

OPERATING/PROGRAMMATIC

190930

Legislative Fiscal Note

Ordinance Number

Ordinance Title (in Brief)

Authorizing the City Manager to enter into a Tax Contribution Agreement with Project Decoy for the purpose of incentivizing job creation in Kansas City; Project Decoy anticipates employing 919 full-time employees plus an additional 120 full-time employees over 6 years, anticipated average annual salary of \$166,377, which would generate a projected annual payroll of \$173,824,143.

Does this Legislation Estimate New or Additional Revenues to the City?☐ No☒ Yes

1000,

Fund 6830

If yes, please identify in which Fund these revenues will be deposited (e.g. General, Sales Tax) and provide the following revenue information:

Revenue Detail	FY 2019-20	FY 2020-21
General Fund	\$ -	\$ 1,453,170
General Fund (Redirection)	-	(869,121)
Special Revenue	-	
Enterprise/Other - 6830 PILOT Fund		869,121
Total:	\$ -	\$ 1,453,170

(Please detail type of revenue (fees, grants, tax) and change that will occur as a result of this legislation. Provide multi-year estimates if known or, if grant revenue, please identify source of funds (federal or state) and duration of grant support.)

The estimated net-new taxable employee earnings is 83.6% of the total project payroll; or a net new \$1,453,170. In Earnings Tax withholding revenue. The estimated redirection is 50% of total taxable payroll; or \$869,121.

Project Decoy includes both Enhanced Enterprise Zone and Chapter 100 abatement at less than 100%, resulting in a net-neutral, or net positive, impact of municipal revenues.

Does this Legislation increase appropriations in the current budget?☐ No☒ Yes

If Yes, please complete the following budget information:

Expense Detail	FY 2019-20	FY 2020-21
General Fund	\$ -	\$ -
Special Revenue	-	-
Enterprise/Other - 6830 PILOT Fund		869,121
Total:	\$ -	\$ 869,121

Please detail the extent to which these increased appropriations will be of a permanent nature (e.g. number of additional staff, facilities, long-term contracts)

What is outlined above is the standard procedure for the redirection of Economic Development Taxes. Economic activity taxes are redirected to the PILOT and Economic Development Fund, those redirections are then paid to a developer.

Does this Legislation expand the scope of current city services?☒ No☐ Yes

(Please detail estimate number of people to be served, who is delivering services currently to that population, service performance expectations and, if grant supported, provisions for support if grant support ends.)

Is this legislation the result of a federal or state legislative mandate?☒ No☐ Yes

(If yes, please detail the purpose and source for that mandate).

Reviewed by:

Kolbe Krzyzanowski

Office of Management and Budget

OMB Approval Date

11/1/2019