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AGENDA

Raymore License Tax Review Committee Annual Meeting
City Hall – 100 Municipal Circle
Wednesday, July 15, 2026
6:00 PM

1. **Call to Order**
2. **Roll Call**
3. **Consideration of the Minutes of the July 23, 2025 Meeting**
   A. July 23, 2025 Minutes
4. **Staff Report**
   A. 2025 Annual Report
5. **Business Items**
   A. Consideration of Staff Recommendations
6. **Public Comment**
7. **Member Comment**
8. **Adjournment**

Any person requiring special accommodation (i.e., qualified interpreter, large print, hearing assistance) in order to attend this meeting, please notify this office at (816) 331-3324 no later than forty eight (48) hours prior to the scheduled commencement of the meeting.

Hearing aids are available for this meeting for the hearing impaired. Inquire with the City Clerk, who sits immediately left of the podium as one faces the dais.

MINUTES OF THE LICENSE TAX REVIEW COMMITTEE MEETING HELD WEDNESDAY, JULY 23, 2025, AT RAYMORE CITY HALL.

Mayor Pro Tempore, Sonja Abdelgawad, called the meeting to order at 6:03 p.m. Present were members: Jack Hopkins, Kerrie O'Connor, Elisa Williams and Sonja Abdelgawad. Others present included Development Services Director David Gress. Gib Good was absent.

The minutes of the July 24, 2024 License Tax Review Committee meeting were accepted into the record with a motion by Jack Hopkins, second by Kerrie O'Connor. Vote 4-0 Passed and 1 absent.

The staff report was presented by Ms. Williams. This included a review of the revenue summary for 2024 with discussions and questions on the items. Following was a review of the expenditure summary for 2024.

Ms. Williams presented the staff recommendations to the committee. The recommendations included:

A. Increasing the rate by 1.024 per the construction cost index (CCI) inflation for the most recent period, for the 2026 fiscal year beginning November 1, 2025. This would result in the following rates:

    - $2,494 x 1.024 = $2,554
    - $667 x 1.024 = $683

There was limited discussion.

Jack Hopkins moved, seconded by Kerrie O'Connor to accept staff recommendations on the rate increase and forward to the City Council. Vote 4-0 Passed and 1 absent .

There were no public comments or further comments. Kerrie O'Connor moved, seconded by Jack Hopkins to adjourn the meeting. Sonja Abdelgawad adjourned the meeting at 6:13 p.m.

Respectfully submitted,

Elisa Williams

2025 EXCISE TAX REVIEW

ANNUAL REPORT

July 15, 2026

2025 EXCISE TAX REPORT TO THE CITY COUNCIL
INFORMATION AND DATA

I. BACKGROUND

Purpose

The purpose of the excise tax is to provide a funding mechanism for the construction and improvement of streets necessary to accommodate traffic generated by the growth and development of the City. The excise tax system implements a "fair share" approach by which new development in residential areas and tax incentive districts that generates additional traffic pays its proportional cost of required street improvements in the City.

- Any person who obtains a residential building permit for a structure that will generate additional traffic on City streets is subject to the excise tax.
- Any person who obtains a building permit for a non-residential structure in an area that is in an established City economic development incentive district is subject to the excise tax.
- A person who obtains a building permit for a non-residential structure in an area that is not in an established City economic development incentive district is not subject to the excise tax.

Projects to be funded by the excise tax include those identified on the Transportation Plan Map of the Growth Management Plan, and designated in the City's Capital Improvement Program (CIP) as funded through this revenue source. The thoroughfare plan identifies a network of "major" streets that would be required to accommodate the future traffic needs in the City of Raymore. The CIP will specify each of the streets to be funded, the amount of funding allocated for the project, and the timeframe for construction of the improvements. The following is a brief summary of significant events involving the adoption and implementation of the excise tax.

History

January 2000	Excise Tax Ordinance for Development that Generates New Traffic adopted by City Council
February 2000	Excise tax system approved by voters
April 2000	Excise tax imposed on all applicable building permits; Interim escrow system repealed
May 2000	Administrative guidelines applicable to excise tax adopted by City Council (Adequate Public Facilities and the Excise Tax, and Advancing Projects)
September 2001	Deadline to receive the plat credit
March 2002	Ordinance amended to allow payment of tax for non-residential uses at the time of certificate of occupancy

