

**CITY OF JOPLIN
COUNCIL AGENDA ITEM**

ITEM

Council Bill 2020-535 – Approving Redevelopment Project 1A of the 32nd Street Place TIF Plan

MEETING DATE

July 17, 2023

ORIGINATING DEPT

Finance

ATTACHMENTS

CB 2020-535 Ordinance

REVIEWED BY

Department Head: Leslie Haase; Planning Director: Troy Bolander; City Attorney: Peter Edwards; City Manager: Nick Edwards

SUMMARY

This Council Bill approves Redevelopment Project 1A of the 32nd Street Place TIF Plan generally located to the north of Hammons Boulevard and the east of Rangeline Road and south of 32nd Street.

BACKGROUND

Woodsonia Joplin, LLC (the developer) submitted a proposed TIF (tax increment financing) Plan several months ago, called the 32nd Street Place TIF. A meeting of the TIF Commission was held on October 29, 2020 to consider the proposed TIF Plan. Staff presented an analysis of the proposed TIF, as well as Baker Tilly presented the “But-For” analysis on behalf of the City. Following the presentations, the TIF Commission approved the TIF Plan unanimously, with two members being absent.

The 32nd Street Place TIF is a “pay-as-you-go” TIF. This means the City will not issue any debt and the developer will pay for the development up front. Then, as the development within the TIF District generates revenue from the incremental increase in sales tax and property tax, the developer will be reimbursed from these proceeds generated by the development. The total project cost is nearly \$188.9 million, with just over \$30.1 million eligible for TIF and CID reimbursement.

This ordinance approves Project 1A of the 32nd Street Place TIF Plan and adopts tax increment financing for the specified area. If this ordinance is approved on first reading, it will need to be tabled until this area is activated. Activation of a project area must occur within 10 years of the passage of the ordinance approving the TIF Plan.

FUNDING SOURCE

Not applicable for this item.

RECOMMENDATION

Staff recommends removing from the table and passing on Second Reading and Third Reading.

COUNCIL BILL NO. 2020-535

ORDINANCE NO.

AN ORDINANCE approving Redevelopment Project 1A of the 32nd Street Place Tax Increment Financing Redevelopment Plan and adopting Tax Increment Financing therein.

WHEREAS, on December 28, 2020, the City of Joplin, Missouri (the "City") adopted the 32nd Street Place Tax Increment Financing Redevelopment Plan (the "Redevelopment Plan") including Redevelopment Project 1A included therein by Ordinance No. 2020-___, and designated the Redevelopment Area, described therein, as a blighted area, all pursuant to the provisions of the Real Property Tax Increment Allocation Act, Sections 99.800 to 99.865., RSMo (the "Act"); and

WHEREAS, the Redevelopment Plan contemplates implementation through multiple Redevelopment Projects designated as Redevelopment Projects 1A, 1B, 1C, 2A, 2B, 3, 4, and 5 in Redevelopment Project Areas 1A, 1B, 1C, 2A, 2B, 3, 4, and 5, and the adoption of tax increment financing in the area selected for each Redevelopment Project.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF JOPLIN, MISSOURI, as follows:

Section 1. That the area selected for Redevelopment Project 1A legally described in Exhibit A attached hereto is approved and designated as a Redevelopment Project (hereinafter referred to as "Redevelopment Project 1A"). Redevelopment Project 1A includes only those parcels of real property and improvements thereon which will be directly and substantially benefited by the Redevelopment Project improvements therein.

Section 2. That tax increment allocation financing is hereby adopted for taxable real property in the above-described area selected for Redevelopment Project 1A. Pursuant to the Act, after the total equalized assessed valuation of the taxable real property in Redevelopment Project 1A exceeds the certified total initial equalized assessed valuation of the taxable real property in Redevelopment Project 1A, the ad valorem taxes, and payments in lieu of taxes, if any, arising from the levies upon the taxable real property in Redevelopment Project 1A by taxing districts and tax rates determined in the manner provided in subsection 2 of Section 99.855 of the Act, as amended, each year after the effective date of the ordinance until redevelopment project costs have been paid shall be divided as follows:

- a. That portion of taxes, penalties and interest levied upon each taxable lot, block, tract, or parcel of real property which is attributable to the initial equalized value of each such taxable lot, block, tract or parcel of property in the area selected for Redevelopment Project 1A shall be allocated to and, when collected, shall be paid by the Newton County Collector and the City Treasurer to the respective affected taxing districts in the manner required by law in the absence of the adoption of tax increment allocation financing.

