



Abatement Advisory Board Declines to Catch a Falling Star

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By: Patrick Ishmael

It's been a bad few days for the Kansas City Star. Last week, the Kansas City Business Journal [reported](#) that the Star was seeking a 15-year extension to the abatement it has on its downtown production facility, which ended last year. If approved, the extension would be worth millions of dollars for the newspaper.

But prospects for the Star's extension dimmed a bit on Wednesday when the city's Chapter 353 Advisory Board, in unexpectedly harsh terms, recommended the city [deny the newspaper's request](#) .

Advisory Board Chairman Michael Duffy made the motion to recommend denial, giving two primary reasons. For one, Duffy said, Chapter 353 abatements were intended to be used as redevelopment incentives, "not as a bailout provision for a troubled business." In addition, Duffy said, the Star's request appears to be "an end run around an adverse county determination of fair market valuation."

According to the Business Journal, without the abatement the Star's property taxes could accelerate from less than \$100,000 each year to around \$1.3 million annually. That's a hefty chunk of change to be sure, but remember: It's a chunk of change that the newspaper hasn't had to pay for the last decade. Put another way, the Star's present abatement meant millions of dollars did not go to public services in Kansas City; denial of this extension would allow the newspaper to fully fund its obligations to the city's schools going forward.

Chairman Duffy's suggestion that an abatement shouldn't be a "bailout provision for a troubled business" is exactly right. If an enterprise cannot make it on the strength of the

value it brings to the market, it is not the obligation of taxpayers to make it profitable. If the government is the only thing that can make a business work, then the business isn't working (*cough cough* [convention hotels](#) *cough*).

But this week's news is unlikely to be the end of the Star's abatement story. We'll keep you posted.

About the Author



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