

# THIRTEENTH AMENDMENT TO THE NORTH OAK TAX INCREMENT FINANCING PLAN

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KANSAS CITY, MISSOURI

## TIF COMMISSION APPROVAL:

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|-------|----------------|
|       | <u>N/A</u>     |
| DATE: | RESOLUTION No. |

## CITY COUNCIL APPROVAL:

|                 |               |
|-----------------|---------------|
| <u>3/9/2023</u> | <u>230212</u> |
| DATE:           | ORDINANCE No. |

**THIRTEENTH AMENDMENT  
TO THE  
NORTH OAK TAX INCREMENT FINANCING PLAN**

**I. Introduction**

The purpose of the Thirteenth Amendment to the North Oak Tax Increment Financing Plan (the “Thirteenth Amendment”) is to amend the North Oak Tax Increment Financing Plan as approved by the Ordinance No. 050104 on February 24, 2005, and as amended by the First Amendment, as approved by Ordinance No. 060534 on July 20, 2006, the Third Amendment, as approved by Ordinance No. 070996 on October 11, 2007, the Fourth Amendment, as approved by Ordinance No. 090832 on October 1, 2009, the Fifth Amendment, as approved by Ordinance No. 100083 on February 11, 2010, the Sixth Amendment, as approved by Ordinance No. 100705 on September 30, 2010, the Seventh Amendment, as approved by Ordinance No. 120172 on March 1, 2012, the Eighth Amendment, as approved by Ordinance No. 160670 on September 8, 2016, the Ninth Amendment, as approved by Ordinance No. 170739 on October 5, 2017; the Tenth Amendment, as approved by Ordinance No. 180053 on February 1, 2018; the Eleventh Amendment, as approved by Ordinance No. 190925 on August 27, 2020; and the Twelfth Amendment, as approved by Ordinance No. 220665 on August 11, 2022 (collectively, referred to herein as the “Plan”). The Second Amendment was withdrawn prior to the Commission’s consideration.

The proposed Thirteenth Amendment to the Plan (“Thirteenth Amendment”) provides for (1) modifications to Exhibit 13, The Façade and Site Improvement Program Guidelines are attached as Exhibit 13.

**II. Specific Amendments**

In accordance with this Thirteenth Amendment to the Plan shall be amended as follows:

**Amendment No. 1:** Deletion of Exhibit 13 to the Plan “The Façade and Site Improvement Program Guidelines” and the insertion of a new Exhibit 13 “The Façade and Site Improvement Program Guidelines, as amended.”

## **EXHIBIT 13:**

### **North Oak Façade and Site Program Guidelines, as amended by the Thirteenth Amendment**

#### **Definition and Purpose**

The North Oak Façade and Site Program (the Program) is designed to make exterior improvements to commercial properties in an effort to improve the aesthetic appearance of the corridor, increase commercial utility of sites along the corridor, and prolong the useful life of the existing commercial building stock. The geographic boundaries for the program are businesses that are adjacent to North Oak Trafficway between 33<sup>rd</sup> Street (KCMO City Limit) on the south and 46<sup>th</sup> Street on the north. This area has been identified within the North Oak TIF Plan as one with a high concentration of blighted buildings. While there is currently considerable commercial activity within the target area, physical conditions have only slightly changed since the creation of the plan. The North Oak Façade and Site Program was created to incentivize investment within the corridor to promote physical improvements that will increase the aesthetic appeal and attract new businesses.

#### **Eligible Improvements**

The North Oak Façade and Site Program funds will be eligible for investment in the following type of improvements:

- Any façade repair visible from the street or part of a component visible from the street
- Signage, removal of pole signs, installation of monument and building signage
- Site work related to Greening (creating a reduction in storm water runoff)
- Demolition, full or partial

The North Oak Façade and Site Program funds will not be eligible for investment in the following type of improvements:

- Pavement/parking lots
- Roofs
- Any façade improvement not visible from the street
- Plantings not related other improvements

#### **Funding**

Funding for all parcels will be capped at \$50,000 per parcel. Signature developments may exceed the stated cap with approval of the TIF Commission. Signature developments add to the overall improvement of the corridor. Examples may be new construction, large scale renovations, additions,

and other large scale improvements. All projects will require a 1 to 1 match with the exception of the removal of pole signs which the program will fund up to \$7,500 without match.