April 2003	Ordinance amended to modify the date set for the annual review to the 4th Monday in July, and the date for the implementation of rate changes to November 1
October 2004	Resolution adopted establishing excise tax rates of $1,250 per trip for residential development, and $300 per trip for non-residential development
November 2006	License tax rates of $1,500 per trip for residential development, and $400 per trip for non-residential development become effective
November 2007	The 7th Edition of the ITE Trip Generation Manual Trip Generation Table went into effect.
November 2008	The excise tax rates were increased to $1,608 per trip for residential development and $429 per trip for non-residential development. These rates reflected an increase of 7.19%, which was the Construction Cost Inflation Index for the period June 2007 through June 2008. The policy of adjusting rates according to the index was recommended by the License Tax Committee and accepted by the City Council in 2006.
November 2009	The excise tax rates were increased to $1,687 per trip for residential development and $450 per trip for non-residential development. These rates reflected an increase of 4.9%, which was the Construction Cost Inflation Index for the period June 2008 through June 2009.
November 2010	The excise tax rates were increased to $1,724 per trip for residential development and $460 per trip for non-residential development. These rates reflected an increase of 2.18%, which was the Construction Cost Inflation Index for the period May 2009 through May 2010.
November 2011	The excise tax rates were increased to $1,777 per trip for residential development and $474 per trip for non-residential development. These rates reflected an increase of 3.1%, which was the Construction Cost Inflation Index for the period May 2010 through May 2011.
March 2012	In March of 2012, the City Council repealed the Commercial Excise Tax for businesses not located within Incentive Districts of the City.
June 2012	The License Tax Committee voted to recommend no increase in the excise tax rates, which remained at $1,777 per trip for residential development and $474 per trip for

	non-residential development in incentive district areas for the FY 2012-13.
June 2013	The License Tax Committee voted to recommend an increase in the excise tax rates to $1,820 per trip for residential development and $485 per trip for non-residential development. These rates reflected an increase of 2.43%, which was the Construction Cost Increase for May 2012 to May 2013.
June 2014	The License Tax Committee voted to recommend an increase in the excise tax rates to $1,839 per trip for residential development and $490 per trip for non-residential development. These rates reflected an increase of 2.9%, which was the Construction Cost Increase for May 2013 to May 2014.
June 2015	The License Tax Committee voted to recommend an increase in the excise tax rates to $1,874 per trip for residential development and $500 per trip for non-residential development. These rates reflected an increase of 1.9%, which was the Construction Cost Increase for May 2014 to May 2015.
June 2016	The License Tax Committee voted to recommend an increase in the excise tax rates to $1928 per trip for residential development and $515 per trip for non-residential development. These rates reflected an increase of 2.9%, which was the Construction Cost Increase for May 2015 to May 2016.
June 2017	The License Tax Committee voted to recommend an increase in the excise tax rates to $1982 per trip for residential development and $529 per trip for non-residential development. These rates reflected an increase of 2.8%, which was the Construction Cost Increase for May 2016 to May 2017.
July 2018	The License Tax Committee voted to recommend an increase in the excise tax rates to $2053 per trip for residential development and $548 per trip for non-residential development. These rates reflected an increase of 3.6%, which was the Construction Cost Increase for May 2017 to May 2018.

July 2019	The License Tax Committee voted to recommend an increase in the excise tax rates to $2100 per trip for residential development and $561 per trip for non-residential development. These rates reflected an increase of 2.3%, which was the Construction Cost Increase for May 2018 to May 2019.
June 2020	The License Tax Committee voted to recommend an increase in the excise tax rates to $2135 per trip for residential development and $570 per trip for non-residential development. These rates reflected an increase of 1.65%, which was the Construction Cost Increase for January 2019 to January 2020.
July 2021	The License Tax Committee voted to recommend an increase in the excise tax rates to $2179 per trip for residential development and $582 per trip for non-residential development. These rates reflected an increase of 2.06%, which was the Construction Cost Increase for January 2020 to January 2021.
July 2022	The License Tax Committee voted to recommend an increase in the excise tax rates to $2353 per trip for residential development and $629 per trip for non-residential development. These rates reflected an increase of 7.99%, which was the Construction Cost Increase for January 2021 to January 2022.
July 2023	The License Tax Committee voted to recommend an increase in the excise tax rates to $2469 per trip for residential development and $660 per trip for non-residential development. These rates reflected an increase of 4.93%, which was the Construction Cost Increase for January 2022 to January 2023.
July 2024	The License Tax Committee voted to recommend an increase in the excise tax rates to $2494 per trip for residential development and $667 per trip for non-residential development. These rates reflected an increase of 1.0102%, which was the Construction Cost Increase for April 2023 to April 2024.

July 2025	The License Tax Committee voted to recommend an increase in the excise tax rates to $2,554 per trip for residential development and $683 per trip for non-residential development. These rates reflected an increase of 1.024%, which was the Construction Cost Increase for June 2024 to June 2025.

License Tax Rates

Rates are established by resolution of the City Council. The vote approving the excise tax authorized a rate not to exceed $3,000 per vehicle trip. The rate for non-residential development is less than the residential rate because non-residential uses generate additional tax revenues (such as higher property tax assessments and taxes paid against them, personal property taxes on business equipment, and sales taxes) that are used by the City to construct streets.

