

KANSAS CITY

ENHANCED ENTERPRISE ZONE

PROGRAM



POLICIES & PROCEDURES HANDBOOK

ENHANCED ENTERPRISE ZONE PROGRAM

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I. Overview

A. General

1. Offices. The principal office of the Enhanced Enterprise Zone (EEZ) Board shall be located at 1100 Walnut, Suite 1700, Kansas City, Missouri 64106. The EEZ Board may have such other offices within the City of Kansas City as activities of the EEZ Board may require from time to time.
2. Directors.
 - a. General Powers. The affairs of the EEZ Board shall be managed by its Board of Directors.
 - b. Number. The number of directors of the EEZ Board shall be seven (7).
 - c. Selection and Term of Office.
 - i. One member shall be appointed by the school district(s) located within the area, who shall have a term of five years;
 - ii. One member shall be appointed by other affected taxing districts, who shall have a term of five (5) years; and
 - iii. Five (5) members shall be appointed by the Mayor with staggered five (5) year terms. Each member shall hold office until the appointment of a successor.
3. Officers. The EEZ Board must select a chair and may establish other officer positions at their discretion.
4. Role of the Board. The role of the EEZ Board shall be to conduct the activities necessary to advise the governing authority on modifications to an Enhanced Enterprise Zone and any other advisory duties as determined by the governing authority. The EEZ Board shall review and assess zone activities as they relate to the annual reports. Section 135.960 RSMo requires the EEZ Board to report annually to the Director of the Missouri Department of Economic Development (DED) regarding the status of the Enhanced Enterprise Zone and business activity within the Enhanced Enterprise Zone. Such reports will include dollar value of investment, number of jobs created, location and type of business and other information as deemed relevant by the EEZ Board.
5. Meetings. The Board shall meet ***Annually*** to review and authorize submission of the Annual Report to the DED, ***Quarterly*** to review applications and other activities of the EEZ Board Staff, and ***Special*** sessions to review time sensitive applications that require immediate Board action. Special meetings shall give at least five (5) days previous thereto by written notice to each director at his/her

business address and notice shall be posted in a public place at least twenty-four (24) hours prior to said meeting.

6. Quorum and Voting. A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board. Each director present shall be entitled to one (1) vote upon each matter submitted to a vote at any such meeting. The act of the majority of the directors present at a meeting of the directors at which a quorum is present shall be the act of the Board of Directors.
7. Removal; Vacancies. Removal shall be for inefficiency or neglect of duty or misconduct in office and can only be removed by the appointing authority. Vacancies shall be filled in the same manner as original appointment. A director filling a vacancy shall serve the remaining term and may be reappointed for a full five (5) year term.
8. Compensation. Directors as such shall not receive any stated compensation for their services, but by resolution of the Board of Directors may be reimbursed for their expenses of attendance at meetings of the Board; provided that nothing herein contained shall be construed to preclude any director from serving the corporation in any other capacity and receiving reasonable compensation for personal services actually rendered.

Chapter 135

Tax Relief

Sections 135.950 to 135.973

August 28, 2009

Definitions.

135.950. The following terms, whenever used in sections 135.950 to 135.970 mean:

- (1) "Average wage", the new payroll divided by the number of new jobs;
- (2) "Blighted area", an area which, by reason of the predominance of defective or inadequate street layout, unsanitary or unsafe conditions, deterioration of site improvements, improper subdivision or obsolete platting, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, retards the provision of housing accommodations or constitutes an economic or social liability or a menace to the public health, safety, morals, or welfare in its present condition and use;
- (3) "Board", an enhanced enterprise zone board established pursuant to section 135.957;
- (4) "Commencement of commercial operations" shall be deemed to occur during the first taxable year for which the new business facility is first put into use by the taxpayer in the enhanced business enterprise in which the taxpayer intends to use the new business facility;
- (5) "County average wage", the average wages in each county as determined by the department for the most recently completed full calendar year. However, if the computed county average wage is above the statewide average wage, the statewide average wage shall be deemed the county average wage for such county for the purpose of determining eligibility. The department shall publish the county average wage for each county at least annually. Notwithstanding the provisions of this subdivision to the contrary, for any taxpayer that in conjunction with their project is relocating employees from a Missouri county with a higher county average wage, such taxpayer shall obtain the endorsement of the governing body of the community from which jobs are being relocated or the county average wage for their project shall be the county average wage for the county from which the employees are being relocated;
- (6) "Department", the department of economic development;
- (7) "Director", the director of the department of economic development;

- (8) "Employee", a person employed by the enhanced business enterprise that is scheduled to work an average of at least one thousand hours per year, and such person at all times has health insurance offered to him or her, which is partially paid for by the employer;
- (9) "Enhanced business enterprise", an industry or one of a cluster of industries that is either:
- (a) Identified by the department as critical to the state's economic security and growth; or
 - (b) Will have an impact on industry cluster development, as identified by the governing authority in its application for designation of an enhanced enterprise zone and approved by the department; but excluding gambling establishments (NAICS industry group 7132), retail trade (NAICS sectors 44 and 45), educational services (NAICS sector 61), religious organizations (NAICS industry group 8131), public administration (NAICS sector 92), and food and drinking places (NAICS subsector 722), however, notwithstanding provisions of this section to the contrary, headquarters or administrative offices of an otherwise excluded business may qualify for benefits if the offices serve a multistate territory. In the event a national, state, or regional headquarters operation is not the predominant activity of a project facility, the new jobs and investment of such headquarters operation is considered eligible for benefits under this section if the other requirements are satisfied. Service industries may be eligible only if a majority of its annual revenues will be derived from out of the state;
- (10) "Existing business facility", any facility in this state which was employed by the taxpayer claiming the credit in the operation of an enhanced business enterprise immediately prior to an expansion, acquisition, addition, or replacement;
- (11) "Facility", any building used as an enhanced business enterprise located within an enhanced enterprise zone, including the land on which the facility is located and all machinery, equipment, and other real and depreciable tangible personal property acquired for use at and located at or within such facility and used in connection with the operation of such facility;
- (12) "Facility base employment", the greater of the number of employees located at the facility on the date of the notice of intent, or for the twelve-month period prior to the date of the notice of intent, the average number of employees located at the facility, or in the event the project facility has not been in operation for a full twelve-month period, the average number of employees for the number of months the facility has been in operation prior to the date of the notice of intent;
- (13) "Facility base payroll", the total amount of taxable wages paid by the enhanced business enterprise to employees of the enhanced business enterprise located at the facility in the twelve months prior to the notice of intent, not including the payroll of owners of the enhanced business enterprise unless the enhanced business enterprise is participating in an employee stock ownership plan. For the purposes of calculating the benefits under this

program, the amount of base payroll shall increase each year based on the consumer price index or other comparable measure, as determined by the department;

- (14) "Governing authority", the body holding primary legislative authority over a county or incorporated municipality;
- (15) "Megaproject", any manufacturing or assembling facility, approved by the department for construction and operation within an enhanced enterprise zone, which satisfies the following:
 - (a) The new capital investment is projected to exceed three hundred million dollars over a period of eight years from the date of approval by the department;
 - (b) The number of new jobs is projected to exceed one thousand over a period of eight years beginning on the date of approval by the department;
 - (c) The average wage of new jobs to be created shall exceed the county average wage;
 - (d) The taxpayer shall offer health insurance to all new jobs and pay at least eighty percent of such insurance premiums; and
 - (e) An acceptable plan of repayment, to the state, of the tax credits provided for the megaproject has been provided by the taxpayer;
- (16) "NAICS", the 1997 edition of the North American Industry Classification System as prepared by the Executive Office of the President, Office of Management and Budget. Any NAICS sector, subsector, industry group or industry identified in this section shall include its corresponding classification in subsequent federal industry classification systems;
- (17) "New business facility", a facility that satisfies the following requirements:
 - (a) Such facility is employed by the taxpayer in the operation of an enhanced business enterprise. Such facility shall not be considered a new business facility in the hands of the taxpayer if the taxpayer's only activity with respect to such facility is to lease it to another person or persons. If the taxpayer employs only a portion of such facility in the operation of an enhanced business enterprise, and leases another portion of such facility to another person or persons or does not otherwise use such other portions in the operation of an enhanced business enterprise, the portion employed by the taxpayer in the operation of an enhanced business enterprise shall be considered a new business facility, if the requirements of paragraphs (b), (c), and (d) of this subdivision are satisfied;
 - (b) Such facility is acquired by, or leased to, the taxpayer after December 31, 2004. A facility shall be deemed to have been acquired by, or leased to, the taxpayer after December 31, 2004, if the transfer of title to the taxpayer, the transfer of possession

pursuant to a binding contract to transfer title to the taxpayer, or the commencement of the term of the lease to the taxpayer occurs after December 31, 2004;

(c) If such facility was acquired by the taxpayer from another taxpayer and such facility was employed immediately prior to the acquisition by another taxpayer in the operation of an enhanced business enterprise, the operation of the same or a substantially similar enhanced business enterprise is not continued by the taxpayer at such facility; and

(d) Such facility is not a replacement business facility, as defined in subdivision (25) of this section;

(18) "New business facility employee", an employee of the taxpayer in the operation of a new business facility during the taxable year for which the credit allowed by section 135.967 is claimed, except that truck drivers and rail and barge vehicle operators and other operators of rolling stock for hire shall not constitute new business facility employees;

(19) "New business facility investment", the value of real and depreciable tangible personal property, acquired by the taxpayer as part of the new business facility, which is used by the taxpayer in the operation of the new business facility, during the taxable year for which the credit allowed by 135.967 is claimed, except that trucks, truck-trailers, truck semitrailers, rail vehicles, barge vehicles, aircraft and other rolling stock for hire, track, switches, barges, bridges, tunnels, and rail yards and spurs shall not constitute new business facility investments. The total value of such property during such taxable year shall be:

(a) Its original cost if owned by the taxpayer; or

(b) Eight times the net annual rental rate, if leased by the taxpayer. The net annual rental rate shall be the annual rental rate paid by the taxpayer less any annual rental rate received by the taxpayer from subrentals. The new business facility investment shall be determined by dividing by twelve the sum of the total value of such property on the last business day of each calendar month of the taxable year. If the new business facility is in operation for less than an entire taxable year, the new business facility investment shall be determined by dividing the sum of the total value of such property on the last business day of each full calendar month during the portion of such taxable year during which the new business facility was in operation by the number of full calendar months during such period;

(20) "New job", the number of employees located at the facility that exceeds the facility base employment less any decrease in the number of the employees at related facilities below the related facility base employment. No job that was created prior to the date of the notice of intent shall be deemed a new job;

- (21) "Notice of intent", a form developed by the department which is completed by the enhanced business enterprise and submitted to the department which states the enhanced business enterprise's intent to hire new jobs and request benefits under such program;
- (22) "Related facility", a facility operated by the enhanced business enterprise or a related company in this state that is directly related to the operation of the project facility;
- (23) "Related facility base employment", the greater of:
- (a) The number of employees located at all related facilities on the date of the notice of intent; or
 - (b) For the twelve-month period prior to the date of the notice of intent, the average number of employees located at all related facilities of the enhanced business enterprise or a related company located in this state;
- (24) "Related taxpayer":
- (a) A corporation, partnership, trust, or association controlled by the taxpayer;
 - (b) An individual, corporation, partnership, trust, or association in control of the taxpayer; or
 - (c) A corporation, partnership, trust or association controlled by an individual, corporation, partnership, trust or association in control of the taxpayer. "Control of a corporation" shall mean ownership, directly or indirectly, of stock possessing at least fifty percent of the total combined voting power of all classes of stock entitled to vote, "control of a partnership or association" shall mean ownership of at least fifty percent of the capital or profits interest in such partnership or association, and "control of a trust" shall mean ownership, directly or indirectly, of at least fifty percent of the beneficial interest in the principal or income of such trust; ownership shall be determined as provided in Section 318 of the Internal Revenue Code of 1986, as amended;
- (25) "Replacement business facility", a facility otherwise described in subdivision (17) of this section, hereafter referred to in this subdivision as "new facility", which replaces another facility, hereafter referred to in this subdivision as "old facility", located within the state, which the taxpayer or a related taxpayer previously operated but discontinued operating on or before the close of the first taxable year for which the credit allowed by this section is claimed. A new facility shall be deemed to replace an old facility if the following conditions are met:
- (a) The old facility was operated by the taxpayer or a related taxpayer during the taxpayer's or related taxpayer's taxable period immediately preceding the taxable year in which commencement of commercial operations occurs at the new facility; and

- (b) The old facility was employed by the taxpayer or a related taxpayer in the operation of an enhanced business enterprise and the taxpayer continues the operation of the same or substantially similar enhanced business enterprise at the new facility.

Notwithstanding the preceding provisions of this subdivision, a facility shall not be considered a replacement business facility if the taxpayer's new business facility investment, as computed in subdivision (19) of this section, in the new facility during the tax period for which the credits allowed in section 135.967 are claimed exceed one million dollars and if the total number of employees at the new facility exceeds the total number of employees at the old facility by at least two;

- (26) "Same or substantially similar enhanced business enterprise", an enhanced business enterprise in which the nature of the products produced or sold, or activities conducted, are similar in character and use or are produced, sold, performed, or conducted in the same or similar manner as in another enhanced business enterprise.

(L. 2004 S.B. 1155 § 135.1050, A.L. 2007 1st Ex. Sess. H.B. 1, A.L. 2008 H.B. 2393)

Enhanced enterprise zone criteria--zone may be established in certain areas--additional criteria.

135.953. 1. For purposes of sections 135.950 to 135.970, an area shall meet the following criteria in order to qualify as an enhanced enterprise zone:

- (1) The area shall be a blighted area, have pervasive poverty, unemployment and general distress; and
- (2) At least sixty percent of the residents living in the area have incomes below ninety percent of the median income of all residents:
 - (a) Within the state of Missouri, according to the last decennial census or other appropriate source as approved by the director; or
 - (b) Within the county or city not within a county in which the area is located, according to the last decennial census or other appropriate source as approved by the director; and
- (3) The resident population of the area shall be at least five hundred but not more than one hundred thousand at the time of designation as an enhanced enterprise zone if the area lies within a metropolitan statistical area, as established by the United States Census Bureau, or if the area does not lie within a metropolitan statistical area, the resident population of the area at the time of designation shall be at least five hundred but not more than forty thousand inhabitants. If the population of the jurisdiction of the governing authority does not meet the minimum population requirements set forth in this subdivision, the population of the area must be at least fifty percent of the population of

the jurisdiction. However, no enhanced enterprise zone shall be created which consists of the total area within the political boundaries of a county; and

(4) The level of unemployment of persons, according to the most recent data available from the United States Bureau of Census and approved by the director, within the area is equal to or exceeds the average rate of unemployment for:

(a) The state of Missouri over the previous twelve months; or

(b) The county or city not within a county over the previous twelve months.

2. Notwithstanding the requirements of subsection 1 of this section to the contrary, an enhanced enterprise zone may be established in an area located within a county for which public and individual assistance has been requested by the governor pursuant to Section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5121 et seq., for an emergency proclaimed by the governor pursuant to section 44.100, RSMo, due to a natural disaster of major proportions, if the area to be designated is blighted and sustained severe damage as a result of such natural disaster, as determined by the state emergency management agency. An application for designation as an enhanced enterprise zone pursuant to this subsection shall be made before the expiration of one year from the date the governor requested federal relief for the area sought to be designated.

3. Notwithstanding the requirements of subsection 1 of this section to the contrary, an enhanced enterprise zone may be designated in a county of declining population if it meets the requirements of subdivisions (1), (3) and either (2) or (4) of subsection 1 of this section. For the purposes of this subsection, a "county of declining population" is one that has lost one percent or more of its population as demonstrated by comparing the most recent decennial census population to the next most recent decennial census population for the county.

4. In addition to meeting the requirements of subsection 1, 2, or 3 of this section, an area, to qualify as an enhanced enterprise zone, shall be demonstrated by the governing authority to have either:

(1) The potential to create sustainable jobs in a targeted industry; or

(2) A demonstrated impact on local industry cluster development.

(L. 2004 S.B. 1155 § 135.1055)

Enhanced enterprise zone board required, members--terms--board actions--chair--role of board.

135.957. 1. A governing authority planning to seek designation of an enhanced enterprise zone shall establish an enhanced enterprise zone board. The number of members on the board shall be seven. One member of the board shall be appointed by the school district or districts located within the area proposed for designation as an enhanced enterprise zone. One member of the

board shall be appointed by other affected taxing districts. The remaining five members shall be chosen by the chief elected official of the county or municipality.

