



City of Columbia, Missouri

Meeting Minutes

Tax Increment Financing Commission

Thursday, July 20, 2017
3:00 PM

Regular

Conference Room
1A/1B
City Hall
701 E. Broadway

I. CALL TO ORDER

The meeting was called to order at 3:00 pm.

Present: 7 - Michael Kelly, Ernie Wren, John Clark, Maria Oropallo, Helen Wade, June Pitchford and Ken Pearson

Excused: 3 - Andrew Beverley, Christine King and Andy Waters

Unexcused: 1 - James Owen

II. INTRODUCTIONS

Members and guests in attendance introduced themselves.

III. APPROVAL OF AGENDA

Mr. St. Romaine overviewed the agenda for the meeting and asked for a motion to approve the agenda.

Ms. Wade made a motion to approve the agenda. Mr. Wren seconded the motion. The motion carried with all in favor.

IV. OLD BUSINESS

V. NEW BUSINESS

Election of Officers

Ms. Oropallo nominated John Clark as Chair. Mr. Clark agreed to that nomination. Ms. Pitchford nominated Mr. Wren as Chair. Mr. Wren agreed to that nomination. There were no nominations for Vice-Chair and Ms. Wade volunteered to serve as Secretary.

Upon receiving the majority vote of the TIF Commission, the following individuals were appointed as officers.

Chair - Ernie Wren; Vice-Chair - John Clark; Secretary - Helen Wade

Role of the TIF Commission - *Tony St. Romaine (City of Columbia, City Manager's Office)*

Attachments: [Role of the TIF Commission Presentation](#)

[Role of the TIF Commission - handout](#)

[TIF FAQ - handout](#)

[PR47-08A - handout](#)

[PR13-09 - handout](#)

Mr. St. Romaine provided some handouts including an FAQ page and a one-page explanation of the role of the commission, and previous legislation that established a policy and guidelines for Tax Increment Financing and procedures for soliciting bids and proposals for TIF projects. He noted that the policy does stipulate a preference for TIF's to be in the downtown area. We have seen three TIF projects so far. The Tiger and the Regency TIF's have been successful; the third was withdrawn by the applicant. This would be a proposed second tower on the Regency TIF, which helped to build The Broadway hotel.

He added that the intent of this meeting to overview the TIF process and he explained how a TIF works. When a plan is adopted, real estate taxes in the redevelopment area are frozen at their current level. By applying the real estate tax rate of all taxing districts having taxing power within the redevelopment area to the increased assessed valuation resulting from the redevelopment, a tax "increment" is produced. These real estate taxes are referred to as PILOT taxes which are payments in lieu of taxes and are deposited in a special allocation fund. Additionally, up to 50% of certain local taxes generated by EATS (economic activities taxes) may also be deposited on that special allocation fund. Total TIF assistance cannot exceed 20% and public infrastructure improvements are favored. The applicant has financial and technical ability to complete the project and the City's credit rating will not be impacted. He reviewed projects that are favorable, which include projects that will create jobs that exceed the median income level, will serve as a catalyst for future developments, will stabilize areas likely to deteriorate, will encourage inflow of customers, will fulfill housing need without impacting public service and use green buildings standards. Ms. Pitchford asked about state regulations. Mr. St. Romaine explained that he can provide a copy of those, but our policies mimic state statutes.

Mr. St. Romaine reviewed required findings for TIF projects which include: a "But-For test"; the site must meet a blight, conservation or economic development area; conform to the comprehensive plan; project completion date cannot be more than 23 years; have a relocation assistance plan in place; a cost benefit analysis must show economic impact and feasibility; and cannot be a gambling establishment.

Mr. St. Romaine explained why TIF's are beneficial and how the bonds are issued. Ms. Cannon explained how the disbursement process works and noted that the interest rate is determined through the notes when they are issued. Ms. Oropallo asked when this project will go to Planning and Zoning. Mr. St. Romaine replied that if the TIF Commission approves the financing plan, then it goes to Council and if approved the developer moves forward with all Planning and Zoning steps for a redevelopment plan. Ms. Oropallo asked if the TIF Commission has ever met without the applicant. Ms. Thompson replied that the TIF Commission is subject to Sunshine laws and all meetings are open to the public. No one was aware of any exceptions that would allow for closed meetings by this body.

Ms. Pitchford asked if there was a reimbursement to the City by the developer to cover Mr. St. Romaine's consultant role. Mr. St. Romaine explained that consultant costs can be paid for by the developer application fees. He added that his real estate license is also on hold during this process. Mr. Clark asked if Tony's salary was ever compensated when he served as Deputy City Manager while he was working on TIF projects. Mr. St. Romaine replied that his time was not charged out to specific projects as Deputy City Manager.

Overview of The Broadway Hotel Phase Two Proposed Redevelopment Plan

- *David Parmley (Applicant)*
- *Robert Hollis (VanMatre, Harrison, Hollis, Taylor & Elliott, P.C.)*

- Pat Nasi (Development Dynamics, LLC)

Attachments: [Applicant Presentation](#)

Applicant Dave Parmley explained the proposed hotel expansion which would be a new 8 story hotel tower at 1104 E. Walnut. The parcel under contract is 11,000 square feet compared to the first tower at 22,500 square feet. The new tower would be 73,000 square feet with meeting space on the ground floor and 8th floor and an additional 80 guest rooms. The towers would be connected by three enclosed walkways. He explained that there is a need for meeting and event space downtown which this new tower would provide by offering 2,000 square feet of meetings space, and an 8th floor ballroom of 6,000 square feet. This would impact the downtown area significantly, as the existing hotel did when it was constructed. He explained why the TIF is an essential component to the development of this project as costs to construct are prohibitively high at an estimated \$20.25 million dollars. The TIF amount requested is \$2,064,949 and without the TIF this project is not possible.

Set Public Hearing Date

Attachments: [TIF Draft Schedule Broadway2](#)

Mr. Clark felt that the public hearing should take place after the budget is adopted by City Council. Mr. St. Romaine provided a tentative timeline for the process which included a tentative public hearing date of September 14th and plan to go to City Council on October 16th with a final vote on November 6th. The group discussed the proposed timeline. Mr. Clark suggested a meeting in mid-August and waiting to send the notice letters until after that meeting where further discussion could take place. Ms. Thompson added that a public hearing can be continued to additional dates if further discussion is needed.

Mr. Kelly made a motion for a deliverables to be presented on August 10th; and to set a meeting the following week, at which time the group will set a public hearing date. Mr. Pearson seconded the motion. The group agreed that they would like deliverables sooner if possible. The motion passed with all in favor. Ms. Wade noted that she will not be available on August 3rd or 10th.

Future TIF Commission Meeting Schedule

This discussion was included in the previous agenda item.

VI. GENERAL COMMENTS BY PUBLIC, MEMBERS AND STAFF

None.

VII. ADJOURNMENT