BLUE SPRINGS

MISSOURI

ECONOMIC DEVELOPMENT INCENTIVE POLICY AND FINANCING TOOLS GUIDE

Adopted Via City Council Resolution No. 13-2019

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POLICY INTRODUCTION

The City of Blue Springs, Missouri, desires to be a community that welcomes new business investment and supports the businesses that have chosen the City as their home. A vibrant business community improves the quality of life for all residents and corporate citizens. Economic Development and Quality of Life are interdependent goals. Private investment and job creation build a stronger community that allows for the sustained excellence of a vibrant municipality.

The purpose of this document is to establish the official policies of the City of Blue Springs for the use of economic development incentives as well as inform prospective investors of the types and uses of incentives that are available to fund development projects within the City of Blue Springs, Missouri. All projects will be evaluated by the guidelines set forth in this document as well as the consideration of how a given project will impact the community financially and/or aesthetically.

Additionally, the subject properties associated with all requests for incentives must be current on all property taxes.

FUNDING AGREEMENTS

Many projects requesting incentives are relatively typical and can be administered by existing City staff through current plans of work. Larger projects, particularly those that request establishment of special districts, including Tax Increment Financing or multiple financing tools, require substantial staff commitment and often necessitate the engagement of outside consultants. The City of Blue Springs does not have a source of funds to cover costs incurred for additional legal, financial and other consultants for out-of-pocket expenses and other costs resulting from services to research, analyze and plan for the most appropriate mix of funding sources. In such cases, the City will require the applicant to enter into a Funding Agreement to assure all such costs are considered and covered.

All funding agreements require an Annual Report to the City of Blue Springs no later than March 1 for the duration of the project.

USE OF INCENTIVES

Economic development incentives, if exercised with prudence and discernment, can assist in maintaining and building employment opportunities as well as the tax base the City relies upon to fortify its core strength. The City's Strategic Plan's stated objective regarding economic development was to attract, promote, support and retain businesses and strengthen relationships with the business community. Economic development incentives are tools that the City may use strategically and responsibly to achieve the stated objective in the City's Strategic Plan.

TAX INCREMENT FINANCING

Adopted May 3, 2004

Revised - February 4, 2008

Important Notice and Disclaimer

The attached procedures, policies and forms have been prepared by the City of Blue Springs, Missouri (the "City") and The Tax Increment Financing Commission of the City of Blue Springs, Missouri (the "TIF Commission") for the purpose of assisting private developers in the consideration of whether Tax Increment Financing ("TIF") for prospective projects is a realistic possibility. The authority to make the legislative findings and determinations necessary for the compliance with the TIF Statutes is vested solely and only in the City Council. Applicants and Projects are cautioned that the attached materials have been prepared primarily for informational purposes to inform applicants of the types of projects the City would consider for TIF assistance. The City reserves the right to reject any and all projects, even those which satisfy all of the attached criteria for the use of TIF for any reason whatsoever, without regard for the viability of the project. Furthermore, the City reserves the right to waive any non-conformance to these policies and approve any project the City deems favorable to the City.

Overview of the TIF Process

1. A pre-application meeting is held between the developer and the City.
2. A Tax Increment Financing (TIF) Plan Application is submitted by developer applicant to the City.
3. The City will review Application filed with the City Clerk and determine whether the Application is complete and whether the proposed project is eligible under the City's policy.
4. An analysis of the TIF Plan will be performed by City Staff and or representatives.
5. Within ninety {90) days of receipt of a completed Application, the Application will be considered by the TIF Commission.
6. TIF Commission will follow Resolution 30-2002, adopted by the City Council on May 6, 2002, when requesting proposals for development in the proposed project area.
7. The TIF Commission conducts hearings and processes the TIF Plan Application in accordance with requirements of TIF Statutes.
8. The TIF Commission approves or denies the TIF Plan, and, if approved, designates the developer.
9. The Redevelopment Agreement is drafted and negotiated between the City and the Developer.
10. The City Council considers the TIF Plan, Redevelopment Agreement and proceedings of the TIF Commission.
11. The City considers establishing an ordinance making necessary findings and approving TIF Plan and Redevelopment Agreement.
12. Execution of the Redevelopment Agreement between the City and Applicant.
13. TIF project area(s) are activated by request of the applicant and formal action by the City Council.
14. The applicant associated with the request for incentives and the subject property must be current on all property taxes due in the City of Blue Springs.

APPLICATION PROCEDURES

1. APPLICATION:

Submission: The TIF Application form, policies and procedures are available from the City. At least 5 hard copies and one electronic copy in .pdf file format of the completed Application should be submitted to the City together with the required application fee.

Application Fee: Each Application shall be accompanied with a check in the amount of $10,000 made payable to the City (the "Application Fee"). Applications over 15 acres require a $15,000 application fee. Applications involving issuance of public bonds require an additional $10,000 application fee. The Application Fee will be used by the City to pay the costs incurred by the City in the review of the Application. Such costs include the fees and expenses of the City's Staff time. Full amendments to a TIF Plan require a $10,000 application fee and minor amendments require a $5,000 application fee. In addition, a Funding Agreement, suitable to the City and signed by the Applicant, will accompany the Application. In the event costs for third-party services exceed the fee collected, the Applicant will reimburse the City for said amounts in accordance with the Funding Agreement, but in any event prior to final consideration of the application by the City Council.

Preliminary Determination of Completeness: Upon submission, the Application will be reviewed by City staff to determine if it is complete. If the Application is incomplete or if additional information is needed, the Applicant will be notified in writing that the Application is not complete, and the reasons will be stated referring to the specific criteria that are not met, additional information that is required, or any financial, legal or planning and development concerns that need to be addressed.

Legal notices and mailings to taxing districts and property owners, as required by

statute, shall be reviewed by the Applicant's Attorney prior to being mailed or published. The 45-day notice of a TIF Commission public hearing shall not be sent to taxing jurisdictions before there has been a preliminary determination of completeness.

Legal notices and mailings to taxing districts and property owners, as required by statute, shall be reviewed by the Applicant's Attorney prior to being mailed or published.

2. STAFF REVIEW:

Review of the Application will be conducted by the City's Finance, Public Works, and Community Development Departments, as well as the City Attorney or his designate, and, when deemed appropriate, by other City Staff, the City's Financial Advisor and/or Bond Counsel, and any retained specialist that the City believes appropriate. Review time will be approximately 90 days from the date the completed Application is submitted to the City. However, more or less time may be required for particular Applications. Applications which are determined to be complete and consistent with all elements of the City's Comprehensive Plan, and in conformance with the City's policy will be forwarded to the TIF Commission for consideration. Staff will also prepare a summary document for the TIF Commission and the City Council highlighting key financial components of the proposal. Applicants will be notified in writing when City Staff forwards the Application to the TIF Commission.

City staff may require an independent feasibility study. The cost of such study shall be paid by the Applicant in addition to the application fee and shall be prepared by a professional consultant having a favorable reputation for the preparation of such studies. This study must be submitted to the TIF Commission prior to the public hearing by the TIF Commission.

3. TIF COMMISSION·CONSIDERATION:

The TIF Commission may desire to hold one or more study sessions before any public hearing is held. During this period the Applicant may be required to submit a completed Redevelopment Plan. At the public hearing City Staff will introduce the subject material and the Applicant. The Applicant will make a presentation to the TIF Commission followed by the presentation of any material the City's Staff desires to report. Public comment will then be heard, followed by a response from the Applicant and the City, if the City so desires. After TIF Commission discussion, action may be taken to approve, deny or to continue the case to a date certain for further consideration. The TIF Commission may determine whether the public hearing portion of the case will be closed or continued to a date certain.

If the Application and Redevelopment Plan are approved by the TIF Commission, the TIF Commission will make the findings and determinations required by the TIF Statute. The Application and Redevelopment Plan will be forwarded to the City Council.

4. CITY COUNCIL CONSIDERATION:

The City Council may have a study session on the Application, Redevelopment Plan and Redevelopment Agreement and will hold a public hearing before consideration of an ordinance. The recommendation of the TIF Commission may be accepted, denied or amended by the City Council.

Policy for the Use of Tax Increment Financing

WHEREAS, the City of Blue Springs (the "City") finds it in the best interest of the public to establish certain policies and guidelines for the consideration of proposals that may be presented to the City by private developers requesting Tax Increment Financing ("TIF") assistance; and,

WHEREAS, by adopting this policy the City has determined that the use of TIF should be reserved for projects which further an important and clearly definable public interest of the City, and the City desires to restrict those projects which are granted for TIF assistance to projects which further such a purpose; and,

WHEREAS, by adopting this policy the City intends to set forth a flexible framework for evaluating private Applications for TIF assistance; and,

WHEREAS, the use of TIF by the City is important to the City because many areas of the City are in need of public improvements that would foster development and redevelopment and TIF represents an important tool for encouraging the development of projects the City finds and determines are desirable and in the public interest; and,

WHEREAS, all prospective TIF projects must be carefully evaluated by the City because the character and amounts of tax revenues generated by different developments can vary widely, and in most cases will impact other taxing jurisdictions in the Blue Springs community; and,

WHEREAS, the City desires to use TIF for those projects which demonstrate the highest public benefit by eliminating blight, financing desirable public improvements, strengthening employment and the economic base, increasing property values, reducing poverty, creating economic stability, upgrading older neighborhoods, and facilitating

economic self-sufficiency, while implementing the Comprehensive Plan and economic development strategy of the City; and,

WHEREAS, the staff of the City is to pursue and conduct, as thought to be necessary, discussions about this policy with other taxing jurisdictions impacted by TIF in the City of Blue Springs; and,

WHEREAS, each private TIF Application submitted to the City will be evaluated on its own merits, and an evaluation of the proposal will be performed by City Staff; and,

WHEREAS, all projects must demonstrate financial and economic reasons evidencing that they would not otherwise go forward and be viable without tax increment financing incentives, because of conditions of blight, extenuating site conditions, location, or other factors related to the development.