2. The school district member and the affected taxing district member shall each have initial terms of five years. Of the five members appointed by the chief elected official, two shall have initial terms of four years, two shall have initial terms of three years, and one shall have an initial term of two years. Thereafter, members shall serve terms of five years. Each commissioner shall hold office until a successor has been appointed. All vacancies shall be filled in the same manner as the original appointment. For inefficiency or neglect of duty or misconduct in office, a member of the board may be removed by the applicable appointing authority.

3. A majority of the members shall constitute a quorum of such board for the purpose of conducting business and exercising the powers of the board and for all other purposes. Action may be taken by the board upon a vote of a majority of the members present.

4. The members of the board annually shall elect a chair from among the members.

5. The role of the board shall be to conduct the activities necessary to advise the governing authority on the designation of an enhanced enterprise zone and any other advisory duties as determined by the governing authority. The role of the board after the designation of an enhanced enterprise zone shall be review and assessment of zone activities as it relates to the annual reports as set forth in section 135.960.

(L. 2004 S.B. 1155 § 135.1057)

Public hearing required, notice--petition, requirements--effective and expiration date--annual report.

135.960. 1. Any governing authority that desires to have any portion of a city or unincorporated area of a county under its control designated as an enhanced enterprise zone shall hold a public hearing for the purpose of obtaining the opinion and suggestions of those persons who will be affected by such designation. The governing authority shall notify the director of such hearing at least thirty days prior thereto and shall publish notice of such hearing in a newspaper of general circulation in the area to be affected by such designation at least twenty days prior to the date of the hearing but not more than thirty days prior to such hearing. Such notice shall state the time, location, date, and purpose of the hearing. The director, or the director's designee, shall attend such hearing.

2. After a public hearing is held as required in subsection 1 of this section, the governing authority may file a petition with the department requesting the designation of a specific area as an enhanced enterprise zone. Such petition shall include, in addition to a description of the physical, social, and economic characteristics of the area:

- (1) A plan to provide adequate police protection within the area;

- (2) A specific and practical process for individual businesses to obtain waivers from burdensome local regulations, ordinances, and orders which serve to discourage economic development within the area to be designated an enhanced enterprise zone, except that such waivers shall not substantially endanger the health or safety of the employees of any such business or the residents of the area;
- (3) A description of what other specific actions will be taken to support and encourage private investment within the area;
- (4) A plan to ensure that resources are available to assist area residents to participate in increased development through self-help efforts and in ameliorating any negative effects of designation of the area as an enhanced enterprise zone;
- (5) A statement describing the projected positive and negative effects of designation of the area as an enhanced enterprise zone;
- (6) A specific plan to provide assistance to any person or business dislocated as a result of activities within the enhanced enterprise zone. Such plan shall determine the need of dislocated persons for relocation assistance; provide, prior to displacement, information about the type, location, and price of comparable housing or commercial property; provide information concerning state and federal programs for relocation assistance and provide other advisory services to displaced persons. Public agencies may choose to provide assistance under the Uniform Relocation and Real Property Acquisition Act, 42 U.S.C. Section 4601, et seq., to meet the requirements of this subdivision; and
- (7) A description or plan that demonstrates the requirements of subsection 4 of section 135.953.

3. An enhanced enterprise zone designation shall be effective upon such approval by the department and shall expire in twenty-five years.

4. Each designated enhanced enterprise zone board shall report to the director on an annual basis regarding the status of the zone and business activity within the zone.

(L. 2004 S.B. 1155 § 135.1060)

Improvements exempt, when--authorizing resolution, contents--public hearing required, notice--certain property exempt from ad valorem taxes, duration--time period--property affected--assessor's duties.

135.963. 1. Improvements made to real property as such term is defined in section 137.010, RSMo, which are made in an enhanced enterprise zone subsequent to the date such zone or expansion thereto was designated, may, upon approval of an authorizing resolution by the governing authority having jurisdiction of the area in which the improvements are made, be exempt, in whole or in part, from assessment and payment of ad valorem taxes of one or more affected political subdivisions. In addition to enhanced business enterprises, a speculative

industrial or warehouse building constructed by a public entity or a private entity if the land is leased by a public entity may be subject to such exemption.

2. Such authorizing resolution shall specify the percent of the exemption to be granted, the duration of the exemption to be granted, and the political subdivisions to which such exemption is to apply and any other terms, conditions, or stipulations otherwise required. A copy of the resolution shall be provided to the director within thirty calendar days following adoption of the resolution by the governing authority.

3. No exemption shall be granted until the governing authority holds a public hearing for the purpose of obtaining the opinions and suggestions of residents of political subdivisions to be affected by the exemption from property taxes. The governing authority shall send, by certified mail, a notice of such hearing to each political subdivision in the area to be affected and shall publish notice of such hearing in a newspaper of general circulation in the area to be affected by the exemption at least twenty days prior to the hearing but not more than thirty days prior to the hearing. Such notice shall state the time, location, date, and purpose of the hearing.

4. Notwithstanding subsection 1 of this section, at least one-half of the ad valorem taxes otherwise imposed on subsequent improvements to real property located in an enhanced enterprise zone of enhanced business enterprises or speculative industrial or warehouse buildings as indicated in subsection 1 of this section shall become and remain exempt from assessment and payment of ad valorem taxes of any political subdivision of this state or municipality thereof for a period of not less than ten years following the date such improvements were assessed, provided the improved properties are used for enhanced business enterprises. The exemption for speculative buildings is subject to the approval of the governing authority for a period not to exceed two years if the building is owned by a private entity and five years if the building is owned or ground leased by a public entity. This shall not preclude the building receiving an exemption for the remaining time period established by the governing authority if it was occupied by an enhanced business enterprise. The two- and five-year time periods indicated for speculative buildings shall not be an addition to the local abatement time period for such facility.

5. No exemption shall be granted for a period more than twenty-five years following the date on which the original enhanced enterprise zone was designated by the department.

6. The provisions of subsection 1 of this section shall not apply to improvements made to real property begun prior to August 28, 2004.

7. The abatement referred to in this section shall not relieve the assessor or other responsible official from ascertaining the amount of the equalized assessed value of all taxable property annually as required by section 99.855, 99.957, or 99.1042, RSMo, and shall not have the effect of reducing the payments in lieu of taxes referred to in subdivision (2) of subsection 1 of section 99.845, RSMo, subdivision (2) of subsection 3 of section 99.957, RSMo, or subdivision (2) of subsection 3 of section 99.1042, RSMo, unless such reduction is set forth in the plan approved by the governing body of the municipality pursuant to subdivision (1) of subsection 1 of section 99.820, section 99.942, or section 99.1027, RSMo.

(L. 2004 S.B. 1155 § 135.1065, A.L. 2007 1st Ex. Sess. H.B. 1)

Tax credit allowed, duration--prohibition on receiving other tax credits--limitations on issuance of tax credits--cap--eligibility of certain expansions--employee calculations--computation of credit--flow-through tax treatments--credits may be claimed, when--certificates--refunds--verification procedures.

135.967. 1. A taxpayer who establishes a new business facility may, upon approval by the department, be allowed a credit, each tax year for up to ten tax years, in an amount determined as set forth in this section, against the tax imposed by chapter 143, RSMo, excluding withholding tax imposed by sections 143.191 to 143.265, RSMo. No taxpayer shall receive multiple ten-year periods for subsequent expansions at the same facility.

2. Notwithstanding any provision of law to the contrary, any taxpayer who establishes a new business facility in an enhanced enterprise zone and is awarded state tax credits under this section may not also receive tax credits under sections 135.100 to 135.150, sections 135.200 to 135.286, or section 135.535, and may not simultaneously receive tax credits under sections 620.1875 to 620.1890, RSMo, at the same facility.

3. No credit shall be issued pursuant to this section unless:

- (1) The number of new business facility employees engaged or maintained in employment at the new business facility for the taxable year for which the credit is claimed equals or exceeds two; and
- (2) The new business facility investment for the taxable year for which the credit is claimed equals or exceeds one hundred thousand dollars.

4. The annual amount of credits allowed for an approved enhanced business enterprise shall be the lesser of:

- (1) The annual amount authorized by the department for the enhanced business enterprise, which shall be limited to the projected state economic benefit, as determined by the department; or
- (2) The sum calculated based upon the following:
 - (a) A credit of four hundred dollars for each new business facility employee employed within an enhanced enterprise zone;
 - (b) An additional credit of four hundred dollars for each new business facility employee who is a resident of an enhanced enterprise zone;
 - (c) An additional credit of four hundred dollars for each new business facility employee who is paid by the enhanced business enterprise a wage that exceeds the average

wage paid within the county in which the facility is located, as determined by the department; and

- (d) A credit equal to two percent of new business facility investment within an enhanced enterprise zone.

5. Prior to January 1, 2007, in no event shall the department authorize more than four million dollars annually to be issued for all enhanced business enterprises. After December 31, 2006, in no event shall the department authorize more than twenty-four million dollars annually to be issued for all enhanced business enterprises.

6. If a facility, which does not constitute a new business facility, is expanded by the taxpayer, the expansion shall be considered eligible for the credit allowed by this section if:

- (1) The taxpayer's new business facility investment in the expansion during the tax period in which the credits allowed in this section are claimed exceeds one hundred thousand dollars and if the number of new business facility employees engaged or maintained in employment at the expansion facility for the taxable year for which credit is claimed equals or exceeds two, and the total number of employees at the facility after the expansion is at least two greater than the total number of employees before the expansion; and
- (2) The taxpayer's investment in the expansion and in the original facility prior to expansion shall be determined in the manner provided in subdivision (19) of section 135.950.

7. The number of new business facility employees during any taxable year shall be determined by dividing by twelve the sum of the number of individuals employed on the last business day of each month of such taxable year. If the new business facility is in operation for less than the entire taxable year, the number of new business facility employees shall be determined by dividing the sum of the number of individuals employed on the last business day of each full calendar month during the portion of such taxable year during which the new business facility was in operation by the number of full calendar months during such period. For the purpose of computing the credit allowed by this section in the case of a facility which qualifies as a new business facility under subsection 6 of this section, and in the case of a new business facility which satisfies the requirements of paragraph (c) of subdivision (17) of section 135.950, or subdivision (25) of section 135.950, the number of new business facility employees at such facility shall be reduced by the average number of individuals employed, computed as provided in this subsection, at the facility during the taxable year immediately preceding the taxable year in which such expansion, acquisition, or replacement occurred and shall further be reduced by the number of individuals employed by the taxpayer or related taxpayer that was subsequently transferred to the new business facility from another Missouri facility and for which credits authorized in this section are not being earned, whether such credits are earned because of an expansion, acquisition, relocation, or the establishment of a new facility.

8. In the case where a new business facility employee who is a resident of an enhanced enterprise zone for less than a twelve-month period is employed for less than a twelve-month period, the

credits allowed by paragraph (b) of subdivision (2) of subsection 4 of this section shall be determined by multiplying four hundred dollars by a fraction, the numerator of which is the number of calendar days during the taxpayer's tax year for which such credits are claimed, in which the employee was a resident of an enhanced enterprise zone, and the denominator of which is three hundred sixty-five.

9. For the purpose of computing the credit allowed by this section in the case of a facility which qualifies as a new business facility pursuant to subsection 6 of this section, and in the case of a new business facility which satisfies the requirements of paragraph (c) of subdivision (17) of section 135.950 or subdivision (25) of section 135.950, the amount of the taxpayer's new business facility investment in such facility shall be reduced by the average amount, computed as provided in subdivision (19) of section 135.950 for new business facility investment, of the investment of the taxpayer, or related taxpayer immediately preceding such expansion or replacement or at the time of acquisition. Furthermore, the amount of the taxpayer's new business facility investment shall also be reduced by the amount of investment employed by the taxpayer or related taxpayer which was subsequently transferred to the new business facility from another Missouri facility and for which credits authorized in this section are not being earned, whether such credits are earned because of an expansion, acquisition, relocation, or the establishment of a new facility.

10. For a taxpayer with flow-through tax treatment to its members, partners, or shareholders, the credit shall be allowed to members, partners, or shareholders in proportion to their share of ownership on the last day of the taxpayer's tax period.

11. Credits may not be carried forward but shall be claimed for the taxable year during which commencement of commercial operations occurs at such new business facility, and for each of the nine succeeding taxable years for which the credit is issued.

12. Certificates of tax credit authorized by this section may be transferred, sold, or assigned by filing a notarized endorsement thereof with the department that names the transferee, the amount of tax credit transferred, and the value received for the credit, as well as any other information reasonably requested by the department. The sale price cannot be less than seventy-five percent of the par value of such credits.

13. The director of revenue shall issue a refund to the taxpayer to the extent that the amount of credits allowed in this section exceeds the amount of the taxpayer's income tax.

14. Prior to the issuance of tax credits, the department shall verify through the department of revenue, or any other state department, that the tax credit applicant does not owe any delinquent income, sales, or use tax or interest or penalties on such taxes, or any delinquent fees or assessments levied by any state department and through the department of insurance, financial institutions and professional registration that the applicant does not owe any delinquent insurance taxes. Such delinquency shall not affect the authorization of the application for such tax credits, except that the amount of credits issued shall be reduced by the applicant's tax delinquency. If the department of revenue or the department of insurance, financial institutions and professional registration, or any other state department, concludes that a taxpayer is delinquent after June

fifteenth but before July first of any year and the application of tax credits to such delinquency causes a tax deficiency on behalf of the taxpayer to arise, then the taxpayer shall be granted thirty days to satisfy the deficiency in which interest, penalties, and additions to tax shall be tolled. After applying all available credits toward a tax delinquency, the administering agency shall notify the appropriate department, and that department shall update the amount of outstanding delinquent tax owed by the applicant. If any credits remain after satisfying all insurance, income, sales, and use tax delinquencies, the remaining credits shall be issued to the applicant, subject to the restrictions of other provisions of law.

(L. 2004 S.B. 1155 § 135.1070, A.L. 2007 1st Ex. Sess. H.B. 1, A.L. 2008 H.B. 2058 merged with H.B. 2393 merged with S.B. 718)

Megaprojects, tax credit authorized, eligibility--department duties--binding contract required, when--issuance of credits, procedure.

135.968. 1. A taxpayer who establishes a megaproject, approved by the department, within an enhanced enterprise zone shall, in exchange for the consideration provided by new tax revenues and other economic stimuli that will be generated from the new jobs created by the megaproject, be allowed an income tax credit equal to the percentage of actual new annual payroll of the taxpayer attributable to employees directly related to the manufacturing and assembly process and administration, as provided under subsection 4 of this section. A taxpayer seeking approval of a megaproject shall submit an application to the department. The department shall not approve any megaproject after December 31, 2008. The department shall not approve any credits for megaprojects to be issued prior to January 1, 2013, and in no event shall the department authorize more than forty million dollars to be issued annually for all megaprojects. The total amount of credits issued under this section shall not exceed two hundred forty million dollars.

2. In considering applications for approval of megaprojects, the department may approve an application if:

- (1) The taxpayer's project is financially sound and the taxpayer has adequately demonstrated an ability to successfully undertake and complete the megaproject. This determination shall be supported by a professional third-party market feasibility analysis conducted on behalf of the state by a firm with direct experience with the industry of the proposed megaproject, and by a professional third-party financial analysis of the taxpayer's ability to complete the project;
- (2) The taxpayer's plan of repayment to the state of the amount of tax credits provided is reasonable and sound;
- (3) The taxpayer's megaproject will create new jobs that were not jobs previously performed by employees of the taxpayer or a related taxpayer in Missouri;
- (4) Local taxing entities are providing a significant level of incentives for the megaproject relative to the projected new local tax revenues created by the megaproject;
- (5) There is at least one other state or foreign country that the taxpayer verifies is being considered for the project, and receiving megaproject tax credits is a major factor in the

taxpayer's decision to go forward with the project and not receiving the credit will result in the taxpayer not creating new jobs in Missouri;

- (6) The megaproject will be located in an enhanced enterprise zone which constitutes an economic or social liability and a detriment to the public health, safety, morals, or welfare in its present condition and use;
- (7) The completion of the megaproject will serve an essential public municipal purpose by creating a substantial number of new jobs for citizens, increasing their purchasing power, improving their living conditions, and relieving the demand for unemployment and welfare assistance thereby promoting the economic development of the enhanced enterprise zone, the municipality, and the state; and
- (8) The creation of new jobs will assist the state in providing the services needed to protect the health, safety, and social and economic well-being of the citizens of the state.

