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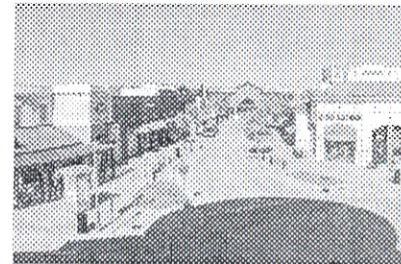
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Taxpayers may get the bill for Zona Rosa default

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One of the Northland's hot spots for shopping has defaulted on its mortgage, which could leave Platte County taxpayers footing part of the bill, *The Kansas City Star* reports.

Zona Rosa opened in 2004 with an occupancy rate of 85.9 percent, but by 2017, that number had fallen to 60 percent, according to the *Star*. Some of the outdoor shopping center's former tenants, such as Gymboree and Crazy 8, succumbed to bankruptcy and closed stores nationwide. Most recently, Claire's filed for Chapter 11 bankruptcy protection and plans to close 92 stores in March and April. It's unclear what the future holds for its Zona Rosa location.



AP/Wide World

One of the Northland's hot spots for shopping has defaulted on its mortgage, which could leave Platte County taxpayers footing part of the bill.

The default is tied to Zona Rosa Development LLC spending down \$500,000 of a letter of credit last year and then failing to secure a new \$500,000 letter of credit. Zona Rosa Development LLC is an affiliate of New York-based real estate firm Olshan Properties.

Thanks to a financial subsidy deal in 2007 to expand Zona Rosa, the Platte County Commission and the Platte County Industrial Development Authority are responsible for covering debt payment shortfalls if the shopping center doesn't generate enough revenue to pay bondholders.

The county now has three options to cover the debt payments that are due in December:

- use taxpayer money
- forgo the debt payments, which could affect the county's credit rating
- use part of a three-cent transportation sales tax

Although a final decision has not yet been made, the county commission has set aside \$500,000 to cover the payments.

