

ECONOMIC DEVELOPMENT SUMMARY REPORT

2014



City of Ellisville, Missouri

EDIR

Economic Development Resources
St. Louis, Missouri

ECONOMIC DEVELOPMENT SUMMARY REPORT CITY OF ELLISVILLE, MISSOURI

BACKGROUND

Over the last five years, the City of Ellisville has participated in, and completed, a number of planning documents, including a Comprehensive Plan (2011), the Bikeable Walkable Community Plan (2011), the Great Streets Master Plan (2011, with the abutting communities of Ballwin, Wildwood, Winchester and Manchester), and the Economic Development Strategic Implementation Plan (2011), collectively the “Plans”. Each of these planning documents discussed the then current state of the community and identified the City’s goals and objectives for the next 10-30 years. More specifically, statements in the City’s Comprehensive Plan generally plan for land uses, transportation, housing and parks, whereas the other documents target particular themes, including interconnectivity and pedestrian-based transportation networks, as well as land use and (re)development recommendations for certain development and redevelopment areas within the City.

EDR’s current work with the City has consisted of the review and analysis of the Plans, and a consequent understanding of the City’s economic development goals and objectives as stated within these documents. The six general economic development Goals, and their attendant Objectives, are provided in this Synopsis.

Concurrent with this review and analysis, we also met with members of the City Council and the City’s Economic Development Commission to generally discuss the Plans and economic development in the City, and to more specifically address the (re)development of the Redevelopment Areas previously identified by the City.

EDR next provided the City with the names of approximately 50 retail, office, industrial and residential developers that may have, in EDR’s opinion, interest in the (re)development of one or more of the Redevelopment Areas identified by the City. The City then selected six of these developers for EDR to interview. In these interviews EDR reviewed various aspects of the Plans, discussed an outline of many of the activities and uses that had been identified as occurring in a Town Center for the community, and had specific discussions on, ultimately, six such Redevelopment Areas. These specific discussions focused on soliciting the developers’ opinions concerning the (re)development potential of, and possible types of land uses/tenants for, these Areas (and any other locations in the City identified in the course of these interviews).

The Synopsis, below, is then one which identifies the City’s current economic development Goals and Objectives, as identified in the Plans (and includes economic development activities the City wishes to pursue). Comments identified in the Plans are shown in the Synopsis in standard black text. This outline includes supplemental ideas, comments, and recommendations from the meetings and interviews with the City Council (“**CC**”), the City’s Economic Development Commission (“**EDC**”), and the representatives of the development community (“**DEV**”).

GOALS

1. Maintain and enhance the value of all economic activity in the City.
2. Improve the City's high quality of life by providing for the proper distribution, location and extent of land uses by type and density.
3. Preserve the City's existing housing stock and density of residential neighborhoods.
4. Improve quality of life by providing a variety of transportation modes, and ensuring the safety, efficiency and convenience of all transportation in the community.
5. Preserve and enhance existing parks, open spaces and landscaping features throughout the City to the greatest extent possible.
6. Frequently review, update and modify the Redevelopment Areas identified in the City's Plans to reflect current goals and objectives and resulting impact on surrounding neighborhoods.

WHAT'S NEXT?

Following our review of the City's economic development texts, the recent efforts involving larger scale redevelopment in the City and our discussions with City staff, elected and appointed officials and representatives of the development community, we believe that the City's next steps in its economic development effort is to use this Summary as resource for continued discussion with real estate developers. We recommend that this document be shown, informally, to developers so that the City can maintain (and open) contact with the development community, and continue to both market opportunities in the City and gauge developer's interest in development in the City. Should stronger interest be shown in any one of the Redevelopment Areas, at that time the City can issue a formal Request for Proposal (RFP) for such Area.

GOAL 1: Maintain and enhance the value of all **economic** activity in the City.

1. Retain/expand existing businesses and encourage new commercial and industrial business, compatible with the City's goals and objectives; place focus on retail sales tax generating uses

- (CC) Shift focus from big box retailers, pharmacies and car dealerships which create vacant sites and buildings; have valuable commercial frontage that needs to anchor community*
- (CC) Fill currently vacant buildings before shifting focus to façade rehabilitation program; decide on new tenants before offering incentives for currently vacant buildings*
- (CC) Assess all vacant lots and buildings, and targeted uses, before writing Request for Proposal (RFP); do not use TIF and do not offer TIF to projects and see what response City gets to RFP*
- (CC) Focus business retention efforts on key community anchors, including Dierberg's, Lucky's, Shop & Save and LifeTime Fitness*
- (EDC) Attract unique types of businesses and destinations, such as liquor store, bowling etc.*
- (EDC) Also need focus on existing business retention*
- (EDC) Reduce vacancies, and attract new tenants for available retail space, on major arterials*
- (DEV) Unlikely to participate in significant initial investment if development has to go to referendum*

