



701 East Broadway, Columbia, Missouri 65201

Department Source: Finance

To: City Council

From: City Manager & Staff

Council Meeting Date: March 16, 2026

Re: First Amendment to Redevelopment Agreement relating to the Broadway Hotel Phase Two Redevelopment Plan

Impacted Ward: Ward 1

### Executive Summary

This proposed ordinance is to approve a first amendment to the redevelopment agreement and a trust indenture authorizing the issuance of taxable tax increment revenue notes, series 2026A, for the Broadway Hotel Phase Two Project.

### Discussion

On June 4, 2018, the City entered into a Redevelopment Agreement with Broadway Lodging Two, LLC (the "Developer") and Columbia TIF Corporation Two (the "TIF Recipient") for the construction of an approximately 73,000 square foot hotel and related facilities. The Original Agreement authorized the issuance of tax increment revenue notes to finance and refinance the costs of the Redevelopment Project. The Developer successfully completed the Redevelopment Project in accordance with the Agreement; however, they did not request the issuance of the Notes at that time. The Developer has now requested that the City issue the Notes to finance and refinance the project costs.

Because the Notes were not issued at the time of project completion, the parties desire to amend the Original Agreement to place the Developer and TIF Recipient in the same financial position they would have been in had the Notes been issued originally.

Key provisions of the First Amendment include:

- **Revised Maximum Reimbursement Amount:** The amendment modifies the definition of "Maximum Reimbursement Amount" to be a lump sum of \$2,064,949, plus Issuance Costs and interest on actual Project Costs.
- **Interest Accrual:** The amendment allows for the accrual of interest on funds previously advanced by the Developer. Interest will be calculated from the last day of each semi-annual period after the Developer's payment of the Project Costs.
- **Legal Fees:** The Developer has agreed to promptly pay or reimburse the City for all legal fees relating to this First Amendment, and these costs will not be considered Reimbursable Redevelopment Project Costs.

The proposed Ordinance also approves a Trust Indenture between the City and UMB Bank, N.A., acting as Trustee, which governs the issuance and administration of the Notes. The Notes and their interest will form special, limited obligations of the City. They will be payable solely from additional revenue generated in the taxing district, which includes 50% of the Economic Activity Tax Revenues (EATS) and Payments in Lieu of Taxes (PILOTS). The Notes do not constitute a general debt or liability of the City, the State of Missouri, or any political

subdivision. No member of the City Council, officer, employee, or agent of the City shall be personally liable for these obligations. The Trustee will maintain a Revenue Fund containing a PILOTS Account and an EATS Account to properly manage the flow of tax increments and ensure appropriate distributions, including payment of the City's administrative fees (up to \$3,000 annually) and deposits into the Extraordinary Costs Fund prior to debt service payments.

Fiscal Impact

The total sum of the original face value of all outstanding debt is estimated to be \$3,588,669.

Strategic & Comprehensive Plan Impact

Strategic Plan Impacts:

Primary Impact: Not Applicable, Secondary Impact: Not Applicable, Tertiary Impact: Not Applicable

Comprehensive Plan Impacts:

Primary Impact: Not Applicable, Secondary Impact: Not applicable, Tertiary Impact: Not Applicable

Legislative History

Date	Action
09-16-2019	B289-19 Authorizing a development agreement with Broadway Lodging Two, LLC to establish public infrastructure obligations relating to the construction of a new hotel tower on property located at 1106 E. Walnut Street; authorizing right of use license permits for emergency exit doors, balconies, an entrance canopy, footings and foundations, conduits, skywalks connecting the new hotel tower to the existing hotel tower, roof overhang and an awning. <a href="#">B289-19</a>

Suggested Council Action

Passage of the ordinance as submitted