3. Prior to final approval of an application, a binding contract shall be executed between the taxpayer and the department of economic development which shall include, but not be limited to:

- (1) A repayment plan providing for cash payment to the state general revenue fund which shall result in a positive internal rate of return to the state and fully comply with the provisions of the World Trade Organization Agreement on Subsidies and Countervailing Measures. The rate of return shall be commercially reasonable and, over the life of the project, exceed one hundred and fifty percent of the state's borrowing costs based on the AAA-rated twenty-year tax-exempt bond rate average over a twenty-year borrowing period. The rate shall be verified by a professional third-party financial analysis;
- (2) The taxpayer's obligation to construct a facility of at least one million square feet within five years from the date of approval;
- (3) A requirement that the issuance of tax credits authorized under this section shall cease and the taxpayer shall immediately submit payment, to the state general revenue fund, in an amount equal to all credits previously issued less any amounts previously repaid, increased by an additional amount that shall provide the state a reasonable rate of return, in the event the taxpayer:
 - (a) Fails to construct a facility of at least one million square feet within five years of the date of approval;
 - (b) Fails to make a scheduled payment as required by the repayment plan; or
 - (c) Fails to compensate new jobs at rate equal to or in excess of the county average wage or fails to offer health insurance to all such new jobs and pay at least eighty percent of such premiums; and

(4) A requirement that the department shall suspend issuance of tax credits authorized under this section if, at any point, the total amount of tax credits issued less the total amount of repayments received equals one hundred and fifty-five million dollars.

4. Upon approval of an application by the department, tax credits shall be issued annually for a period not to exceed eight years from the commencement of commercial operations of the megaproject. The eight-year period for the issuance of megaproject tax credits may extend beyond the expiration of the enhanced enterprise zone. The maximum percentage of the annual payroll of the taxpayer for new jobs located at the megaproject which may be approved or issued by the department for tax credits shall not exceed:

- (1) Eighty percent for the first three years that tax credits will be issued for the megaproject;
- (2) Sixty percent for the next two subsequent years;
- (3) Fifty percent for the next two subsequent years; and
- (4) Thirty percent for the remaining year.

In no event shall the department issue more than forty million dollars annually in megaproject tax credits to any taxpayer. In any given year, the amount of tax credits issued shall be the lesser of forty million dollars, the applicable annual payroll percentage, or the amount of tax credits remaining unissued under the two hundred forty million dollar limitation on megaproject tax credit issuance provided under subsection 1 of this section.

5. Tax credits issued under this section may be claimed against the tax imposed by chapter 143, RSMo, excluding withholding tax imposed by sections 143.191 to 143.265, RSMo. For taxpayers with flow-through tax treatment of its members, partners, or shareholders, the credit shall be allowed to members, partners, or shareholders in proportion to their share of ownership on the last day of the taxpayer's tax period. The director of revenue shall issue a refund to a taxpayer to the extent the amount of credits allowed in this section exceeds the amount of the taxpayer's income tax liability in the year redemption is authorized. An owner of tax credits issued under this section shall not be required to have any Missouri income tax liability in order to redeem such tax credits and receive a refund. The director of revenue shall prepare a form to permit the owner of such tax credits to obtain a refund.

6. Certificates of tax credits authorized under this section may be transferred, sold, or assigned by filing a notarized endorsement thereof with the department that names the transferee, the amount of tax credit transferred, and the value received for the credit, as well as any other information reasonably requested by the department. Upon such transfer, sale, or assignment, the transferee shall be the owner of such tax credits entitled to claim the tax credits or any refunds with respect thereto issued to the taxpayer. Tax credits may not be carried forward past the year of issuance. Tax credits authorized by this section may not be pledged or used to secure any bonds or other indebtedness issued by the state or any political subdivision of the state. Once such tax credits have been issued, nothing shall prohibit the owner of the tax credits from pledging the tax credits to any lender or other third party.

7. Any taxpayer issued tax credits under this section shall provide an annual report to the department and the house and senate appropriations committees of the number of new jobs located at the megaproject, the new annual payroll of such new jobs, and such other information as may be required by the department to document the basis for benefits under this section. The department may withhold the approval of the annual issuance of any tax credits until it is satisfied that proper documentation has been provided, and shall reduce the tax credits to reflect any reduction in new payroll. If the department determines the average wage is below the county average wage, or the taxpayer has not maintained employee health insurance as required, the taxpayer shall not receive tax credits for that year.

8. Notwithstanding any provision of law to the contrary, any taxpayer who is awarded tax credits under this section shall not also receive tax credits under sections 135.100 to 135.150, sections 135.200 to 135.286, section 135.535, or sections 620.1875 to 620.1890, RSMo.

9. Any action brought in any court contesting the approval of a megaproject and the issuance of the tax credits, or any other action undertaken pursuant to this section related to such megaproject, shall be filed within ninety days following approval of the megaproject by the department.

10. Records and documents relating to a proposed megaproject shall be deemed closed records until such time as the application has been approved. Provisions of this subsection to the contrary notwithstanding, records containing business plan information which may endanger the competitiveness of the business shall remain closed.

11. Notwithstanding any provision of this section to the contrary, no taxpayer who receives megaproject tax credits authorized under this section or any related taxpayer shall employ, prior to January 1, 2022, directly:

(1) Any elected public official of this state holding office as of January 1, 2008;

(2) Any director, deputy director, division director, or employee directly involved in negotiations between the department of economic development and a taxpayer relative to the megaproject who was employed as of January 1, 2008, by the department.

(L. 2008 H.B. 2393)

Rulemaking authority.

135.970. The department may adopt such rules, statements of policy, procedures, forms, and guidelines as may be necessary to carry out the provisions of sections 135.950 to 135.970. Any rule or portion of a rule, as that term is defined in section 536.010, RSMo, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536, RSMo, and, if applicable, section 536.028, RSMo. This section and chapter 536, RSMo, are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536, RSMo, to review, to delay the effective date, or to

disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2004, shall be invalid and void.

(L. 2004 S.B. 1155 § 135.1075)

Eligibility of existing enterprise zones.

135.973. After January 1, 2007, all enterprise zones designated before January 1, 2006, shall be eligible to receive the tax benefits under sections 135.950 to 135.970.

(L. 2004 S.B. 1155 § 135.1078)

ORDINANCE NO. 051411

Identifying types of businesses eligible for state and local incentives under the provisions of Senate Bill No. 1155, and identifying the census tracts included in Enhanced Enterprise Zone 1.

WHEREAS, the City Council has determined that it is proper and fitting to establish an enhanced enterprise zone (EEZ) program pursuant to the provisions of Senate Bill No. 1155 to provide certain incentives for businesses to locate or expand in the designated zone; and

WHEREAS, in Resolution No. 050844, the City Council designated the boundaries of the Enhanced Enterprise Zone 1 to be an irregularly shaped area generally bounded on the north by the city limits of the City of Kansas City, Missouri and the Missouri river, on the east by Baughman Road and the city limits of Kansas City, Missouri, on the south by East 23rd Street, and on the west by the city limits of the City of Kansas City, Missouri, and directed that improvements to real property shall be exempt from assessment and payment of 50% of the ad valorem taxes on such improvements for a period of ten (10) years upon application for such exemption, pursuant to City Council action; and

WHEREAS, the City has desires to identify the types of businesses eligible for state and local incentives and to identify the census tracts included in the Enhanced Enterprise Zone 1; NOW, THEREFORE,

BE IT RESOLVED BY THE COUNCIL OF KANSAS CITY:

Section 1. That the Council hereby identifies the following types of businesses as eligible for state and local incentives under Senate Bill No. 1155 Enhanced Enterprise Zone 1 according to the NAICS Sector Names:

- Construction (23)
- Manufacturing (31-33)
- Wholesale Trade (42)
- Transportation & Warehousing (48-49)
- Information (51)
- Finance & Insurance (52)
- Professional & Technical Services (54)
- Enterprise Management (55)
- Administrative, Support, Waste Management & Remediation Services (56)
- Arts, Entertainment, and Recreation (71**), not including gaming.
- Other Services (81)
- Real Estate, Rental & Leasing (53)
- Health Care & Social Assistance (62)

Section 2. That the City hereby identifies the following census tracts as included in Enhanced Enterprise Zone 1:

County	Census Tract	Block Group	GEOGRAPHY
Clay	020000	1	Block Group 1, Census Tract 200, Clay County
Clay	020202	1	Block Group 1, Census Tract 202.02, Clay County
Clay	020700	3	Block Group 3, Census Tract 207, Clay County
Clay	021203	2	Block Group 2, Census Tract 212.03, Clay County
Clay	021203	4	Block Group 4, Census Tract 212.03, Clay County
Clay	021204	2	Block Group 2, Census Tract 212.04, Clay County
Clay	021204	3	Block Group 3, Census Tract 212.04, Clay County
Clay	021500	1	Block Group 1, Census Tract 215, Clay County
Jackson	000100	1	Block Group 1, Census Tract 1, Jackson County
Jackson	000200	1	Block Group 1, Census Tract 2, Jackson County
Jackson	000300	1	Block Group 1, Census Tract 3, Jackson County
Jackson	000300	2	Block Group 2, Census Tract 3, Jackson County
Jackson	000400	1	Block Group 1, Census Tract 4, Jackson County
Jackson	000501	1	Block Group 1, Census Tract 5.01, Jackson County
Jackson	000502	1	Block Group 1, Census Tract 5.02, Jackson County
Jackson	000600	2	Block Group 2, Census Tract 6, Jackson County
Jackson	000600	3	Block Group 3, Census Tract 6, Jackson County
Jackson	000700	1	Block Group 1, Census Tract 7, Jackson County
Jackson	000700	2	Block Group 2, Census Tract 7, Jackson County
Jackson	000700	3	Block Group 3, Census Tract 7, Jackson County
Jackson	000700	4	Block Group 4, Census Tract 7, Jackson County
Jackson	000800	1	Block Group 1, Census Tract 8, Jackson County
Jackson	000800	2	Block Group 2, Census Tract 8, Jackson County
Jackson	000800	4	Block Group 4, Census Tract 8, Jackson County
Jackson	000800	5	Block Group 5, Census Tract 8, Jackson County
Jackson	000900	1	Block Group 1, Census Tract 9, Jackson County
Jackson	000900	2	Block Group 2, Census Tract 9, Jackson County
Jackson	000900	4	Block Group 4, Census Tract 9, Jackson County
Jackson	001000	1	Block Group 1, Census Tract 10, Jackson County
Jackson	001000	2	Block Group 2, Census Tract 10, Jackson County
Jackson	001000	3	Block Group 3, Census Tract 10, Jackson County
Jackson	001100	1	Block Group 1, Census Tract 11, Jackson County
Jackson	001100	2	Block Group 2, Census Tract 11, Jackson County
Jackson	001200	1	Block Group 1, Census Tract 12, Jackson County
Jackson	001300	1	Block Group 1, Census Tract 13, Jackson County
Jackson	001400	1	Block Group 1, Census Tract 14, Jackson County
Jackson	001500	1	Block Group 1, Census Tract 15, Jackson County
Jackson	001600	1	Block Group 1, Census Tract 16, Jackson County
Jackson	001700	1	Block Group 1, Census Tract 17, Jackson County

County	Census Tract	Block Group	GEOGRAPHY
Jackson	001800	1	Block Group 1, Census Tract 18, Jackson County
Jackson	001800	2	Block Group 2, Census Tract 18, Jackson County
Jackson	001800	6	Block Group 6, Census Tract 18, Jackson County
Jackson	001800	7	Block Group 7, Census Tract 18, Jackson County
Jackson	001900	1	Block Group 1, Census Tract 19, Jackson County
Jackson	001900	2	Block Group 2, Census Tract 19, Jackson County
Jackson	001900	3	Block Group 3, Census Tract 19, Jackson County
Jackson	001900	4	Block Group 4, Census Tract 19, Jackson County
Jackson	002000	1	Block Group 1, Census Tract 20, Jackson County
Jackson	002000	2	Block Group 2, Census Tract 20, Jackson County
Jackson	002100	1	Block Group 1, Census Tract 21, Jackson County
Jackson	002100	2	Block Group 2, Census Tract 21, Jackson County
Jackson	002100	3	Block Group 3, Census Tract 21, Jackson County
Jackson	002100	4	Block Group 4, Census Tract 21, Jackson County
Jackson	002200	1	Block Group 1, Census Tract 22, Jackson County
Jackson	002200	2	Block Group 2, Census Tract 22, Jackson County
Jackson	002200	3	Block Group 3, Census Tract 22, Jackson County
Jackson	002300	1	Block Group 1, Census Tract 23, Jackson County
Jackson	002300	2	Block Group 2, Census Tract 23, Jackson County
Jackson	002400	1	Block Group 1, Census Tract 24, Jackson County
Jackson	002500	1	Block Group 1, Census Tract 25, Jackson County
Jackson	002600	1	Block Group 1, Census Tract 26, Jackson County
Jackson	002700	1	Block Group 1, Census Tract 27, Jackson County
Jackson	002801	1	Block Group 1, Census Tract 28.01, Jackson County
Jackson	002802	1	Block Group 1, Census Tract 28.02, Jackson County
Jackson	002900	1	Block Group 1, Census Tract 29, Jackson County
Jackson	003000	1	Block Group 1, Census Tract 30, Jackson County
Jackson	003000	2	Block Group 2, Census Tract 30, Jackson County
Jackson	003000	3	Block Group 3, Census Tract 30, Jackson County
Jackson	003100	1	Block Group 1, Census Tract 31, Jackson County
Jackson	003200	1	Block Group 1, Census Tract 32, Jackson County
Jackson	003300	1	Block Group 1, Census Tract 33, Jackson County
Jackson	003300	2	Block Group 2, Census Tract 33, Jackson County
Platte	030201	1	Block Group 1, Census Tract 302.01, Platte County
Platte	030205	1	Block Group 1, Census Tract 302.05, Platte County
Platte	030205	2	Block Group 2, Census Tract 302.05, Platte County
Platte	030304	1	Block Group 1, Census Tract 303.04, Platte County
Platte	030600	1	Block Group 1, Census Tract 306, Platte County
Platte	030600	6	Block Group 6, Census Tract 306, Platte County



Authenticated as Passed

Kay Barnes
KAY BARNES, Mayor

[Signature]
City Clerk

DATE PASSED NOV 22 2005

RESOLUTION NO. 071264

Authorizing the Board of the Enhanced Enterprise Zone 1 of Kansas City to offer a tax incentive for speculative industrial or warehouse buildings.

WHEREAS, the City Council has determined that it is proper and fitting to establish an enhanced enterprise zone (EEZ) program pursuant to the provisions of Senate Bill No. 1155 to provide certain incentives for businesses to locate or expand in the designated zone; and

WHEREAS, pursuant to Resolution No. 050844 of the City Council, the Economic Development Corporation of Kansas City, Missouri, prepared and submitted, on behalf of the City, an application for designation of Enhanced Enterprise Zone 2 and the State approved the application; and

WHEREAS, the City Council through adoption of Resolution No. 051066 designated the boundaries of the Enhanced Enterprise Zone and, in accordance with the provisions of Senate Bill No. 1155, directed that improvements to real property shall be exempt from assessment and payment of 50% of the ad valorem taxes on such improvements for a period of ten (10) years upon application for such exemption; and

WHEREAS, the Missouri General Assembly passed Senate Bill 282 (SCS), effective August 28, 2007, which authorizes tax abatement for a speculative industrial or warehouse building constructed by a public entity or a private entity if the land is leased by a public entity under certain circumstances; and

WHEREAS, the Council wishes to authorize the Enhanced Enterprise Zone Board for Zone 1 to offer this incentive; NOW, THEREFORE,

BE IT RESOLVED BY THE COUNCIL OF KANSAS CITY:

Section 1. In accordance with Senate Bill No. 282 (SCS), in addition to the tax abatement currently authorized under Section 135.963, RSMo, all subsequent improvements to real property constructed in accordance with applicable City Codes and Ordinances and located within the Enhanced Enterprise Zone, which are speculative industrial or warehouse buildings as described in subsection 1 of Section 135.963, RSMo, upon application for and approval of such exemption by the City, shall become and remain exempt from assessment and payment of 50% of the ad valorem taxes of the City for a period of two (2) years if the building is owned by a private entity and five (5) years if the building is owned or ground leased by a public entity. This shall not preclude the building receiving an exemption for the remaining time period established by the City if it was occupied by an enhanced business enterprise. The two and five year time periods indicated for speculative buildings shall not be in addition to the local abatement time period for such facility. The abatement shall not relieve the assessor or other responsible official from ascertaining the amount of the equalized assessed value of all taxable property annually as required by sections 99.855, 99.957, or 99.1042, RSMo, and shall not have the effect of reducing the payments in lieu of taxes referred to in subdivision (2) of subsection 1 of section 99.845, RSMo, subdivision (2) of subsection 3 of section 99.957, RSMo, or subdivision (2) of

subsection 3 of section 99.1042, RSMo, unless such reduction is set forth in the plan approved by the governing body of the municipality pursuant to subdivision (1) of subsection 1 of section 99.820, section 99.942, or section 99.1027, RSMo.

Section 2. That the City hereby requests the Economic Development Corporation of Kansas City, Missouri to draft policies for the operation of this aspect of the enhanced enterprise zone program for presentation to and approval by the Council.