NOW, THEREFORE, THE TAX INCREMENT FINANCING POLICY FOR THE CITY OF BLUE SPRINGS, MISSOURI, WILL BE AS FOLLOWS:

Section 1. That the Tax Increment Financing (TIF) Policies and Guidelines for Application and Application Procedures are hereby adopted as fully set out herein and the City Administrator is hereby authorized to implement the following procedures and to make such additional changes and clarifications that shall be deemed advisable and in the best interest of the City:

A. General Policy.

1. It is the policy of the City to consider the judicious use of TIF for those projects which demonstrate a substantial and significant public benefit by constructing public improvements in support of developments that will, by creating new jobs and retaining existing employment, eliminate blight, strengthen the economic base of the City, increase property values and tax revenues, reduce poverty, create economic stability, upgrade older neighborhoods, and facilitate economic self sufficiency, while implementing the Comprehensive Plan and economic development strategy of the City.

2. Care will be exercised in the use of TIF to thoroughly evaluate each project to ensure that the benefits, which will accrue from the approval of the agreement, are acceptable in light of the costs which will result and are equitable to the City as a whole.

3. The City will charge an administrative fee of one percent (1%) per annum to partially offset the cost of record keeping, report preparation, and accounting for each approved TIF Project. The fee will be assessed on a quarterly basis against the annual increment generated by the TIF Project.

B. Policy Guidelines.

The following criteria are to be used by the City's staff to evaluate TIF Applications:

1. Each TIF Application must demonstrate that "but for" the use of TIF, the project is not feasible and would not be completed without the proposed TIF assistance.

2. All TIF Applications requesting the issuance of bonds or notes will be required to demonstrate that the payments in-lieu of taxes and/or the economic activity taxes expected to be generated will be sufficient to provide a debt coverage factor of at least 1.25 times the projected debt service on any tax increment bonds or notes. This limitation shall not apply to infrastructure projects which involve the redevelopment of existing structures or the assembly and clearing of land upon which existing structures are located.

3. The total amount of TIF assistance for project costs for industrial, manufacturing, office, retail, commercial, and TIF Applications should generally not exceed fifteen percent (15%) of the total project costs. However, project assistance above 15% may be considered in circumstances which involve the redevelopment of existing structures or the assembly and clearing of land upon which existing structures are located. Special consideration will also be given to infrastructure projects which address economic development policy goals of the Mayor and City Council.

4. TIF will generally be reserved for projects that do not qualify for alternative methods of financing, such as, Chapter 353 Community Improvement Districts, Neighborhood Improvement Districts or where TIF assistance is deemed by the City to be the preferred method of economic development incentive.

5. Each TIF Application must include evidence that the applicant:

    a. Has the financial ability to complete and operate the project, and

    b. Has thoroughly explored alternative financing methods.

6. The City will maintain a retainage account until each project is completed or satisfies other performance standards.

7. TIF Applications for retail and service commercial projects should be limited to those projects that encourage an inflow of customers from outside the City or will provide services or fill retail markets that are currently unavailable or in short supply in the City. Additional consideration will be given to projects in excess of twenty million dollars ($20,000,000) or the development of vacant property in areas where the project will be the initial development, if it is believed that the project will serve as a catalyst for further high-quality development.

8. TIF Applications that include a capital contribution in the form of annual PILOTS to the school district for redevelopment projects and greenfield developments will be preferred. The appropriate PILOT payment will be evaluated and negotiated by staff and the developer based on factors such as project scope, budget, and impact to service levels on the school district. The City discourages the use of TIF for any residential projects.

9. The projected term of the TIF will be a factor, with shorter terms being viewed more favorably than longer terms. TIF Applications that provide for the use of not more than fifteen (15) years of tax increment financing will be preferred.

10. All TIF Applications must clearly comply with the requirements of the TIF Statute.

11. TIF Applications that include the establishment of business areas, or the redevelopment of existing business areas, should include information as to the business type of the major tenants of the TIF area. In addition, a thorough market analysis should be completed which identifies: (1) the population areas that will be drawn from; and, (2) the businesses of similar types that will compete with the

TIF area businesses.

12. TIF proposals shall generally not include the following prohibited uses:

    a. Massage parlor, adult book store, peep show store, adult entertainment establishment, erotic dance establishment, head shop store or any other similar store or club in which a material portion of its inventory includes obscene or pornographic materials (as determined by a court of competent jurisdiction), nude photos, sexual devices, magazines, videos, tapes or objects depicting nudity or sexual activity and other similar items, or any store or club whose activities include the display of partially or totally nude males or females (whether topless or bottomless or otherwise);

    b. Establishment displaying or exhibiting illegal drug-related paraphernalia or materials;

    c. Dance or music hall, dancing ballroom or establishment, banquet hall, night club or discotheque;

    d. Training school or educational facility, including but not limited to, beauty school, barber college, place of instruction, school of any nature, reading room or any business catering primarily to students or trainees rather than to customers; provided, however, that this prohibition shall not be applicable to on-site employee training nor be applicable to customer classes for a service sold or offered by the occupant incidental to the conduct of its business in the Redevelopment Area;

    e. Public or private nuisance or use emitting obnoxious or offensive odors, sounds or vibrations outside of any building or any business using exterior

loud speakers (except on the out parcels or for a restaurant utilizing speakers for announcing that tables are ready, for theater crowd control or in permanent outdoor sales areas);

f. Gambling facility or operation, including, but not limited to, any so-called "offtrack" or sports betting parlor, table games such as black-jack or poker, slot machines, video poker/black-jack/keno machines or similar devices; provided, however, that this prohibition shall not apply to governmental sponsored gambling activities or charitable gambling activities, including bingo so long as such governmental and/or charitable activities are incidental to the business operation being conducted by the occupant;

g. Carnival, flea market, amusement park, shooting gallery, tattoo shop, pool or billiards, ice or roller skating rink, miniature golf course, bowling alley or other similar entertainment facilities;

h. Video game center, amusement center or arcade, provided, however, that the foregoing shall not be deemed to limit or restrict pinball machines, electronic games, and other similar amusement machines which are incidental to the operation of any other permitted use;

i. Central laundry, dry cleaning plant, dry cleaner or laundromat; provided, however, that this prohibition shall not be applicable to nominal supportive facilities or on-site service oriented to pickup and delivery by the ultimate consumer as the same may be found in retail shopping districts in the metropolitan area where the Redevelopment Area is located;

j. "Second hand" store, "surplus" store or other establishment that sells used clothing, thrift store, liquidation outlet or coin operated laundry; however, this shall not preclude the sale of antiques or previously utilized objects d'art.

k. Meeting hall, place of public assembly or church;

l. Displaying, selling or leasing automobiles, trucks, trailers, motorcycles or other motor vehicles (new or used) but this prohibitions hall not prevent such goods from being displayed by any occupant for contest related purposes;

m. Automobile or motor vehicle repair or body shop and/or service station or car wash; provided, however, that this prohibition shall not prevent occupants selling motor vehicle electronic component systems or components from installing such systems or components while vehicles are within the premises;

n. Mobile home park, trailer park, trailer court, labor camp, junkyard, or stockyard (except that this provision shall not prohibit the temporary use of construction trailers during periods of construction, reconstruction, or maintenance), any living quarters, sleeping apartments or lodging rooms;

o. Dumping, disposing, incineration, or reduction of garbage (exclusive of garbage compactors which shall be screened from public view)

p. Veterinary hospital or animal raising facility; provided, however, that his prohibition shall not prohibit pet shops and veterinarians from incidentally operating within larger pet supply facilities or businesses;

q. Funeral parlor or mortuary;

r. Fire sale, bankruptcy sale (unless pursuant to a court order), auction house operation, "going out of business," "lost our lease" orsimilartype distress sale;

s. Sporting event or other sports facility;

t. Parking lot, sidewalk or other similar outdoor sales of merchandise and inventory;

u. Uses which entail unusual fire, explosive or other hazards.

v. Beer, wine and/or liquor stores, retail, wholesale or distributorships

w. Pawn shops or short-term lending institutions.

13. Notwithstanding the foregoing, TIF Applications which do not meet any of the above-reference criteria will be viewed favorably by the City if the Application clearly demonstrates that the project is of vital interest to the City and will significantly assist the City to eliminate blight, finance desirable public improvements, strengthen employment and the economic base of the City, increase property values, reduce poverty, create economic stability, upgrade older neighborhoods, and facilitate economic self-sufficiency.