2. Maintain adequate commercial/industrial tax base in the City in order to keep consistent residential property tax rates, provide employment opportunities and offer variety of goods/services to residents

- (CC) Preserve existing ratio of businesses/amenities in order to keep residents;*
- (CC) Research and conduct study(ies) concerning sales tax impact of proposed businesses on the City, especially on the other retail businesses currently in the City and moving to the City*
- (EDC) Attract non-sales tax generating business to the City (professional/office/medical); the City cannot neglect non-retail businesses*
- (EDC) Bring more people to support existing retail business and eventually attract new retail business*
- (EDC) Need to replicate Bussmann Cooper business*

3. Consider use of incentives for businesses consistent with City's existing businesses and objectives

- (CC) Explore CID and TDD incentive tools for future development concerns; do not use TIF assistance; include protection for other taxing districts in any (re)development deals which include assistance*
- (CC) Utilize eminent domain and condemnation of commercial and industrial properties, where/when necessary, to promote larger (especially sales tax generating) projects, as long as it does not require displacing existing City residents*
- (EDC) Utilize TIF for public infrastructure improvements and increase connectivity; utilize CID/TDD sales tax or special assessments to incentivize (re)development projects*
- (DEV) Unlikely to have interest if use of development incentives has to go to referendum*

4. Develop a series of mixed-use Town Centers along Manchester (including, but not limited to, unanchored in-line sales tax generating retail uses, anchored in-line retail, mixed-use lifestyle retail and large format big box retail) with higher density housing alternatives component (townhomes/apartments) and office space to create additional consumer base and demand for retail and restaurants during business hours, as well as medical offices to serve the area's aging population

(CC) Make main commercial corridors (Manchester, Clarkson, Old State) more walkable and interconnected, including green spaces, mixed-use developments and shared parking lots, with trails, sidewalks and crosswalks; ensure that all uses are readily accessible for the elderly

(EDC) Create a draw for visitors to come to Ellisville, whether via Town Center or anchored store; link together such nodes of activity

5. Explore and encourage the integration of Form-Based Code into development of the Town Centers along Manchester, using different density transects for development; enforce building design guidelines so that newly built environment develops sense of place; ensure future development is aesthetically pleasing, pedestrian-friendly and sustainable

(CC) Encourage original architecture design throughout the City's assets, similar to the Grove in Ballwin, Barn at Lucerne and the Town Center in Wildwood

(CC) Provide development bonuses and other incentives through such Code to take place of financing such as TIF

6. Solicit master developer for each mixed-use Town Center development to take advantage of available frontage and required property depth; include open space connections with Bluebird Park and include key civic amenities such as Ellisville City Hall; preserve existing residential uses behind immediate commercial frontage

(CC) Town Center developer to offer outdoor community-based amenities, including parks, sports fields, farmers' markets, live music theaters, membership dog parks, and the like

(DEV) Preservation of residential uses may make site too narrow/necessitate assistance for structured parking and multi-story residential

7. Encourage shared parking for retail areas; modify Zoning to be complementary with abutting communities; minimize surface parking and encourage parking facilities behind surrounding land uses; create a more walkable Town Center environment along commercial corridors; require five feet or greater width sidewalks and bike lanes to facilitate shopping and outdoor dining

(CC) Make it easier for pedestrians to cross Manchester; connect streets and create downtown feel

(CC) Utilize Great Streets Plan and focus assistance on Manchester corridor; take advantage of high traffic counts on Manchester through the City; focus on road beautification, street lights and safety lighting

(EDC) Expand Great Streets concept City-wide in order to improve connectivity and traffic flow

(EDC) Improve walkability in the community and create pedestrian-friendly corridors; improve connectivity between developments and create a sense of community

(DEV) Great Streets efforts need to be mirrored on Clarkson as well as Manchester; utilize the sidewalks, lighting and design overlay recommendations

(DEV) For Great Streets, need to re-examine proposed access points; auto accessibility is still most important to retailers in this market

8. Consider undergrounding overhead utilities along Manchester as development occurs; use “campus” arrangement similar to large offices for underground utilities in the Town Center; move all overhead utilities along Manchester to parallel alignments to remove from plain view
9. Install way-finding signs to direct patrons to locations; replace existing street signs with new logo and address market street signs; create a community identity with creative new artwork

- (CC) Create distinct aesthetic entryways into the City at entrances on Manchester and Clarkson; improve image and streetscape along Manchester;*
- (CC) City assistance focused at City entrances to re-tenant or redevelop vacant buildings*
- (EDC) Improve aesthetics and roadway conditions at entryways to the City; work with MODOT and St. Louis County*

GOAL 2: Improve the City’s high quality of life by providing for the proper distribution, location and extent of **land uses** by type and density.