Section 3. That the City further requests that the Economic Development Corporation of Kansas City, Missouri, staff and operate the enhanced enterprise zone program, including this aspect of the program, under the general direction of the Economic Development Corporation and the City Council.

ORDINANCE NO. 051412

Identifying types of businesses eligible for state and local incentives under the provisions of Senate Bill No. 1155, and identifying the census tracts included in Enhanced Enterprise Zone 2.

WHEREAS, the City Council has determined that it is proper and fitting to establish an enhanced enterprise zone (EEZ) program pursuant to the provisions of Senate Bill No. 1155 to provide certain incentives for businesses to locate or expand in the designated zone; and

WHEREAS, in Resolution No. 050844, the City Council designated the boundaries of the Enhanced Enterprise Zone 2 to be an irregularly shaped area generally bounded on the north by East 23rd Street and Blue Parkway, on the east by Interstate 435 and the city limits of the City of Kansas City, Missouri, on the south by the city limits of the City of Kansas City, Missouri and on the west by Holmes Road, Troost Avenue and the city limits of the City of Kansas City, Missouri, and directed that improvements to real property shall be exempt from assessment and payment of 50% of the ad valorem taxes on such improvements for a period of ten (10) years upon application for such exemption, pursuant to City Council action; and

WHEREAS, the City has desires to identify the types of businesses eligible for state and local incentives and to identify the census tracts included in the Enhanced Enterprise Zone 2; NOW, THEREFORE,

BE IT RESOLVED BY THE COUNCIL OF KANSAS CITY:

Section 1. That the Council hereby identifies the following types of businesses as eligible for state and local incentives under Senate Bill No. 1155 in Enhanced Enterprise Zone 2 NAICS Sector Name:

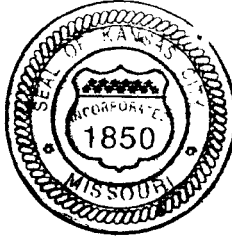
- Construction (23)
- Manufacturing (31-33)
- Wholesale Trade (42)
- Transportation & Warehousing (48-49)
- Information (51)
- Finance & Insurance (52)
- Professional & Technical Services (54)
- Enterprise Management (55)
- Administrative, Support, Waste Management & Remediation Services (56)
- Arts, Entertainment, and Recreation (71**), not including gaming.
- Other Services (81)
- Real Estate, Rental & Leasing (53)
- Health Care & Social Assistance (62)

Section 2. That the City hereby identifies the following census tracts as included in Enhanced Enterprise Zone 2:


County	Census Tract	Block Group	GEOGRAPHY
Cass	060100	1	Block Group 1, Census Tract 601, Cass County
Jackson	004300	1	Block Group 1, Census Tract 43, Jackson County
Jackson	004300	2	Block Group 2, Census Tract 43, Jackson County
Jackson	004300	3	Block Group 3, Census Tract 43, Jackson County
Jackson	004400	1	Block Group 1, Census Tract 44, Jackson County
Jackson	004500	1	Block Group 1, Census Tract 45, Jackson County
Jackson	004600	1	Block Group 1, Census Tract 46, Jackson County
Jackson	004600	2	Block Group 2, Census Tract 46, Jackson County
Jackson	004600	3	Block Group 3, Census Tract 46, Jackson County
Jackson	004600	4	Block Group 4, Census Tract 46, Jackson County
Jackson	004700	1	Block Group 1, Census Tract 47, Jackson County
Jackson	004800	1	Block Group 1, Census Tract 48, Jackson County
Jackson	004800	2	Block Group 2, Census Tract 48, Jackson County
Jackson	004900	1	Block Group 1, Census Tract 49, Jackson County
Jackson	004900	2	Block Group 2, Census Tract 49, Jackson County
Jackson	005000	1	Block Group 1, Census Tract 50, Jackson County
Jackson	005000	2	Block Group 2, Census Tract 50, Jackson County
Jackson	005000	3	Block Group 3, Census Tract 50, Jackson County
Jackson	005100	1	Block Group 1, Census Tract 51, Jackson County
Jackson	005100	2	Block Group 2, Census Tract 51, Jackson County
Jackson	006500	1	Block Group 1, Census Tract 65, Jackson County
Jackson	006500	2	Block Group 2, Census Tract 65, Jackson County
Jackson	006600	1	Block Group 1, Census Tract 66, Jackson County
Jackson	006600	2	Block Group 2, Census Tract 66, Jackson County
Jackson	006600	3	Block Group 3, Census Tract 66, Jackson County
Jackson	006700	1	Block Group 1, Census Tract 67, Jackson County
Jackson	006700	2	Block Group 2, Census Tract 67, Jackson County
Jackson	006700	3	Block Group 3, Census Tract 67, Jackson County
Jackson	006800	1	Block Group 1, Census Tract 68, Jackson County
Jackson	006900	1	Block Group 1, Census Tract 69, Jackson County
Jackson	006900	2	Block Group 2, Census Tract 69, Jackson County
Jackson	007000	1	Block Group 1, Census Tract 70, Jackson County
Jackson	007000	2	Block Group 2, Census Tract 70, Jackson County
Jackson	007000	3	Block Group 3, Census Tract 70, Jackson County
Jackson	007100	1	Block Group 1, Census Tract 71, Jackson County
Jackson	007100	2	Block Group 2, Census Tract 71, Jackson County
Jackson	007300	1	Block Group 1, Census Tract 73, Jackson County
Jackson	007300	2	Block Group 2, Census Tract 73, Jackson County
Jackson	007400	1	Block Group 1, Census Tract 74, Jackson County

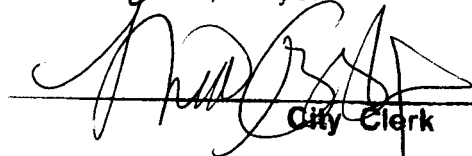
County	Census Tract	Block Group	GEOGRAPHY
Jackson	007400	2	Block Group 2, Census Tract 74, Jackson County
Jackson	007500	1	Block Group 1, Census Tract 75, Jackson County
Jackson	007500	2	Block Group 2, Census Tract 75, Jackson County
Jackson	007500	3	Block Group 3, Census Tract 75, Jackson County
Jackson	007600	1	Block Group 1, Census Tract 76, Jackson County
Jackson	007600	2	Block Group 2, Census Tract 76, Jackson County
Jackson	007600	3	Block Group 3, Census Tract 76, Jackson County
Jackson	007700	1	Block Group 1, Census Tract 77, Jackson County
Jackson	007700	2	Block Group 2, Census Tract 77, Jackson County
Jackson	007802	1	Block Group 1, Census Tract 78.02, Jackson County
Jackson	007802	2	Block Group 2, Census Tract 78.02, Jackson County
Jackson	007802	3	Block Group 3, Census Tract 78.02, Jackson County
Jackson	007900	1	Block Group 1, Census Tract 79, Jackson County
Jackson	007900	2	Block Group 2, Census Tract 79, Jackson County
Jackson	007900	3	Block Group 3, Census Tract 79, Jackson County
Jackson	007900	4	Block Group 4, Census Tract 79, Jackson County
Jackson	007900	5	Block Group 5, Census Tract 79, Jackson County
Jackson	008000	1	Block Group 1, Census Tract 80, Jackson County
Jackson	008000	2	Block Group 2, Census Tract 80, Jackson County
Jackson	008000	3	Block Group 3, Census Tract 80, Jackson County
Jackson	008000	4	Block Group 4, Census Tract 80, Jackson County
Jackson	008100	1	Block Group 1, Census Tract 81, Jackson County
Jackson	008100	2	Block Group 2, Census Tract 81, Jackson County
Jackson	008100	3	Block Group 3, Census Tract 81, Jackson County
Jackson	008700	1	Block Group 1, Census Tract 87, Jackson County
Jackson	008700	2	Block Group 2, Census Tract 87, Jackson County
Jackson	008700	3	Block Group 3, Census Tract 87, Jackson County
Jackson	008800	1	Block Group 1, Census Tract 88, Jackson County
Jackson	008800	2	Block Group 2, Census Tract 88, Jackson County
Jackson	008800	3	Block Group 3, Census Tract 88, Jackson County
Jackson	008800	4	Block Group 4, Census Tract 88, Jackson County
Jackson	008800	5	Block Group 5, Census Tract 88, Jackson County
Jackson	008800	6	Block Group 6, Census Tract 88, Jackson County
Jackson	008900	1	Block Group 1, Census Tract 89, Jackson County
Jackson	008900	2	Block Group 2, Census Tract 89, Jackson County
Jackson	008900	3	Block Group 3, Census Tract 89, Jackson County
Jackson	008900	4	Block Group 4, Census Tract 89, Jackson County
Jackson	009000	1	Block Group 1, Census Tract 90, Jackson County
Jackson	009000	5	Block Group 5, Census Tract 90, Jackson County
Jackson	009500	1	Block Group 1, Census Tract 95, Jackson County
Jackson	009500	2	Block Group 2, Census Tract 95, Jackson County
Jackson	009500	4	Block Group 4, Census Tract 95, Jackson County

County	Census Tract	Block Group	GEOGRAPHY
Jackson	009600	1	Block Group 1, Census Tract 96, Jackson County
Jackson	009600	2	Block Group 2, Census Tract 96, Jackson County
Jackson	009700	1	Block Group 1, Census Tract 97, Jackson County
Jackson	009700	2	Block Group 2, Census Tract 97, Jackson County
Jackson	009800	4	Block Group 4, Census Tract 98, Jackson County
Jackson	010103	1	Block Group 1, Census Tract 101.03, Jackson County
Jackson	010103	2	Block Group 2, Census Tract 101.03, Jackson County
Jackson	010103	3	Block Group 3, Census Tract 101.03, Jackson County
Jackson	010104	1	Block Group 1, Census Tract 101.04, Jackson County
Jackson	010106	1	Block Group 1, Census Tract 101.06, Jackson County
Jackson	010201	1	Block Group 1, Census Tract 102.01, Jackson County
Jackson	010301	1	Block Group 1, Census Tract 103.01, Jackson County
Jackson	010401	1	Block Group 1, Census Tract 104.01, Jackson County
Jackson	010401	2	Block Group 2, Census Tract 104.01, Jackson County
Jackson	013001	1	Block Group 1, Census Tract 130.01, Jackson County
Jackson	013405	1	Block Group 1, Census Tract 134.05, Jackson County
Jackson	013405	9	Block Group 9, Census Tract 134.05, Jackson County
Jackson	013408	2	Block Group 2, Census Tract 134.08, Jackson County



Authenticated as Passed


KAY BARNES, Mayor


City Clerk

DATE PASSED **NOV 22 2005**

RESOLUTION 071265

Authorizing the Board of the Enhanced Enterprise Zone 2 of Kansas City to offer a tax incentive for speculative industrial or warehouse buildings.

WHEREAS, the City Council has determined that it is proper and fitting to establish an enhanced enterprise zone (EEZ) program pursuant to the provisions of Senate Bill No. 1155 to provide certain incentives for businesses to locate or expand in the designated zone; and

WHEREAS, pursuant to Resolution No. 050845 of the City Council, the Economic Development Corporation of Kansas City, Missouri, prepared and submitted, on behalf of the City, an application for designation of Enhanced Enterprise Zone 2 and the State approved the application; and

WHEREAS, the City Council through adoption of Resolution No. 051067 designated the boundaries of the Enhanced Enterprise Zone and, in accordance with the provisions of Senate Bill No. 1155, directed that improvements to real property shall be exempt from assessment and payment of 50% of the ad valorem taxes on such improvements for a period of ten (10) years upon application for such exemption; and

WHEREAS, the Missouri General Assembly passed Senate Bill 282 (SCS), effective August 28, 2007, which authorizes tax abatement for a speculative industrial or warehouse building constructed by a public entity or a private entity if the land is leased by a public entity under certain circumstances; and

WHEREAS, the Council wishes to authorize the Enhanced Enterprise Zone Board for Zone 2 to offer this incentive; NOW, THEREFORE,

BE IT RESOLVED BY THE COUNCIL OF KANSAS CITY:

Section 1. In accordance with Senate Bill No. 282 (SCS), in addition to the tax abatement currently authorized under Section 135.963, RSMo, all subsequent improvements to real property constructed in accordance with applicable City Codes and Ordinances and located within the Enhanced Enterprise Zone, which are speculative industrial or warehouse buildings as described in subsection 1 of Section 135.963, RSMo, upon application for and approval of such exemption by the City, shall become and remain exempt from assessment and payment of 50% of the ad valorem taxes of the City for a period of two (2) years if the building is owned by a private entity and five (5) years if the building is owned or ground leased by a public entity. This shall not preclude the building receiving an exemption for the remaining time period established by the City if it was occupied by an enhanced business enterprise. The two and five year time periods indicated for speculative buildings shall not be in addition to the local abatement time period for such facility. The abatement shall not relieve the assessor or other responsible official from ascertaining the amount of the equalized assessed value of all taxable property annually as required by sections 99.855, 99.957, or 99.1042, RSMo, and shall not have the effect of reducing the payments in lieu of taxes referred to in subdivision (2) of subsection 1 of section 99.845, RSMo, subdivision (2) of subsection 3 of section 99.957, RSMo, or subdivision (2) of

subsection 3 of section 99.1042, RSMo, unless such reduction is set forth in the plan approved by the governing body of the municipality pursuant to subdivision (1) of subsection 1 of section 99.820, section 99.942, or section 99.1027, RSMo.

Section 2. That the City hereby requests the Economic Development Corporation of Kansas City, Missouri to draft policies for the operation of this aspect of the enhanced enterprise zone program for presentation to and approval by the Council.

Section 3. That the City further requests that the Economic Development Corporation of Kansas City, Missouri, staff and operate the enhanced enterprise zone program, including this aspect of the program, under the general direction of the Economic Development Corporation and the City Council.

ORDINANCE NO. 051413

Identifying types of businesses eligible for state and local incentives under the provisions of Senate Bill No. 1155, and identifying the census tracts included in Enhanced Enterprise Zone 3.

WHEREAS, the City Council has determined that it is proper and fitting to establish an enhanced enterprise zone (EEZ) program pursuant to the provisions of Senate Bill No. 1155 to provide certain incentives for businesses to locate or expand in the designated zone; and

WHEREAS, in Resolution No. 050844, the City Council designated the boundaries of the Enhanced Enterprise Zone 3 to be an irregularly shaped area generally bounded on the north by East 23rd Street, on the east by the city limits of the City of Kansas City, Missouri, on the south by Interstate 470 and the city limits of the City of Kansas City, Missouri and on the west by Interstate 435 and Troost Avenue, and directed that improvements to real property shall be exempt from assessment and payment of 50% of the ad valorem taxes on such improvements for a period of ten (10) years upon application for such exemption, pursuant to City Council action; and

WHEREAS, the City has desires to identify the types of businesses eligible for state and local incentives and to identify the census tracts included in the Enhanced Enterprise Zone 3; NOW, THEREFORE,

BE IT RESOLVED BY THE COUNCIL OF KANSAS CITY:

Section 1. That the Council hereby identifies the following types of businesses as eligible for state and local incentives under Senate Bill No. 1155 in Enhanced Enterprise Zone 3 NAICS Sector Name:

- Construction (23)
- Manufacturing (31-33)
- Wholesale Trade (42)
- Transportation & Warehousing (48-49)
- Information (51)
- Finance & Insurance (52)
- Professional & Technical Services (54)
- Enterprise Management (55)
- Administrative, Support, Waste Management & Remediation Services (56)
- Arts, Entertainment, and Recreation (71**), not including gaming.
- Other Services (81)
- Real Estate, Rental & Leasing (53)
- Health Care & Social Assistance (62)

Section 2. That the City hereby identifies the following census tracts as included in Enhanced Enterprise Zone 3:

