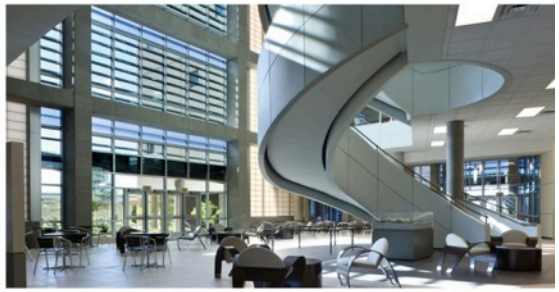


Redevelopment Project Update

Joplin City Council Presentation – December 10, 2012







Wallace Bajjali
Development Partners, LP

Discussion Overview

- Potential Funding Sources
- Status of Efforts
- Project updates
- Questions

Potential Funding Sources

Public Sources

- CDBG
- EDA
- MDFB
- TIF
- Super TIF
- HOT
- New Market Tax Credits
- Brownfield Tax Credits
- Historic Tax Credits
- Subsidiary Revenue Bonds

Private Sources

- Salvation Army Grant
- Traditional Bank Debt
- Private Equity
- Government Lease Backed Bonds

Status of Efforts

- **HUD CDBG Program - $45 million** in disaster funds allocated to Joplin and Policies and Procedures in place to ensure HUD compliance. Awaiting funds to begin land acquisition
- **EDA Disaster Funding –** New Public Library Indications from Economic Development Administration that up to **$20 Million** available and working to finalize revised application based on EDA's Direction. EDA application submitted on 11/9/2012
- **MDFB -** Discussions underway with Missouri Development Finance Board regarding these funding sources **$22 million**
- **TIF/Super TIF -** Creation of Tax Increment Finance (TIF) Plan and legislative changes for Super TIF; Cost Benefit Analysis complete; Meetings held with representatives of all related taxing jurisdictions; and numerous TIF Commission meetings/public hearing/informational meetings with anticipated net cash to JRC of approximately **$57 million**, generating approximately **$13 million** to Joplin School District (in addition to $3 Million EDA)

Challenge One

- Restore School District Revenues inside TIF to Pre-Tornado Figures

	TIF PLAN	District Calculation
• **2010 EAV**	$112 Million	$112 Million
• **2010 MIL Rate**	$3.31/100	N/A
• **2010 TIF District Collections**	$3.7 Million	N/A
• **2012 EAV**	$73 Million	$73 Million
• **2012 MIL Rate**	$3.66 Million	$3.66/100
• **2012 TIF District Collections**	$2.7 Million	$2.7 Million
• **Drop in EAV**	$39 Million	$39 Million
• **Drop in TIF District Collections**	$1 Million	$1.4 Million

Challenge Two

- Fund O&M and Capital Costs to Educate and House Future Students above Baseline Enrollment

Joplin School District Discussions

	Initial TIF Plan	District Calculation	Revised TIF Plan
• **Challenge #1 Resolution**			
– **Cash Payment in Year Three**	$12 Mill	$16 Mill	$13 Mill
• **Challenge # 2 Resolution**		Current TIF Enrollment	
– **Baseline Number**	TIF*PSE (2104)+250 **1582 NTDS	(772)+70 70 NTDS	District PSE (7793) +250 383 New Students
• **Per Capita (above baseline) for O&M**	$1,361	$1,415	$1415 +1.5%/yr
• **Per Capita (above baseline) for Capital**	$1,139	$2,509	$2509(flat)
– **TOTAL PER CAPITA**	$2,500	$3,925	$3,925

* Pre-Storm Enrollment

** New TIF District Student

Status of Efforts

- **New Market Tax Credits allocation for CDE –**
  - Application submitted for Community Development Entity (CDE) status on August 2, 2012
  - CDE created by Joplin City Council on August 3, 2012
  - CDE Application Approved on November 28, 2012
  - Funding letters from four commercial lenders for **$215 million** in equity and debt
  - Potential NMTC allocation of $100 million yielding approximately **$20 million to $30 million** in net cash to Joplin projects

- **EPA Grant - $100,000** in funding available through EPA for the Complete/ Green Streets Initiative for the 20th Street Development