1. Focus major retail commercial uses on the Manchester Rd. thoroughfare; also include some scattered public/semi-public uses, senior living and business parks along the main arterial

- (CC) Restrict commercial use areas to current footprint (do not expand into residential neighborhoods)*

2. Other major retail users can be located at the Clarkson/Clayton intersection, including the new mixed-use Fountain at the Plaza project at the northeast corner
3. Ensure large retail user buildings are attractive/reusable to avoid ongoing vacancies; carefully consider all large big-box retail stores (and re-use of vacancies) before approval
4. Carefully review new commercial development and its impact on traffic patterns and existing residential neighborhoods, given the extensive existing commercial development in the City
5. Continue and assist the City’s business park (office, warehouse and light industrial) on Old State Rd.; consider expanding the business park south towards potential annexable areas; fill in properties behind business park with low, urban low or medium-density residential
6. Restrict small-scale professional office/medical uses to Clarkson, Clayton and east side of Old State Rd. (low traffic users); convert existing residential to small-scale commercial on these roads; require buffering between commercial and residential uses

- (DEV) Existing residential on Clarkson creates opportunity for financial district to serve residents, with credit unions/banks*

7. Pursue annexation of two abutting unincorporated areas to increase tax revenue, including (i) six subdivisions southeast of the City; and (ii) open space immediately south of the City
8. Limit conversion of residential to commercial to areas identified as commercial on the City’s adopted Future Land Use map

- (CC) Do not consolidate neighborhoods for commercial use, unless all property owners are in favor*

9. Maintain low-density residential areas immediately behind main commercial corridors (not to exceed 2.5 dwellings per acre)
10. Preserve Bluebird Park (Klamberg Woods Conservation Area) in its entirety

11. Limit public/semi-public lands to governmental, educational, religious and non-profit uses

(CC) Promote cultural activities and create cultural center to anchor community

(CC) Clean up and reuse contaminated Bliss-Ellisville superfund property for City purpose

12. Preserve existing public/semi-public uses (Passionist Nuns, Center for Creative Learning, Metro-West Fire #4, Ellisville Elementary School) or redevelop as low-density residential

(CC) Expand community recreation activities; develop recreational areas using available property/property that City can acquire/be given

13. Utilize natural (steep slopes, floodways) and manmade (roads) features to bound land uses

14. Frequently update the City's Zoning Ordinance to ensure that it complements the City's Plans

(CC) Utilize existing City Plans as guide for (re)development

(CC) Hold Town Hall meetings to incorporate City residents and business owners into City decisions

(EDC) Keep residents, business owners, and City officials informed/involved in City decisions

(EDC) Enforce consistent zoning/subdivision regulations for landscaping and buffering, including impacts on (and changes to) existing curb cuts

GOAL 3: Preserve the City's existing housing stock and density of residential neighborhoods.

1. Preserve Hutchinson/Froesel and Hilltop neighborhoods as is; ensure future subdivisions are compatible with existing neighborhoods; consider preservation overlay to protect housing

(CC) Do not consolidate neighborhoods for commercial use, unless all property owners are in favor

(EDC) Do not subdivide larger residential lots for smaller, more compact lots and homes; there is enough vacant residential property available for development now

2. Carefully review new commercial development on Clarkson in front of Hilltop neighborhood to assess potential impacts on Hilltop subdivision

3. Maintain existing residential density to take advantage of utilities, emergency services, transportation, environment, green space, storm water, land use demands and tranquility

4. Consider increasing required minimum lot sizes for R-1 low density residential properties

5. Where necessary, re-subdivide neighborhoods of larger lot-size older homes (5+ acres) into newer smaller lot homes (or attached homes) on project-by-project basis; not permitted in Hutchinson/Froesel or Hilltop neighborhoods

(CC) Maintain larger 1+ acre housing tracts; do not re-subdivide larger lots to create additional parcels for residential development

6. Restrict urban low-density residential to 5 dwellings/acre (including single-family attached or detached dwellings/duplexes) and medium-density residential to 14 dwellings/acre (including single-family attached, detached, duplexes and multi-family)

(CC) Increase residential density east of Kiefer Creek Rd., south of Manchester Rd.