C. Accountability.

TIF Applications are expected to include the following:

1. If the TIF Application is being recommended based upon job creation criteria, language will be included in the Plan that stipulates that the City's obligation to the developer may be reduced if satisfactory evidence is not shown that the

indicated number, and quality of jobs have been generated.

2. If businesses are to be relocated from other areas of the City, sufficient justification will be included to indicate why this relocation should be considered. If existing businesses are to be relocated to the TIF area, the base year activity for purposes of determining the tax increment for both real property and EATS taxes will be the last twelve-month period immediately preceding the relocation at the business' current location.

D. Method of Financing.

TIF Applications may request that TIF assistance be provided in one of the following forms:

1. Special Obligation Bond or Note Financing;
2. Direct Reimbursement to the Applicant;
3. Pledge of tax increment financing revenues to pay private financing; or,
4. Any combination of the foregoing methods.

In deciding which method of financing to use, the prevailing factor in making the determination will be total costs and the security for the bonds. The City will not provide credit· enhancements for the special obligation bonds or notes, however, credit enhancement provided by the developer on any bonds or notes will be viewed favorably. The decision as to what method of financing will be available will be left solely to the City.

A. **Certain Economic Activity Taxes.** Only local option sales taxes will be considered for purposes of the tax increment derived from TIF economic activity

taxes. Economic activity taxes shall not include utility franchise taxes collected either from private utilities or as payments in-lieu of taxes from publicly owned utilities to the extent such exclusion is permitted by law.

B. **Term.** The maximum period for which a TIF project can be used is established by the TIF Statute at twenty-three (23) years. Each project included in a TIF plan must be activated within 10 years of the date of the approval of the TIF plan.

C. **Other Conditions.** The City reserves the right to modify or waive any or all of these Policies and Procedures.

Section 2. That all other Resolutions or parts of Resolutions in conflict herewith are hereby repealed.

BLUE SPRINGS
MISSOURI

TAX INCREMENT FINANCING PLAN APPLICATION

Please submit five (5) hard copies and one electronic copy on CD in .pdf format of the proposed Tax Increment Plan in the form prescribed in the attached template and exhibits to City Hall along with the completed Tax Increment Financing Plan Checklist to:

City Hall 903 Main Street
Blue Springs, MO 64015
816.228.0110

Applicant: _____

Address: _____

Contact Person: _____

Email: _____ **Phone:** _____

Name of Project: _____

Instructions: The following checklist of required submittals is to be completed by the applicant and submitted with the Tax Increment Financing Plan application along with a signed Funding Agreement suitable to the City. The Tax Increment Financing Plan shall include the following data, details and supporting information, which are found to be relevant to the proposal. The number of pages submitted will depend on the proposal's size and complexity.

Does the Tax Increment Financing Plan comply with and/or show the following?

1. In no more than three pages provide relevant information on the applicant's background and development experience. Include resumes of key individuals assigned to the project. ☐ Yes / ☐ No

2. Identify the Applicant's consultants involved or proposed to be involved in the project noting relevant experience on similar projects (i.e. civil engineer, land use planner, Applicant's legal counsel, Applicant's financial advisor.) ☐ Yes / ☐ No

3. Describe the proposed project, including the size and scope and phasing of the proposed project. Specifically outline residential development, if any, to be included in the project. ☐ Yes / ☐ No

4. Define the boundaries of the proposed TIF area by address and locator number(s). Include a map of the proposed TIF area. ☐ Yes / ☐ No

5. Identify the property that is currently in the control of the Applicant via ownership or option and property not currently under the control of Applicant. If under option, note the option expiration date. If not under control, will the authority to use eminent domain be requested. ☐ Yes / ☐ No

6. Is the property currently zoned for the proposed use? If not, what zoning change will be required and will an amendment to the Comprehensive Plan be required? ☐ Yes / ☐ No

7. Will the proposed project result in the relocation of residential, commercial, or industrial facilities? If so, discuss the nature of any anticipated relocations and whether the options on land address the issue. ☐ Yes / ☐ No

8. State the need and justification for TIF assistance. Explain how the Applicant intends to demonstrate compliance with the "but for" test. Substantiate that other alternative methods of financing have been thoroughly explored.
   ☐ Yes / ☐ No

9. Does the TIF Plan application include a capital contribution for the school district?
   ☐ Yes / ☐ No

10. Discuss the condition(s) that would qualify the proposed TIF District as a "blighted area" or "conservation area," as defined under RSMo 99.805
    ☐ Yes / ☐ No

11. Identify sources, amounts, and the status of all debt financing and/or equity funding available to complete the project. Does the Applicant anticipate the debt to be privately financed by the construction lender or developer or publicly sold?
    ☐ Yes / ☐ No

    Please prepare information in the following table format:

Source	
Amount	
Term	
Status	
Contact	
Person	
Contact Phone	
Contact Email	

12. Provide an outline of the costs associated with the development of the proposed project(s) and related parcel or parcels located within the TIF area. Identify and quantify in the outline those costs you would propose to fund with TIF financing and the proposed payback timeframe. ☐ Yes / ☐ No

13. In one page or less, discuss and document information used to describe the market feasibility of each element of the proposed project. If a formal feasibility or comparable studies have been prepared, attach such reports as an appendix to this application. ☐ Yes / ☐ No

14. On a revenue worksheet, estimate the incremental property taxes and economic activity taxes by taxing jurisdiction to be generated by the project. ☐ Yes / ☐ No

15. Provide an estimate of the market value of all fixtures and equipment to be used by all owners or tenants of the proposed project that will be taxed as personal property. ☐ Yes / ☐ No

16. Identify any proposed tenants of the project. Have leases been negotiated or signed? What type of lease is contemplated? ☐ Yes / ☐ No

17. Who will own and/or manage the developed property? ☐ Yes / ☐ No

18. Briefly describe the “economic and quality of life” benefits of the proposed project to the City. ☐ Yes / ☐ No

19. Attach a letter from a financial institution indicating that the Applicant has sufficient financial resources to obtain the private financing for the project. ☐ Yes / ☐ No

Plan Approval Procedure Timeline and Checklist

Item	Event	Timeline
1.	Pre-application Meeting with City Staff to discuss project eligibility and TIF approval Process	30 days prior to submittal of application
2.	Preparation of Plan. Must include: • A comprehensive program to eliminate blighting conditions (Section 99.810) • Sources of funds – nature and term (id) • Evidence of commitments to finance costs (id) • Nature and term of obligations (id) • Most recent equalized assessed value ("AV") of Redevelopment project area ("R/P/A") • General land use to apply in R/P/A (id) See TIF Plan Application for more details	Not less than 45 days prior to notices
3.	Funding Agreement executed by the developer and approved by the City Council	Along with submission of application
4.	Staff prepares RFP which gives reasonable opportunity to developers to submit alternative bids or proposals (99.820(3))	
5.	City staff and consultants review the completed plan	Not less than 60 days prior to hearing
6.	Mail notice of hearing to all affected taxing districts and solicit representation (Section 99.830(3)) Staff will be available to meet with each affected taxing district representative, share the cost-benefit analysis with them	Not less than 45 days prior to hearing
7.	Publish notice of public hearing	Not less than 10 days prior to hearing
8.	Mail notice to all landowners. Landowners are determined by tax rolls (Section 99.830(1))	Not less than 10 days prior to hearing
9.	Receive proposals of developers	
10.	Hold TIF Commission public hearing on plan, Redevelopment Plan Area, project, and selection of developer (Section 99.820(11) and Section 999.825)	Hearings are scheduled for the TIF Commission. Multiple hearings may be scheduled
11.	TIF Commission adopts resolution recommending approval of plan, RPA, project and developet (Section 99.820(11))	

Item	Event	Timeline
12.	Ordinance must be introduced by the City Council. This ordinance shall: • Approve plan and project • Designate RPAs. Only first reading may be approved as part of the ordinance due to 230year abatement period limitation • Adopt tax increment financing by including the provision set forth in Section 99.845 • Make the required findings with respect to "but for" test, conformance to comprehensive plan, dates of completion and retirement of bonds, relocation assistance and eligibility of area • Developer executes Redevelopment Agreement with the City	Not less than 14 days and not more than 90 days after the hearing.
13.	Second reading of ordinance at City Council	The second reading of the Ordinance occurs when the project redevelopment area is activated
14.	City Clerk notifies county assessor and county clerk of the adoption of the tax increment financing and provides legal description of property (99.855)	Immediately after adoption of ordinance
15.	City Finance Department establishes base year (Section 99.845)	
16.	Council adopts bond ordinance if necessary (Section 99.835)	
17.	City conveys any property which may be required (Section 99.820(3))	
18.	City files report and publishes statement (Section 99.865(1))	Annually

Effective August 28, 2018 per Missouri Senate Bill 870, Fire Districts in Missouri establish taxing rates for development projects within their District. Those projects receiving property tax incentives under Revised Missouri Statutes 99, 100 and 353 within such Fire Districts shall be set at 75% for any new or amended development projects for the year 2019.

