
Raytown Central Business District Plan

Raytown, Missouri

Implementation Tools

This section of the plan is intended to serve as a toolbox of possible actions the City and citizens of Raytown could utilize to implement this plan. Generally, implementation tools can be categorized into three general areas – regulatory, administrative and financial. Not all of the tools identified in this section of the plan must be utilized, instead the City may choose to mix and match different tools or use a variation of a particular tool mentioned.

The Town Square plan represented by Figure 3 on page 33 appears to be well within the parameters of the economic / market assessment. As shown this plan reflects approximately 150,000 square feet of residential, 200,000 square feet of commercial, 60,000 square feet of office and 20,000 square feet of public use buildings. In support of this development approximately 1,100 parking spaces provided by on-street and off-street parking areas. It is anticipated that the City will need to play a partnership role in the development of this area and it should consider the use of all types of implementation tools - regulatory, administrative, and financial.

Outside of the Town Square area it is anticipated that development will occur based on private market dynamics. The City will most likely play a key role in encouraging residential rehabilitation and redevelopment in the CBD neighborhood initially helping to stimulate interest in improving the area. Commercial development along the entries into and areas adjacent to the Town Square will need to be in compliance with adopted standards for quality design and development, and recognize that the City will focus on traditional capital improvements of infrastructure and streetscape over a period of years to support the development.

Regulatory Tools

- ***Zoning District(s) and Design / Development Guidelines:*** Because much of this plan relies on the creation of a unique place Zoning and development / design guidelines (subdivision, street standards, etc.) are important to outlining and requiring specific building forms, site development elements and materials. The City of Raytown has several options including:
 1. The creation of specific design and development guidelines that are amended into the zoning ordinance or enforced through the development review process.
 2. Developing a zoning overlay district or series of districts as new sections of the zoning ordinance.

In either case such guidelines or districts should address items such as:

Raytown Central Business District Plan

Raytown, Missouri

- *Parking*
 - *Setbacks*
 - *Building Openings*
 - *Building Form and Materials*
 - *Building Height*
 - *Signage*
 - *Streetscape / Landscaping Guidelines*
 - *Amortization Program*
- ***Property Maintenance Codes and Enforcement:*** Poorly maintained of properties can be dealt with by enforcing property maintenance codes, establishing an ordinance that defines blighted buildings and encourages upgrades through occupancy permit standards or business licensing requirements.

Administrative Tools

- ***Urban Renewal District:*** In order to facilitate redevelopment and reinforce the identity of the CBD, the City could establish the boundaries for the CBD as an Urban Renewal District. This State authorized action / designation can help with accessing a variety of funding mechanisms and other programs.
- ***Historic Preservation:*** For historic sites and structures in the CBD, establish a historic preservation program and a local Historic Preservation Commission for reviewing any new buildings or modifications to existing historic structures within the designated areas.
- ***CBD Development Agency / Coordinator:*** In order to aggressively pursue the Plan for Historic Downtown, create an administrative and management body that would be responsible for overseeing the redevelopment and management of CBD activities, manage future studies of the downtown and organize marketing strategies. The CBD Development Agency / Coordinator will also need to assist in aggregating properties for redevelopment and offering appropriate compensation for impacted property owners. Rather than purchasing properties, some cities have assembled a loosely organized development corporation consisting of downtown property owners for redeveloping properties. Cities have therefore reduced the need for large up-front

Raytown Central Business District Plan

Raytown, Missouri

costs for redevelopment projects.

The CBD Development Agency/Coordinator could be set up as an independent agency or as a part of a City department. Some cities have contracted this function out to private management / development firms. Also, Main Street programs, business associations and public / private partnership organizations have filled this role. Without a coordinating force for CBD development, the plan will be difficult to implement.