7. Develop reasonably-priced housing options under \$150,000 and rental properties under \$1,250/month to appeal to a wider cross-section of the market

(CC) Explore some residential (re)development, but rehabilitate deteriorating residences first

(CC) Encourage and maintain senior housing efforts to appeal to all demographics groups at this age cohort

(DEV) Availability of less expensive alternatives in market makes this rental level likely unattainable

8. Consider conditional use permits for acceptable residential uses in commercial or light industrial areas

GOAL 4: Improve quality of life by providing a variety of **transportation** modes, and ensuring the safety, efficiency and convenience of all transportation in the community.

1. Maintain adequate bike and pedestrian facilities and City park systems to provide opportunities for recommended amount of physical exercise; work with neighboring communities, County agencies, MODOT, Missouri Department of Conservation and Great Rivers Greenway; become leaders in regional connectivity development; build sophisticated multi-modal transportation network; adhere to federal design guidelines and Great Street principles
2. Develop City-wide bicycle and pedestrian facility network to provide access to schools, parks, commercial areas, community amenities, public transit, neighboring communities and other significant activity centers; require that all new development provides safe walking/biking facilities and incorporates bicycle parking facilities

(CC) In particular, increase connections between residential areas and recreational open spaces

3. Create walking and biking paths “off the road” to make roads and auto traffic safer; ease traffic congestion, decrease auto emissions, use less gas money, reduce health care costs and create additional amenities to raise home values

(CC) Make main commercial corridors (Manchester, Clarkson, Old State) more walkable and interconnected, including green spaces, mixed-use developments and shared parking lots, with trails, sidewalks and crosswalks; ensure that all uses are readily accessible for the elderly

4. Repair, replace or remove existing City multi-purpose trails depending on condition; repair, expand and promote existing successful trail system; City should purchase property for future trails and create connections between trails and sidewalks
5. Provide varying levels of multi-purpose trails, bike lanes and bike routes throughout the City for varying levels of purposes and skill sets, dependent on location and traffic impact
6. Connect trail network to available transit stops and Great Rivers Greenway trails
7. Promote and support walking and biking as safe, convenient and practical means of transportation through the use of education, encouragement and enforcement programs; create City map with walking and biking trails and connections to destinations; work with local businesses to incentivize active transportation to commercial areas

8. Improve traffic flow at high hazard traffic areas where high traffic flow combines with poor vehicular access management and high accident rate, including portions of Manchester Rd., Clarkson Rd. (Kiefer Creek Rd.), Old State Rd. (Hutchinson Rd.) and Reinke Rd.
9. Encourage improvements, widening, new roads and signalization to existing public infrastructure throughout the City; require sidewalks in all new subdivisions and developments; utilize inter-connected parking areas between adjacent commercial developments; improve pedestrian connectivity in general and from residential uses to commercial uses
10. Establish consistent and reliable street network grid; create landscaped median boulevard on Manchester to improve safety; create cross-streets and signals to break up traffic flow

(CC) *Make it easier for pedestrians to cross Manchester; connect streets and create downtown feel*

11. Improve and expand width of corridors, setback requirements and signage regulations to make signs and buildings easier to see and slow down the flow of traffic on Manchester
12. Develop a Bus Rapid Transit (BRT) route from Ellisville along Manchester to the Maplewood MetroLink Station and the City of St. Louis
13. Use enhanced sidewalks, curb extensions, raised islands, traffic circles, overhead signage and lighting to facilitate pedestrian and vehicular traffic at enhanced intersections within the City
14. Provide safe sidewalk network along Manchester, including consistent width, location, distance from roadway, provision of shade trees, number of curb cuts, presence of crosswalks and other elements; similarly, develop bicycle boulevards parallel to arterials to provide safe bikeways for users of all types and skill levels
15. Slow down traffic flow, reduce jaywalking and increase pedestrian connectivity; encourage use of street furniture, lighting, benches, etc.; establish safety zones in roads for pedestrians; work with MODOT and St. Louis County to address walking/biking barriers in the roadways
16. Improve walking and biking facilities to: (i) enhance the City's transportation network; (ii) create a safe and pedestrian friendly infrastructure for community connectivity; (iii) promote improved health and well-being for City residents; (iv) generate economic growth for residents and businesses; and (v) foster an enhanced sense of community
17. Provide varying levels and capacities of walking, biking and multi-use trails throughout the City, cognizant of location of parks, community facilities and major transportation arterials
18. Explore funding sources for infrastructure improvements, including national grants and funding programs and local sales tax and political subdivision districts (CID/TDD/NID)

GOAL 5: Preserve and enhance existing parks, open spaces and landscaping features throughout the City to the greatest extent possible.