BLUE SPRINGS
MISSOURI

CHAPTER 100 INDUSTRIAL DEVELOPMENT BONDS

Industrial Development Bonds ("I DB's) may be issued pursuant to Chapter 100 RSMo. and may be used to provide real and personal property tax exemption and to provide a sales tax exemption on qualified purchases. The state legislation affording this program may be found in Article VI, Sections 27 and 27(b), Missouri Constitution; Sections 100.010 to 100.200 ("Chapter 100") RSMo.

Industrial Development Bonds may be issued to finance the land, buildings, fixtures and machinery for warehouse, distribution, research & development, office, service industries engaged in interstate commerce, industrial and certain types of commercial facilities. **Retail and service industries engaged in intrastate commerce are not eligible.**

Through Chapter 100 Bonds, the applicant (company) passes title of the involved real or personal property to the City of Blue Springs pursuant to a lease-purchase agreement. The lease-purchase agreement will provide that the City will issue the revenue/development bonds in an amount necessary to finance the purchase, new construction or expansion contemplated for the project. Through the agreement, the City will retain ownership of the real or personal property and lease it back to the company at a rate sufficient to cover the interest and principal of the bonds as they come due. Typically, the bonds are purchased by the applicant/company. Upon fully paying off the bond obligation, the applicant/company will resume or assume ownership of the real or personal property as per the lease-purchase agreement.

As the titles to the real and personal property are held by the City during the lease term, the property acquired with the bond proceeds is exempt, effectively resulting in tax abatement for the applicant/company.

Additionally, equipment and material purchases may be structured in a manner to utilize the City's sales tax exemption on such purchases.

CHAPTER 100 POLICIES

1. Real Property tax exemption through Chapter 100 RSMo. May be considered for projects that meet the following criteria:

    a. The new total capital investment in real property must be a minimum of $3 million and the business must create or retain a minimum of 50 jobs with an average wage equal to or greater than the Jackson County, MO average wage within two years.

    b. The job creation/retention requirement may be waived or modified for projects where the City Council finds there will be an overriding public benefit and/or the project is derived from an existing and expanding Blue Springs business.

    c. As is customary throughout Missouri, the property tax exemption shall mirror the abatement level granted through the Enhanced Enterprise Zone program (Sections 135.950 through 135.973, RSMo). The exemption will be granted at a rate of 50% on improvements over 10 years.

    d. Property taxes will not be reduced below the amount of tax on land and improvements paid in the year preceding the application for

Chapter 100 financing.

e. The City will require the applicant to make payments in lieu of taxes (PILOTS) to all taxing jurisdictions in an amount equal to the unabated property taxes. Such PILOTS will be distributed in accordance with local levies by the City of Blue Springs.

f. The company will be required to annually report employment levels to the City. Tax exemption shall be terminated effective the last day of the calendar year in the event the company reduces its labor force by more than 25% from the preceding year or by more than 50% from the date of the first year of the abatement.

2. Personal Property tax exemption through Chapter 100 RSMo. may be considered for projects that meet the following criteria:

a. The new total capital investment in personal property must be a minimum of $3 million and the business must create or retain a minimum of 50 jobs with an average wage equal to or greater than the Jackson County, MO average wage within two years.

b. The exemption will typically be granted at a rate of 50% on new personal property for a term of 10 years. The City will require the company to make payments in lieu of taxes (PILOTS) to all taxing jurisdictions in an amount equal to 50% C?f the exempted personal property taxes. Such PILOTS will be distributed in accordance with local levies by the City of Blue Springs.

c. The company will be required to annually report employment levels to the City. Tax exemption shall be terminated effective the last day of the calendar year in the event the company reduces its labor force by more

than 25% from the preceding year or by more than 50% from the date of the first year of the abatement.

CITY APPLICATION / APPROVAL PROCESS

The applicant is required to first meet with City staff in a pre-qualification meeting to determine project eligibility. An application may then be submitted to the Community and Economic Development Department for review and processing.

If the project meets the policy guidelines outlined in the previous pages, the company will be invited to submit a "plan for industrial development" as outlined in Section 100.050 RSMo. The "plan for industrial development" will then be considered for approval by the Blue Springs City Council.

Following approval of the "plan for industrial development," the City and applicant shall enter into a Chapter 100 lease-purchase agreement which will govern the terms of the abatement. The agreement shall require an annual report be submitted to the City by March 1 each year. The report shall cover the time period of January 1 through December 31 of the previous year and include a detailed accounting of the project, including certification of number of employees and associated wages.

The authority and decision to issue Industrial Development Bonds and grant tax abatements is solely vested with the Blue Springs City Council. This policy is intended to establish standards and guidelines to the City Council in considering both bond financing and tax abatement. The decision to issue bonds and/or abatement is discretionary and shall be considered on a case-by-case basis. The City Council is under no obligation to approve any requested bond issuance and/or tax abatement and reserves the right to deviate from the policies and criteria contained herein if, in the opinion of the Blue Springs City Council, circumstances exist to warrant such deviations,

as long as any deviation does not violate state law. Property owners, applicants and others are cautioned not to rely upon receipt of abatement until all steps for granting and exemption have been approved.

The applicant associated with the request for incentives and the subject property must be current on all property taxes due in the City of Blue Springs.

Effective August 28, 2018 per Missouri Senate Bill 870, Fire Districts in Missouri establish taxing rates for development projects within their District. Those projects receiving property tax incentives under Revised Missouri Statutes 99, 100 and 353 within such Fire Districts shall be set at 75%for any new or amended development projects for the year 2019.

BLUE SPRINGS
MISSOURI

MAIN CENTER REDEVELOPMENT CORPORATION ABATEMENT

{DOWNTOWN SPECIFIC CHAPTER 353 TAX ABATEMENT)

I. Program Statement·

The intent of the Main Center Redevelopment Corporation (MCRC) is to strengthen the economic viability of the Main Center area by providing financial incentives for improving the appearance and structural conditions of its buildings and increasing the infill development of vacant parcels and population density to further support commercial properties. Additionally, this policy is designed to encourage new investment and re-development not associated with deferred routine maintenance neglected by the current property owner. As such, the policy is not intended to serve as routine maintenance relief (HVAC, paint, gutters, roofing), but rather a catalyst to blight removal and district betterment.

Main Center has been at the heart of Blue Springs development since early 1880's. Twelve of the 126 buildings in the redevelopment area were constructed prior to 1900, while buildings in the entire area average over 50 years old. The maturity of the area brings with it both charm as well as challenges in that many of the buildings and land parcels do not conform to current standards and practices. The Main Center Redevelopment Corporation was incorporated to allow the City of Blue Springs to assist

business and property owners in meeting these challenges.

The ultimate success of the Main Center is dependent on private sector commitment. It is up to the merchants, building owners, residents, professionals and investors to improve the value of their businesses and the condition of their buildings.

These incentive programs are intended to stimulate improvements to the Main Center Corridor by providing innovative financing mechanisms'. It presents an opportunity to preserve our community's heritage, and to enhance and promote the unique atmosphere which Main Center can provide. Successful implementation will result in a stronger Main Center and a stronger Blue Springs community.

II. Downtown Master Plan

A number of downtown buildings have been altered in a manner that does not contribute to the appearance or the image of Main Center. In some cases, alteration is not consistent with the overall design of the structure itself. Such building treatments are in direct conflict with the need for a comprehensive, coordinated approach to improvements.

Several guiding documents have been developed with public input for the downtown area. In January 2007, the City adopted the Downtown Master Plan and in 2017 Downtown Design Guidelines were established. It is important that structures, both in their design and use, conform to the Downtown Master Plan and Design Guidelines. Accordingly, no incentive program shall be granted unless, at a minimum, the proposed Redevelopment Project conforms to these standards as determined by the Downtown Review Board.

This Policy provides for two types of incentives:

1. real property tax abatement, and

2. a reduction in permit fees which would be applicable to new development and redevelopment under the city code. It is contemplated that development may request and receive one, or both incentive programs. The two are not considered mutually exclusive.

III. Description of Tax Abatement Program

Pursuant to Chapter 353, RSMo, the Main Center Redevelopment Corporation has the ability to abate real property taxes for redevelopment projects. The amount and length of the tax abatement is dependent on which "Level" applies to the project: A, B or C. The incentive amount varies with each Level depending upon the investment amount.

Level A

The purpose of Level A is to attract sizable (market shifting) investments. There are two classes within Level A:

Program Element	Terms
Investment Threshold	Minimum $750,000
Incentive Amount	10 years 100% abatement + 15 years at 75% abatement

Program Element	Terms
Investment Threshold	Minimum $1,000,000 – Requires “But for” economic analysis, paid for by the applicant
Incentive Amount	10 years 100% abatement + 15 years at 100% abatement

Level B

The purpose of Level Bis to attract mid-market investments (market stimulating):

Program Element	Terms
Investment Threshold	$100,000 - $749,999
Incentive Amount	10 years 100% abatement + 15 years at 50% abatement

Level C

The purpose of Level C is to attract market stabilizing investments (market stabilization):

Program Element	Terms
Investment Threshold	$5,000 - $99,999
Incentive Amount	Equal to cost of improvements or 100% abatement for 10 years, whichever occurs first

Effective August 28, 2018 per Missouri Senate Bill 870, Fire Districts in Missouri establish taxing rates for development projects within their District. Those projects receiving property tax incentives under Revised Missouri Statutes 99, 100 and 353 within such Fire Districts shall be set at 75% for any new or amended development projects for the year 2019.

