

Pioneer Plaza TIF Plan

AUGUST 26, 2020

Overview

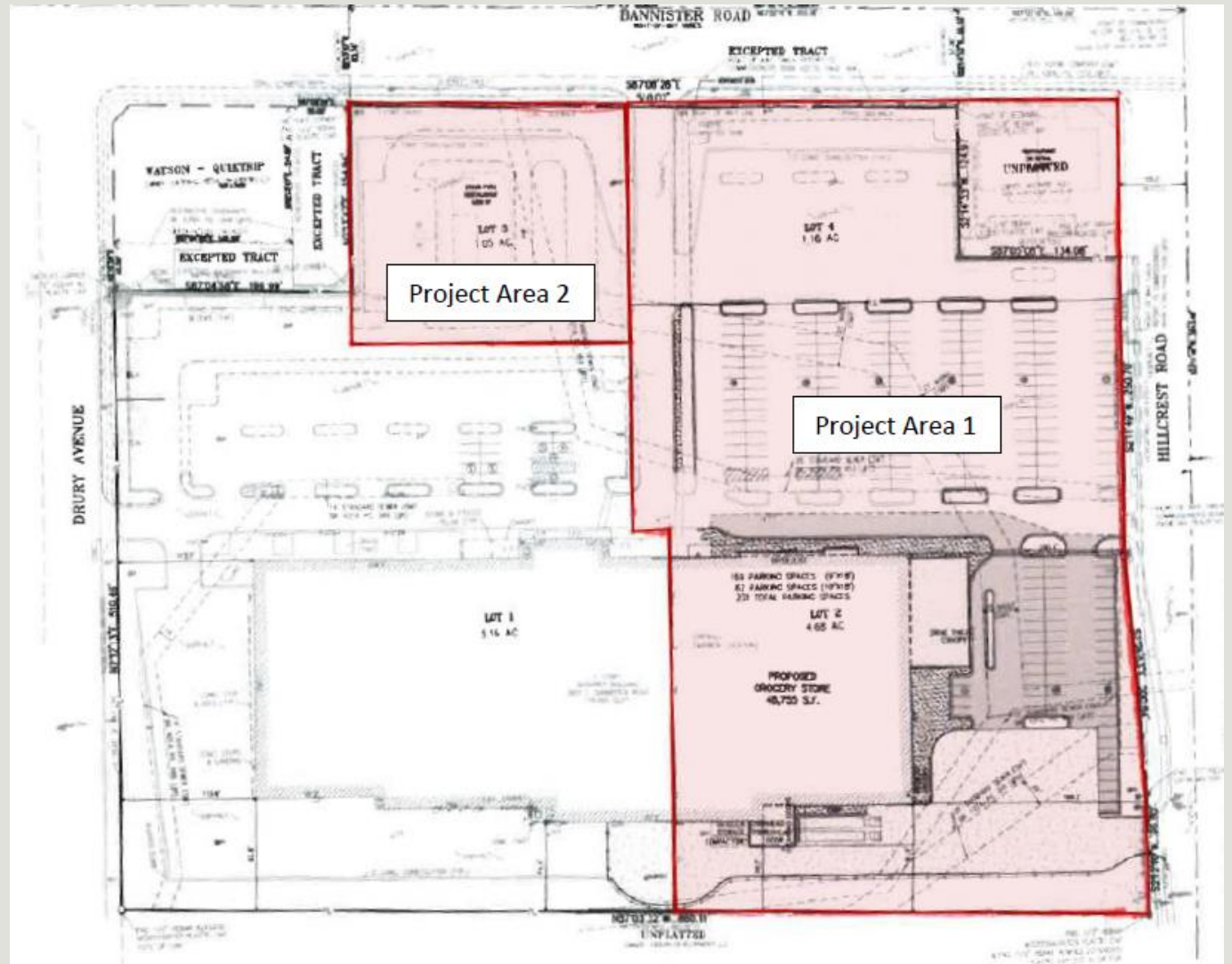
The proposed Pioneer Plaza TIF Plan calls for