1. Existing parks in the City must be preserved and shall not be altered, moved or relocated

(CC) *Make Bluebird Park more visible and integrate with neighborhoods better*

2. Where necessary, convert existing public/semi-public uses to low-density residential uses
3. Preserve existing trees, eliminate unnecessary destruction of trees, and/or require the equal replacement of trees where needed for (re)development efforts

4. Maintain Tree City USA status; budget for planting of new trees and removal of dead trees; consider tree protection ordinance to prohibit unnecessary tree removal for development
5. Maintain and monitor landscaping/trimming standards for trees and bushes along streets, sidewalks and ingress/egress points to reduce impairment for motorists and pedestrians
6. Encourage buffering, landscaping and mitigation efforts between commercial/industrial and residential zoning districts and land uses (including on east side of Old State Rd.)

GOAL 6: Frequently review, update and modify the **Redevelopment Areas** identified in the City's Plans to reflect current goals and objectives and resulting impact on surrounding neighborhoods.

1. Encourage and facilitate redevelopment of each Redevelopment Area to encourage the highest and best use; promote existing businesses and encourage economic development of corridors

(EDC) Better define and market (potentially redraw) identified Redevelopment Areas

(EDC) Improve damaged perception of City among businesses/residents; fix political problem publicly created by Sansone/Walmart deal to repair image; improving the City's perception will spur new economic development for the City; tolerance of TIF for public infrastructure improvements in Redevelopment Areas

(EDC) Capitalize on City's perception as inexpensive alternative to Valley; create an identity and place in market; embrace safe and reliable location

2. Issue RFP for each, or selected, Redevelopment Area; identify available incentive programs in the RFP (including, but not limited to, TIF, CID, TDD, NID, Chapter 353, etc.)

(CC) Be aware of market and businesses coming to the market before selecting RFP response; be cognizant of existing businesses in the City when negotiating relocations and selecting tenant

REVIEW OF THE REDEVELOPMENT AREAS

Redevelopment Area #1

Description: Truman/Strecker at Manchester (14 ac.); commercial

Redevelopment project: extend access frontage road from west to Strecker to encourage development of two vacant parcels; utilize incentives for necessary infrastructure and road improvements; provide assistance for grading of extreme topography; attract full-time service restaurant and retail sales tax generating commercial uses

- (CC) Work with property owners and MODOT to consolidate lots and redraw existing curb cuts to better facilitate comprehensive planning and redevelopment opportunities for larger projects*
- (DEV) Site poorly located (not situated at corner intersection) with inadequate access (current access is limited with no curb cut); property not suited for retail; access too difficult for regular retail, but good location for additional storage; site accessibility made greater with extension of Truman access road and creation of ingress/egress onto Manchester across median*
- (DEV) Land too expensive for current use but not suited for anything else; moving stoplight at Strecker could attract additional housing; potential for senior living/retirement center and medical continuum of care*
- (DEV) Requires subsidy assistance and voluntary purchase from seller; possible TIF assistance; TDD/CID less likely given that area is not likely site for retail*

Redevelopment Area #2

Description: Manchester at Old State (115 ac.); industrial/commercial

Redevelopment project: target light industrial, office or retail (jobs in communication, IT, healthcare); potentially willing to accept junior/big box retail based on high household income; requires assistance to remediate extreme topography along Manchester

- (CC) Expand industrial/office park campus around Bussmann Cooper Fuse*
- (CC) Attract manufacturing/industrial uses to fill vacancies; maintain industrial uses west of Old State Rd. and offices east of Old State Rd.; potential location for indoor sports facility*
- (DEV) Potential for small retail commercial on Manchester Rd. frontage; would need enough frontage and depth for successful project; Bussmann Cooper would need to sell frontage to developer at price that would allow new development, given topographic considerations*
- (DEV) Capacity for much larger development if Bussmann Cooper would sell property, at a reasonable price, and utilize adjacent undeveloped property.*
- (DEV) Site requires excessive grading, given extreme topography at Manchester Rd. frontage; belief that small development would probably not receive incentives from City to address topography, but if enough land could be controlled, potential for larger project*
- (DEV) Potential for more of owner-occupied industrial businesses throughout remainder of the site; possibility of multi-family residential on southernmost parcel (would need low land cost)*

Redevelopment Area #3

Description: Manchester at Clarkson three quadrants (73 ac.); commercial mixed-use

