



**City of Columbia
Council Retreat 2009**

**Session XII
TIF DISCUSSION**

Tax Increment Financing

Enabling Legislation

- **Real Property Tax Increment Allocation Redevelopment Act (TIF Act), Sections 99.800 to 99.865, RSMo, as amended - authorizes municipalities to adopt tax increment financing as a mechanism to finance redevelopment projects.**
- **TIF Commission established March 17, 2008 - Ordinance B63-08**

The TIF Act

The TIF Act identifies three types of redevelopment areas:

- Blighted area;**
- Conservation area; or**
- Economic Development area**

The TIF Act

An economic development tool which provides a means by which local government can encourage redevelopment of these areas that would not otherwise be developed without public assistance.

The TIF Act

Public assistance provided through the capture of future increases in real property taxes and economic activity taxes (local sales tax, utility taxes, etc) using the newly generated funds to pay certain costs associated with the redevelopment.

The Role of the TIF Commission

The TIF Commission is a recommending body only; the City Council has the sole and exclusive authority to decide whether to approve each Redevelopment Plan, designate the respective Redevelopment Areas, approve the respective Redevelopment Projects and adopt tax increment financing.

The Role of the TIF Commission

With respect to each Redevelopment Plan, the Commission is charged with the following items:

- The approval of the Redevelopment Plan;**
- The designation of the Redevelopment Area described in the Redevelopment Plan;**
- The approval of the Redevelopment Project described in the Redevelopment Plan; and**
- The advisability of adopting tax increment financing.**

Redevelopment Plan

Identifies a specific project or projects within the redevelopment area.

The plan must outline:

- **The objectives that the plan intends to accomplish;**
- **How the redevelopment project(s) accomplish those objectives; and**
- **Provide a program by which the objectives and project(s) will be accomplished.**

Redevelopment Plan Purpose

- **Reduce or eliminate blighting conditions;**
- **Foster economic and physical improvements; and**
- **Enhance the tax base of the taxing districts that levy taxes within the redevelopment area.**

Tiger Hotel Project

**Redevelopment of
the area into a
historic boutique
style hotel**



The Tiger Hotel Project

- **Unique character of accommodations;**
- **Location and the character and historic nature of the building;**
- **Distinct from the uniformity of “chain” hotels.**



The Now - Typical Bathroom



The Now - Unfinished Stairs



Imagine – The Future



10th & Locust Project

- **8-story, mixed use building**
- **Grocery Store/Retail on first floor**
- **Commercial Office uses on second floor**
- **58 multifamily rental units on floors 3 – 8**
 - **Rooftop swimming pool**
 - **Indoor entertainment area**
 - **Rooftop outdoor entertainment area**
- **100,000 s.f. building area**

10th & Locust Project

Public Infrastructure Improvements

- **New curb & sidewalk**
- **Underground utilities**
- **Alley repaving and improvement**
- **Right-of-way landscaping**
- **Site lighting**

tenth & locust

The Present



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Imagine - The Future



Next Steps

- **Public Hearing on both projects at 6 p.m., Thursday, June 4, 2009.**
- **If approved by the TIF Commission, a Council Bill will be introduced on July 6th, 2009 stating that the TIF Commission recommends that the City Council adopt ordinances in the form required by the Act to:**
 - a. Approve the Redevelopment Plan.**
 - b. Approve and designate the Redevelopment Area as a “redevelopment area” as provided in the Act.**
 - c. Approve the Redevelopment Project.**
 - d. Adopt tax increment financing with respect to the Redevelopment Project by passage of an ordinance complying with the terms of Section 99.845 of the Act.**