The amount of tax is calculated by multiplying the excise tax rate by the total number of new trips generated by the building activity. The total number of new trips or "trip generation rate" is determined by reference to a trip generation table adopted by the City. The trip generation table includes various types of land uses and is based on nationally accepted standards in the Trip Generation Manual published by the Institute of Transportation Engineers.

- For residential property the trip generation rate is determined by multiplying the number of dwelling units by the number of peak trips specified for the specific type of land use category.
- For non-residential property the trip generation rate is determined by dividing the total floor area of the building, measured in square feet, by one thousand (1,000), and then multiplying that number by the number of peak trips specified for the specific land use category. The number of peak trips has been reduced where appropriate to account for "pass by" trips. Pass by trips are those trips that are the result of a vehicle passing by the development which was not the original destination point and that enters the development, while not diverting from the primary path (spontaneous stop).

Annual Review

As outlined in the Raymore City Code, the City Manager, with the assistance of staff, prepares an annual report on the subject of the excise tax for the prior calendar year. The report is presented to the License Tax Review Committee, composed of five (5) members appointed by the Mayor with the advice and consent of the City Council. The Committee's primary purpose is to review and comment on the annual report prepared by the City Manager, and forward those results to the City Council. The Excise Tax Ordinance requires that the annual review be completed by the fourth (4^{th}) Monday of July of each year, and that any changes to the tax rate be implemented on November 1. This report has been prepared and submitted in compliance with this requirement.

The Excise Tax Ordinance provides that the report shall address the following items:

1. Recommendations on amendments, if appropriate, to this Article. Any increase in the excise tax rates shall become effective on November 1 of the calendar year in which the rates are increased;
2. Proposed changes to the excise tax calculation methodology, including the trip generation estimates and the land use categories, if appropriate;
3. Analysis of costs and revenues resulting from the excise tax imposed pursuant to this Article;
4. The status of the implementation and administration of this Article;
5. A summary of the appeals taken from the imposition of the excise tax imposed pursuant to this Article.

Committee Membership

The membership of the Committee appointed by the City Council for two-year terms and until a successor is appointed consists of:

Member	Term Date	Position
Thomas Circo	2027	City Council Representative
Gib Good	2027	Developer Representative
Jack Hopkins	2027	Citizen Representative
Kerrie O'Connor	2027	Citizen Representative
Elisa Williams	2027	City Staff Representative

II. FINANCIAL ANALYSIS

Annual Revenue History

The following is a summary of revenues deposited into the Excise Tax Fund since the inception of the tax, including the total for calendar year 2023.

Year	Revenue
2000	$15,215
2001	$83,678
2002	$314,520
2003	$410,070
2004	$436,600
2005	$744,564
2006	$1,011,035

2007	$845,281
2008	$310,275
2009	$329,142
2010	$238,223
2011	$226,299
2012	$236,085
2013	$471,041
2014	$374,731
2015	$317,406
2016	$446,662
2017	$629,698
2018	$466,114
2019	$402,915
2020	$707,051
2021	$501,376
2022	$1,220,612
2023	$726,251
2024	$901,476
2025	$883,118
Total	**$13,249,438**

2025 Financial Summary

Revenue

Permit Excise Tax	$	698,352
Interest	$	134,766
Transfer from Trans. Fund	$	50,000
	$	**883,118**

Expenditures

Interest Expense	$	0
Admin/Inspection	$	12,000
Design	$	97,624
Construction	$	256,364
Other	$	0
Transfer to Transportation	$	100,000
	$	**465,988**

Expenditure Summary

The Excise Tax expenditures during the calendar year 2025 are associated with three projects; $97,624 for Dean Ave access management, $56,364 for 163rd Street to Madison project and $12,000 for FY25 Street Preservation.

Building Permit Summary

The following is a summary of permits by type in 2025 that paid the excise tax, and the revenue generated.

Type	Number	Revenue
Residential	172	$434,106
Commercial	5	$264,246
Totals:	**177**	**$698,352**

III. ADMINISTRATIVE REVIEW

Appeals/Credit Requests

The Excise Tax Ordinance provides that building contractors may appeal the assessment of the excise tax. In 2025, there were no appeals to the excise tax assessed on any business or residential unit to which it applied.

Ten Year Road Plan

A copy of the excise tax projects page from the 2025-2026 CIP is attached as Appendix 1. This schedule represents the 10-year road plan as referenced in the excise tax ordinance.