Determination of qualified investment threshold. If the project involves new construction, or rehabilitation of an existing structure, interior and exterior costs may count towards the investment range. The total project budget for the investment should look to allocate 50% to exterior costs and 50% to interior costs, subject to the MCRC Board of Directors review. Interior costs shall not include furniture, appliances, inventory, trade or display fixtures. The MCRC Board of Directors shall review the project budget and make a recommendation to the City Council for approval.

Project density. A project shall generally relate to an individual land parcel but treating multiple properties as if assembled may be appropriate depending upon the circumstances. This policy shall not generally apply to individual single family residential structures, unless it is appropriate to treat a project involving multiple structures as a single-project. Commercial projects may have one or more units per structure.

Impact on School District Because new residential projects which qualify for Levels A or B have the potential to significantly generate students into the school district, affected parties shall confer with the District to identify mitigating factors, such as entering into a PILOT Agreement, as may be appropriate given such a project's financial viability. For example, one new residential single-family dwelling would not generally be expected to qualify at Levels A or B and requiring a PILOT on this lower investment amount may render this Policy's abatement inconsequential as a means to incenting development which conforms to the Downtown Master Plan. However, a multiple family residential structure (e.g., attached housing, four-plex, etc.) may well qualify at Levels A or B and, given this higher investment amount, a PILOT Agreement would be appropriate.

"PILOT" refers to payments in lieu of taxes to be made to all taxing authorities whose property tax revenues are affected by the abatement on the same pro rata basis and in the same manner as the ad valorem property tax revenues received by each taxing authority from such property in the year such payments are due.

But-for economic analysis means that, with respect to a particular Redevelopment Project, the applicant would not reasonably be anticipated to undertake the Redevelopment Project without the tax abatement incentive, which may be evidenced by an applicant's affidavit attesting to this fact. The cost of the but-for economic analysis will be paid for by the applicant.

IV. Description of Permit Fee Program

City Code Section 805.030 provides the public purpose and framework for a partial waiver of building, plan review, and sign permit fees inclusive of water and sewer system development fees (Fees) to encourage in-fill development and redevelopment in the Main Center area. City Code Section 805.010 also requires a public hearing in the approval process.

In each situation, upon request, the Fees within the district will be reduced by one-half(½), or 50%.

V. Eligible Property

Redevelopment projects may be located on any parcel within the MCRC Redevelopment Area. See attached Exhibit B for the redevelopment area boundaries.

IV. Tax Abatement Application Process:

Applications for the program will be accepted by the City Staff on behalf of Main Center Redevelopment Corporation. A $250.00 filing fee to MCRC is required with the application for investment Level "C" or a filing fee of $750.00 for investment Level "A" and "B".

The Application will first be reviewed by City Staff for a determination of whether the proposed Redevelopment Project conforms to the Downtown Master Plan. If City Staff determines that the proposed Redevelopment Project conforms to the Downtown Master Plan, then the application will be considered by the MCRC Board of Directors for recommendation to the City Council, including a recommendation as to the appropriate incentive Level. The City Council shall then consider the MCRC recommendation. If the

City Council favorably considers the application, it will adopt an ordinance approving the redevelopment project and authorizing the tax abatement. The property owner and MCRC will then enter into a Memorandum of Understanding setting forth program responsibilities and expectations and execute deeds conveying the property - albeit briefly - to MCRC and then back to the property owner, which then serves as the statutory trigger for the tax abatement.

The tax incentive is available for only those projects that have been approved by the City Council before the project is started. The project is considered started when the applicant has received one or more building permits for the project.

VII. Permit Fee Reduction Process

Requests for reduction in Fees can be made to the Community Development Department along with the submission of applicable Permit Application materials.

IV. Expiration

This Policy expires five (5) years from the date of City Council approval. No applications will be accepted after this five-year period, but applications submitted before the end of the five-year period will be· processed in accordance with this Policy. The next date this policy is to be reviewed by the City Council is November 5, 2023.

IX. Performance Audit

To assist in measuring the effectiveness of this Policy, City Staff shall collect the following benchmark data: baseline annual assessed valuation of the Redevelopment Area; number of building permits issued with and without abatements within the Redevelopment Area identifying the number of projects (and units) completed per

parcel; capital investment amount; amount of square feet built or rehabilitated. This data shall be documented annually.

City Staff shall present to the MCRC Board of Directors and the City Council a Performance Audit that quantifies and analyzes the program results. City Staff shall also make a recommendation whether the program should be continued or modified. All affected taxing jurisdictions shall be provided with a copy of the Performance Audit and notified of the date that it will be presented to the City. The applicant associated with the request for incentives and the subject property must be current on all property taxes due in the City of Blue Springs.

BLUE SPRINGS
MISSOURI

CHAPTER 353 TAX ABATEMENT (City-Wide)

Missouri state statutes Sections 353.010-353.150 RSMo. allow municipalities to encourage redevelopment of blighted areas through the abatement of real property taxes and, where appropriate, the use of eminent domain. Eligibility for tax abatement requires the City or private entity to create an Urban Redevelopment Corporation pursuant to Chapter 353 of the Revised Statutes of Missouri (Chapter 353).

Chapter 353 tax abatement on real property taxes is available for a period of up to 25 years. During the first 10 years, the property is not subject to property taxes except in the amount of real property taxes assessed on the land, exclusive of improvements, during the calendar year prior to the date the redevelopment corporation took title to the real property. The following 15 years may be subject to 50% tax abatement of the new assessed value of the property. Chapter 353 tax abatement is not available for personal property, including machinery, equipment and fixtures. The duration of any abatement issued by the City of Blue Springs shall be negotiated based on the merits of the project with a strong emphasis being placed on blight removal and community betterment.

Statutory Requirements

Chapter 353 tax abatement is only available pursuant to Missouri Law. To establish a Chapter 353 tax abatement district, the City shall establish a project-specific Municipal

Redevelopment Corporation and the articles of organization will be established in accordance with Missouri law that dictates the purpose of the organization will be for land clearance, re-planning, reconstruction or rehabilitation of blighted areas via redevelopment. As such, Chapter 353 tax abatement is only eligible in areas that have been deemed "blighted" via formal blight study from an impartial third-party consultant. Real property may be identified as "blighted" even if it contains improvements which may not constitute blight. Tax abatement may also be granted to a piece of real property that may not individually meet th-e definition of "blight" if such property is instrumental in a larger redevelopment area that generally constitutes a blighted area.

Policy Guidelines

In accordance with Missouri law, the City of Blue Springs will exercise discretion in granting Chapter 353 real property tax abatement with the approval of the City Council. In addition to the statutory requirements, each of the following criteria should be satisfied:

1. Demonstrate a clear public purpose and economic benefit through the advancement of the City's economic development goals including business attraction, business retention, entrepreneurship, expanding the tax base, creating/retaining jobs and removing blight. At its essence, Chapter 353 is a blight removal tool.

2. Demonstrate the project would not occur "but for" the use of Chapter 353 tax abatement. The use of tax abatement should be impactful in the property owner's decision to redevelop the property.

3. Provide evidence the property owner and/or developer has the financial ability

and capacity to complete the project as presented to the City. This shall be demonstrated by financial feasibility study, lender approval or similar quantified metrics)

4. The project should be compatible with the specific location and surrounding area. The proposed use must be clean, non-polluting and compliant with all development ordinances and codes. The applicant is responsible for completing all necessary environmental audits and any remediation to occur on the site as required by the City and/or any governmental entity.

5. Payments In Lieu of Taxes {PILOTS) may be imposed by the City and paid by the property owner if deemed appropriate for the project. PILOTS are paid on an annual basis to replace all or a portion of the real estate taxes to be abated. PILOTS shall be made to the City of Blue Springs by December 31st of each year. The City shall provide a copy of the agreement by which the PILOTS are imposed. PILOTS must be allocated to each taxing jurisdiction according to their respective proportionate share of ad valorem property taxes as per 353.110.4, RSMo.

6. Comply with the statutory requirements set forth and established in Sections 353.010-353.150 RSMo.

7. Properties receiving tax abatement must be maintained in accordance to all minimum standards, codes and ordinances of the City. Failure to do so may result in a revocation of the abatement.

8. Upon determination that the provisions within the development plan are not being satisfied, the City may also consider revocation of the abatement.

9. Subject to the statutory requirements of Chapter 353, applications for real property tax abatement may be approved where not all of the above criteria are

met if the application clearly demonstrates the project is of vital economic or redevelopment interest to the City. As the approval of real property tax abatement is granted under the discretion and approval of the City Council, an application's satisfaction of the aforementioned criteria does not guarantee approval will be granted.

Chapter 353 Tax Abatement Application Process

Applications for the program will be accepted by the City Staff. A funding agreement will be required at the time the application is submitted.

