

**Subject:** Fwd: Certain real property taxes are not subject to TIF recapture  
**From:** Heather Cole <[heather.cole@como.gov](mailto:heather.cole@como.gov)>  
**To:** Jeremy Root <[Jar281@nyu.edu](mailto:Jar281@nyu.edu)>  
**Time:** Tuesday, October 17, 2017 1:47:43 PM GMT-06:00

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----- Forwarded message -----

**From:** **Heather Cole** <[heather.cole@como.gov](mailto:heather.cole@como.gov)>  
**Date:** Thu, Aug 17, 2017 at 6:03 PM  
**Subject:** Fwd: Certain real property taxes are not subject to TIF recapture  
**To:** Andrew Beverley <[andrew.beverley@columbiabancshares.com](mailto:andrew.beverley@columbiabancshares.com)>, Andy Waters <[awaters36@gmail.com](mailto:awaters36@gmail.com)>, Christine King <[chking@cpsk12.org](mailto:chking@cpsk12.org)>, "Ernie Wren, III" <[erniewren@gmail.com](mailto:erniewren@gmail.com)>, Heather Cole <[Heather.Cole@como.gov](mailto:Heather.Cole@como.gov)>, Helen Wade <[hwade@cpsk12.org](mailto:hwade@cpsk12.org)>, "John G. Clark" <[jgclark@mchsi.com](mailto:jgclark@mchsi.com)>, June Pitchford <[jpitchford@boonecountymo.org](mailto:jpitchford@boonecountymo.org)>, Ken Pearson <[Kmpearson11@gmail.com](mailto:Kmpearson11@gmail.com)>, Lynn Cannon <[LMCANNON@gocolumbiamo.com](mailto:LMCANNON@gocolumbiamo.com)>, Maria Oropallo <[maria.oropallo@gmail.com](mailto:maria.oropallo@gmail.com)>, Martin Ghafoori <[ghafoorim@stifel.com](mailto:ghafoorim@stifel.com)>, Melissa Carr <[mcarr@dbrl.org](mailto:mcarr@dbrl.org)>, Michael Kelly <[michael.kelly@lssliving.org](mailto:michael.kelly@lssliving.org)>, Nancy Thompson <[Nancy.Thompson@como.gov](mailto:Nancy.Thompson@como.gov)>, Paul Cushing <[pcushing@cpsk12.org](mailto:pcushing@cpsk12.org)>, "Tony St. Romaine" <[Tony.St.Romaine@como.gov](mailto:Tony.St.Romaine@como.gov)>

Good evening,  
Please see Mr. Grimm's responses to Mr. Clark's questions below.

Thanks,  
**Heather Cole**  
Assistant to the City Manager  
Vision Zero Program Manager  
City of Columbia  
701 E. Broadway - 2nd Floor  
Columbia, MO 65201  
Phone: [573.874.6338](tel:573.874.6338)  
Fax: [573.442.8828](tel:573.442.8828)

----- Forwarded message -----

**From:** **Grimm, Mark (G&B)** <[MGRIMM@gilmorebell.com](mailto:MGRIMM@gilmorebell.com)>  
**Date:** Thu, Aug 17, 2017 at 6:01 PM  
**Subject:** RE: Certain real property taxes are not subject to TIF recapture  
**To:** Heather Cole <[heather.cole@como.gov](mailto:heather.cole@como.gov)>  
**Cc:** Tony St Romaine <[tony.st.romaine@como.gov](mailto:tony.st.romaine@como.gov)>, Nancy Thompson <[nancy.thompson@como.gov](mailto:nancy.thompson@como.gov)>

Heather:

Here are my responses to Mr. Clark's questions. I will be happy to discuss further if necessary.

Question #1:

The following real property taxes are currently excluded from capture as "payments in lieu of taxes:"

- per 99.845.1(3): blind pension fund tax and merchants' and manufacturers' inventory

replacement tax (also referred to as the “commercial surtax/surcharge”)

- per 99.845.15: sheltered workshop tax
- per 99.845.1(2)(a): any additional taxes attributable to a new voter-approved tax levy increase, per the following provision:

Beginning August 28, 2014, if the voters in a taxing district vote to approve an increase in such taxing district’s levy rate for ad valorem tax on real property, any additional revenues generated within an existing redevelopment project area that are directly attributable to the newly voter-approved incremental increase in such taxing district’s levy rate shall not be considered payments in lieu of taxes subject to deposit into a special allocation fund without the consent of such taxing district. Revenues will be considered directly attributable to the newly voter-approved incremental increase to the extent that they are generated from the difference between the taxing district’s actual levy rate currently imposed and the maximum voter-approved levy rate at the time that the redevelopment project was adopted.