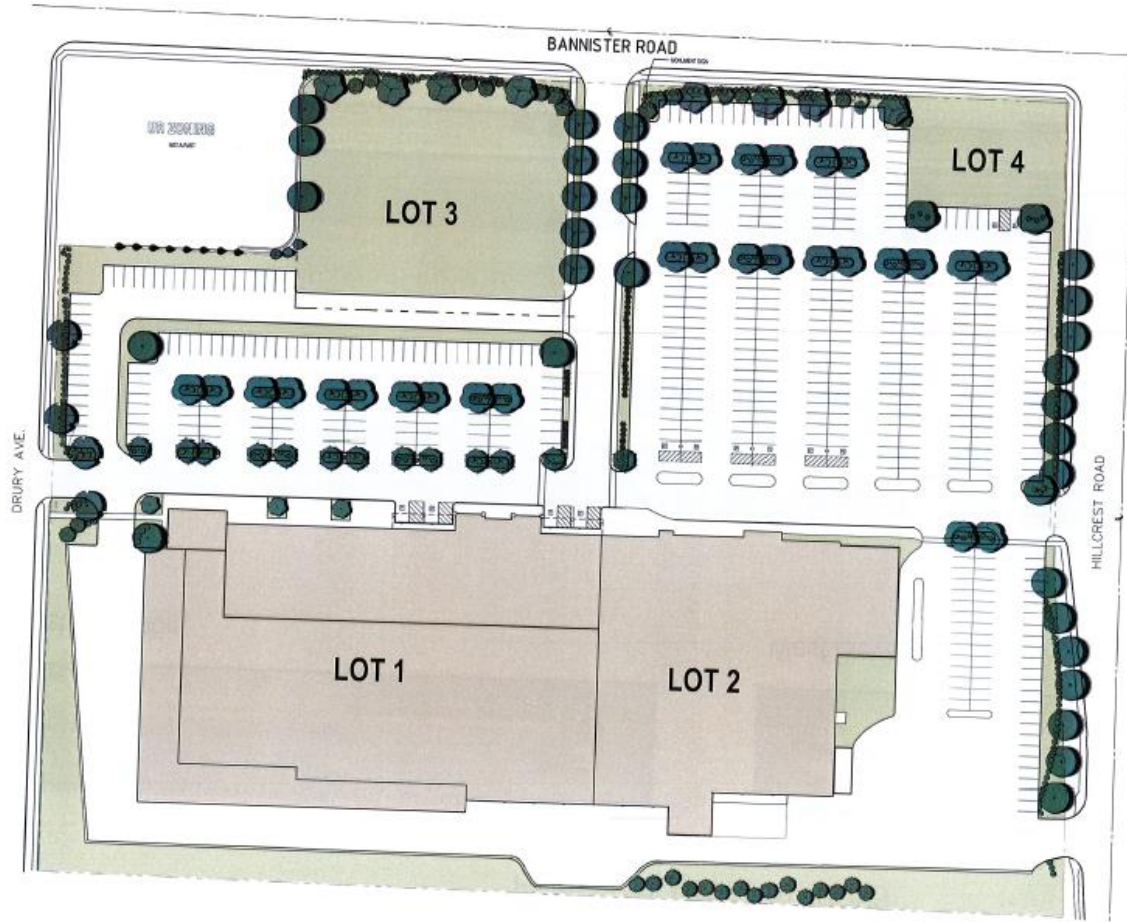
- the acquisition and partial demolition of an existing vacant retail building
- the construction of an approximately 48,500 square-foot full service grocery store, including a pharmacy
- development of a fast food pad site,
- other necessary site improvements, including the construction of a new surface parking lot that will include new lighting, signage and repair of any concrete or asphalt, and
- related public infrastructure

Total Project Costs are approximately \$24.3 million with a request for \$14.9 million in TIF, SuperTIF, and CID Sales Tax revenues.

Pioneer Plaza Redevelopment Area with Projects

Generally bound by
Drury Avenue on the
west, Bannister
Road on the north,
Hillcrest Road on the
east and E. 96th
Place on the south





PIONEER PLAZA
SITE PLAN



5615 E Bannister
Road, LLC

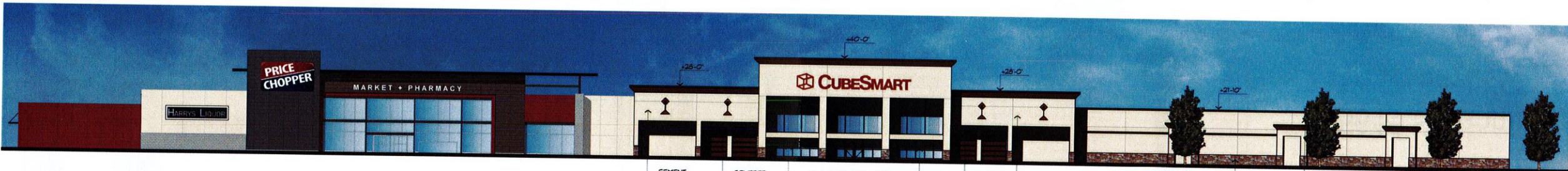
GastingerWalker&



0 20' 40' 80'

2.27.2020

Site Plan



North Elevation

Rendering of Project

Development Schedule

The developer intends to complete construction by the end of 2021.