County	Census Tract	Block Group	GEOGRAPHY
Jackson	003400	1	Block Group 1 Census Tract 34 Jackson County
Jackson	003400	2	Block Group 2 Census Tract 34 Jackson County
Jackson	003400	3	Block Group 3 Census Tract 34 Jackson County
Jackson	003400	4	Block Group 4 Census Tract 34 Jackson County
Jackson	003501	1	Block Group 1 Census Tract 35.01 Jackson County
Jackson	003501	2	Block Group 2 Census Tract 35.01 Jackson County
Jackson	003502	1	Block Group 1 Census Tract 35.02 Jackson County
Jackson	003601	1	Block Group 1 Census Tract 36.01 Jackson County
Jackson	003602	1	Block Group 1 Census Tract 36.02 Jackson County
Jackson	003602	2	Block Group 2 Census Tract 36.02 Jackson County
Jackson	003700	1	Block Group 1 Census Tract 37 Jackson County
Jackson	003700	2	Block Group 2 Census Tract 37 Jackson County
Jackson	003800	1	Block Group 1 Census Tract 38 Jackson County
Jackson	003800	2	Block Group 2 Census Tract 38 Jackson County
Jackson	003900	1	Block Group 1 Census Tract 39 Jackson County
Jackson	003900	2	Block Group 2 Census Tract 39 Jackson County
Jackson	004000	1	Block Group 1 Census Tract 40 Jackson County
Jackson	004000	2	Block Group 2 Census Tract 40 Jackson County
Jackson	004100	1	Block Group 1 Census Tract 41 Jackson County
Jackson	004200	1	Block Group 1 Census Tract 42 Jackson County
Jackson	004200	2	Block Group 2 Census Tract 42 Jackson County
Jackson	005200	1	Block Group 1 Census Tract 52 Jackson County
Jackson	005200	2	Block Group 2 Census Tract 52 Jackson County
Jackson	005300	1	Block Group 1 Census Tract 53 Jackson County
Jackson	005300	2	Block Group 2 Census Tract 53 Jackson County
Jackson	005400	1	Block Group 1 Census Tract 54 Jackson County
Jackson	005400	2	Block Group 2 Census Tract 54 Jackson County
Jackson	005500	1	Block Group 1 Census Tract 55 Jackson County
Jackson	005500	2	Block Group 2 Census Tract 55 Jackson County
Jackson	005601	1	Block Group 1 Census Tract 56.01 Jackson County
Jackson	005601	2	Block Group 2 Census Tract 56.01 Jackson County
Jackson	005602	1	Block Group 1 Census Tract 56.02 Jackson County
Jackson	005602	2	Block Group 2 Census Tract 56.02 Jackson County
Jackson	005700	1	Block Group 1 Census Tract 57 Jackson County
Jackson	005700	2	Block Group 2 Census Tract 57 Jackson County
Jackson	005700	3	Block Group 3 Census Tract 57 Jackson County
Jackson	005700	4	Block Group 4 Census Tract 57 Jackson County
Jackson	005801	1	Block Group 1 Census Tract 58.01 Jackson County
Jackson	005801	2	Block Group 2 Census Tract 58.01 Jackson County

County	Census Tract	Block Group	GEOGRAPHY
Jackson	005801	3	Block Group 3 Census Tract 58.01 Jackson County
Jackson	005801	4	Block Group 4 Census Tract 58.01 Jackson County
Jackson	005801	5	Block Group 5 Census Tract 58.01 Jackson County
Jackson	005802	1	Block Group 1 Census Tract 58.02 Jackson County
Jackson	005802	2	Block Group 2 Census Tract 58.02 Jackson County
Jackson	005802	3	Block Group 3 Census Tract 58.02 Jackson County
Jackson	005802	4	Block Group 4 Census Tract 58.02 Jackson County
Jackson	005901	1	Block Group 1 Census Tract 59.01 Jackson County
Jackson	005902	1	Block Group 1 Census Tract 59.02 Jackson County
Jackson	005902	2	Block Group 2 Census Tract 59.02 Jackson County
Jackson	005902	3	Block Group 3 Census Tract 59.02 Jackson County
Jackson	006000	1	Block Group 1 Census Tract 60 Jackson County
Jackson	006000	2	Block Group 2 Census Tract 60 Jackson County
Jackson	006100	1	Block Group 1 Census Tract 61 Jackson County
Jackson	006100	2	Block Group 2 Census Tract 61 Jackson County
Jackson	006100	3	Block Group 3 Census Tract 61 Jackson County
Jackson	006200	1	Block Group 1 Census Tract 62 Jackson County
Jackson	006200	2	Block Group 2 Census Tract 62 Jackson County
Jackson	006300	1	Block Group 1 Census Tract 63 Jackson County
Jackson	006300	2	Block Group 2 Census Tract 63 Jackson County
Jackson	006300	3	Block Group 3 Census Tract 63 Jackson County
Jackson	006400	1	Block Group 1 Census Tract 64 Jackson County
Jackson	006400	2	Block Group 2 Census Tract 64 Jackson County
Jackson	007801	1	Block Group 1 Census Tract 78.01 Jackson County
Jackson	010302	1	Block Group 1 Census Tract 103.02 Jackson County
Jackson	010302	2	Block Group 2 Census Tract 103.02 Jackson County
Jackson	010302	3	Block Group 3 Census Tract 103.02 Jackson County
Jackson	010402	1	Block Group 1 Census Tract 104.02 Jackson County
Jackson	010500	1	Block Group 1 Census Tract 105 Jackson County
Jackson	010500	2	Block Group 2 Census Tract 105 Jackson County
Jackson	010500	3	Block Group 3 Census Tract 105 Jackson County
Jackson	010500	4	Block Group 4 Census Tract 105 Jackson County
Jackson	010500	5	Block Group 5 Census Tract 105 Jackson County
Jackson	010500	6	Block Group 6 Census Tract 105 Jackson County
Jackson	010500	7	Block Group 7 Census Tract 105 Jackson County
Jackson	010600	3	Block Group 3 Census Tract 106 Jackson County
Jackson	010600	4	Block Group 4 Census Tract 106 Jackson County
Jackson	010701	1	Block Group 1 Census Tract 107.01 Jackson County
Jackson	010801	1	Block Group 1 Census Tract 108.01 Jackson County
Jackson	010802	9	Block Group 9 Census Tract 108.02 Jackson County
Jackson	012902	2	Block Group 2 Census Tract 129.02 Jackson County
Jackson	012902	4	Block Group 4 Census Tract 129.02 Jackson County

County	Census Tract	Block Group	GEOGRAPHY
Jackson	013002	1	Block Group 1 Census Tract 130.02 Jackson County
Jackson	013003	2	Block Group 2 Census Tract 130.03 Jackson County
Jackson	013003	3	Block Group 3 Census Tract 130.03 Jackson County
Jackson	013100	3	Block Group 3 Census Tract 131 Jackson County
Jackson	014400	1	Block Group 1 Census Tract 144 Jackson County



Authenticated as Passed

Kay Barnes
KAY BARNES, Mayor

Mike Gold
City Clerk

DATE PASSED **NOV 22 2005**

RESOLUTION NO. 071266

Authorizing the Board of the Enhanced Enterprise Zone 3 of Kansas City to offer a tax incentive for speculative industrial or warehouse buildings.

WHEREAS, the City Council has determined that it is proper and fitting to establish an enhanced enterprise zone (EEZ) program pursuant to the provisions of Senate Bill No. 1155 to provide certain incentives for businesses to locate or expand in the designated zone; and

WHEREAS, pursuant to Resolution No. 050846 of the City Council, the Economic Development Corporation of Kansas City, Missouri, prepared and submitted, on behalf of the City, an application for designation of Enhanced Enterprise Zone 2 and the State approved the application; and

WHEREAS, the City Council through adoption of Resolution No. 051068 designated the boundaries of the Enhanced Enterprise Zone and, in accordance with the provisions of Senate Bill No. 1155, directed that improvements to real property shall be exempt from assessment and payment of 50% of the ad valorem taxes on such improvements for a period of ten (10) years upon application for such exemption; and

WHEREAS, the Missouri General Assembly passed Senate Bill 282 (SCS), effective August 28, 2007, which authorizes tax abatement for a speculative industrial or warehouse building constructed by a public entity or a private entity if the land is leased by a public entity under certain circumstances; and

WHEREAS, the Council wishes to authorize the Enhanced Enterprise Zone Board for Zone 3 to offer this incentive; NOW, THEREFORE,

BE IT RESOLVED BY THE COUNCIL OF KANSAS CITY:

Section 1. In accordance with Senate Bill No. 282 (SCS), in addition to the tax abatement currently authorized under Section 135.963, RSMo, all subsequent improvements to real property constructed in accordance with applicable City Codes and Ordinances and located within the Enhanced Enterprise Zone, which are speculative industrial or warehouse buildings as described in subsection 1 of Section 135.963, RSMo, upon application for and approval of such exemption by the City, shall become and remain exempt from assessment and payment of 50% of the ad valorem taxes of the City for a period of two (2) years if the building is owned by a private entity and five (5) years if the building is owned or ground leased by a public entity. This shall not preclude the building receiving an exemption for the remaining time period established by the City if it was occupied by an enhanced business enterprise. The two and five year time periods indicated for speculative buildings shall not be in addition to the local abatement time period for such facility. The abatement shall not relieve the assessor or other responsible official from ascertaining the amount of the equalized assessed value of all taxable property annually as required by sections 99.855, 99.957, or 99.1042, RSMo, and shall not have the effect of reducing the payments in lieu of taxes referred to in subdivision (2) of subsection 1 of section 99.845, RSMo, subdivision (2) of subsection 3 of section 99.957, RSMo, or subdivision (2) of

subsection 3 of section 99.1042, RSMo, unless such reduction is set forth in the plan approved by the governing body of the municipality pursuant to subdivision (1) of subsection 1 of section 99.820, section 99.942, or section 99.1027, RSMo.

Section 2. That the City hereby requests the Economic Development Corporation of Kansas City, Missouri to draft policies for the operation of this aspect of the enhanced enterprise zone program for presentation to and approval by the Council.

Section 3. That the City further requests that the Economic Development Corporation of Kansas City, Missouri, staff and operate the enhanced enterprise zone program, including this aspect of the program, under the general direction of the Economic Development Corporation and the City Council.

II. Qualifications

A. Enhanced Enterprise Zones – Maps. Exhibit A constitutes the area for eligible activities as listed below. Benefits of the EEZ Program will be offered only within the approved zone. Duration of zone designation is twenty-five (25) years.

B. Targeted Industry Clusters.

1. Eligible Industry Clusters.

SECTOR NAME	NAICS
Construction	23
Manufacturing	31-33
Wholesale Trade	42
Transportation & Warehousing	48-49
Information	51
Finance & Insurance	52
Professional & Technical Services	54
Enterprise Management	55
Administrative, Support, Waste Management & Remediation Services	56
Arts, Entertainment, And Recreation	71 *
Other Services	81
Real Estate, Rental & Leasing	53
Health Care & Social Assistance	62

* As stipulated in Section 135.950(7)(b), RSMo, gaming (NAICS sector 7132) is not eligible

2. Ineligible Businesses.

- Retail Trade
- Gambling
- Food and Drink Establishments
- “Adult” Oriented Businesses
- Educational Services (NAICS 61)
- Religious Organizations (NAICS 8131)
- Public Administration (NAICS 92)

3. Service Industries – According to 135.950(7) of the EEZ Statute, service industries may be eligible only if a majority of its annual revenues will be derived from services provided out of the state. (*emphasis added.*)

4. Speculative Facilities – At least one of the eligible businesses (B.1. above) must occupy space within two years of completion in order for the facility to receive further tax abatement.

C. Investment and Job Creation.

1. Investment. The new business facility investment (real and/or personal property) for the taxable year for which the credit is claimed equals or exceeds one hundred thousand dollars (\$100,000), and,
2. Job Creation. Create a minimum of two (2) new jobs.
3. Speculative Facilities – New construction of an eligible facility (distribution center, industrial building or warehouse) is required to be eligible.

D. EEZ Application Process

- The EEZ Boards will receive and process all applications for assistance in accordance with the adopted policies and procedures.
- Application acceptance is based on notification of State assistance (EEZ tax credits, Quality Jobs tax credits, etc.).
 - **EXCEPTION:** *(See Exhibit I)*
- All accepted applications will receive tax abatement at or above the mandatory abatement of 50% for 10 years.
- Speculative facility applications will not require notification of State tax credits.

E. Benefits.

1. Tax Credits. Eligible businesses meeting the above criteria may receive Missouri tax credits per Missouri Statute RSMo 135.967.

Tax Credits

- \$400 credit per new job.
- \$400 credit per new employee-zone resident
- \$400 credit per new employee receiving salary higher than county average.
- Up to 2% of new investment.
- Note: Total in any year is lesser of amount per above formula or amount authorized by DED for facility at time of approval.
- Issuance of tax credits is at the discretion of DED

RSMo 135.967 Section 3 and 4:

“3. No credit shall be issued pursuant to this section unless:

- (1) The number of new business facility employees engaged or maintained in employment at the new business facility for the taxable year for which the credit is claimed equals or exceeds two; and

- (2) The new business facility investment for the taxable year for which the credit is claimed equals or exceeds one hundred thousand dollars.

“4. The annual amount of credits allowed for an approved enhanced business enterprise shall be the lesser of:

- (1) The annual amount authorized by the department for the enhanced business enterprise, which shall be limited to the projected state economic benefit, as determined by the department; or
- (2) The sum calculated based upon the following:
 - (a) A credit of four hundred dollars for each new business facility employee employed within an enhanced enterprise zone;
 - (b) An additional credit of four hundred dollars for each new business facility employee who is a resident of an enhanced enterprise zone;
 - (c) An additional credit of four hundred dollars for each new business facility employee who is paid by the enhanced business enterprise a wage that exceeds the average wage paid within the county in which the facility is located, as determined by the department; and
 - (d) A credit equal to two percent of new business facility investment within an enhanced enterprise zone.”

2. Tax Abatement.

- Eligibility. A business facility meeting the above criteria, and containing a targeted industry awarded state tax credits, will receive a real property tax abatement equal to half of the increase in ad valorem taxes for a period of ten (10) years following the date such improvements were assessed. At the discretion of the EEZ Board and the governing body, abatement may be up to 100% for 25 years.
- Eligibility Restriction. Property is only eligible for one tax abatement. If the property is already abated, then it will receive **NO additional tax abatement.** (Not applicable for speculative facilities.)
- Approval Process:
 - “Standard” tax abatement (50%/10 years) will be awarded administratively and does not require further action by the EEZ Board(s) or governing body.
 - Discretionary tax abatement (abatement in excess of 50%/10 years) must be justified by independent financial analysis, reviewed by the EEZ Board and approved by the governing body (City Council).

- Speculative facilities are limited to the “standard” tax abatement (50%/10 years), assuming occupancy by an eligible business within two years. If an eligible business does not occupy the facility within the two-year period, the facility owner will begin paying a PILOT equal to the ad valorem taxes for the remaining eight years (at which time, direct payment to the County will commence). However, if, during the remaining eight-year period, an eligible business occupies the facility, the PILOT payment will be suspended.

III. Fee Schedule

- A. Enhanced Enterprise Zone Program Fee Schedule
- B. Refer to EDC document No. 61099 for EASY Calculations.

ACTIVITY	PAYEE	CONDITIONS	FEES
Application Fee	Business at the time of the application	N/A	\$300.00
Tax Abatement (Variable) Fee *	Facility owner at the time of the Tax Abatement application	Real Property: Up to 200,000 ft ²	\$0.015 per/sq.ft.
		Next 150,000 ft ²	\$0.01 per/sq.ft.
		Above 350,000 ft ²	\$0.005 per/sq.ft.
		Max Abatement Fee	\$10,000

* Facilities that are currently receiving comparable tax abatement will not be charged a fee for EEZ tax abatement

The application fee of **\$300 is a fixed fee** paid at the time of the application. The tax abatement fee is a variable fee in addition to the application fee that is based upon the total square footage of the development project. The maximum abatement fee applies to projects of 1.45 million square feet and over.

The Quick Chart calculations are shown in Document ID 60691.

Quick Chart	
Property* Size (Sq. Ft.)	Total Fee
10,000	\$450
20,000	\$600
30,000	\$750
50,000	\$1,050
100,000	\$1,800
200,000	\$3,300
300,000	\$4,300
350,000	\$4,800
500,000	\$5,550
750,000	\$6,800
1,000,000	\$8,050
1450000*	\$10,300

*Any property equal to or greater than 1.45 million square feet will be charged the maximum Variable (Abatement) fee of \$10,000 plus the Fixed (Application) Fee of \$300.

IV. Application Process

- A. Applicant will submit a completed Missouri Project Information Request Form (Exhibit B) to a Business Development Officer (BDO). BDO will certify eligibility by address and NAICS code and forward to the EEZ offices located at 1100 Walnut, Suite 1700; Kansas City, MO 64106.
- B. The BDO will work with the State to determine if applicant is eligible for the tax credit portion of the program and submit the form if applicable.
- C. The State will notify Applicant of tax credit proposal via EDC.
 - 1. The Applicant has to respond to the Letter of Intent (LOI) by required date.
 - 2. The State will then send a Notice of Intent (NOI) (Exhibit C) packet, which the Applicant has to submit prior to operations. .
- D. Facility owner will file an Application for EEZ Facility Tax Abatement (Exhibit D).
 - 1. Staff will confirm the investment by requesting information and conducting a site visit or through third party evaluation.
 - 2. BDO will complete a Tax Abatement Verification Form, EDC document No. 66656 (Exhibit E), to be submitted with completed/executed Tax Abatement Application.
- E. EEZ Staff will prepare certificate and submit to County (Exhibit F).

