested in construction and tenant finishes.

Staff estimates total personal property tax abatement to be \$3,100,000 - \$3,200,000 during the tax exemption period. Staff estimates total sales tax exemption on equipment to be \$4,010,256. This is an estimate and not a guarantee.

### Fiscal Impact

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

2. What is the funding source?

N/A

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

Does not

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



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Does not

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

Yes, generates new personal property taxes.

### 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?

Finance and Governance (Press tab after selecting.)

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

- Reform the City's economic incentives to meet the policy objectives of the City Council
- Ensure the resiliency of City government
- Engage in workforce planning including employee recruitment, development, retention, and engagement
- Ensure a responsive, representative, engaged, and transparent City government
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### Prior Legislation

No prior legislation



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### Service Level Impacts

No known service level impacts

### Other Impacts

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

No known potential health impacts

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

Click or tap here to enter text.

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

The project relocates a company in Kansas City to a new location to expand their operations, retain 194 employees, and hire an additional 35 employees.

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

Yes, Industrial Development Plan includes all provisions related to Chapter 38.

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")?

Yes.