The Application and a tax impact analysis will first be reviewed by City Staff for a determination of whether the proposed redevelopment project conforms to the guidelines and intent of Chapter 353 and City's Comprehensive Plan. If staff determines that the proposed project conforms to the requirements of the program, the City Council shall then consider the application. If the City Council favorably considers the application, it will adopt an ordinance approving the redevelopment project and authorizing the tax abatement. The property owner and the Redevelopment Corporation will then enter into a Memorandum of Understanding setting forth program responsibilities and expectations and execute deeds conveying the property - albeit briefly - to the Redevelopment Corporation and then back to the property owner, which then serves as the statutory trigger for the tax abatement.

The tax incentive is available for only those projects that have been approved by the City Council **before** the project is started. The project is considered started when the applicant has received one or more building permits for the project.

The applicant associated with the request for incentives and the subject property must be current on all property taxes due in the City of Blue Springs.

Effective August 28, 2018 per Missouri Senate Bill 870, Fire Districts in Missouri establish taxing rates for development projects within their District. Those projects receiving property tax incentives under Revised Missouri Statutes 99, 100 and 353 within such Fire Districts shall be set at 75%for any new or amended development projects for the year 2019.

COMMUNITY IMPROVEMENT DISTRICTS

(SPECIAL TAXING DISTRICT)

A Community Improvement District (CID) is a local special taxing district that collects revenue within its designated boundaries to pay for special public facilities, improvements or services. CID's are created by ordinance of the local governing body of a municipality upon presentation of a petition signed by owners of real property within the proposed district's boundaries, typically encompassing a commercial, not a residential area. A CID, although approved by the local municipality, is a separate political subdivision with the power to govern itself and impose and collect special assessments, additional property and sales taxes. CID's may also generate funds by fees, rents or charges for district property or services and through grants, gifts or donations. CID annual reports are filed with the City Clerk and a copy filed with the Department of Economic Development which does not have oversight or audit responsibility for these districts. CIDs are authorized by Sections 67.1401- 67.1561 RSMo.

Eligible Activities

Public improvements, public services and blight removal may be financed by a CID. The improvements or services must be provided or located within the district boundaries. Eligible public improvements and/or services include, but are not limited to:

Improvements:

- Parks
- Convention Centers
- Parking Lots
- Sidewalks
- Streets
- Bridges
- Storm Water Facilities
- Sanitary Sewer

Services:

- Economic, Planning, Marketing and/or Other Studies
- Waste Collection/Disposal
- Recreational and Cultural Activities
- Special Events
- Cleaning and Maintenance of Public and Private Property
- Security
- Blight Removal including demolition, renovation and rehabilitation of structures located within district boundaries.

Financing

The following sources of revenue may be utilized by CID's organized as political subdivisions:

- Special Assessments, if approved by property owners who collectively own more than 50% of the assessed value and by more than 50% of the property owners in the district.
- Fees and Rents for district property or services
- Grants, gifts or donations.
- Property Tax may be imposed if approved by a majority of the qualified voters in the district.
- Sales Tax may be imposed in one-eighth of one-percent increments up to a maximum of one-percent if approved by a majority of the qualified voters in the district.

Qualified voters are defined as registered voters residing in the district or, if there are no registered voters, the property owners within the district.

Approval Process

A Community Improvement District is created by petition of the property owners. The petition must contain the signatures of property owners collectively owning more than 50% of the assessed value of real property, and more than 50% of all property owners within the district. The petition must also contain the following items:

1. A 5-year plan that describes the purposes of the proposed district, proposed improvements and services, as well as the estimated costs associated with such improvements and services.
2. Information regarding the governance of the proposed district.
3. The desired and maximum rates of special assessments that may be imposed.
4. A statement addressing the desire to initiate a sales tax.
5. A statement regarding the borrowing capacity and revenues of the district.
6. The duration (life-span) of the CID.

State law provides specific direction concerning the time period for certification of the petition by the City Clerk and for notice to property owners and the public. Once proper notice is given, the City Council will hold a public hearing. Following the public hearing, the City Council may adopt an ordinance establishing the district.

Board of Directors

The petition shall specify whether the Board of Directors will be elected by qualified voters or appointed by the City Council. The Board shall consist of at least 5, but no more than 30 members. Each director must either be a registered voter, a property owner or an authorized representative of a business or property in the district. The City of Blue Springs shall be allotted one seat on the Board of Directors.

Community Improvement District Policies

1. The City of Blue Springs will consider the establishment of a Community Improvement District to finance public improvements and/or public services that will directly impact the property owners, customers and residents of the district.

2. Community Improvement Districts formed for the purpose of financing public improvements will terminate when the public improvement expense has been reimbursed.

3. CID's must be established for a specific period of time.

4. The developer and/or CID will be responsible for funding district improvements and shall see reimbursement through district revenues. The City will not typically provide up-front financing.

5. The developer and CID will enter into a cooperative agreement with the City of Blue Springs detailing the eligible CID projects and reimbursable costs.

6. The CID petition must contain a provision terminating the district after six months if a cooperative agreement acceptable to the City has not been executed.

7. To ensure consistency and ease of administration, applicants will utilize the City's preferred petition, funding agreement and cooperative agreement forms.

8. The CID will comply with all applicable open meetings and open records laws.

The applicant associated with the request for incentives and the subject property must be current on all property taxes due in the City of Blue Springs.

TRANSPORTATION DEVELOPMENT DISTRICTS (SPECIAL TAXING DISTRICTS)

A Transportation Development District (TDD) is a separate political subdivision of the state that may be created for the purpose of issuing bonds, levying taxes and applying special assessments or tolls to finance transportation-related improvements. A TDD may finance transportation outside of the district boundaries if the improvements directly benefit the TDD. TDD's are authorized through Sections 238.200 - 238.275 RSMo.

Eligible Activities

Transportation Development Districts may be utilized to fund, promote, plan, design, construct, improve, maintain and operate transportation related projects. Eligible projects include, but are not limited to the following:

- Bridges
- Roads
- Highways
- Interchanges
- Intersections
- Signage
- Signalization
- Parking Lots
- Hangars
- Bus Stops
- Terminals
- Rest Areas
- Docks
- Airports
- Railroads
- Mass Transit
- Any similar or related improvement or infrastructure project.

Eminent Domain

If approved by the local transportation authority or the Missouri Highways and Transportation Commission, the district may use the power 9f eminent domain to acquire property for district projects.

Financing

- Sales Tax may be imposed in increments of one-eighth of one-percent up to a maximum of one-percent upon approval of a majority of qualified voters in the district.
- Property Tax may be levied with the approval of at least four-sevenths of the qualified voters within the district and may impose a property tax not to exceed the annual rate of $0.10 per $100.00 assessed value.
- Special Assessments may be imposed for improvements that specifically benefit properties within the district. Majority voter approval is required, and more than one special assessment may be imposed within the district.
- Bonds, notes and other obligations may be issued to finance transportation related improvements. The term of such instruments cannot exceed 40 years.
- Qualified voters are defined as registered voters residing within the district or, if there are no registered voters, the property owners within the district.

Approval Process

Transportation Development Districts may be created by a petition filed with the Circuit Court of Jackson County, Missouri. The petition shall consist of at least fifty registered voters within the district or all owners of real property within the district in the event there are no registered voters in the district boundaries. A TDD petition may also be filed by the Blue Springs City Council, or by two or more local transportation authorities (ie cities) by adoption of resolutions calling for the joint establishment of a district and

then filing a petition with the Circuit Court of Jackson County, Missouri requesting the creation of the district. The Circuit Court shall hear the case and determine whether the petition is defective, illegal, unconstitutional or constitutes an undue burden on any property owner or is unjust and/or unreasonable. If the Circuit Court determines the petition is valid, it may enter a judgement declaring the creation of the district.

Transportation Development District Policies

The City of Blue Springs answers the TDD petition in court and can effectively block a TDD by refusing to enter into a contract with the TDD. The following policies apply to those TDD's where the City participates in the establishment of the TDD by virtue of the financed project(s) being City-initiated or where the TDD is a component of a larger public/private partnership.

1. The City will consider supporting the establishment of a TDD to finance public improvements and/or public services that will directly benefit the property owners, business owners, customer and residents of the district.
2. TDD's formed for the purpose of financing public improvements will terminate when the public improvement expense has been reimbursed unless the TDD is also intended to fund continued maintenance.
3. The developer and/or TDD will be responsible for paying for the district public improvements and seeking reimbursement through district revenues. The City will not typically provide upfront financing.
4. The developer and TDD will enter into a cooperative agreement with the City of Blue Springs detailing the eligible TDD project(s), financing arrangements and reimbursement schedule.
5. To ensure consistency and ease of administration, developers will use the City's preferred cooperative agreement and funding agreement forms.
6. The TDD will comply with all applicable open meetings and open records laws.
7. The City of Blue Springs shall be allotted one seat on the TDD Board of Directors.

The applicant associated with the request for incentives and the subject property must be current on all property taxes due in the City of Blue Springs.