In case of exceptions, the EEZ staff will work with the applicant presenting their case before the EEZ Board and the City Council.

V. Record Keeping

A. Reports/Data Collection.

1. Reporting. EEZ staff will be responsible for quarterly and annual reports for presentation to the EEZ Board.
2. Data Collection. EDC will be responsible for collecting and maintaining all data relevant to the Kansas City Enhanced Enterprise Zone Program.
3. Annual Enhanced Enterprise Zone Activity and Status Report (Exhibit G).

B. EEZ Administrative Process.

1. When an LOI is received from the State, please provide EEZ Staff with an electronic copy, as well as the following information for completion of the monthly EEZ report:
 - Applicant
 - Type of Business
 - Zone
 - Estimated New Jobs (indicate full or part time)
 - Retained Jobs (indicate full or part time)
 - Estimated Investment Amount
 - Proposed Tax Abatement (other than 50%/10 years)
 - Value of Abatement
 - Whether it is an existing business which expanded within a zone or is a new business to the zone
2. When an NOI is received from the State:
 - a. Provide EEZ Staff with an electronic copy of it, allowing transfer from “In Process” to “Approved” section on the monthly report.
 - b. Provide the EEZ Administrative Assistant with copies of the following to complete the EEZ file:
 - Project Information Request Form
 - Executed LOI
 - Executed NOI
 - \$300 Fee
 - c. If a project is terminated at anytime prior to receiving the executed NOI, PLEASE notify EEZ Staff so it can be removed from the monthly report.

- d. When the improvements are near completion, a tax abatement application must be completed and executed by the facility owner, and submitted along to EEZ Staff along with the required documentation and appropriate fee. The BDO must submit a Staff Verification Form with the completed application in order to process the tax abatement certificate.

VI. Board Members/Staff

Enhanced Enterprise Zone Board Members

EEZ North (#1) Board Members		
Member	Status	Expiration Date *
R. Michael Duffy	Appointed	2/1/2009
Steven Hamilton	Appointed	2/1/2008
John Mulvihill	Appointed	2/1/2009
Jim White	Appointed	2/1/2008
Bill Drummond	Appointed	
Tim Kristl	Platte/Clay County Appointee	2/1/2009
Paul Harrell	NKC School District	2/1/2009

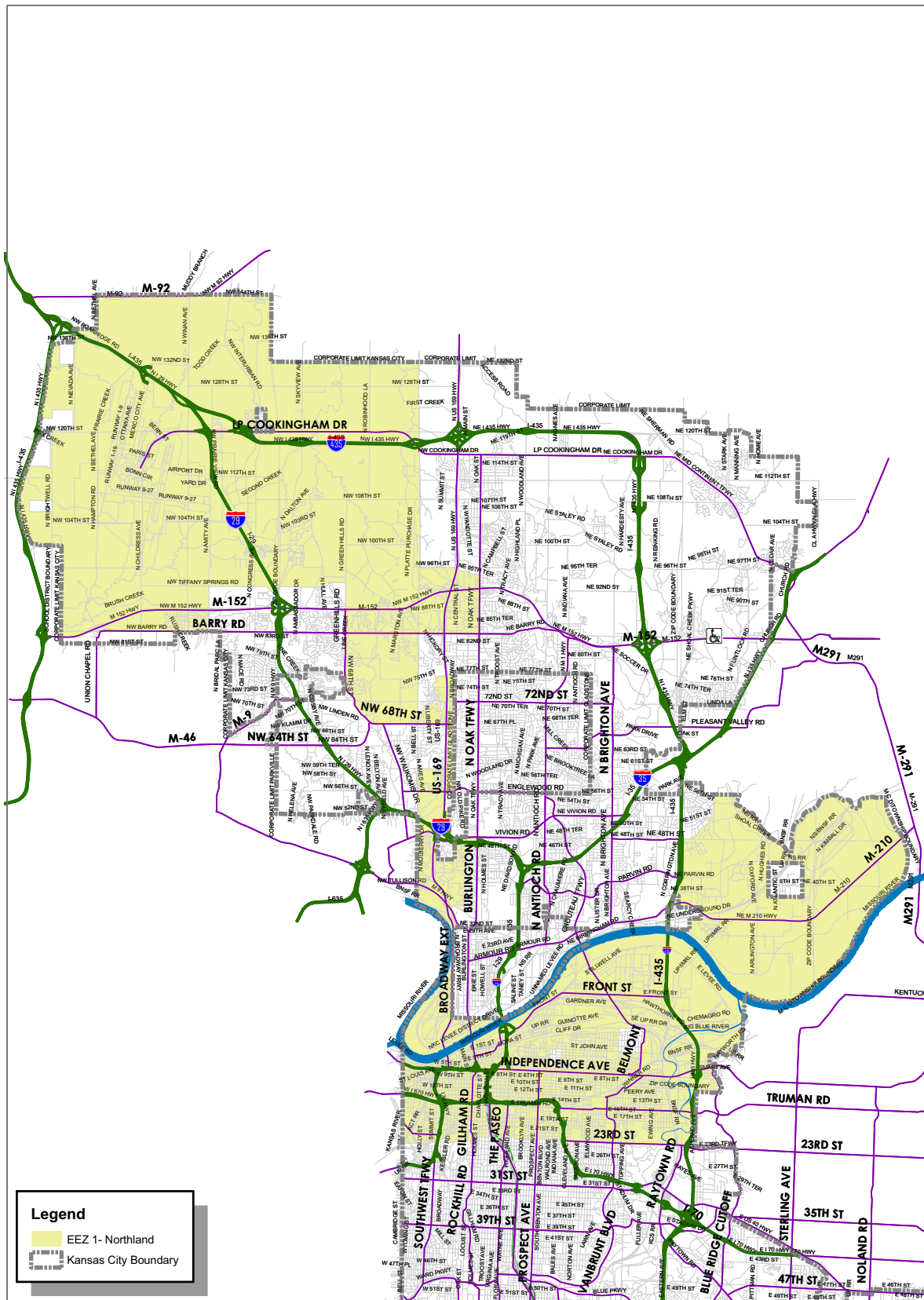
EEZ Midtown/South (#2) Board Members		
Member	Status	Expiration Date *
R. Michael Duffy	Appointed	2/1/2009
Steven Hamilton	Appointed	2/1/2008
John Mulvihill	Appointed	2/1/2009
Jim White	Appointed	2/1/2008
Bill Drummond	Appointed	
Robbie Makinen	Jackson County Appointee	2/1/2009
Dr. Robert E. Bartman	Center School District Appointee	2/1/2009

EEZ Midtown/East (#3) Board Members		
Member	Status	Expiration Date *
R. Michael Duffy	Appointed	2/1/2009
Steven Hamilton	Appointed	2/1/2008
John Mulvihill	Appointed	2/1/2009
Jim White	Appointed	2/1/2008
Bill Drummond	Appointed	
Robbie Makinen	Jackson County Appointee	2/1/2009
Marilyn Simmons	KCMO School District Appointee	2/1/2009

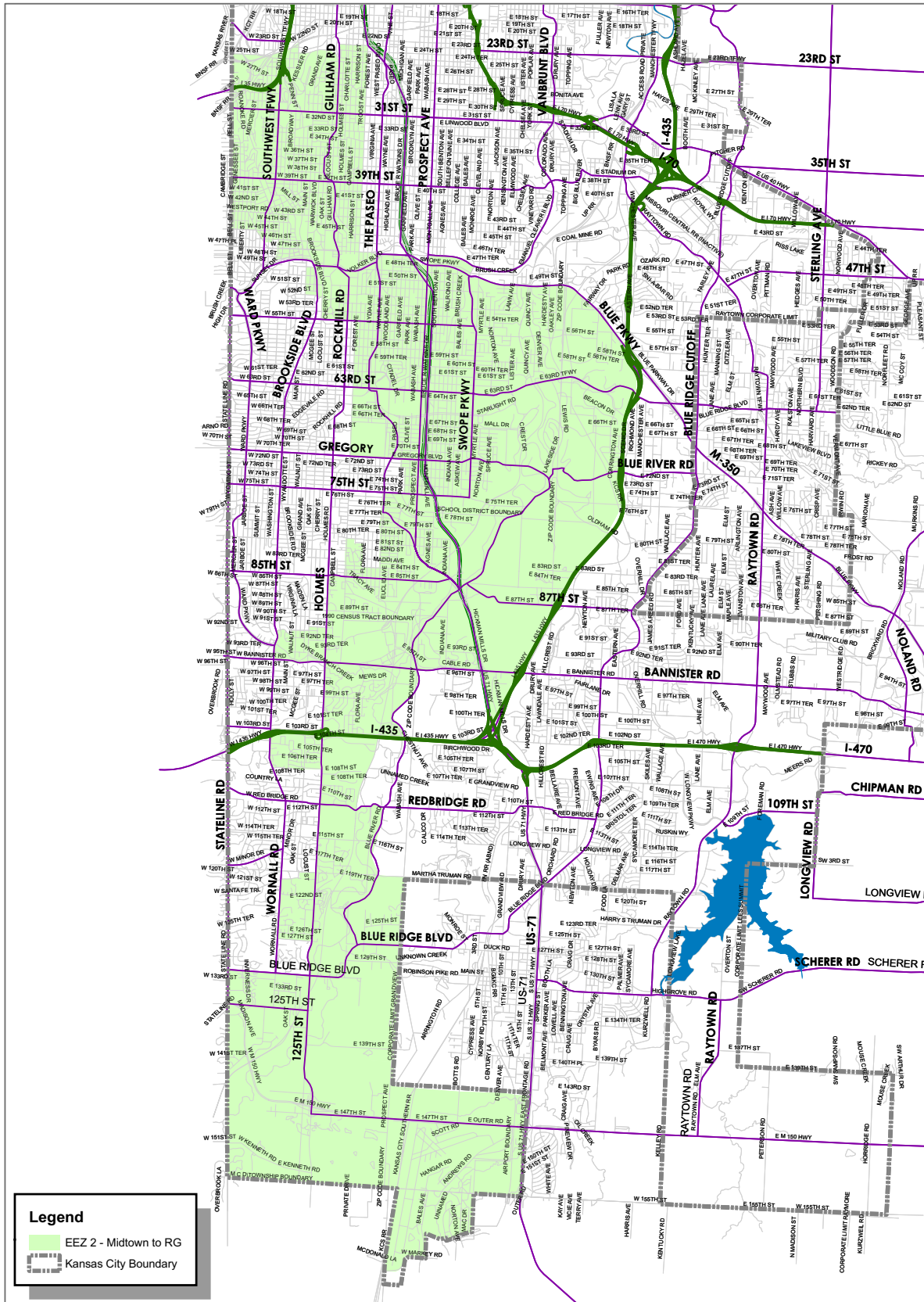
1. Contact: Joe Egan, (816) 221-0636
2. Description: To review and make assessment of zone activities as it relates to the annual reports as set forth in section 135.1060 in Missouri statute.
3. Disclosure of Conflict of Interest is required.

* Each member shall hold office until the appointment of a successor.

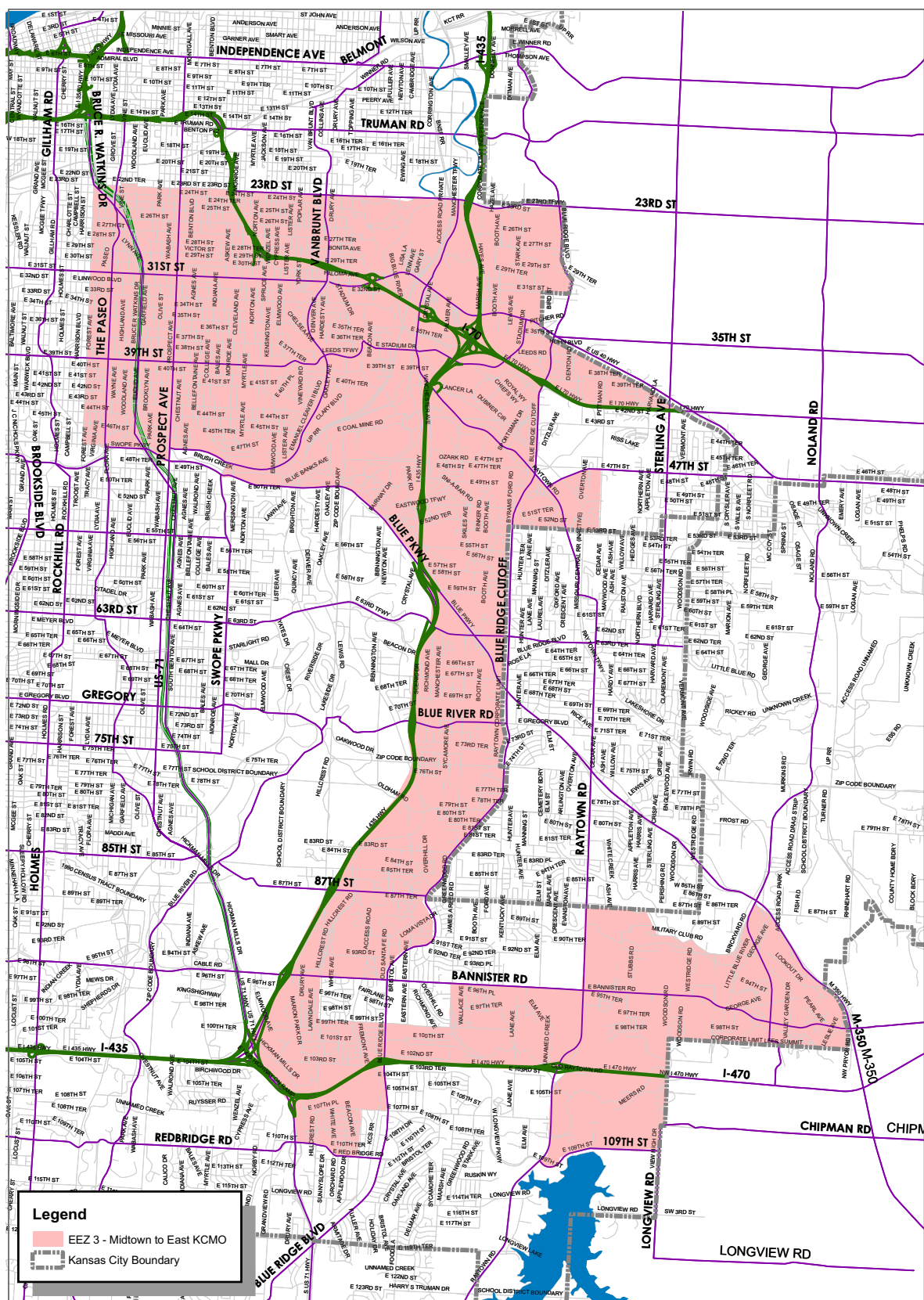
Enhanced Enterprise Zone 1



Enhanced Enterprise Zone 2



Enhanced Enterprise Zone 3



PROJECT INFORMATION REQUEST

Economic Development Corporation of Kansas City, MO

Date: _____ EDCKC Business Development Officer: _____

Company: _____ Website Address: _____

Contact Name & Title: _____ E-Mail Address: _____

Address: _____ City: _____ State: _____ Zip Code: _____

Contact's Telephone: (____) _____ Fax: (____) _____

Parent Company: _____ Foreign Owned: Yes / No

Parent Company Address: _____

Industry Type: _____

Company Description: _____

If this is an office project provide a list of the job description/titles.

