City of **JOPLIN** City Council Agenda Item

Requested Council Meeting Date: June 20, 2016

Item: RESOLUTION NO. 2016-012
Originating Department: FINANCE DEPARTMENT

Attachments: 1) Resolution No. 2016-012 2) TIF Financial Report and Annual Report

Finance Department: Leslie Haase
City Attorney: Peter Edwards
City Manager: Sam Anselm

Recommended Action: Approve Progress of TIF Redevelopment Plan

SUMMARY/REQUEST:
The City of Joplin approved the Joplin Recovery TIF Redevelopment Plan in December of 2012. The Joplin Redevelopment Corporation (JRC) is the developer of this TIF. This TIF issued debt totaling $18,250,000. This is in the starting up phase. The City of Joplin was struck by an EF-5 tornado on May 22, 2011 that damaged or destroyed 30% of the community. As a result, the Redevelopment Plan called for the redevelopment of the approximate 3,100 acres in order to facilitate the recovery and economic revitalization of the area. The Redevelopment Project describes total project costs of $807 million. The Redevelopment Project is comprised of numerous redevelopment project components, including without limitation, the following: land acquisition, market rate housing, affordable housing, senior transitional housing, mixed-use residential housing over retail, medical office buildings, neighborhood revitalization and infrastructure, a new library, amongst other redevelopment.

This TIF District is still in the start-up phase. The gross amount of TIF Bonds issued is $18,250,000. Over twenty years, the total interest is $14,155,292, unless the bonds are paid off early. As of October 31, 2015, the total amount of EATS and PILOTS collected and remitted is $3,733,100. The bond trustee requires a debt service reserve of $1,825,000 that is required to be held until near the end of the debt and then will be applied towards the debt. As set forth in the amortization schedule, only interest payments have been paid to date with principal payments beginning in 2017. Currently, the TIF District is collecting approximately $2,000,000 per year. At this point, it is too early to estimate if the bonds will be paid off prior to the twenty-year maturity. When the debt is repaid fully, this TIF District will end and the taxing jurisdictions will receive the full economic benefits of the improved tax base.

Staff believes this TIF District Redevelopment Project has made satisfactory progress.

RECOMMENDATION:
Staff recommends this Resolution be approved.