Redevelopment project: target mixed-use Town Center development with commercial (retail and office) and residential for three corners of intersection (not including northeast); attract employers, residents and retailers; tie commercial uses into neighborhoods and parks and encourage desirable pedestrian-friendly atmosphere; develop vacant car dealerships and fill vacancies

- (CC) Carefully study the project area boundary on southwest corner; solicit master developer (likely need 25-30 acres for master developer); Council will not want to incentivize any additional depth needed beyond that now available*
- (CC) Create distinct identity of for each of four corners at Manchester/Clarkson intersection; explore connection or pedestrian overpasses between retail uses at commercial intersections in the City*
- (CC) Create a pedestrian-friendly mixed-use Town Center using all four corners of intersection with shops, offices, apartments, new municipal center and community meeting space/ town square; attract small footprint project to generate initial funding and attract attention to the corner; any anchor at the center of the community needs to be a job creator; keep Lukas Liquor as key tenant*
- (CC) Recognize that area is for convenience, not comparison, shopping/retail; solicit regional entertainment services, such as upscale movie theater, major entertainment, or similar anchor that would draw visitors, and expand market outside of convenience services; solicit retail unique to market*
- (CC) Explore usage of Clarkchester apartments in larger development idea on southwest corner; (opposed to displacing existing City residents, if specifically owner-occupied properties); maintain apartments as land use buffer between commercial and residential properties*
- (CC) Attract users at southwest corner that utilize entire frontage and don't compete with abutting communities; enforce fee schedule for piecemeal development utilizing available frontage at southwest corner of intersection; use fees to purchase rear of properties behind frontage to pursue City's vision; do not wait for large master developer to develop entire frontage at once; restrict use/area dedicated to easements (for roads and utilities) behind immediate frontage that would constrain property depth/development potential*
- (CC) Relocate nursery on Clarkson and assemble property at northwest corner for (re)development*
- (CC) Take advantage of form-based code zoning standards successfully used by Wildwood and St. Charles to replicate similar development patterns; work with developers asking for assistance to provide assistance through zoning incentives*
- (CC) Utilize CID/TDD for development financing at corner; consider TIF assistance, but only after Town Hall contribution and vote of City's electorate*
- (EDC) Make entire southwest corner available for redevelopment, including AT&T and QuikTrip; work with AT&T and QuikTrip to develop frontage and address depth behind properties*
- (EDC) Attract mixed-use Town Center at southwest corner, including retail sales tax generators, recreational activities and reserved open space; or big box retail development to maximize sales tax*
- (EDC) Work to incentivize retailers to offset economy and consumer spending problems; do not make big box store like Walmart the center of new master development*
- (EDC) Increase enforcement of City Zoning and Subdivision regulations (including signage codes); develop form-based code supplemental to existing standards to regulate new development and encourage connectivity, sense of community and emphasis on pedestrian-friendly*

- (DEV) Frontage on southwest corner is most valuable piece; remainder becomes much less attractive without frontage; lack of frontage will impact ability to do Town Center, given total acreage and location that will remain following QuikTrip project; could do major retail if could control 16-20 acres; have to use property depth (e.g. Clarkchester apartments) for some aspects of overall development*
- (DEV) Town Center not suitable at this location; land cost, construction and parking space costs too high (specifically for structured parking built into mixed-use development); requires Walmart or similar sales tax generator to provide public-side revenues to push project; huge cost required to support office and residential in Town Center; need retail tax revenue to offset costs of the Town Center idea*
- (DEV) Manchester Highlands and Chesterfield Valley attract the major retail dollars in the region; retail demand here not sufficient enough to offset required cost for Town Center development; land cost at Manchester Highlands was low enough to enable open suburban Town Center*
- (DEV) Some retail could develop with QT situated at corner, but if developed, it would prohibit Town Center and other destination retail, and so makes development of remainder more problematic; would eliminate chances for major sales tax generator; existing AT&T store can be worked into master development plan; apartment community could be compatible with QT at the corner, but not if structured parking needed/required*
- (DEV) Professional offices are too expensive to build and maintain, but could attract medical offices; operating costs will prohibit standard office space and small/unique boutique retail users*
- (DEV) Fragmented ownership throughout makes land hard to acquire for one redevelopment project; challenge to get market rents from smaller retail shops, established by existing local strip centers*
- (DEV) Non-revenue producing open space required for community-based amenities would not generate sufficient revenue required for cost of land purchase; land and infrastructure costs are too high at this location for an infill community retail center*
- (DEV) Likely will attract more mid-tier retail and drive-thru fast food, with potential for slightly higher end restaurants and luxury movie theaters (potentially 20,000 sq. ft. of strip retail)*
- (DEV) Land overpriced for residential; current market rate apartment rents on Manchester are too low to merit new multi-family development, and question if quality rental market will move this far south on Clarkson*
- (DEV) Development would need property depth and storm water retention area, which may require taking of condos to the south; could use property with depth for detention pond*
- (DEV) Requires form-based architectural standards to set required characteristics of the form of the Area's buildings, and then invite development community through RFP process*
- (DEV) Requires incentives for cross easements to produce interior roadway(s) and new stoplights; extent/density of development still dependent on amount of land and depth available; recommend new signalization west of Clarkson to slow traffic and access new development*
- (DEV) Potential for expanding Redevelopment Area to include property north of Manchester west to Weis for additional Town Center opportunity, but too many owners, and impact on schools in property tax portion of TIF needed for land assembly/project construction*
- (DEV) Unlikely to utilize TIF because of reaction to perceived impact on affected taxing districts; so likely that redevelopment will require lengthy tax abatement term, and sales tax (CID or TDD) to make investment worth it*
- (DEV) Unlikely to utilize TIF because Sansone experience, City political situation, impact on project timing if have to use eminent domain (condemnation and award processes) and cost (award amount)*

