CITY OF JOPLIN
COUNCIL AGENDA ITEM

ITEM:
CB 2019-261: State Tax Credit for Contribution Agreement

MEETING DATE:
May 5, 2019

ORIGINATING DEPARTMENT:
Planning, Development and Neighborhood Services

REVIEWED BY:
Director of Planning, Development & Neighborhood Services-Troy Bolander, Director of Finance-Leslie Haase, City Attorney- Peter Edwards, Interim City Manager- Daniel Pekarek.

BACKGROUND:
The Downtown Joplin Alliance (DJA), owner of the Empire Market Building, continues to convert the former Empire Electric Company warehouse and equipment storage building into a Farmer's/Artisan market. When completed the Empire Market Building will have an outdoor covered market pavilion for both farmers and vendors to sell their produce and merchandise, plus, DJA will provide additional space for offices, businesses incubators, classrooms and community gardens. The redevelopment project is eligible for financing through the Missouri Development Finance Board's (MDFB) Tax Credit for Contribution Program. The program allows a taxpayer to contribute to the MDFB's infrastructure development fund. Up to a 50% tax credit may be issued to the taxpayer on the value of their eligible contribution. In return, the project beneficiary (DJA) will receive a grant to help finance some of the redevelopment costs associated with the rehabilitation of the building and grounds of the Empire Market Building.

The City approved a resolution of support for the project on December 4, 2017. Since that time DJA was approved for financing through the program. The approval of the agreement will obligate the credits to the Empire Market Building project.

For the Empire Market Redevelopment Project to be eligible for financing, the agreement for the tax credits must also be signed by a unit of local government (City of Joplin). The attached agreement does not financially commit the city to the project and no city funds will be used on the Empire Market Redevelopment Project. The city will monitor the project for the MDFB and will act as a "pass" through for the invoices. A Memorandum of Understanding between the City of Joplin and the DJA identifying the responsibilities of each organization concerning project monitoring and and invoice processing will be presented to the city council at a future meeting before the program is implemented.

FUNDING SOURCE
N.A.

RECOMMENDATION:
Staff recommends approval of Council Bill No. 2019-261

ATTACHMENTS
CB 2019- 261, Tax Credit Agreement