NEIGHBORHOOD IMPROVEMENT DISTRICTS

{SPECIAL TAXING DISTRICT)

A Neighborhood Improvement District (NID) is a special taxing district that collects revenue within its designated boundaries to help pay for public infrastructure, facilities or other improvements that confer a benefit on property within the district, normally a residential and not a commercial area. NIDs are created by election or petition of owners of real property within the proposed district's boundaries and typically generate funding for projects through the sale of municipal revenue bonds backed by the district's special property assessments which may be extended beyond retirement of the bonds to pay for maintenance and upkeep. NIDs are strictly a local initiative and are authorized by Article 11, Section 38© of the Missouri Constitution and Sections 67.453 - 67.475 RSMo.

Eligible Activities

Only public improvements for facilities may be financed by NID's. Such improvements must benefit properties located within the district. However, the improvement may be located just outside the district if the improvement benefits property in the district boundaries. Eligible improvements include, but are not limited to the following:

- Property Acquisition
- Streets
- Gutters
- Sidewalks
- Water, Gas and Utility Mains
- Street Lights
- Parks and Playgrounds
- Storm Water Facilities
- Sanitary Sewer
- Off-Street Parking
- Engineering and legal fees associated with public improvement projects
- Maintenance of the project during the term of bonds or notes.

Financing

- **General Obligation Bonds** may be issued by the City to finance public improvements. The maximum term is 20 years.
- **Special Assessments** may be used to repay bonds. Such assessments would be placed on the properties within the district. Property owners are allowed to make a one-time lump-sum payment in advance of the imposition of assessments.

NID's created after August 28, 2004 must include provisions for the maintenance of the project during the term of the bonds or notes. Section 67.469 RSMo. provides that special assessments shall constitute a lien on the property.

Approval Process

Unlike Community Improvement Districts and Transportation Development Districts, Neighborhood Improvement Districts are not political subdivisions. NID's can be established in one of two manners. The City Council may adopt a resolution calling for an election of voters within the proposed district. The election to establish the NID must pass by at lead a four-sevenths majority of district voters. Alternatively, a petition signed by at least two-thirds of property owners of all real property within the proposed district may be submitted for City Council consideration. Under both methods, the petition or resolution calling for an election must identify the project name, proposed improvements, district boundaries, method of assessment and any additional information required by state law. Following the election or petition, the City will prepare plans for the proposed improvements and a preliminary assessment roll. After a public hearing and adoption of the resolution creating the NID, the City Council will order the improvements constructed and assess property owners within the district for the cost of improvements once the construction is completed.

Neighborhood Improvement District Policies

1. Petitions requesting establishment of a NID must be signed by owners of at least two-thirds of all real property in the proposed district.

2. The sale of bonds authorized for an approved NID shall be determined by the City. All costs normally associated with the sale of bonds shall be considered project costs and shall be reimbursed through special assessments.

3. If development is to occur before the sale of bonds, NID petitioners must provide a written commitment from an acceptable lending institution to finance the NID improvements for the district on an interim basis.

4. The property in the district liable for a special assessment must have a value sufficient to service the debt. Value may be determined utilizing the Jackson County Assessor's data or an appraisal prepared by a reputable appraiser acceptable to the City.

5. NID petitions must indicate the intent of each petitioner to dictate, without cost, right-of-way and easements needed to carry out the NID projects.

6. Each petitioner must certify that he/she does not have a financial interest in an existing development that has delinquent special assessments or taxes.

7. NID petitioners will be financially responsible for any project cost overruns in excess of the maximum bonding amount authorized by the City Council.

8. NID petitioners will be financially responsible for any costs involved in the preparation of preliminary plans regardless of the outcome of the district formation.

9. NID petitioners must provide an acceptable market analysis and feasibility study to establish economic viability of the project and the rate of development that can be supported.

10. For developer-initiated NID's, the developer shall indemnify the City against any non-payment of assessments.

11. The City retains the right to place a lien on properties for non-payment of special assessments.

The subject properties associated with all requests for incentives must be current on all property taxes.

SITE SPECIFIC AGREEMENTS

The City of Blue Springs retains the right to modify, amend or create additional policies and/or incentives to encourage the development of specific, difficult to develop sites within the City limits. Such agreements will be atypical and reserved for unique opportunities. Such agreements shall also require approval by the City Council and must be made prior to any development occurring on the selected sites.

The applicant associated with the request for incentives and the subject property must be current on all property taxes due in the City of Blue Springs.

STATE OF MISSOURI

ECONOMIC DEVELOPMENT INCENTIVES

In conjunction with the applicant for economic development incentives, the Community and Economic Development Department staff will work with the applicant and the State of Missouri's Department of Economic Development to identify any state offered programs to assist in the development. The City works closely with the Missouri Department of Economic Development to coordinate incentives administered by the state. Typically, the City's economic development professionals serve as the primary contact to begin the identification and application process for State of Missouri incentive attainment.

The applicant associated with the request for incentives and the subject property must be current on all property taxes due in the City of Blue Springs.

APPLICATIONS TO REQUEST

ECONOMIC DEVELOPMENT INCENTIVES

The following pages provide the applications required to initiate the process of evaluating, justifying and considering the approval of incentives through the City of Blue Springs, Missouri.

BLUE SPRINGS
MISSOURI

FINANCIAL INCENTIVES APPLICATION

DATE: _____ APPLICANT: _____

ADDRESS: _____

PHONE: _____ PRIMARY CONTACT: _____

E-MAIL: _____ DEVELOPMENT NAME: _____

PROJECT TYPE (check all that apply):

☐ **Industrial/ Manufacturing/ Technology**
- ☐ New Building, no existing Missouri operations
- ☐ New Building, other Missouri operations in existence
- ☐ Expansion of existing facility
- ☐ Retaining Existing facility

☐ **Retail / Restaurant/ Hotel**
- ☐ New single-tenant building
- ☐ New multi-tenant building
- ☐ Remodel / Addition / Expansion of existing building

Office
- ☐ New single-tenant building
- ☐ New multi-tenant building
- ☐ Remodel / Addition / Expansion of existing building

☐ **Downtown Development**
- ☐ Remodel/ Addition / Expansion of existing building
- ☐ Exterior facade improvements
- ☐ Construction of new building

☐ **Residential**
- ☐ New residential home(s) or units
- ☐ New residential home(s) or units in multi-use building
- ☐ Remodel/ Addition / Expansion of existing building

☐ **Other (please explain):**

PROPERTY AT WHICH INCENTIVES ARE BEING SOUGHT

(please attach map and legal description)

ADDRESS: _____

CURRENT PROPERTY OWNER:

_____

WILL APPLICANT PURCHASE THE PROPERTY? ☐ Y / ☐ N

TOTAL ACRES: _____ BUILDING SQUARE FOOTAGE: _____

TOTAL ESTIMATED INVESTMENT: _____

Acquisition of land/buildings $_____ Annual lease of land/buildings $_____

Cost of plans, studies, surveys, etc. $_____

Site preparation costs $_____ Utility/infrastructure costs $_____

TIMELINE

Calendar year which applicant intends to begin construction: _____

Anticipated opening date: _____

TYPE OF FINANCIAL INCENTIVE DESIRED

☐Tax Abatement/ Redirection

- ☐ Tax Increment Financing
- ☐ Chapter 100 Industrial Revenue Bonds
- ☐ Chapter 353 Tax Abatement (blight removal)
- ☐ Main Center Redevelopment Corporation Tax Abatement (Downtown development only)

☐ Special Assessment/ Property Tax/ Sales Tax

- ☐ Community Improvement District
- ☐ Neighborhood Improvement District
- ☐ Transportation Development District

APPLICATION FEES

Tax Increment Financing

New TIF Plan - $10,000

New TIF Plan Over 15 acres - $15,000

Full-Amendment to Existing Plan - $10,000

Minor Amendment to Existing Plan - $5,000

Funding Agreement - Negotiated Per Project

Chapter 100 Industrial Revenue Bonds

Funding Agreement - Negotiated Per Project

Main Center Redevelopment Corporation

Application Fee - $750

Chapter 353 Tax Abatement

Funding Agreement - Negotiated Per Project

Community Improvement District

Funding Agreement - Negotiated Per Project

Neighborhood Improvement District

Funding Agreement - Negotiated Per Project

Transportation Development District

Funding Agreement - Negotiated Per Project

Site Specific Agreements

Funding Agreement - Negotiated Per Project

DOWNTOWN APPLICATION

BLUE SPRINGS MISSOURI

903 W Main Street, Blue Springs, MO | (816) 228-0110
DevelopmentSubmittals@bluespringsmo.gov

PROJECT LOCATION INFORMATION

Project Name: _____

Project Address: _____

(Parcel ID if no Address Assigned or Multiple Addresses)

Legal Description (attach as a separate page if too large):

APPLICATION

(check all that apply)

☐ Historic Preservation Commission ☐ MCRC Program ☐ Commercial Façade Grant

APPLICANT INFORMATION

Name of Applicant: _____ Company: _____

Address: _____

City: _____ State: _____ Zip Code: _____

Email: _____ Phone: _____

I agree to allow the City of Blue Springs to copy and distribute all project plans, materials, and information and post on the officio/ City of Blue Springs web site as necessary for the project approval process, including public hearings. Additionally, I agree to pay the City of Blue Springs in full all applicable fees and costs required for the project approval process, including all public notifications.