Redevelopment Area #4

Description: Clayton at Clarkson southeast quadrant (8 ac.); commercial

Redevelopment project: complement the rest of the high volume intersection, including Fountain at the Plaza, St. John's Mercy and the Dierberg's/Walgreen's center; utilize available incentives to assist property owners; target office and retail uses

- (CC) Create pedestrian overpass to link northeast and southeast corners of intersection*
- (CC) Incorporate Dierberg's plaza at southeast corner into Town Center and Entertainment District*
- (EDC) Utilize existing "town centers" at Fountain at the Plaza and Clayton/Clarkson plaza (shopping, dining, entertainment, fitness, medium density residential); do not need new Town Center*
- (EDC) Connect existing Fountain at the Plaza and Clayton/Clarkson plaza with Manchester/Clarkson; work with MODOT and St. Louis County; increase walkability on major arterials throughout the entire intersection; create pedestrian overpasses and crosswalks to connect residents and business owners with commercial, recreational and health care amenities*
- (DEV) Attractive location that needs to be redeveloped; pursue mixed-use commercial (office and retail) to complement Fountain at the Plaza and Dierberg's plaza; would require detention pond*
- (DEV) This is the City's Town Center, as part of complementary activities already existing at other three corners of the Clayton/Clarkson intersection*
- (DEV) Potential for neighborhood community center; would need to buy, tear down and build new; currently built out, so would need to expand boundary to south, but difficult with abutting residences*
- (DEV) Requires TIF or CID/TDD incentive for significant redevelopment to happen here; Fountain at the Plaza has created a base of entertainment and draw to the intersection (focus on LifeTime Fitness)*

Redevelopment Area #5

Description: Manchester between Vesper and Mar El Court (36 ac.); commercial

Redevelopment project: develop vacant lots and fill/redevelop vacant buildings; prime candidate for TIF, Chapter 353, and/or CID/TDD; target retail commercial tax generating land uses

- (CC) Attract new anchors for specific available developable sites on Manchester Rd., including both Best Buy and Stivers locations; attract more medical/professional offices at these locations*
- (CC) Aggregate properties along Manchester to convert neighborhoods fronting onto Manchester into larger commercial (re)development sites*
- (EDC) Remove residences from commercial areas and businesses from residential areas; designate specific land use areas in the City*
- (DEV) Location is mid-block and common perception is that this portion is mainly for auto dealers; location will not attract same users as Manchester Highlands or Chesterfield Valley; would need stoplight in front of property to stop traffic and attract users*
- (DEV) Area is not a regional site and does not bring sufficient traffic flow; possible potential for small grocery market for going home traffic; otherwise small neighborhood retailer like Ace Hardware; area still resembles older activity on Manchester Rd.; best course is upscale strip retail center; revenues from TIF/CID/TDD likely needed to assemble entire Area*

- (DEV) Residences behind commercial property south of Manchester required to create adequate depth for redevelopment; potential for big box retailing with outparcels and multi-family residential behind if traffic can be stopped; the need for detention pond and MSD sewer rules and regulations makes larger development here somewhat problematic*
- (DEV) Any redevelopment requires majority ownership and control of large number of parcels; existing site will not get any new, or major, retailers into this market; have to talk to largest land owners in the Redevelopment Area and determine who can aggregate most of the site for development*
- (DEV) Requires form-based architectural standards to set required characteristics and then invite development community through RFP process*
- (DEV) Property owners asking for too much in land cost compared to previous retail users; site may support a discount retail store, if developer/user gets in at the right time for the right price; if not will need CID and TDD for land assembly and other costs*