- b. Payments in lieu of taxes attributable to the increase in the current equalized assessed valuation of each taxable lot, block, tract or parcel of real property in the area selected for Redevelopment Project 1A, and any applicable penalty and interest over and above the initial equalized assessed value of each such unit of property shall be allocated to and, when collected, shall be paid to the City Treasurer who shall deposit such payment in lieu of taxes into a special fund called the "Special Allocation Fund" of the City for the purpose of paying redevelopment project costs and any obligations incurred in the payment thereof; provided that payments in lieu of taxes shall be subject to the provisions of Section 99.845.1(3) of the Act, as amended, regarding the blind pension fund tax and the merchants' and manufacturers' inventory replacement tax and Section 99.845.15 of the Act regarding property tax levied under Section 205.971 RSMo.

Section 3. That in addition to the payments in lieu of taxes described in subsection b of Section 2 above, fifty percent (50%) of the total additional revenue from taxes, penalties and interest which are imposed by the City or taxing districts, and which are generated by economic activities within the area selected for Redevelopment Project 1A over the amount of such taxes generated by economic activities within such area in the calendar year prior to the adoption of this ordinance, while tax increment financing remains in effect, but excluding those taxes, licenses, fees, or special assessments identified in Section 99.845.3 of the Act, other than payments in lieu of taxes, and penalties and interest thereon shall be allocated to, and paid by the local political subdivision collecting officer to the City Treasurer or other designated financial officer of the City, who shall deposit such funds in a separate segregated account within the Special Allocation Fund.

Section 4. That this ordinance shall be in full force and effect from and after its passage and approval by the Mayor and City Council.

PASSED BY THE COUNCIL OF THE CITY OF JOPLIN, MISSOURI, this _____ day
of _____, 2023.

Douglas W. Lawson, Mayor

ATTEST:

Holly Nagy, City Clerk

Council Bill No. 2020-535 (Continued)

APPROVED AS TO FORM:

Peter C. Edwards, City Attorney

Exhibit A

Legal Description of Redevelopment Project Area 1A

ALL THAT PART OF FRACTIONAL SECTION 19, TOWNSHIP 27 NORTH, RANGE 32 WEST, ALL IN THE CITY OF JOPLIN, NEWTON COUNTY, MISSOURI AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING FROM THE NORTHWEST CORNER OF SAID SECTION 19 (BEARINGS WRITTEN HEREIN ARE BASED UPON THE MISSOURI STATE PLANE COORDINATE SYSTEM, WEST ZONE); THENCE SOUTH $01^{\circ}22'35''$ WEST, ALONG THE WEST LINE OF SAID FRACTIONAL SECTION 19, A DISTANCE OF 226.08 FEET; THENCE SOUTH $88^{\circ}36'58''$ EAST, A DISTANCE OF 60.00 FEET TO THE POINT OF BEGINNING, SAID POINT BEING ON THE EAST RIGHT OF WAY LINE OF U.S. HIGHWAY NO. 71 (RANGE LINE ROAD), THENCE NORTH $47^{\circ}54'24''$ EAST, A DISTANCE OF 36.52 FEET; THENCE SOUTH $88^{\circ}49'26''$ EAST, A DISTANCE OF 116.65 FEET; THENCE SOUTH $45^{\circ}04'38''$ EAST, A DISTANCE OF 45.99 FEET TO A POINT ON THE EAST LINE OF A TRACT OF LAND DESCRIBED IN BOOK 351 AT PAGE 2535; THENCE SOUTH $01^{\circ}17'42''$ WEST, ALONG THE EAST LINE OF SAID TRACT OF LAND, A DISTANCE OF 116.82 FEET TO THE SOUTHEAST CORNER OF SAID TRACT; THENCE NORTH $88^{\circ}58'32''$ WEST, ALONG THE SOUTH LINE OF SAID TRACT, A DISTANCE OF 270.47 FEET TO A POINT ON THE EAST RIGHT OF WAY LINE OF SAID U.S. HIGHWAY NO. 71, AS PREVIOUSLY ESTABLISHED; THENCE NORTH $01^{\circ}23'02''$ EAST, ALONG THE EAST RIGHT OF WAY LINE OF SAID U.S. HIGHWAY NO. 71, A DISTANCE OF 124.30 FEET TO THE POINT OF BEGINNING. CONTAINING 36,431.69 SQ. FEET (0.84 ACRES).