### **Applicant and Repair Approval**

Approval of all improvements will be looked at in 2 parts. The first part will determine the eligibility of the applicant to receive improvements from the North Oak Façade and Site Program. The second part will determine eligibility of the improvement within the North Oak Façade and Site Program Guidelines.

Applicants will submit a completed application (Attachment A) with the following documents for approval:

- Paid Tax Receipts
- KCMO Business License
- Proof of Liability Insurance
- Proof of Ownership or a signed affidavit from the owner granting permission to perform the improvements
- Articles of Incorporation/Organization
- Certificate of Good Standing with the Secretary of State (issued within two weeks of the submission of the application)

Applicants must submit documentation showing all of the above items are current and/or paid. The North Oak Façade and Site Program will not make repairs to buildings containing Nuisance Businesses as defined by The City of Kansas City, Missouri Economic Development & Incentives Policy Exhibit A, Part C, Paragraph 11. The removal of pole signs will be the only eligible activity for the following businesses:

Business types ineligible for incentives include: the sale of package liquor\* or firearms\*, pawn shops, short term loan establishments, gambling, blood/plasma centers, “adult-oriented” businesses, cigarette\*/smoke shops and hookah lounges, scrap metal operations, tattoo/piercing parlors, and used car lots

\* These business types are only ineligible when the indicated (\*) product comprises more than 30% of retail sales or the sales display area (Example: A liquor store would be ineligible but a grocery store that sells liquor would be eligible)

Applications will be approved if, after review, the North Oak TIF Façade and Site Program Sub Committee determine the improvement is eligible within the North Oak Façade and Site Program Guidelines.

## **Pole Signs**

One of the stated priorities of the North Oak Façade and Site Program is the removal of pole signs. Pole sign removal will be funded without a match requirement up to \$7,500.00. If an improvement will remove a pole sign and install new signage then the removal of the pole sign will be funded without match up to \$7,500 and the installation of the new signage will require a 1 to 1 match. Any parcel may qualify for funding to remove a pole sign. Funding requests made solely for pole sign removal must submit the following documentation with a completed application:

- Proof of Ownership or a signed affidavit from the owner granting permission to perform the improvements

Activities included in the removal of pole signs are defined as:

- Removal of pole with or without sign
- Removal of base
- Termination of power supply
- Fill for disturbed area with materials matching the surrounding environment. E.g. (filling with asphalt when pole sign base was surrounded by asphalt)
- Any related permits

## **Grant Agreement**

All applicants must be willing to sign the North Oak Façade and Site Program Grant Agreement, Attachment B.

## **North Oak TIF Façade and Site Program Sub Committee**

The North Oak Façade and Site Program Sub Committee is comprised of no fewer than 3 and no more than 5 members. The members will be appointed by the North Oak Advisory Committee. The sole purpose of the Sub Committee is to review applications and improvements for eligibility under the program guidelines. Recommendations outside of the program guidelines will require majority approval from the full North Oak TIF Committee. Any modifications to the North Oak Façade and Site Program Guidelines will need majority approval by the North Oak TIF Committee and ratification by the TIF Commission.

## **Contractor Requirements**

The North Oak Façade and Site Program will require the following from all contractors paid through the program:

- KCMO Business License
- Certificate of Insurance
- SAM.GOV registration without exclusions

Generally, two bids will be required on all improvements. One bid may be accepted for specialty and design trades such as Signage Contractors.

Initial deposits due at contract signing may be eligible to contractors. Deposits for this service may not exceed 30% of the total contract amount.



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**File #: 230212**

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### ORDINANCE NO. 230212

Approving the Thirteenth Amendment to the North Oak Tax Increment Financing Plan and directing the City Clerk to send a copy of this ordinance to the County of Clay County, Missouri.

