

MINUTES OF SPECIAL MEETING

Tax Increment Financing Commission of Cameron, Missouri

Thursday, October 30, 2008

4:00 p.m.

City Hall

Commissioners Present

William Hall, Dick Kessler, Ken Raffety, Gary Summers, Randy Gould, Lynn Rogers, Dick Lippold, Garry McFee.

Commissioners Absent

Gilbert Keith, James McKinley, Larry McCord, Jr.

1. Call to Order

Chairman William Hall called the meeting to order at 5:04 p.m. declaring that a quorum was present.

2. Consideration of Resolution No. 08-001, a Resolution approving reimbursable project costs in the amount of \$387,059 in connection with Redevelopment Project III under the Crossroads II Tax Increment Financing Plan, as amended; and actions in connection therewith.

Advisor Shellby Hendee reviewed the request submitted by Orscheln for payment of reimbursable project costs of \$387,059. He noted that Orscheln originally estimated project cost of \$1.48 million and sought \$300,00 in TIF reimbursement, or 20% of overall estimated project costs, while actual project costs have reached \$1.7 million. With those numbers, the revised ratio of reimbursable project costs to overall project costs becomes 22%, well under the 30-35% threshold typically considered a cap in many Missouri communities. He added that the higher actual cost has caused a higher assessed value resulting in PILOTS of nearly \$22,000, an increase from the estimated \$18,000. Estimated EATS of \$30,000 have proven accurate with actual store performance.

Orscheln Store Development Manager Dave Schauer explained the increased construction costs was due to revised MoDOT access requirements and on-site adjustments which included City stormwater standards.

TIF Attorney Deborah Polk of Armstrong-Teasdale explained that the Orscheln Amendment to the TIF Plan earlier recommended by the Commission and approved by the City and the related Redevelopment Agreement allowed for an estimated \$300,000 in reimbursable project costs with the City having the authority to approve actual reimbursable project costs higher than the estimated amount. Since the amount of reimbursable project costs being requested by the developer is approximately 30% higher than the estimate costs, the City would like the Commission's recommendation regarding approval of this higher amount. She also noted that public notice and public hearing was not required on this matter since actual reimbursable project costs being requested are only 30% higher than those estimated in the TIF Plan (the proposed increase from \$300,000 to \$387,059 is 29%).

Commissioner Dick Lippold asked if the new half-cent regional jail tax was to be captured and Ms. Polk explained that Economic Activity Taxes included all sales taxes (with a few exceptions set forth in Missouri statutes) except for the taxes specifically excluded under the TIF Plan. The TIF Plan does not exclude the regional jail tax so 50% of the sales tax would be captured with Commissioners indicating approval.

There was also a discussion about when TIF revenues would be generated from Orscheln. The TIF Plan provides that Orscheln's sales at the new store must exceed the 2006 base sales before any TIF revenues are captured. Therefore it was estimated that September or October might be the first sales months generating EATs to be billed to the various taxing districts imposing a sales tax.

Action:

Commissioner Raffety moved and Commissioner Kessler seconded that the Resolution be approved. Motion carried unanimously.

3. Unfinished Business

There was none

4. New Business

a. Review of Annual Report and Statement

Advisor Hendee indicated that Pence Road extension tax capture from Sears has been completed and that no revenue had been transferred in the current fiscal year which is expected to change as Orscheln revenue is received and expended. Differing reports are required by Missouri statutes for submission to MoDED and published in the local newspaper. Since inception in 1994, approximately \$2.5 million in TIF revenue has been spent while the 11 businesses in the Crossroads Corporate Center have paid some \$26 million in taxes.

b. Anticipated TIF Projects

Mr. Hendee reported that a project in Manion Plaza is expected to seek TIF; the delayed Flying J project will not seek TIF, however a Transportation Development District for improvements to the US 36/Griffin Road intersection has been discussed with nearby business owners; and a proposed fuel center addition to the Chung complex would likely utilize TIF for

both public and private improvements including the paving of Griffin Road which has been cited in the public comprehensive plan meetings.

5. Miscellaneous

There was none.

6. Adjourn

Action:

Mr. Raffety moved and Mr. Gould seconded that the meeting adjourn.

Motion carried unanimously.