- ***Interdepartmental Improvement Committee:*** To support the functions of the CBD Development Agency/Coordinator create an interdepartmental committee that would facilitate coordination between the activities of City departments to ensure that improvement activities are coordinated.
- ***Tax Increment Financing Commission; Land Clearance for Redevelopment Authority; Historic Preservation Commission; Design Review Committee:*** As Raytown introduces new means of financing CBD development, it will be necessary to identify commissions / boards for monitoring and overseeing the distribution of funds and successful completion of the projects.

Financial Programs

- ***Facade Improvement Program:*** To create a new image for the CBD, encourage renovation of existing building exteriors to blend with new structures. The new facades should conform to the design guidelines established for the CBD. Some cities have created revolving loan funds or offered architectural services at reduced rates.
- ***Land Assembly Fund:*** In order to realize a meaningful revitalization of the CBD, it would be important to assemble properties for redevelopment. A fund could be established that would be earmarked for CBD development and improvement. Land would need to be assembled strategically, dependent on the location of the property within the overall context of the plan, the willingness of the property owner to sell the property and the availability of other properties nearby.
- ***Business Development Loans:*** In an effort to support and promote small business development in the City, it will be important to provide small business loans as well as fund local business development programs. These funds could also be provided through private low interest loan pools.
- ***Tax Increment Financing (TIF):*** TIF allows for payments in lieu of taxes (PILOTS) to be used to pay for approved project related costs, infrastructure and capital

Raytown Central Business District Plan

Raytown, Missouri

improvements. Property owners make PILOTS in an amount equal to the tax abatement granted, as well as 50 percent of all local operations and activity taxes generated within the plan area to a special allocation fund. Approved project costs are then paid or reimbursed to the developer from the special allocation fund. Other TIF incentives include bond financing and property acquisition assistance.

- ***Land Clearance for Redevelopment Authority (Chapter 99 LCRA) and “353”:***
LCRA incentives are designed to encourage investment in areas or structures that are in blighted condition. Urban renewal areas and the associated Redevelopment Plans are designated by the LCRA Board of Commissioners and City Council. “353” offers property tax abatements on property *improvements* for ten years, based on the Urban Redevelopment Corporation Law, Missouri State Statute “353”. The authority can also issue bonds to assist with the financing of approved projects within redevelopment areas. The LCRA may assist approved projects with property acquisition, coordination of relocation benefits and assistance, and make use of its powers of eminent domain when necessary.
 - a) Kansas City, Missouri has established a Planned Industrial Expansion Authority (PIEA) to similarly foster redevelopment for commercial and industrial developments. ***Special Business District; Chapter 71.790 (1972):***
The governing body of any city may establish special business districts in the manner provided hereafter. Once the business district is established, with the governing body’s approval, the district can close streets or open new streets; undertake physical improvements and public uses; landscaping improvements; public facilities; public transportation and so on. Any Special Business District thus established may upon a vote of two-thirds of the voters of the district voting thereon, incur indebtedness and issue bonds or notes for the payment thereof. The indebtedness authorized by this section shall not be contracted for a period not more than twenty years and shall not at any time exceed, including existing indebtedness in the district, in the aggregate ten percent of the value of taxable tangible property therein.
- ***Neighborhood Improvement District:*** Statute RsMO 67.453 -67.475 (1990): The purpose of this program is to provide an affordable mechanism to finance public improvements. Cities or counties raise the funds by issuing general obligation bonds. The payments of these bonds are passed on to property owners who benefit from the improvements through special assessments. Public votes are NOT required for issuing the bonds, but 2/3 of the land area within the district must sign the petition. The monies would sponsor public improvements, including acquisition, construction, engineering, legal and related costs. Any balance after completion shall be credited against the amount of the original assessment of each parcel on a pro-rata basis and refunded. The city has a limit on NID bonds of 10 percent of the assessed valuation

Raytown Central Business District Plan

Raytown, Missouri

of taxable tangible property, which does not impact on limits imposed for other general obligation bonds.