Status of Efforts

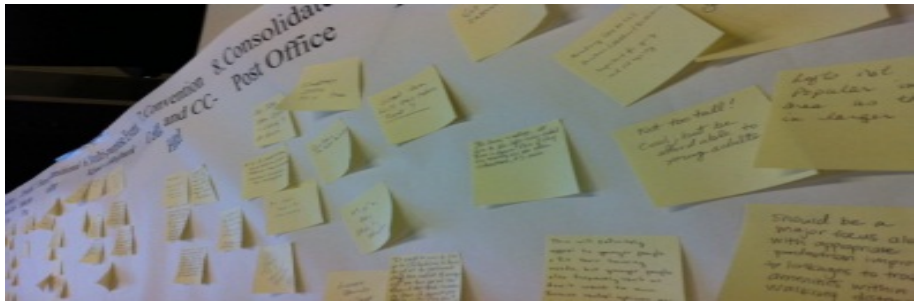
- **Museum & Cultural District -** JRC legislative agenda item
- **MHDC -** Discussions underway with Missouri Housing Development Commission regarding these funding sources involving Mo-Aid, asking for increase from 5% to 10%
- **JRC Anticipation Notes -** Conditional approval received for **$8 million** from Joplin Loan Consortium (8 local lenders)
- **Investment Bank -** Project Finance Term Sheets for over **$150 million** in debt placements
  - *Consolidated Government District* *$45MM*
  - *Secondary Education* *$73MM*
  - *MDFB* *$22MM*
  - *SPARK* *$20MM*
- ***Salvation Army Grant*** - $3.5 million for Principle Reduction Program

Status of Efforts

- **Private Sector Senior Conventional Debt –** Negotiation of Final Terms With Co-development Partners based on Economic Models and Business Plans

- **Private Sector Equity Capital –** Negotiation of Final Terms With Co-development Partners based on Economic Models and Business Plans

- **Public Input-** Latest public input session held on October 29th in partnership with CART. Over 140 citizen comments were received on the proposed redevelopment projects. To date, 22 large group meetings plus 6 public meetings/hearings have hosted over 1500 in attendance (countless small group meetings



Status of Efforts

- Creation of City of Joplin website presence with Joplin Redevelopment Updates





JRC Land Bank

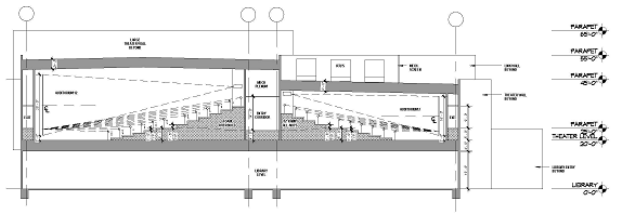
- 200+ potential residential properties examined within the disaster zone from Jefferson to Highview
- Awaiting HUD approval for CDBG funds to be released
- After HUD approval, will enter into contracts for purchase
- $12-$15 million in offers outstanding
- Awaiting TIF approval to activate loan consortium
- Policy and procedures, business plan, draft contracts and LOI unanimously approved by board

Library/Movie Theater Complex

- EDA grant application submitted on 11/03/2012
- Location to be along 20th street corridor – Library Board epicenter
- JRC and City control 8 acre tract
- Ongoing conversations with representatives of major retail entities and co-development partners to locate at complex
- Awaiting TIF Commission approval







Principle Reduction Plan

- Negotiating contract with The Salvation Army
- Home builder “Invitation to Participate” issued to HBA, lumberyards etc. Several local builders have expressed interest in participating
- Lender “Invitation to Participate” pending for local lenders
- Marketing plan has been developed
- Policies and procedures have been developed
- TSA educational seminars have been created



Market Rate Housing - Single/Multi Family Residential

- Potential sites have been identified
- LOI with large national company obtained for Multi Family project for such firm to bring equity and debt capital
- Continuing to discuss with landowners of potential sites
- Several offers pending subject to JRC capitalization
- Awaiting TIF Commission approval



Affordable Multi-Family Residential

- Potential sites have been identified
- LOI with large national company obtained for Multi Family project for such firm to bring equity and debt capital
- Continuing to discuss with landowners of potential sites
- Several offers pending subject to JRC capitalization
- Awaiting TIF Commission approval