SIC/NAICS code: _____

Project Location: _____ County: _____

New Building Sq. Ft: _____ Existing Building Sq. Ft.: _____ Land Acres: _____

Estimated Decision Date: _____ Estimated Commencement Date: _____

PROJECT TYPE

_____ New Location, No MO Operations

_____ New Location, with other Missouri Facilities

_____ List all Missouri Facilities: _____

_____ Expanding Existing Facility

_____ Closing Existing Facility and expanding in a New Location

_____ Existing Facility Location: _____

INVESTMENT

Purchase of Real Estate:

Year 1: _____ Year 2: _____ Year 3: _____ Year 4: _____ Year 5: _____ Total: _____

Real Estate Improvements:

Year 1: _____ Year 2: _____ Year 3: _____ Year 4: _____ Year 5: _____ Total: _____

Lease of Real Estate:

Year 1: _____ Year 2: _____ Year 3: _____ Year 4: _____ Year 5: _____ Total: _____

Purchase of M&E:

Year 1: _____ Year 2: _____ Year 3: _____ Year 4: _____ Year 5: _____ Total: _____

Lease of M&E:

Year 1: _____ Year 2: _____ Year 3: _____ Year 4: _____ Year 5: _____ Total: _____

Describe Other Investment: _____

JOBS

New Full Time Jobs: Year 1: _____ Year 2: _____ Year 3: _____ Year 4: _____ Year 5: _____ Total: _____

New Part Time Jobs: Year 1: _____ Year 2: _____ Year 3: _____ Year 4: _____ Year 5: _____ Total: _____

Average Starting Wage: _____ Total Payroll: _____

Existing Number of Employees: _____ Existing Employees Avg. Wage: _____

Percentage of Employees' Health Care Benefits Provided: _____

Are there any Layoffs at any existing Missouri facility? Yes / No

If yes How many? _____

TRAINING

Expected Hiring or Training Schedule: _____

Areas of Instruction: _____

Occupation Title: _____

of New Jobs: _____

Starting Wage/hr: _____

Occupation Title: _____

of New Jobs: _____

Starting Wage/hr: _____

Occupation Title: _____

of New Jobs: _____

Starting Wage/hr: _____

Occupation Title: _____

of New Jobs: _____

Starting Wage/hr: _____

Occupation Title: _____

of New Jobs: _____

Starting Wage/hr: _____

Occupation Title: _____

of New Jobs: _____

Starting Wage/hr: _____

Occupation Title: _____

of New Jobs: _____

Starting Wage/hr: _____

Occupation Title: _____

of New Jobs: _____

Starting Wage/hr: _____

Utilities

Estimated Gas Usage (MCF): _____

Estimated Electric Usage (KwH): _____

Number of Shifts (1-3): _____

Peak Electric Usage (Kw): _____

Load Factor (%): _____

Please complete this form and send to:

Mike Kirchhoff**Economic Development Corporation of Kansas City, MO****Fax: (816) 691-2172, Phone: (816) 691-2122, email: mkirchhoff@edckc.com****1100 Walnut, Suite 1700, Kansas City, MO 64106**



ENHANCED ENTERPRISE ZONE PROGRAM

SPECULATIVE DEVELOPMENT PROJECT INFORMATION REQUEST

1. Project Address: _____
2. Developer: _____
3. Size of Site: _____
4. Type of Project:

_____ Industrial
_____ Warehouse
_____ Distribution Center
5. Site Control:

_____ Already Own the Property
_____ Have Option to Buy

_____ In Discussions with Owner
_____ No Contact with Owners

_____ Lease (if checked, _____ Private _____ Public)
6. Estimated Project Budget:

Property Acquisition	\$ _____
Construction	\$ _____
Soft Costs (architect, engineering, legal, accounting, permits, etc.)	\$ _____
Contingency	\$ _____
Estimated Project Budget	\$ _____
7. Project Financing Status:

_____ Financing Committed
_____ Letter of Interest in Hand

_____ In Preliminary Discussions
_____ No Discussions Underway
8. Estimated Project Completion Date: _____
9. Preliminary Design Concept (please attach).



ENHANCED ENTERPRISE ZONE

NOTICE OF INTENT (SECTION 135.950 – 135.973, RSMO)

For Calendar Year _____ or Tax Year Beginning _____, Ending _____,

Business Name							
Federal Tax ID No. (FEIN)				MITS/Missouri ID No.			
Address of Project Facility							
City			County		Missouri	Zip Code	
Contact Information							
Business Contact Person				Title			
Address		City			State	Zip Code	
Telephone Number		Fax Number		E-mail			
Preparer Contact Person				Title			
Address		City			State	Zip Code	
Telephone Number		Fax Number		E-mail			
Other Facility Address(es) (attach additional sheet if needed.)							
Headquarters Address (if different than project facility)				City		State	Zip Code
1. Other Missouri Facility Address				City		State	Zip Code
2. Other Missouri Facility Address				City		State	Zip Code
Type of Business							
	C Corp	S Corp	LLC	Sole Proprietor	Partnership	Other _____	
If the taxpayer is a Partnership, S-Corporation, or other entity with a flow through tax treatment, identify the names, social security numbers and proportionate share of ownership of each beneficiary, partner or shareholder on the last day of the tax period. Aggregate proportionate shares or percent of total ownership may not exceed 100%. Attach a separate sheet if necessary.							
Name(s)				Social Security Numbers		% Ownership Year End	
						%	
						%	
						%	
						%	
Facility's NAICS Code: _____ Is this company owned 51% or more by women? Yes ___ No ___ NAICS codes are assigned by the Missouri Division of Employment Security and will be used for verification.							
Describe the proposed project and activity(s) to be conducted at this facility, including whether this is a new facility, expansion of an existing facility or replacement of an existing facility:							

Business Size in Annual Sales/Receipts (check one)			
<input type="checkbox"/> \$0 – \$250,000	<input type="checkbox"/> \$250,000 – \$500,000	<input type="checkbox"/> \$500,000 – \$1,000,000	
<input type="checkbox"/> \$1,000,000 - \$5,000,000	<input type="checkbox"/> \$5,000,000 - \$10,000,000	<input type="checkbox"/> \$10,000,000 & over	
Total Number of Employees at ALL Facilities in Missouri			
List all other federal and state programs for which this facility is applying or is currently utilizing:			
Project Commencement Date:		Current Employment (>35 hrs/wk) at the Project Facility at the NOI Submission Date:	
Estimated Project Cost (Year 1 through Year 5): Real Property \$ Machinery and Equipment \$		Total Estimated Employment (>35 hrs/wk) at the end of 5 years:	
	New Business Facility Investment Cumulative over the Base Year	New Business Facility Employees (>35 hrs/wk) Cumulative over the Base Year	Average Wage
Year 1	\$		\$
Year 2	\$		\$
Year 3	\$		\$
Year 4	\$		\$
Year 5	\$		\$
Certification of Facility Location			
CERTIFICATION			
<ul style="list-style-type: none"> I certify that I am an authorized representative of the applicant and as such am authorized to make the statement of affirmation contained herein. By submitting this application, Applicant acknowledges that receipt of any grants, loans, tax credits, other financial assistance or services from the State of Missouri, Department of Economic Development (DED) is subject to the requirement that Applicant use such proceeds or services solely as required by the Enhanced Enterprise Zone. Applicant further acknowledges that use of the proceeds or services for any other purpose or failure to comply with program requirements shall result in the return to DED of any remaining unexpended proceeds and repayment to DED the monetary value of any expended proceeds or services. I certify that the applicant does NOT employ illegal aliens and has complied with federal law (8 U.S.C. § 1324a) requiring the examination of an appropriate document or documents to verify that an individual is not an unauthorized alien. I understand that if the applicant is found to have employed an illegal alien in Missouri and did not, for that employee, examine the document(s) required by federal law, that the applicant shall be ineligible for any state-administered or subsidized tax credit, tax abatement or loan for a period of five years following any such finding. I attest that I have read and understand the Enhanced Enterprise Zone Tax Credit Program guidelines. I hereby agree to allow representatives of the Department of Economic Development access to the property and applicable records as may be necessary for the administration of this program. I certify under penalties of perjury that the above statements and information contained in the application and attachments are complete, true, and correct to the best of my knowledge and belief. 			
Applicant Signature	Print Name	Title	Date
Notary Public Embosser Seal	Appeared before me this _____ day of _____, 20____, _____ to me personally known to be the person who executed the above certification, and acknowledged and states on his/her oath to me that he/she executed the same for the purpose therein stated.		
	State of _____		County (or City of St. Louis)
	Notary Public Name	My Commission Expires	Use Rubber Stamp in Area Below
	Notary Public Signature		

Effective August 28, 2005, and pursuant to Section 620.1900, RSMo, this tax credit program is subject to a fee of 2.5% of the amount of tax credits issued. Applicants will be invoiced for the fee after the tax credit application has been approved. Tax credits will be issued upon receipt of the fee.

ENHANCED ENTERPRISE ZONE PROGRAM CERTIFICATION OF FACILITY LOCATION

Business Name			
Federal ID No. (FEIN):		MITS/Missouri Tax ID No.	
Project Facility Address			
City	County	Missouri	Zip Code
<p>Following to be completed by Governing Authority's Representative, Not Taxpayer</p> <p>I _____, of _____, a duly authorized representative of the governing authority of the foregoing city or county, do hereby certify on this _____ day of _____, _____, that the foregoing facility's address is within the _____ Enhanced Enterprise Zone and is an eligible Enhanced Business Enterprise of that zone.</p> <p>The above named business will receive 10 years of 50% tax abatement or _____ years of _____% tax abatement as set forth in the local governing resolution or ordinance.</p> <p>_____</p> <p>Signature of Governing Authority's Authorized Representative</p>			
Notary Public Embosser Seal	Appeared before me this _____ day of _____, 20____, _____ to me personally known to be the person who executed the above certification, and acknowledged and states on his/her oath to me that he/she executed the same for the purpose therein stated.		
	State of _____		County (or City of St. Louis) _____
	Notary Public Name _____	My Commission Expires _____	Use Rubber Stamp in Area Below
	Notary Public Signature _____		

APPLICATION FOR CERTIFICATE OF QUALIFICATION FOR TAX ABATEMENT

- Owner Name and Address: _____

- Contact Person: _____ Phone No.: _____
- FAX No.: _____ E-Mail: _____

- Name of Qualifying Business: _____
- Address of Qualifying Business Facility: _____
- Legal Description: _____
(attach additional page, if necessary)
- Which of the following best describes the business activity conducted at this facility: (check one or more)

<input type="checkbox"/> Construction (23)	<input type="checkbox"/> Enterprise Management (55)
<input type="checkbox"/> Manufacturing (31-33)	<input type="checkbox"/> Admin Support/Waste Mgmt & Remediation (56)
<input type="checkbox"/> Wholesale Trades (42)	<input type="checkbox"/> Arts/Entertainment/Recreation (71)
<input type="checkbox"/> Transportation/Warehousing (48-49)	<input type="checkbox"/> Other Services (81)
<input type="checkbox"/> Information (51)	<input type="checkbox"/> Real Estate/Rental & Leasing (53)
<input type="checkbox"/> Finance/Insurance (52)	<input type="checkbox"/> Health Care & Social Assistance (62)
<input type="checkbox"/> Professional/Tech. Services (54)	
- Brief description of the business operations at this facility: _____

- Is your property currently receiving or been approved for tax abatement/TIF assistance? ☐ Yes ☐ No
If yes, please explain. _____

- What is the estimated new investment being made at this facility? (check ☒ all that apply)

<input type="checkbox"/> Renovation	\$ _____
<input type="checkbox"/> Expansion	\$ _____
<input type="checkbox"/> Replacement Facility	\$ _____
<input type="checkbox"/> New Facility	\$ _____
<input type="checkbox"/> Equipment	\$ _____
<input type="checkbox"/> Other (specify)	\$ _____

- Date the facility came into service or will come into service after the above noted investment was made:
_____ 20____.

(Name of Applicant/Please Print Clearly)

Facility Owner (if different from Applicant)

(Signature)

Signature

(Title)

(Title)

Date Submitted

Please mark the appropriate items below and provide them with Application:

- ☐ Attachment A (*EEZ Information Form – Worksheet No. 1 must be completed in order to process tax abatement application*)
- ☐ Current paid real property tax bill
- ☐ Separate page with exact legal description, including parcel number(s), for property to be abated
- ☐ Construction plans and/or rehabilitation/renovation plans and description of work - Schematic drawings may be substituted with approval of Business Development Officer – no larger than 11” x 17” (*Facility Investment*)
- ☐ Building Permits (*Facility Investment*)
- ☐ Certificate of Occupancy (*if applicable*)
- ☐ Purchased Equipment Invoices (*Equipment Investment – use Worksheet No. 2 on Attachment A*)
- ☐ 4x6 or 5x7 photograph of facility/equipment
- ☐ If property is leased, copy of lease must be provided
- ☐ Tax Abatement Certification Fee (*per attached Fee Schedule*)

Submit this application, documentation and fee to:

**Economic Development Corporation
ATTN: Barbara Shakespeare
1100 Walnut, Suite 1700
Kansas City, Missouri 64106**

Enhanced Enterprise Zone Fee Schedule

(Adopted by EEZ Board of Commissioners on 1/25/06)

ACTIVITY	PAYEE	CONDITIONS	FEES
Application Fee	Business Owner (at the time of the application)	N/A	\$300.00

Real Property:

Tax Abatement Fee (Variable)*	Facility Owner (at the time of the Tax Abatement application)	Up to 200,000 ft	\$0.015 per/sq.ft.
		Next 150,000 ft	\$0.01 per/sq.ft.
		Above 350,000 ft	\$0.005 per/sq.ft.
		Maximum Abatement Fee	\$10,000

EEZ INFORMATION

(Must be completed & submitted in order to process tax Abatement Application)

BUSINESS INFORMATION		CHECKLIST	
Business Name:		Date of Building Permit Approval or Date of Certificate of Occupancy:	
NAICS		Eligible NAICS Industry Cluster (Construction, Manufacturing, etc.)	
EIN:		Zone No.:	
Contact:		Census Tract:	
Email:		Census Block Group:	
Phone:		School District:	
Fax:		County:	
Website:			
Address:		INVESTMENT INFORMATION	
City, State & Zip:		What is the estimated new investment being made at this facility?	
		Renovation:	\$
PROPERTY INFORMATION		Expansion:	\$
Property Owner Name:		Replacement:	\$
Address (if different from business address):		New Facility:	\$
Parcel ID No.:		Equipment:	\$
Legal Description:		Other:	\$
Assessment Year:			
Assessed Land Value:	\$	Existing Jobs:	
Assessed Improvement Value:	\$	New Jobs:	
Square Footage:		Average Starting Salary:	\$
GENERAL INFORMATION		Health Insurance?	
Brief description of the business operations at this facility:		If yes, percent of Employee Co-Pay:	
Is business currently in operation at this address:		Opening Date:	
Existing Investment:	\$	Date of Completion (enter either date of scheduled completion or date of equipment purchase):	
Is the project receiving any other tax incentives:			
If yes, please explain:		VERIFICATION BY BUSINESS DEVELOPMENT OFFICER	
		Submitted by:	
		Date of Site Inspection:	

**CITY OF KANSAS CITY, MISSOURI
CERTIFICATE OF QUALIFICATION FOR ENTERPRISE ZONE
TAX ABATEMENT**

1. Property Owner: _____ 2. Qualifying Business at this site: _____
3. Address(es) of the Property: _____ County: _____
4. Legal Description: _____
5. Parcel Number(s): _____
6. Assessed Valuations as of _____ Land _____ Improvements _____
7. Date Improvements to be completed _____ Value of Improvements _____

If property is leased, copy of the lease MUST be attached.

Improvements to real property which qualify the owner(s) of record for enterprise zone tax abatement under Section 135.963 RSMo. have been completed in accordance with applicable City codes and ordinances. A certificate of occupancy/approved building permit was issued on _____

Improvements to real property shall be exempt from assessment and payment of fifty percent (50%) of the ad valorem taxes on such improvements for ten (10) years.

This area received state enterprise zone designation on August 22, 2005.

Based on the above, the property owner is hereby determined to be qualified for tax abatement under Section 135.963 RSMo., such abatement to begin on

_____ *and end* _____
Date Date

Date of Certificate:

ENHANCED ENTERPRISE ZONE

By: _____

R. Michael Duffy, Chairman

ATTEST:

Joseph F. Egan, Secretary

ACKNOWLEDGEMENT OF RECEIPT:

ACKNOWLEDGEMENT OF RECEIPT:

By: _____

By: _____

**DEVELOPMENT FINANCE
FINANCE DEPARTMENT
CITY OF KANSAS CITY, MISSOURI**

COUNTY ASSESSMENT DIV.