In addition to Neighborhood Improvement District, two recent legislative changes have created enhances for utilizing Community Improvement Districts (CID) and Transportation Development Districts (TDD)

- ***Neighborhood Assistance Program:*** The Neighborhood Assistance Program (1978) enables businesses to redirect their tax dollars to help finance local projects in endangered neighborhoods. The state tax credit stretches the amount a business might normally be able to give and does not involve transfer of state dollars to help finance local projects. The State's role is to approve projects and to offer tax credits up to 50 percent of the value of the contribution. Donations may be in the form of cash, materials, supplies, real estate, labor or technical assistance. This assistance can be extended to any type of community development project that improves the neighborhood in one of the following categories; community services; crime prevention; education; job training; physical revitalization; and economic development.

The primary focus of NAP in CBD revitalization centers on organizational development, physical improvement, and CBD promotion. Applicants should consist of volunteers who have organized themselves for the purpose of improving or preserving the overall condition of the CBD. The tax credits can be used for staff salaries and benefits, consultant services, postage and stationery, training and conferences, travel, office equipment, landscaping, revolving loan fund to businesses; and downtown promotional material.

- ***Private Lending Consortium:*** Where financing packages and loans are limited or have restrictive clauses, local lenders have in other cases created a "pool" of funds for low interest loans to local businesses. These funds can be rotated among applicant businesses for business development purposes or physical improvement projects.
- ***Community Development Block Grant (CDBG):*** Federal funds are available at the Missouri Department of Economic Development for distribution among nonentitlement cities, for purposes of public improvements or housing development. These funds are distributed on an annual basis by the federal government, which implies little to no guarantee as a reliable source of public improvement funds. Competition for procuring these funds is usually high.
- ***Missouri Housing Development Commission:*** The Missouri Housing Development Commission (MHDC) monitors and provides federal tax credits, state tax credits, rental housing production, rental assistance for families and individuals, down payment assistance, as well as permanent financing of housing through cooperation

Raytown Central Business District Plan

Raytown, Missouri

with local governments, developers and not-for-profit organizations.

If there is interest in constructing multifamily housing in the downtown, developers could apply for assistance from MHDC using the following programs:

- a) Federal Low Income Housing Tax Credit Program
 - b) Missouri Housing Tax Credit Program
 - c) Bridge Loan Program
 - d) Missouri Affordable Housing Tax Credit Program
 - e) HOME Rental Housing Production Program
 - f) Multifamily Tax Exempt & Taxable Bond Program
- **Private Foundations:** There are a number of private foundations that provide financial assistance to historic preservation, housing or other redevelopment projects. One agency, the Local Initiatives Support Corporation (LISC) is a national, privately funded organization that has maintained ongoing activities in Kansas City. The agency essentially provides below-market interest loans for redevelopment or construction costs for revitalization projects sponsored by CDCs. LISC also provides technical assistance for development projects.
 - **Revenue Bonds:** Conventional revenue bonds are not applicable in the present instance, because municipal enterprises that would produce a dependable stream of revenues is not a given. There is however, significant advantage of public improvements financed from tax free municipal debt. It is generally recommended that all uses of bonds be evaluated in terms of the City's short-term capacity to deal with default. Though default has no legal repercussions, it could affect the City's overall credit rating and ability to issue future bonds. The issuance of revenue bonds could require voter approval.
 - a) **Revenue Bonds Secured by User Charges:** The term "user charges" in the context of this discussion, refers to charges collected to secure 1933, 1941 and 1957 Act revenue bonds. These bonds are designed to finance facilities that provide services to a group of identifiable users. Debt service payments are met from charges placed exclusively on the users of the public facility.
 - b) **Lease Revenue Arrangements:** These are typically issued by public nonprofit corporations, redevelopment agencies, joint power authorities or parking authorities to construct or acquire a facility to be leased to a public

Raytown Central Business District Plan
Raytown, Missouri

entity in return for lease payments that secure the debt service. Security for the bond issue is provided by the lease agreement and subsequent lease payments. In addition, a reserve fund and insurance are usually required. Title to the lease facility passes to the public agency after the bonds are paid off.

