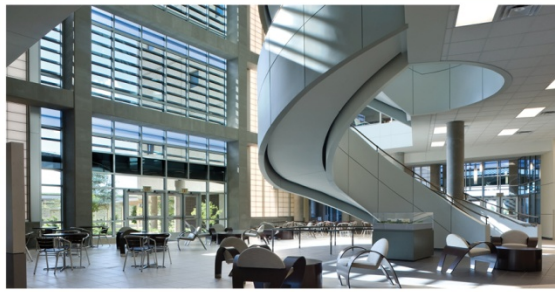


Redevelopment Project Update

Joplin City Council Presentation – Oct 15, 2012







Wallace Bajjali
Development Partners, LP

Discussion Overview

- Review of Major Milestones
- Listing of Potential Project Components
- Potential Funding Sources
- Status of Efforts
- Path Forward
- Questions

Review of Major Milestones

- Dec 31, 2011 - City issues Request For Proposal for Master Developer
- January 31, 2012 - RFP Responses due to City
- April 2, 2012 – Recommendation to City on Master Developer
- July 2, 2012 – City Council approves Predevelopment Agreement
- July 9, 2012 – City Council Presentation on First Round List of Potential Projects

Review of Major Milestones

- July 23, 2012 - Presentation to City Commission on Recommendations for uses of CDBG Program Funds and EDA Program Grant Application
- August 20, 2012 – City Council Approves Land Assemblage Agreements
- September 1, 2012 – Wallace Bajjali hires local staff in Joplin, begins ramp up
- October 11, 2012 - Joplin Redevelopment Corporation, Inc. ("JRC") approval of business plan, financial models, policies and procedures, transaction flow chart, communications plan and donation policy

Listing of Potential Project Concepts

• Land Acquisition	$ 30 MM
• Housing	$258 MM
• Senior Transitional Living	$ 35 MM
• Salvation Army Transitional Housing	$ 2 MM
• Mixed-Use Residential over Retail / Commercial	$ 56 MM
• Medical Office Buildings	$ 74 MM
• Neighborhood Revitalization and Infrastructure	$ 8 MM
• Library / Theater Complex	$ 20 MM
• Consolidated Government Office Facility	$ 45 MM
• SPARK—Performing and Visual Arts Center & Depot	$ 68 MM
• Downtown Education Complex	$ 73 MM
• Multi-Purpose Event Venue and Sports Complex	$ 55 MM
• Hotel and Convention Center	$ 70 MM
	$794 MM

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
- **EDA Disaster Funding -** Indications from Economic Development Administration that up to **$20 Million** available and working to finalize revised application based on EDA's Direction
- **Library Theater Project / SPARK –** EDA requested changes to application
- **Museum & Cultural District –** JRC legislative agenda item
- **MHDC -** Discussions underway with Missouri Housing Development Commission regarding these funding sources
- **MDFB -** Discussions underway with Missouri Development Finance Board regarding these funding sources

Status of Efforts

- **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 TIF Commission meeting held on October 12th with anticipated net cash to JRC of approximately **$60 million**, generating approximately **$15 million** to Joplin School District ($12 million TIF & $3 Million EDA)
- **JRC Anticipation Notes - $8 million** from Joplin Loan Consortium
- **Investment Bank –** Project Finance Term Sheets for over **$150 million** in debt placements
- **The Salvation Army** – Negotiation of definitive agreements underway for **$3.5 million** for the Principle Reduction Plan
- **Principle Reduction Program –** Policies & Procedures being drafted; General Application being created; RFP for Builders and Lenders being finalized; Salvation Army Counseling Programs being adopted; and, communication plan being finalized for initial **$40 million** in PRP Roll-out in next 60-days

Status of Efforts

- **New Market Tax Credits allocation for CDE -**
  - Community Development Entity (CDE) Creation
  - CDE Application Submitted
  - Funding letters from four commercial lenders for **$215 million** in equity and debt
  - Potential allocation $100 million yielding approximately **$20 million** in net cash to Joplin projects

- **Pocket Parks / Trail System –** JRC to acquire and reserve land for CART recommended Quality of Life projects subject to City Council's direction

- **TIGER Grant – $12 million** in funding available for 20th and Kansas City Southern Right-of-way through Transportation Investment Generating Economic Recovery (TIGER) program

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

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

Path Forward

- Complete Joplin Loan Consortium and MDFB Funding Request to Capitalize JRC and Execute Property Acquisition Strategy
- Commencement of Execution of Communications Plan/Program
- Legislative agenda 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
- Roll Out Principle Reduction Plan

Path Forward

- Complete and Submit EDA Grant Application
- Coordinate with TIF Commission on December, 2012 Resolution
- Secure Support for Enhanced CDE New Market Tax Credits Allocation
- Ongoing Housing market assessment
- Market assessment for commercial projects
- Creation of Project Business plans

QUESTIONS?