Date Rec'd: _____

Date Rec'd: _____



ANNUAL ENHANCED ENTERPRISE ZONE ACTIVITY AND STATUS REPORT

FOR REPORTING PERIOD JULY 1, 2008 TO JUNE 30, 2009

TO THE DIRECTOR, DEPARTMENT OF ECONOMIC DEVELOPMENT: Pursuant to Sec. 135.960, RSMo, the undersigned hereby reports to the following Enhanced Enterprise Zone activity for the aforementioned reporting period:

NAME OF ENHANCED ENTERPRISE ZONE

NAME OF PERSON COMPLETING FORM

PHONE NUMBER

()

Please Ensure The Contact Information is Completed – It Will Be Added To Our Website For Your Zone

PRIMARY EEZ ADMINISTRATOR (CONTACT PERSON)

TITLE OF ADMINISTRATOR

PHONE NUMBER

()

FAX NUMBER

()

ADDRESS (STREET, PO BOX, CITY, STATE, ZIP CODE)

EMAIL:

WEBSITE:

PLEASE PROVIDE THE GOVERNING AUTHORITY CONTACT INFORMATION WITHIN THE ZONE (e.g. Commissioners / Mayors)

NAME OF CONTACT

TITLE

EMAIL

PHONE NUMBER

()

()

()

()

()

PLEASE PROVIDE THE FOLLOWING INFORMATION FOR THE EEZ BOARD MEMBERS:

NAME

TITLE

EMAIL

PHONE

TERM EXPIRATION

HAS THE EEZ TAX ABATEMENT ORDINANCE BEEN CHANGED? (If YES, please send a copy with this form)

YES

NO

ATTACH ADDITIONAL SHEETS IF NECESSARY

I. PLEASE PROVIDE A LIST OF ALL EXISTING BUSINESSES LOCATED WITHIN THE ENHANCED ENTERPRISE ZONE WHICH EXPANDED DURING THE REPORTING PERIOD:

NAME/ADDRESS OF BUSINESS

NEW JOBS

NEW INVESTMENT

II. PLEASE PROVIDE A LIST OF ALL NEW BUSINESSES WHICH LOCATED WITHIN THE ENHANCED ENTERPRISE ZONE DURING THE REPORTING PERIOD:

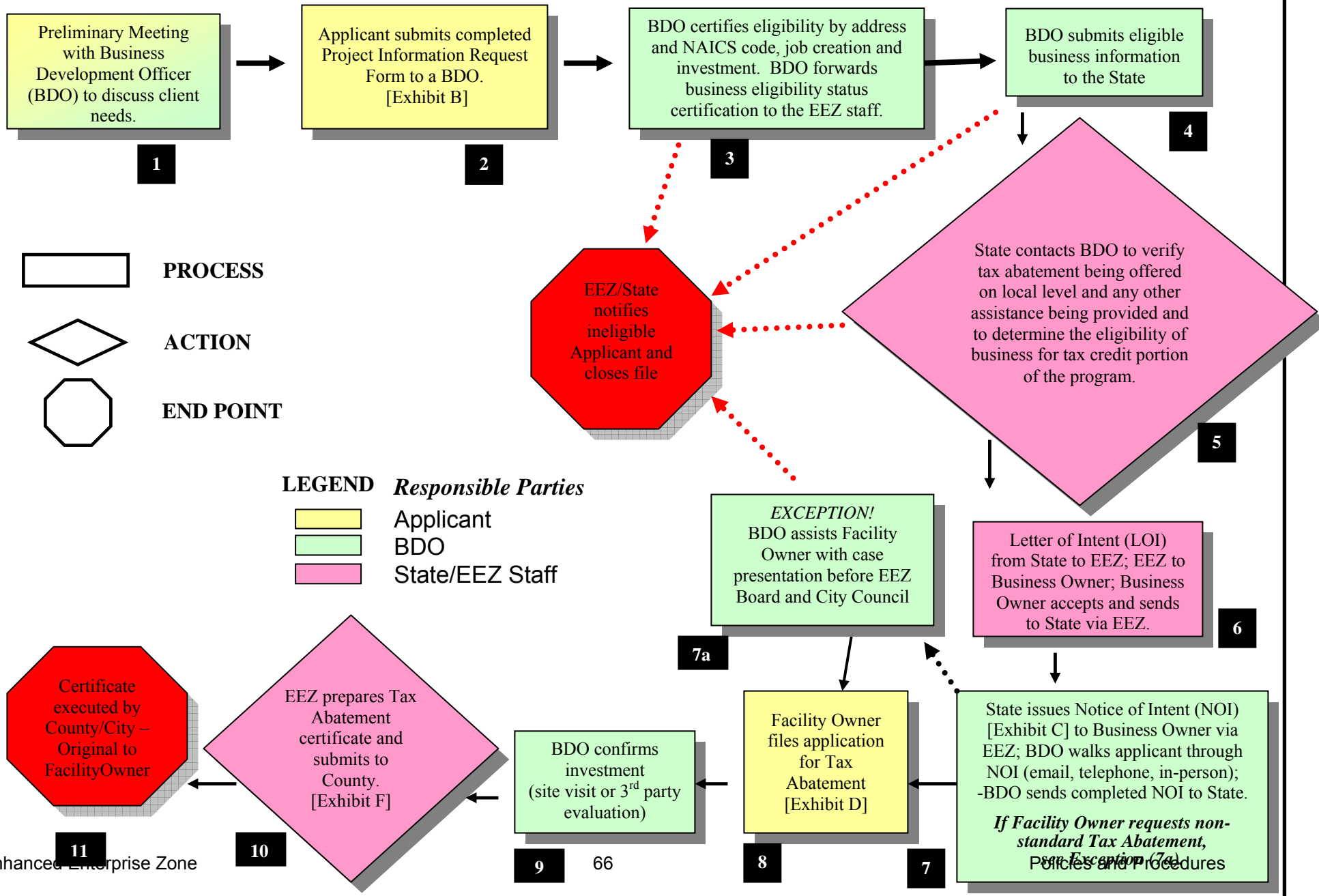
NAME/ADDRESS OF BUSINESS

NEW JOBS

NEW INVESTMENT

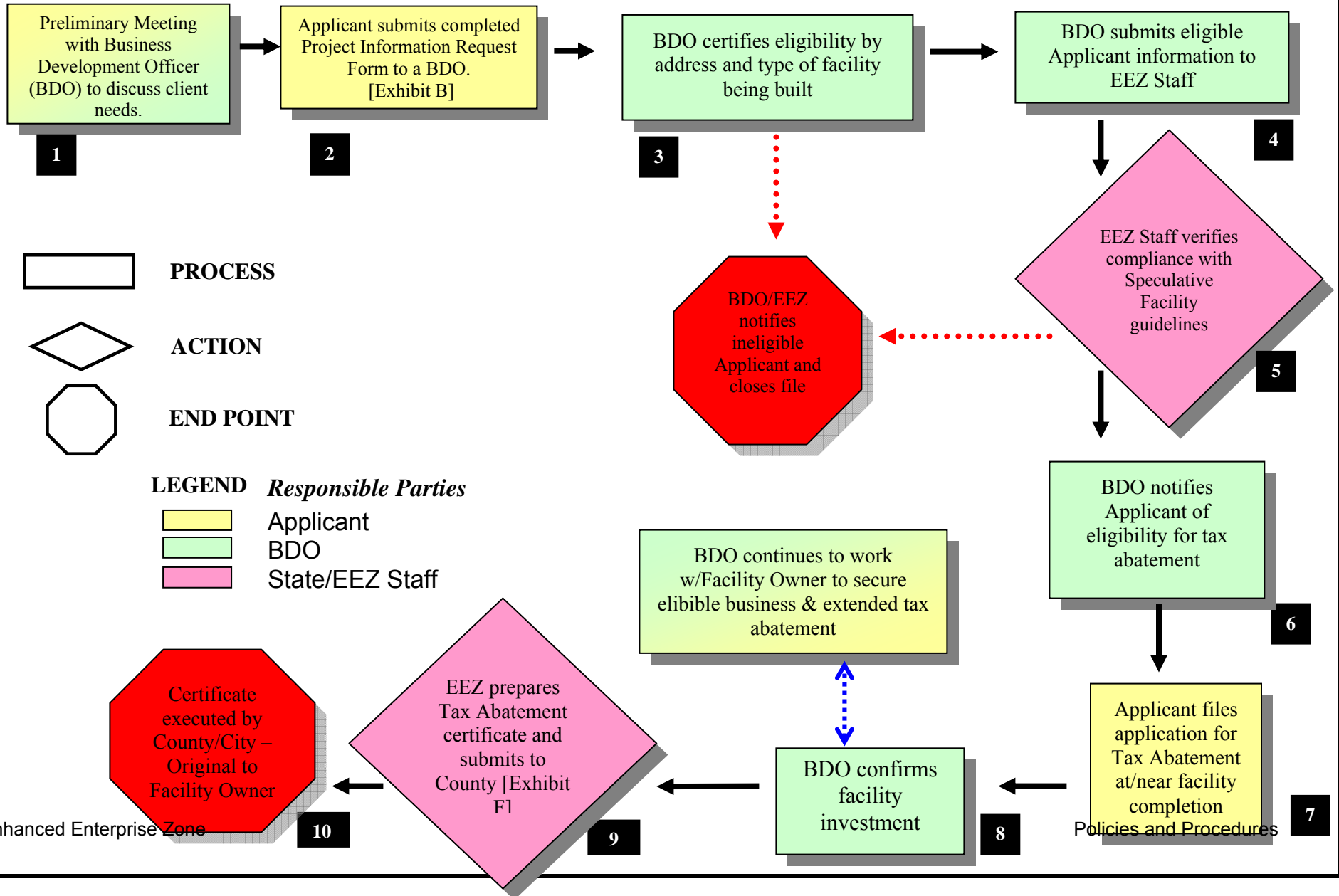
III. DESCRIBE WHAT EFFORTS HAVE BEEN TAKEN DURING THE REPORTING PERIOD TO SUPPORT AND ENCOURAGE PRIVATE INVESTMENT AND THE CREATION OF NEW JOBS WITHIN THE ENHANCED ENTERPRISE ZONE: (e.g. Attendance at Trade Shows, New Marketing Efforts, Hiring of Part Time or Full Time Economic Development Staff, etc.)					
IV. WHAT INFRASTRUCTURE (Water, Sewer, Street, etc.) DEVELOPMENTS HAVE OCCURRED WITHIN THE ENHANCED ENTERPRISE ZONE DURING THE REPORTING PERIOD?					
WHAT IS THE ESTIMATED PERCENTAGE OF STATE AND / OR FEDERAL FUNDS USED TO FINANCE DESCRIBED INFRASTRUCTURE DEVELOPMENTS?				%	
V. AS REPORTED BY THE COUNTY ASSESSOR(S), WHAT IS THE TRUE DOLLAR AMOUNT (See Section 137.237, RSMo) OF THE PROPERTY IN THE EEZ WHICH IS TOTALLY OR PARTIALLY EXEMPT FROM ADVALOREM TAXES DURING THE REPORTING PERIOD?				\$	
VI. HAS A DISPLACEMENT OF EITHER PERSONS OR BUSINESSES OCCURRED DURING THE REPORTING PERIOD WITHIN THE ENHANCED ENTERPRISE ZONE?			YES	NO	DON'T KNOW
IF YES, BRIEFLY DESCRIBE WHAT, IF ANY, ASSISTANCE WAS PROVIDED?					
VII. PROVIDE AN EXPLANATION OF ANY PROBLEMS INCURRED BY YOURSELF, OR ANYONE ELSE IN THE ECONOMIC DEVELOPMENT INITIATIVE IN YOUR AREA REGARDING THE ADMINISTRATION OF THE ENHANCED ENTERPRISE ZONE PROGRAM DURING THE REPORTING PERIOD.					
VIII. DO YOU FEEL THAT THE DESIGNATION OF YOUR ENHANCED ENTERPRISE ZONE HAS FOSTERED ECONOMIC GROWTH AND DEVELOPMENT WHICH WOULD NOT OTHERWISE HAVE OCCURRED?			YES	NO	DON'T KNOW
IX. PLEASE PROVIDE US WITH ANY INFORMATION OR SPECIFIC REQUESTS ABOUT ANY MATTER PERTAINING TO ENHANCED ENTERPRISE ZONES WHICH HAS NOT OTHERWISE BEEN REQUESTED WHICH YOU FEEL WE SHOULD KNOW.					
DATE OF REPORT		SIGNATURE			

FLOW CHART SHOWING ENHANCED ECONOMIC ZONES APPLICATION PROCESS



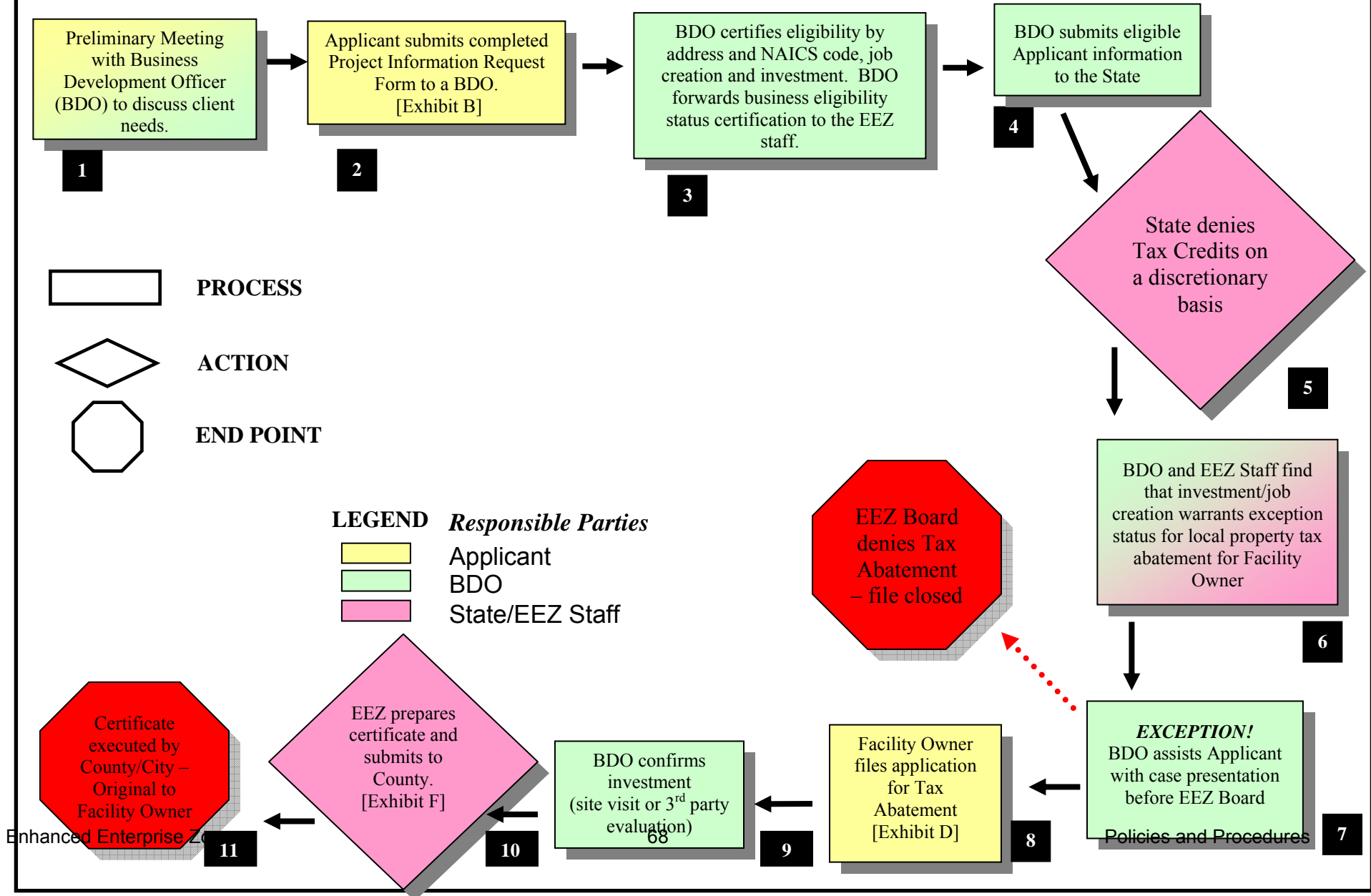
Flow Chart Showing Enhanced Economic Zones Application Process

SPECULATIVE FACILITY



Flow Chart Showing Enhanced Economic Zones Application Process

EXCEPTION



POLICY**EEZ PROPERTY TAX ABATEMENT
(NO STATE TAX CREDITS)**

Preface: This policy affects projects that apply for EEZ tax credits and statutory real property tax abatement and meet the statutory criteria but were denied State tax credits due to Missouri Department of Economic Development discretion, not statutory thresholds. Projects include owned and leased facilities.

1. Job/employee criteria:
 - Meet EEZ statutory requirements regarding number of new employees and employee criteria and benefits.
 - Wage rate at twice the State or Federal minimum wage, whichever is higher (ex. Missouri minimum wage is $\$6.65 \times 2 = \13.30 p/hr)
2. Investment criteria:
 - \$250,000 (statutory threshold is \$100,000)
 - Physical plant only (may include machinery and equipment)
 - Multiple of lease payments will not count as investment
3. Retention/expansion criteria - reasonable assumption of job loss to Kansas City, Missouri, based on one or more of the following:
 - Current facility has insufficient capacity to appropriately house expanded work force or future production expectations
 - Reasonable risk that the facility would relocate outside of Kansas City, Missouri, or the facility would close
4. Blight Criteria:
 - Located in Missouri Qualified Census Tract/Distressed Census Block Group
 - or*
 - EDC/EEZ staff has conducted a site visit and verified the property is within a blighted area which can be cured or will benefit from the improvements (photos required)
5. Optional criteria:
 - Green construction
 - Reviewed against the 22 factors per the Economic Development and Incentive Policy of the City of Kansas City, Missouri (ED&I Policy)

For: _____

Criteria	Project	Meets Criteria
2 jobs		
\$27,664/yr		

\$250,000		
-----------	--	--

