



# Scott Fitzpatrick

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## Missouri State Auditor

Park Plaza  
Transportation Development District

Report No. 2024-048

July 2024

[auditor.mo.gov](https://auditor.mo.gov)



**Scott Fitzpatrick**  
Missouri State Auditor

# CITIZENS SUMMARY

## Findings in the audit of the Park Plaza Transportation Development District

### Background

The Park Plaza Transportation Development District (TDD) was formed in July 2009 for the purpose of relocating and improving Northwest Prairie View Road north of Missouri Route 45 Highway, previously adjacent to Interstate 29, to align with North Chatham Road (the first project phase). Additional improvements also included appropriate signalization modifications, an enclosed storm sewer conveyance system, extension and relocation of public utilities to supplement the roadway improvement, and all associated legal, engineering, land acquisition, and miscellaneous costs (the second project phase). The first and second project phases were completed in 2010 and 2019, respectively, and the City of Kansas City and the Missouri Highways and Transportation Commission (MHTC) subsequently accepted ownership of the project. Project costs for the Park Plaza TDD totaled \$3,337,676.

The project was funded by a 1/2-cent (0.50 percent) sales tax on all taxable transactions within the boundaries of the district. The sales tax was effective January 2010. In June 2013, the district increased the sales tax to 1 percent to fully fund project improvements. The increased sales tax was effective in October 2013.

In October 2009, the Park Plaza TDD issued revenue bonds to pay for project costs. In December 2017, the TDD issued a second set of revenue bonds, to refinance the first set, and obtain funding for the second project phase. The Park Plaza TDD satisfied this debt in its entirety in September 2023. The Board approved certain actions in connection with abolishment of the Park Plaza TDD, including repealing the District's sales tax in October 2023, effective January 1, 2024.

Based on the audit, the cash balance of the Park Plaza TDD as of December 31, 2023, was \$842,552. According to the district's legal counsel, as of April 2024, the district would incur additional estimated legal and administrative expenses totaling \$50,000 related to the dissolution of the district. After the district's final costs and professional fees are paid, the remaining balance will be transferred to the City of Kansas City and the MHTC in accordance with state law.

### Financial Status

The audit of the Park Plaza Transportation Development District indicates the financial condition of the district is such that it may be abolished.

Because of the nature of this audit, no rating is provided.

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**SCOTT FITZPATRICK**  
MISSOURI STATE AUDITOR

Bob Johnson, Executive Director  
and  
Board of Directors  
Park Plaza Transportation Development District  
Kansas City, Missouri

The State Auditor is required under Section 238.275, RSMo, to audit a transportation development district prior to the question of abolishment being submitted to a vote. On October 24, 2023, the Board of Directors of the Park Plaza Transportation Development District approved a resolution of its intent to dissolve the district and request an audit as required by statute. The State Auditor was subsequently notified of this resolution.

The district engaged Deborah Loomis, CPA, LLC, to audit the district's financial statements for the year ended December 31, 2022. To minimize duplication of effort, we reviewed the CPA firm's report for the year ended December 31, 2022, since the December 31, 2023, audit had not yet been completed. The scope of our audit included, but was not necessarily limited to, the year ended December 31, 2023. The objectives of our audit were to evaluate the financial status of the district and determine whether it may be abolished pursuant to law.

Our methodology included reviewing minutes of meetings, financial records, and other pertinent documents; and interviewing various personnel of the district, as well as certain external parties. We obtained an understanding of legal provisions that are significant within the context of the audit objectives, and we assessed the risk that illegal acts, including fraud, and violations of applicable contract, or other legal provisions could occur. Based on that risk assessment, we designed and performed procedures to provide reasonable assurance of detecting instances of noncompliance significant to those provisions.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform our audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

The audit determined the Board of Directors may proceed with abolishment of the district in accordance with Section 238.275, RSMo.

The accompanying Management Advisory Report presents our findings arising from our audit of the Park Plaza Transportation Development District.

A handwritten signature in black ink that reads "Scott Fitzpatrick". The signature is stylized, with the first letters of the first and last names being capitalized and prominent.

Scott Fitzpatrick  
State Auditor

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# Park Plaza Transportation Development District Management Advisory Report - State Auditor's Findings

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## Financial Status

Our audit of the Park Plaza Transportation Development District (TDD) indicates the financial condition of the district is such that it may be abolished.

