# BILL 2016-8 AND 9

****** Full Readings ******

AGENDA ITEM

To: Mayor and City Council
From: Tim Hamilton, Community Development Director
Date: February 26, 2016
Re: TIF Agreement – Puckett Redevelopment Project

Please find the attached materials related to TIF project MP-L4 Redevelopment Plan for your consideration. On February 17th, 2016 the TIF Commission held a Public hearing on the redevelopment plan proposed by Michelle Puckett. This hearing was continued from the original date of February 16, 2016. The Commission voted (6 in favor, 3 opposed) to recommend approval of the TIF Agreement. This project will be a PILOT only TIF.

Options:

1. Approve the Ordinance accepting the TIF Plan and the Ordinance approving the Development Agreement.
2. Take no action at this time.

Bill 2016-8

# AN ORDINANCE FOR THE CITY OF CAMERON, CLINTON AND DeKALB COUNTIES, MISSOURI MAKING CERTAIN FINDINGS WITH RESPECT TO AND APPROVING THE MP-L4 REDEVELOPMENT PLAN, THE REDEVELOPMENT AREA AND THE REDEVELOPMENT PROJECT; AND OTHER ACTIONS RELATED THERETO

(*Puckett – Tax Increment Financing)*

**WHEREAS**, the City Council of the City of Cameron, Missouri (the "City") established the Tax Increment Financing Commission of Cameron, Missouri (the "TIF Commission") pursuant to the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 to 99.865 of the Revised Statutes of Missouri, as amended (the "TIF Act"); and

**WHEREAS**, in compliance with the TIF Act, the TIF Commission, after considered of a redevelopment plan entitled "MP-L4 Redevelopment Plan" (the "TIF Plan") and the holding of a public hearing thereon at which all interested parties had an opportunity to be heard and at which the TIF Commission heard and considered all protests and objections concerning the TIF Plan, the Redevelopment Area, the Redevelopment Project and Redevelopment Project Area, recommended, pursuant to Resolution 2016-01 adopted on February 17, 2016, the approval thereof; and

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF CAMERON, MISSOURI, AS FOLLOWS**:

**Section 1**. The City Council hereby finds, with respect to the TIF Plan presented with this Ordinance (a copy of which is on file in the records of the City Clerk), that:

a. The existing conditions of the Redevelopment Area described in the TIF Plan are a fair depiction of the Redevelopment Area and cause the Redevelopment Area on the whole to be a "blighted area" as defined in the TIF Act. These conditions include improper subdivision, obsolete platting, grading deficiencies and lack of proper placement of utilities and further such conditions also result in economic underutilization and an inability to generate reasonable taxes;

b. the Redevelopment Area has not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to be developed without the adoption of tax increment financing (the Developer Affidavit is attached as Exhibit 8 to the TIF Plan);

c. the TIF Plan does not include the initial development or redevelopment of any gambling establishment;

d. the TIF Plan conforms to the comprehensive plan for development of the City as a whole;

e. the Redevelopment Project Area is directly and substantially benefited by the Redevelopment Project;

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f. the estimated date, which shall not be more than 23 years from the adoption of the Ordinance approving Redevelopment Project, of completion of the Redevelopment Project has been stated in the TIF Plan;

g. there are no relocations of businesses and residences anticipated nor is the use of eminent domain anticipated; and

h. a cost-benefit analysis showing the economic impact of the TIF Plan has been included in the TIF Plan which provides sufficient information for the TIF Commission to evaluate whether the Redevelopment Project as proposed is financially feasible.

**Section 2**. The TIF Plan is hereby approved pursuant to the TIF.

**Section 3**. The Redevelopment Area is approved and designated as a redevelopment area pursuant to the TIF Act.

**Section 4**. The Redevelopment Project is approved as a redevelopment project and the costs of Redevelopment Project designated as reimbursable in the TIF Plan are approved as reimbursable from tax increment financing revenues pursuant to the TIF Plan and the TIF Act.

**Section 5**. Tax increment financing in accordance with the TIF Plan is approved and:

(1) After the total equalized assessed valuation of the taxable real property in a Redevelopment Project Area exceeds the certified total initial equalized assessed valuation of the taxable real property in such Redevelopment Project Area, the ad valorem taxes and payments in lieu of taxes, if any, arising from the levies upon taxable real property in such Redevelopment Project Area by taxing districts and tax rates determined in the manner provided in subsection 2 of the Section 99.855 of the TIF Act as adjusted by the TIF Plan each year after the effective date of the Ordinance adopting tax increment financing for a Redevelopment Project Area until the Reimbursable Project Costs pursuant to the TIF Plan have been paid, shall be divided as follows:

- That portion of taxes, penalties and interest levied upon each taxable lot, block, tract, or parcel of real property which is attributable to the initial equalized assessed value of each such taxable lot, block, tract, or parcel of real property in a Redevelopment Project Area, shall be allocated to, and when collected shall be paid by the County Collector to, the respective affected taxing districts in the manner required by law in the absence of the adoption of tax increment allocation financing;

- The payments in lieu of taxes attributable to the increase in the current equalized assessed valuation of each taxable lot, block, tract, or parcel of real property in each Redevelopment Project Area (and any applicable penalty and interest) over and above the initial equalized assessed value of each such unit of property in each Redevelopment Project Area shall be allocated to, and when collected shall be paid to, the City Treasurer who shall deposit such payment in lieu of taxes into a special fund called the "Special Allocation Fund" of the City for the purpose of paying Reimbursable Project Costs under the TIF Plan, all pursuant to the TIF Plan. Payments in lieu of taxes which are due and owing shall constitute a lien against the real estate of the redevelopment project from which

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they are derived and shall be collected in the same manner as the real property tax, including the assessment of penalties and interest where applicable. The City may, in an Ordinance, pledge the funds in the special allocation fund for the payment of such costs and provide for the collection of payments in lieu of taxes, the lien of which may be foreclosed in the same manner as a special assessment lien as provided in Section 88.861, RSMo. No part of the current equalized assessed valuation of each lot, block, tract, or parcel of property in a Redevelopment Project Area attributable to any increase above the total initial equalized assessed value of such properties shall be used in calculating the general state school aid formula provided for in Section 163.031, RSMo., until such time as all reimbursable redevelopment costs have been paid as provided for in the TIF Act.

2. In addition to the payments in lieu of taxes described in Section 99.845.1(2) of the TIF Act, the total additional revenues from sales taxes generated by economic activities in the Redevelopment Project Area, as described in Section 99.845.3 of the TIF Act as adjusted by the TIF Plan, over the amount of sales taxes generated by an establishment in the calendar year prior to the effective date of the Ordinance adopting tax increment financing for the Redevelopment Project Area (or if such business relocates to the Redevelopment Area, its relocation to the Redevelopment Area as set forth in the TIF Plan), shall be allocated as set forth in Section 99.845.3 of the TIF Act and the TIF Plan.

**Section 6**. The officers and employees of the City are hereby authorized to take such actions and execute such documents as are necessary or desirable to effectuate the intent of this Ordinance.

**Section 7**. This Ordinance shall be in full force and effect from and after its passage and approval.

**INTRODUCED IN WRITING, READ BY TITLE TWO TIMES, PASSED AND APPROVED THIS 1st DAY OF MARCH, 2016.**

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Dennis M. Clark, Mayor

Attest:

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Barbara J. O'Connor, City Clerk/Finance Clerk

REVIEWED BY:

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Mark Gaugh, City Manager

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