WHEREAS, pursuant to the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 to 99.865 of the Revised Statutes of Missouri, as amended (the "Act"), and Ordinance No. 545556 adopted on November 24, 1982, as amended by Committee Substitute for Ordinance No. 911076 adopted on August 29, 1991, by Ordinance No. 100089 adopted on January 28, 2010, by Ordinance No. 130986 adopted on December 19, 2013 and by Committee Substitute for Ordinance No. 140823 adopted on June 18, 2015 (collectively, the "Enabling Ordinances") the City Council of Kansas City, Missouri created the Tax Increment Financing Commission of Kansas City, Missouri (the "Commission"); and

WHEREAS, on February 24, 2005, the City Council of Kansas City, Missouri (the "Council") passed Committee Substitute for Ordinance No. 050104, which accepted the recommendations of the Commission and approved the North Oak Tax Increment Financing Plan (the "Redevelopment Plan") and designated the Redevelopment Area described therein to be a blighted area (the "Redevelopment Area"); and

WHEREAS, on July 20, 2006, the Council passed Committee Substitute for Ordinance No. 060534 approving the First Amendment to the North Oak Tax Increment Financing Plan, which provides for (A) the expansion of the Redevelopment Area by adding a 32 acre parcel for development into retail space and (B) a change in designation of the Redevelopment Area from a blighted area to a conservation area; and

WHEREAS, a second amendment to the Redevelopment Plan (the "Second Amendment") was presented to the Commission but was never approved; and

WHEREAS, on October 11, 2007, the Council passed Committee Substitute for Ordinance No. 070996 approving the Third Amendment to the Redevelopment Plan, which provides for expansion of the Redevelopment Area by including the east side of the 4200 block of North Oak Trafficway as Redevelopment Project 2B, which is to be developed into retail uses; and

WHEREAS, on October 1, 2009, the Council passed Committee Substitute for Ordinance No. 090832 approving the Fourth Amendment to the Redevelopment Plan, which provides for (A) the creation of a benefit area for the purposes of establishing a housing and infrastructure

program and (B) revisions to the budget to include funding for design streetscape improvements; and

WHEREAS, on February 11, 2010, the Council passed Ordinance No. 100083 approving the Fifth Amendment to the Redevelopment Plan, which provides for certain modifications to the Budget of Redevelopment Project Costs attached to the Redevelopment Plan; and

WHEREAS, on September 30, 2010, the Council passed Ordinance No. 100705 approving the Sixth Amendment to the Redevelopment Plan, which provides for certain modifications to the Budget of Redevelopment Project Costs attached to the Redevelopment Plan; and

WHEREAS, on March 1, 2012, the Council passed Ordinance No. 120172 approving the Seventh Amendment to the Redevelopment Plan, which provides for certain modifications to the Budget of Redevelopment Project Costs attached to the Redevelopment Plan; and

WHEREAS, on September 8, 2016, the Council passed Ordinance No. 160670 approving the Eighth Amendment to the Redevelopment Plan, which provides for certain modifications to the public improvements, Budget of Redevelopment Project Costs and creates the Neighborhood Infrastructure and Site Program; and

WHEREAS, on October 5, 2017, the Council passed Ordinance No. 170739 approving the Ninth Amendment to the Redevelopment Plan, which provides for the addition of guidelines for the North Oak Façade and Site Program; and

WHEREAS, on February 1, 2018, the Council passed Ordinance No. 180053 approving the Tenth Amendment to the Redevelopment Plan, which provides for modifications to the description of the Project Improvements and the Budget of Redevelopment Project Costs; and

WHEREAS, on August 27, 2020, the Council passed Ordinance No. 190925 approving the Eleventh Amendment to the Redevelopment Plan, which provides for modifications to the Budget of Redevelopment Project Costs and Sources of Funds and the Specific Objectives of the Redevelopment Plan to provide for streetscape and trail improvements along N. Troost Trail; and

WHEREAS, on August 11, 2022, the Council passed Ordinance No. 220665 approving the Twelfth Amendment to the Redevelopment Plan, which provides for modifications to the boundaries of the Redevelopment Area, description of public improvements described by the Redevelopment Plan, Budget of Redevelopment Project Costs, Source of Funds, and Development Schedule; and

WHEREAS, the Thirteenth Amendment to the North Oak Tax Increment Financing Plan (the "Thirteenth Amendment") modifies Exhibit 13 of the plan, the "Façade and Site Improvement Guidelines" described therein and such change does not alter the exterior boundaries of the Redevelopment Area or enlarge the exterior boundary of any Redevelopment Project Area described by the Redevelopment Plan, affect the general land uses described by the

Redevelopment Plan or change the nature of any Redevelopment Project described by the Redevelopment Plan NOW, THEREFORE,

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY:

Section 1. The Thirteenth Amendment, as attached hereto, is hereby approved and adopted as valid.