The Park Plaza TDD is located in Platte County, in the City of Kansas City. The district was organized in July 2009 by petition of the property owner/developer within the proposed TDD. The district consists of 1 property owner. The members of the Board of Directors consist of 5 members: 4 representatives of the property owner/developer, and 1 vacancy. The district has a fiscal year end of December 31.

The Park Plaza TDD was formed for the purpose of relocating and improving Northwest Prairie View Road north of Missouri Route 45 Highway, previously adjacent to Interstate 29, to align with North Chatham Road (the first project phase). Additional improvements also included appropriate signalization modifications, an enclosed storm sewer conveyance system, extension and relocation of public utilities to supplement the roadway improvement, and all associated legal, engineering, land acquisition, and miscellaneous costs (the second project phase). The City of Kansas City is the public entity with jurisdiction over the local portion of the project and serves as the Local Transportation Authority. The Missouri Highways and Transportation Commission (MHTC) serves as the entity with jurisdiction over the state portion of the project. The first and second project phases were completed in 2010 and 2019, respectively, and the City of Kansas City and MHTC subsequently accepted ownership of the project. Project costs for the Park Plaza TDD totaled \$3,337,676.

In July 2009, the Board of Directors passed a resolution formally approving the submission of the proposed sales tax rate to the qualified voters of the district and establishing a sales tax rate of 1/2 of 1 percent (0.50 percent) on all taxable transactions within the boundaries of the district. The sales tax was effective in January 2010. In June 2013, the district increased the sales tax to 1 percent to fully fund project improvements. The increased sales tax was effective in October 2013.

In October 2009, the Park Plaza TDD issued revenue bonds to pay for project costs. In December 2017, the TDD issued a second set of revenue bonds, to refinance the first set, and obtain funding for the second project phase. The Park Plaza TDD satisfied this debt in its entirety in September 2023. The Board approved certain actions in connection with abolishment of the Park Plaza TDD, including repealing the District's sales tax in October 2023, effective January 1, 2024. See the table below for district financial activity for the fiscal year ended December 31, 2023.

In October 2023, the Park Plaza TDD Board of Directors formalized its intent to dissolve the district. The District subsequently advised the State Auditor's Office (SAO) in January 2024 of this resolution and requested the SAO proceed with all necessary actions as required pursuant to Section 238.275,



Park Plaza Transportation Development District  
Management Advisory Report - State Auditor's Findings

RSMo. That statute requires the State Auditor to audit the district to determine its financial status, and determine whether it may be abolished pursuant to law. It also states the board shall not propose the question to abolish the district while there are outstanding claims or causes of action pending against it; if its liabilities exceed its assets; or while the district is insolvent, in receivership, or under the jurisdiction of a bankruptcy court.

The following table presents the financial activity and cash balances for the year ended December 31, 2023.

	Year Ended December 31, 2023
RECEIPTS	
Sales Tax	\$ 590,211
Transfer from Bond Accounts*	602,645
Other Income	2,500
Total Receipts	1,195,356
DISBURSEMENTS	
Debt Service	366,748
Interest	3,809
County-Financed Project Costs	0
Administrative Costs	34,170
Total Disbursements	404,727
RECEIPTS OVER (UNDER) DISBURSEMENTS	790,629
BEGINNING CASH	51,923
ENDING CASH	\$ 842,552

\* Represents all of the remaining amounts held by the district's bond trustee after bond debt was paid in full.

Source: Compiled by the SAO using the district's bank statements, audited financial statements, and unaudited financial statements.

Based on our audit, the cash balance of the Park Plaza TDD as of December 31, 2023, was \$842,552. According to the district's legal counsel, as of April 2024, the district would incur additional estimated legal and administrative expenses totaling \$50,000 related to the dissolution of the district. There are no pending, threatened, or unasserted claims or assessments against the district, according to district legal counsel. District officials confirmed the district is not insolvent, in receivership, or under the jurisdiction of a bankruptcy court. Based on these representations, district assets are sufficient to pay any remaining costs and obligations. After the district's final costs and professional fees are paid, the remaining balance will be transferred to the City of Kansas City and the MHTC in accordance with Section 238.275.5(1), RSMo.

Based on our audit, the Board of Directors may proceed with the abolishment of the district in accordance with Section 238.275, RSMo.