Applicant Signature: _____ Date: _____

PROPERTY OWNER INFORMATION

Name of Applicant: _____ Company: _____

Address: _____

City: _____ State: _____ Zip Code: _____

Email: _____ Phone: _____

I declare, under penalty of perjury, that in applying for this application, I am the owner of this property and that the statements herein and all information herewith submitted are, to the best of my knowledge and belief, true and correct. In the event of corporate ownership, a list of all Directors, Officers, Stockholders of each Corporation owning more than five percent {5%} of any class of stock must be attached. With the signing and submittal of this application, I authorize the City of Blue Springs to enter onto the subject property to collect data and other information in order to accurately prepare reports or other documentation for review by City Council, Boards & Commissions, and City Staff. Additionally, as the legal owner of the above property, I hereby grant authorization to complete the improvements indicated on this application.

Property Owner Signature: _____ Date: _____

REQUIRED DOCUMENTS CHECKLIST FOR ALL APPLICATIONS

Requirement	Description	Number
☐ Project Information	Complete on 1st Page of this Application	
☐ Project Description	Provide narrative describing the project in space provided below. If necessary, attach additional pages	
☐ Contact Information Sheet	Complete the contact information	
☐ Additional Application Requirements	Complete all applicable information listed on pages 4-6 of this application	
☐ Other Required Information	See UDC Chapter 402 – Review & Decision-Making Bodies & UDC Chapter 408 – Supplemental standards for all other required information	

PROJECT DESCRIPTION

CONTACT INFORMATION FORM

Project Lead

Name: _____ Phone: _____

Company: _____ Email Address: _____

Address: _____

City: _____ State: _____ Zip Code: _____

Developer

Name: _____ Phone: _____

Company: _____ Email Address: _____

Address: _____

City: _____ State: _____ Zip Code: _____

Engineer

Name: _____ Phone: _____

Company: _____ Email Address: _____

Address: _____

City: _____ State: _____ Zip Code: _____

Architect

Name: _____ Phone: _____

Company: _____ Email Address: _____

Address: _____

City: _____ State: _____ Zip Code: _____

Surveyor

Name: _____ Phone: _____

Company: _____ Email Address: _____

Address: _____

City: _____ State: _____ Zip Code: _____

Landscape Architect

Name: _____ Phone: _____

Company: _____ Email Address: _____

Address: _____

City: _____ State: _____ Zip Code: _____

Attorney

Name: _____ Phone: _____

Company: _____ Email Address: _____

Address: _____

City: _____ State: _____ Zip Code: _____

Other

Name: _____ Phone: _____

Company: _____ Email Address: _____

Address: _____

City: _____ State: _____ Zip Code: _____

Other

Name: _____ Phone: _____

Company: _____ Email Address: _____

Address: _____

City: _____ State: _____ Zip Code: _____

ADDITIONAL APPLICATION REQUIREMENTS FOR HISTORIC PRESERVATION COMMISSION

Type	Requirement	Format

New Building	• Four (4) sets of scaled drawings showing the proposed site plan, building elevations, and landscape plan (if applicable).
	  ○ Site Plan must show setbacks from right-of-way, property lines, and any other buildings on site.
	  ○ Building elevations must label building materials and colors.
	• A Site Plan Design Review application may also be required.
		One 8.5" x 11" AND plans large as necessary for legibility

Building Addition	• Four (4) sets of scaled drawings showing the proposed site plan, building elevations, and landscape plan (if applicable).
	  ○ Site Plan must show setbacks from right-of-way, property lines, and any other buildings on site.
	  ○ Building elevations must label building materials and colors.
	• A Site Plan Design Review application may also be required.
		One 8.5" x 11" AND plans large as necessary for legibility

Building Façade Alterations (includes signage)	• Four (4) sets of scaled drawings showing the proposed building elevation changes. ○ Building elevations must label building materials and colors. • Four (4) sets of photographs and/or renderings showing the proposed changes (Before & After). • A Site Plan Design Review application may also be required.	One 8.5" x 11" AND plans large as necessary for legibility

New Accessory Structure	• Four (4) Plot Plans showing the proposed accessory structure.
	  ○ Plot Plan must show location of accessory structure and applicable setbacks.
	  ○ Note the dimensions, square footage, height, and material of accessory structure.
	• A Building Permit may also be required.
		One 8.5" x 11" AND plans large as necessary for legibility
		One 8.5" x 11" AND plans large as necessary for legibility

ADDITIONAL APPLICATION REQUIREMENTS

FOR COMMERCIAL FAÇADE GRANT

Project Information

Address of Property to be Improved: _____

Number of Stories: _____ Is building Located on a Corner? ☐ Yes ☐ No

Is this property located in a local historic district or conservation area? ☐ Yes ☐ No ☐ Unsure

Building Occupancy

Is the first floor of the building currently occupied? ☐ Yes ☐ No

Name of Business(es): _____

Type of Business: ☐ Retail ☐ Service ☐ Office ☐ Other: _____

Phone(s): _____

Itemized Costs

Attach minimum of 3 bids/estimates to this application. Itemize the bids below for each portion of the project (i.e.) exterior painting, window replacement, signage, etc.). **For each item, select only one (1) preferred bid from the options provided (Bid #1, Bid #2, or Bid #3) using the selection buttons provided**. Proof of payment (invoices/receipts) and at least one "after" picture is required for reimbursement after completion.

ITEMIZED DESCRIPTION OF WORK: _____

☐ Bid #1 Submitted by: _____ Amount: $_____

☐ Bid #2 Submitted by: _____ Amount: $_____

☐ Bid #3 Submitted by: _____ Amount: $_____

ITEMIZED DESCRIPTION OF WORK: _____

☐ Bid #1 Submitted by: _____ Amount: $_____

☐ Bid #2 Submitted by: _____ Amount: $_____

☐ Bid #3 Submitted by: _____ Amount: $_____

ITEMIZED DESCRIPTION OF WORK: _____

☐ Bid #1 Submitted by: _____ Amount: $_____

☐ Bid #2 Submitted by: _____ Amount: $_____

☐ Bid #3 Submitted by: _____ Amount: $_____

ITEMIZED DESCRIPTION OF WORK: _____

☐ Bid #1 Submitted by: _____ Amount: $_____

☐ Bid #2 Submitted by: _____ Amount: $_____

☐ Bid #3 Submitted by: _____ Amount: $_____

Project Costs

Estimated Cost: $_____ Amount Requested: $_____

Estimated Timeline

Start Date: _____ Completion Date: _____

I have read and understand the **Commercial Façade Grant Guidelines.** I understand that the Commercial Façade Grant must be used for the project described in the application and that all applicable review processes must be completed and approved prior to beginning construction. I understand that failure to comply with the approved application may result in losing my eligibility to receive funds. I acknowledge that the City of Blue Springs is obligated only to administer the grant procedures and is not liable to the applicant, owner, or third parties for any obligations or claims of any nature growing out of, arising out of or otherwise related to the project or application undertaken by the applicant and/or owner.

Applicant Signature: _____ **Date:** _____

ADDITIONAL APPLICATION REQUIREMENTS FOR MCRC PROGRAM

Project Information

Address of Property to be Improved: _____

Does this applicant own the project building? ☐ Yes ☐ No

Has this property received MCRC abatement before? ☐ Yes ☐ No

Are you applying for any other programs for this project (i.e. HTC, LIHTC, CDBG)? ☐ Yes ☐ No

Amount of property taxes paid last year: $_____

Building Occupancy

What is (are) the existing use(s) of the building?

Existing Business Name	Business License Number

Does the proposal result in a change in use of the building? ☐ Yes ☐ No

If so, please explain:

_____

Project Details

The project will involve the buildings: ☐ Interior ☐ Exterior ☐ Both

Estimated Investment: $_____

Program Level Requested: ☐ Level A (1) ☐ Level A (2) ☐ Level B ☐ Level C

Estimated Timeline

Start Date: _____ Completion Date: _____

The information submitted herein is true and accurate to the best of my (our) knowledge. Also, I (we) have read and understand the conditions of the MCRC Tax Abatement Policy and agree to abide by its conditions and guidelines.

Applicant Signature: _____ **Date:** _____

MCRC TAX ABATEMENT PROGRAM LEVELS

Level	Purpose	Investment Threshold	Incentive Amount	Application Fee
Level A (1)	To attract sizable investments (market shifting)	$1,000,000 minimum – Requires "But for" economic analysis, paid by the applicant	10 years 100% abatement + 15 years at 100% abatement	$750
Level A (2)	To attract sizable investments (market shifting)	$750,000 Minimum	10 years 100% abatement + 15 years at 75% abatement	$750
Level B	To attract mid-market investments (market stimulating)	$100,000 - $749,000	10 years 100% abatement + 15 years at 50% abatement	$750
Level C	To attract market stabilizing investments (market stabilization)	$5,000 - $99,000	Equal to cost of improvements or 100% abatement for 10 years, whichever occurs first	$250