Section 2. That all terms used in this ordinance, not otherwise defined herein, shall be construed as defined in Sections 99.800 to 99.865 of the Revised Statutes of Missouri, as amended (the "Act").

Section 3. That the Council hereby finds that:

- (a) The findings of the Council in Committee Substitute for Ordinance Nos. 050104, 060534, 070996, and 090832, Ordinance No. 100083, Ordinance No. 100705, Ordinance No. 120172, Ordinance No. 160670, Ordinance No. 170739, Ordinance No. 180053, Ordinance No. 190925, and Ordinance No. 220665 with respect to the Redevelopment Plan are not affected by the Thirteenth Amendment and apply equally to the Thirteenth Amendment;
- (b) The Redevelopment Area, as amended, is a conservation area, as a whole, and has not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to be developed without the adoption of the Redevelopment Plan, as amended, by the Thirteenth Amendment;
- (c) The Redevelopment Plan, as amended by the Thirteenth Amendment, includes a detailed description of the factors that qualify the Redevelopment Area as a conservation area and an affidavit as required by Section 99.810.1(1), RSMo;
- (d) The Redevelopment Plan, as amended by the Thirteenth Amendment, conforms to the comprehensive plan for the development of the City as a whole;
- (e) The areas selected for Redevelopment Projects described by the Redevelopment Plan, as amended by the Thirteenth Amendment, include only those parcels of real property and improvements therein which will be directly and substantially benefited by the Redevelopment Project improvements;
- (f) The estimated dates of completion of the respective Redevelopment Projects and retirement of obligations incurred to finance Redevelopment Project Costs, have been stated in the Redevelopment Plan, as amended by the Thirteenth Amendment, and are not more than 23 years from the passage of any ordinance approving each applicable Redevelopment Project authorized by the Redevelopment Plan and located within the Redevelopment Area, as amended;
- (g) A plan has been developed for relocation assistance for businesses and residences;

- (h) The Thirteenth Amendment does not alter the cost benefit analysis attached to the Redevelopment Plan showing the impact of the Redevelopment Plan, as amended, on each taxing district which is at least partially within the boundaries of the Redevelopment Area has been prepared in accordance with the Act;
- (i) The Thirteenth Amendment does not include the initial development or redevelopment of any gambling establishment; and
- (j) A study has been completed and the findings of such study satisfy the requirements provided under Section 99.810.1, RSMo.

Section 4. That the Commission is authorized to issue obligations in one or more series of bonds secured by the Special Allocation Fund(s) established in connection with each Redevelopment Project described by the Redevelopment Plan to finance Redevelopment Project Costs and subject to any constitutional limitations, to acquire by purchase, donation, lease or eminent domain, own, convey, lease, mortgage, or dispose of, land or other property, real or personal, or rights or interests therein, and grant or acquire licenses, easements and options with respect thereto, all in the manner and at such price the Commission determines, to enter into such contracts and undertake all such further actions as are reasonably necessary to achieve the objectives of the Redevelopment Plan, as amended, pursuant to the power delegated to it in the Enabling Ordinances. Any obligations issued to finance Redevelopment Project Costs shall contain a recital that they are issued pursuant to Sections 99.800 through 99.865, RSMo., which recital shall be conclusive evidence of their validity and of the regularity of their issuance.

Section 5. That pursuant to the provisions of the Redevelopment Plan, as amended, the Council approves the pledge of all payments in lieu of taxes and economic activity taxes generated within Redevelopment Projects that are deposited into the Special Allocation Fund(s) established in connection with each Redevelopment Project described by the Redevelopment Plan to the payment of Redevelopment Project Costs, and authorizes the Commission to pledge such funds on its behalf.



Authenticated as Passed

Quinton Lucas, Mayor

Marilyn Sanders, City Clerk

MAR 09 2023

Date Passed

Approved as to form:

A handwritten signature in blue ink, appearing to read 'Emalea Black'.

Emalea Black  
Associate City Attorney