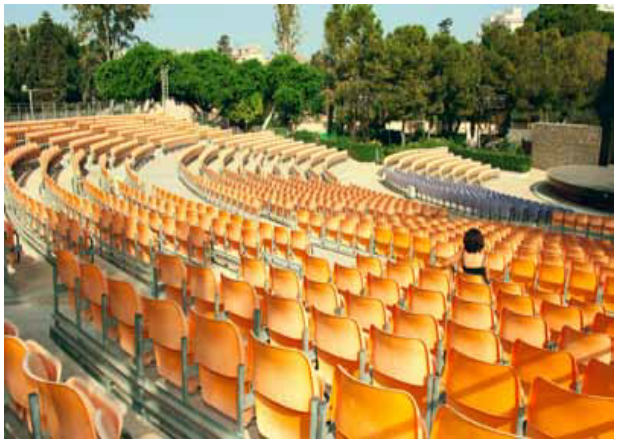
Senior Housing – Independent Living/Assisted/Memory Care

- LOI received from large national company for such firm to bring debt equity and debt capital to participate in Senior Independent Living and Assisted Living/Memory Care facility
- Meeting with LOI representatives still ongoing
- Numerous potential sites have been identified
- Property owners have been contacted and offers have been submitted subject to JRC capitalization
- Awaiting TIF Commission approval



SPARK Project

- Museum and Cultural District is being considered in legislative agenda to join Library/Movie Theater with Spark Project
- Adjacent property owners have been contacted to enter into negotiations
- Subject to EDA approval of library, cash flow from movie theater will be available to fund $20 million of SPARK project
- Awaiting TIF Commission approval



Salvation Army Transitional Housing

- Awaiting release of HUD CDBG funds to acquire property
- Plans for 10 transitional houses for their program
- Homes to be owned and maintained by The Salvation Army
- Negotiating definitive agreement with The Salvation Army



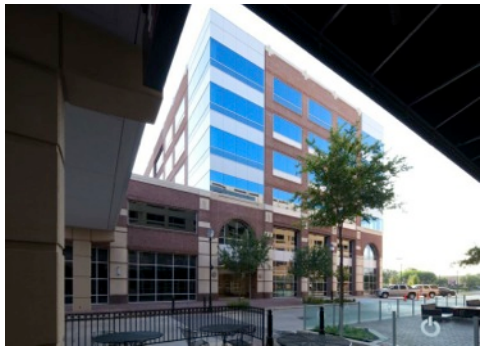
Downtown Educational Facility

- To be located on the 300 block of Main, current location of the library
- Educational Facility to replace library after relocation to 20th and Connecticut
- Talks ongoing with potential tenant- 230+ jobs/approximately 600 students
- LOI with adjacent property owners to assemble interim site operations
- Capital term sheet ($73 million) secured
- Potential economic impact $50 million per year



Consolidated Post Office/ Government Office Building

- Potential sites have been evaluated
- Property owners have been identified
- Met with co-development partner
- Numerous conversations with United States Postal Service and Missouri Office of Administration – Division of Purchasing and Materials
- Offers to acquire substantial parcels of land have been made
- Capital term sheet ($45 million) secured



Medical-
Office Building Office/Clinic Facility

- Multiple sites have been located
- Several LOI's have been submitted to property owners
- A local organization has expressed interest in entering into lease/purchase agreement of Medical Office/Clinic Facility
- Ongoing partnering conversations with top leadership of hospital organizations



Loft over Retail

- Two locations have been identified
- Several partners have expressed interest in participating and securing debt and equity capital (including a large national company)
- Ongoing conversations with potential tenants
- Potential anchor tenant of library theater includes major grocery chain



Other Projects….

- **Neighborhood Revitalization**
  - Sidewalks/trees/streetscape/trail system included in PRP and beyond
- **Multi-Purpose Event Center**
  - Several sites are being examined for possible use
  - LOI received from partner in this project
- **Convention Center/Hotel**
  - Discussion ongoing with two groups for potential partnership
  - Several sites are being examined for possible use
  - LOI received from partner in this project



Path Forward

- Complete Joplin Loan Consortium, TIF Plan and MDFB Funding Request to Capitalize JRC and Execute Property Acquisition Strategy
- Commencement of Execution of Communications Plan/Program
- Legislation being drafted in conjunction with City to address TIF, Super TIF, Museum and Cultural District and other items
- Policies, Procedures and Definitive Agreements with Salvation Army being drafted and CDBG to be completed

Path Forward

- Finalize details of Principle Reduction Plan
- TIF approval
- Continue public input sessions

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QUESTIONS?