Existing Conditions

JLL Valuation and Advisory Services concluded that the proposed redevelopment area is a blighted area, evidencing defective or inadequate street layout, deterioration of site improvements, insanitary or unsafe conditions, improper subdivision or obsolete platting and existence of conditions which endanger life by fire or other causes.

Existing Conditions

JLL also found that the combination of the blighting factors constituted an economic or social liability and a menace to the public health, safety, morals or welfare in its present condition and use.

Sources and Uses of Revenues

Amount of Costs reimbursable from PILOTs, Economic Activity Taxes , CID and SuperTIF	\$16,401,447
Amount of costs funded by Equity/Debt and New Market Tax Credits	\$7,826,950
TOTAL	\$24,283,397

But-for analysis

Baker Tilly Municipal Advisors concluded that the Project Improvements would not be implemented but-for TIF Assistance. The Industry Benchmark is between 5.5% and 11%.

Full requested assistance includes capture of 75% PILOTs, Statutory 50% EATs, 100% City EATs, and 100% of CID Sales Taxes.

	Undiscounted amount	Internal Rate of Return
With full requested assistance	\$9,006,392	6.66%
Without assistance	\$0	-7.59%

Cost-benefit analysis

Baker Tilly Municipal Advisors performed an analysis of the impact of the project on the taxing jurisdictions and determined that the implementation of the TIF Plan would have a positive impact upon the taxing jurisdictions.

Neighborhood Support

The Fairlane Neighborhood has submitted a letter of support for the Plan.

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Statutory findings

The Redevelopment Area as a whole is a blighted area, evidenced by defective or inadequate street layout, unsanitary or unsafe conditions including deterioration and dilapidation of site improvements, excessive vacancies, presence of structures below minimum code standards, lack of ventilation, light or sanitary facilities. A blight study has been completed and the findings of such study satisfy the requirements provided under subdivision (1) of Section 99.805, RSMo.

The Redevelopment Area has not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to be developed without the adoption of the Redevelopment Plan. The Plan incorporates an analysis prepared by Baker Tilly Municipal Advisors, and such analysis provides sufficient information to satisfy the “but for” test set forth in Section 99.810, RSMo.

The Redevelopment Plan conforms to the Hickman Mills Area Plan and FOCUS, the comprehensive plan for the development of the City as a whole;

Statutory findings

The areas selected for Redevelopment Projects include only those parcels of real property and improvements thereon which will be directly and substantially benefited by the Redevelopment Project improvements;

The estimated dates of completion of the respective Redevelopment Projects and retirement of obligations incurred to finance Redevelopment Project Costs, have been stated in the Redevelopment Plan and are not more than 23 years from the passage of any ordinance approving a Redevelopment Project within the Redevelopment Area;

The Redevelopment Plan contains a relocation assistance plan.

A cost-benefit analysis showing the economic impact of the Redevelopment Plan on each taxing district at least partially within the boundaries of the Redevelopment Area has been prepared in accordance with the Act. The analysis provides sufficient information for the Commission and the City to evaluate whether this Plan is financially feasible.

Statutory findings

The Redevelopment Plan does not include the initial development or redevelopment of any gambling establishment.

The Redevelopment Plan does not contemplate that any property located within a Redevelopment Project Area will be acquired by eminent domain later than five (5) years from the adoption of the Ordinance approving such Redevelopment Project.

The Plan does not provide for the adoption of an Ordinance approving any Redevelopment Project later than ten (10) years from the adoption of the Redevelopment Plan.

Tax Contribution Agreement

The Plan contemplates additional city revenues as sources of reimbursement of certified costs. Those revenues include 50% of certain sales taxes and earnings taxes generated by the project in an approximate amount of \$2.5 million over 23 years.

This ordinance would authorize the execution of an agreement with the City to contribute those additional revenues to the project.

Recommendation

The Commission recommended approval of the proposed Pioneer Plaza TIF Plan at its July meeting, finding that the Plan meets all of the statutory findings required by the TIF Statute.