City of Joplin — City Council Agenda Item

REQUESTED COUNCIL MEETING DATE: APRIL 6, 2015

COUNCIL BILL 2015-506
ORIGINATING DEPARTMENT: FINANCE DEPARTMENT
ATTACHMENT: HOPE VALLEY TIF DISTRICT REDEVELOPMENT AGREEMENT, EXHIBIT "A"

Finance Director: Leslie Haase	**Date:**
Planning Director: Troy Bolander	**Date:**
City Attorney: Peter Edwards	**Date:**
City Manager: Sam Anselm	**Date:**

INTRODUCTION:

This Council Bill approves a TIF District Redevelopment Agreement with the Hope Valley Development.

DISCUSSION:

In July 2014, Council designated the developer for Project I of the Hope Valley TIF District and adopted the formation of tax increment financing within certain boundaries as set forth in the Hope Valley TIF Plan. However, the ordinance was tabled until certain terms were met and the Redevelopment Agreement was developed. This Council Bill approves the Redevelopment Agreement for the Hope Valley TIF, but still does not activate the TIF.

Developer Kevin Steele brought forward a proposed TIF plan in early 2014. The Hope Valley TIF District is generally located to the South of I-44 and to the west of Rangeline Road. An independent "But-For" analysis was performed by Springsted and presented to the TIF Commission. The TIF Commission approved the TIF Plan unanimously.

The Hope Valley 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 TIF generates revenue from the incremental increase in sales tax, franchise tax, and property tax, the developer will be reimbursed from those proceeds.

As previously mentioned, this ordinance does not activate the TIF. Thus, there will be no revenue redirected from taxing jurisdictions until Project I is activated. The developer anticipates the activation of Project I during the fourth quarter of 2015.

RECOMMENDATION:

City Staff recommends this Council Bill be approved on an emergency basis.