Although not asked by Mr. Clark, Section 99.845.3 contains a similar provision for new voter-approved sales tax increases (i.e., those increases are not captured by TIF without the consent of the taxing district).

Question #2:

It would be up to the City Council to determine whether any increase in the real property tax is deposited into the special allocation fund for any TIF districts in existence when the election is held. We do not believe the tax can be excluded from capture within any TIF district created after the date of the sales tax election.

Mark

**Mark D. Grimm | Gilmore & Bell, P.C.**

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Phone: [\(314\) 444-4118](tel:3144444118) | Fax: [\(314\) 436-1166](tel:3144361166) | Cell: [\(314\) 495-4415](tel:3144954415)  
[mgrimm@gilmorebell.com](mailto:mgrimm@gilmorebell.com)

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**From:** Heather Cole [mailto:[heather.cole@como.gov](mailto:heather.cole@como.gov)]

**Sent:** Monday, August 14, 2017 8:00 PM

**To:** Grimm, Mark (G&B) <[MGRIMM@GilmoreBell.com](mailto:MGRIMM@GilmoreBell.com)>; Tony St Romaine <[tony.st.romaine@como.gov](mailto:tony.st.romaine@como.gov)>

**Subject:** Fwd: Certain real property taxes are not subject to TIF recapture

Good evening Mark,

Please see the questions below. If you can provide me the responses, I will forward them to the full group.

Thanks,  
Heather Cole

I blame Siri for all typos.

Begin forwarded message:

**From:** "John G. Clark" <[jgclark@socket.net](mailto:jgclark@socket.net)>  
**Date:** August 14, 2017 at 7:08:34 PM CDT  
**To:** Heather Cole <[heather.cole@como.gov](mailto:heather.cole@como.gov)>  
**Subject:** **Certain real property taxes are not subject to TIF recapture**  
**Reply-To:** <[jgclark@socket.net](mailto:jgclark@socket.net)>

Ms. Cole,

Please forward the following questions to Mr. Mark Grimm, Gilmore and Bell, attorneys representing the Columbia TIF Commission and the City of Columbia, and share his answers with the members of the TIF Commission as soon as possible.

Question #1: According to the applicant's presentation, certain real property taxes are not subject to TIF recapture. Apparently these include real estate property taxes of 3-cents/\$100 of assessed valuation to support the State of Missouri Blind Pension Fund, a Boone County Commercial Surtax of 61-cents/\$100 of assessed valuation, and a Boone County Tax in support of the Boone County Family Resource Center of 11.46-cents/\$100 of assessed valuation. I have heard that some portion of the real property taxes that support the Columbia Public School District are not subject to TIF recapture. I suspect that there are other such excluded real property taxes.

Please provide the Commission with a complete and detailed list of all such "exclusions" that currently exist or may come to exist in the future. With this list please provide detailed information on the amounts, rates, any conditions or pre-conditions that may apply to their exclusion, and the legal authority for any such exclusions.

Question #2: Within the next two years, the voters in the City of Columbia may vote to approve imposition of a real property tax to support public safety. How can we make sure, that, if this tax is approved by the voters, that it is "EXCLUDED" from the real property taxes that are subject to recapture by this proposed TIF project, and by all other local TIF projects already approved by the City of Columbia or to be approved in the future?

All the best,

John G. Clark  
Member of the Columbia TIF Commission

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Attorney at Law  
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Ms. Cole,

Attached are three articles from Gilmore and Bell website, written by attorneys at Gilmore and Bell, on Tax Increment Financing. Included below is the link to the Gilmore and Bell website where I found these articles.

<https://www.gilmorebell.com/resources/>

Please share these articles and the link with the members of the TIF Commission as soon as possible.

All the best,

John G. Clark  
Member of the TIF Commission

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