IV. RECOMMENDATIONS

Rates

City staff recommends that the current rates of $2,554 per trip for residential development and $683 per trip for non-residential development in incentive districts be increased by the construction cost index (CCI) for Kansas City for the period June 2025 through June 2026. This method has been the method used/recommended by the License Tax Review Committee for the past fifteen years. That increase would be 3.0%. This would equate to an increase in the Excise Tax Rates as follows:

Residential: $2,554 X 1.03 = $2,631
Non-Residential: $683 X 1.03 = $703

V. LICENSE TAX COMMITTEE ACTION

APPENDIX 1
EXCISE TAX PROJECT SUMMARY

10-YEAR ROAD PLAN

The 10-Year Road Plan lays out a plan for the use of funds accumulated in the Excise Tax Fund.

Chapter 605 of the Raymore Municipal Code provides for the collection and administration of the Excise Tax. Section 605.050, Findings, Purpose, Intent and Authority, provides:

- “New growth and development in the City has resulted, and will continue to result, in increased usage, burden and demand on the existing streets of the City, and the need for construction of new streets to add capacity and to complete the street network planned to support full-build-out of the City.” [Section 605.050.A.3]

- “The City assumes the responsibility for, and is committed to, raising revenue for the design, construction, reconstruction repair and maintenance of adequate roads, streets and bridges necessary to serve the population of the City . . . “ [Section 605.050.A.4]

- “[The Excise Tax] is for the purpose of raising revenue, the proceeds of which shall be used for streets and related improvements throughout the City, including but not limited to the design, construction, reconstruction and improvements to streets, roads and bridges and related improvements in the City . . . “ [605.050.B.1]

Excise Tax (37)

	2022-23 Actual	2023-24 Actual	2024-25 Budget	2024-25 Projected	2025-26 Adopted	2026-27 Projected	2027-28 Projected	2028-29 Projected	2029-30 Projected
Fund Balance Beginning of Year	**1,471,279**	**1,414,567**	**1,360,741**	**1,314,852**	**1,157,500**	**1,454,430**	**1,495,319**	**1,629,191**	**1,758,426**
Revenue									
Fees & Permits									
Commercial	67,915	236,180		141,008		0	0	0	0
Single Family	366,170	465,045	301,184	484,735	430,599	244,712	243,536	242,359	242,359
Multi-Family			0	0	0	-	-	-	-
Interest	94,559	167,393	68,037	128,331	128,331	58,177	52,336	48,876	52,753
Chgs for Services									
Miscellaneous	146,644	251,463							
Transfer In Transportation Fund	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Transfer In Restricted Fund									
Developer Reimbursement 163rd Street Extention (Parkside)									
MHTC Governor's Cost Share Program				3,696,559					
Total Revenue	**725,287**	**1,170,081**	**419,221**	**4,500,633**	**608,930**	**352,889**	**345,872**	**341,235**	**345,112**
Total Fund Bal & Revenues	**2,196,567**	**2,584,648**	**1,779,962**	**5,815,485**	**1,766,430**	**1,807,319**	**1,841,191**	**1,970,426**	**2,103,538**
Expenditures									
Debt Service									
Misc - Reimburse Vantrust Road Extension & 195th Street (MODOT)				3,645,985					
General Fund Transfer	12,000	12,000							
Capital Improvement Transfer									
Transfer to Transportation Fund	100,000	100,000	100,000	100,000	100,000	100,000			
Capital Projects (Budgeted / reconciled)									
Dean Avenue - Hwy 58 to Lucy Webb									
Dean Avenue - Lucy Webb to Hubach Hill						-	-	-	-
Dean Avenue/Lucy Webb Rd Intersection Improvement		(9,934)							
Maintenance of Thoroughfare Routes	200,000	212,000	212,000	212,000	212,000	212,000	212,000	212,000	212,000
155th Street Reconstruction									
Traffic Study - North Cass Pkwy									
Turn Lane 58 Hwy to Foxridge		(700,000)							
Intersection Improvements (58 Hwy & Foxridge)		(100,000)							
Traffic Study - 58 Hwy & Dean Ave									
Kurzweil & Ward Rd Emergency Repair									
North Cass Pkwy/Dean Ave Traffic Signal & Intersection Improvements	120,000	115,729							
Dean Avenue Access Management	350,000		500,000	500,000					
Median at Kentucky & 58Hwy			200,000	200,000					
163rd Street Extension - Parkside		1,200,000							
Land Purchase for future Madison connection from 150hwy		440,000							
Total Expenditures	**782,000**	**1,269,796**	**1,012,000**	**4,657,985**	**312,000**	**312,000**	**212,000**	**212,000**	**212,000**
Fund Balance (Gross)	**1,414,567**	**1,314,852**	**767,962**	**1,157,500**	**1,454,430**	**1,495,319**	**1,629,191**	**1,758,426**	**1,891,538**
Less: Reserve Balance ()			**-**	**-**	**-**	**-**	**-**	**-**	**-**
Available Fund Balance	**1,414,567**	**1,314,852**	**767,962**	**1,157,500**	**1,454,430**	**1,495,319**	**1,629,191**	**1,758,426**	**1,891,538**