Redevelopment Area #6 (newly identified by the City – 2014)

Description: Manchester west of Strecker to City limit (37 ac.); commercial mixed-use

Redevelopment project: develop vacant lots and fill/redevelop vacant buildings; target office, retail and destination uses

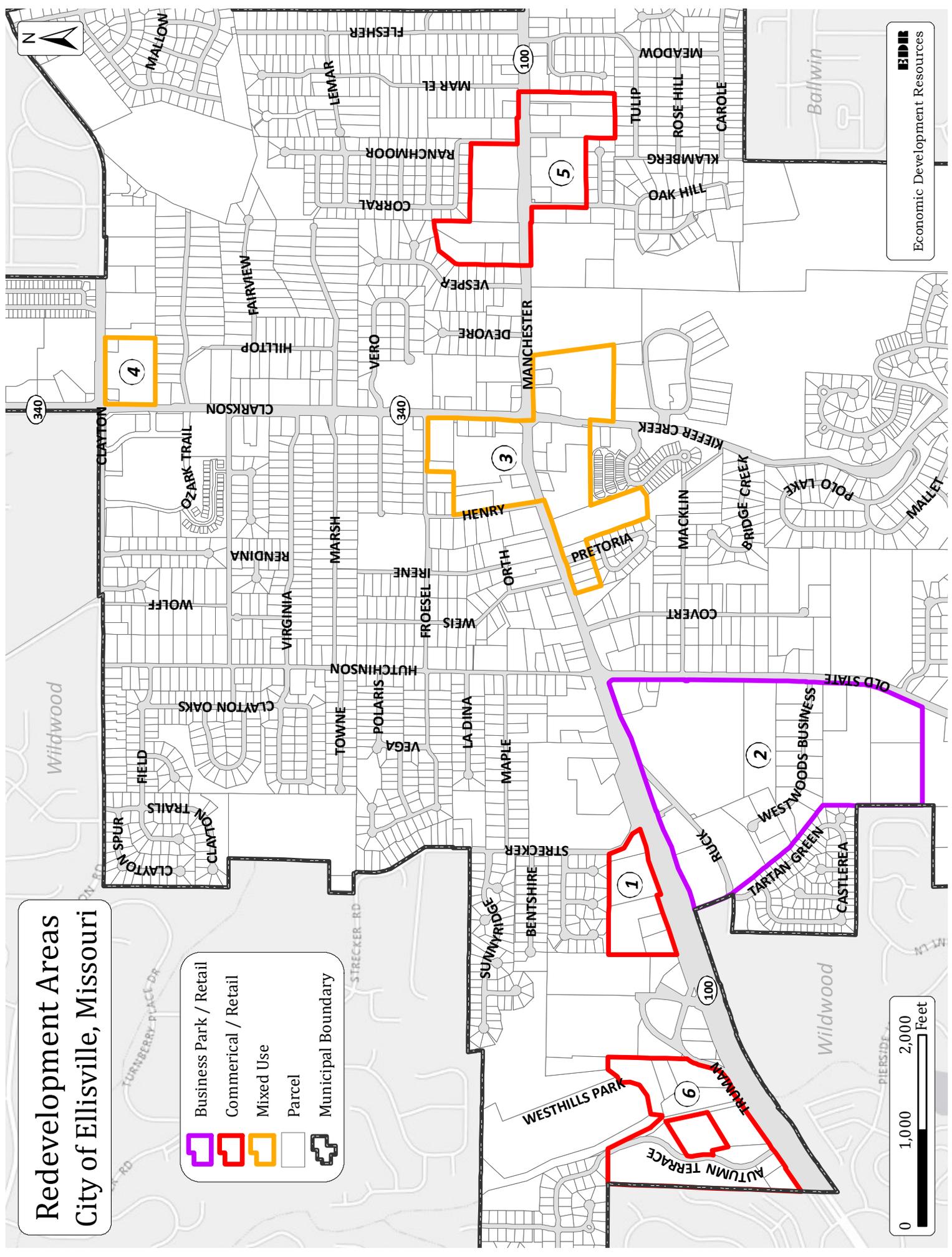
- (CC) Find users for a combination goods, services and entertainment center at vacant Infield facility to make part-time visits into more full-time experiences*
- (CC) Increase skilled nursing facilities (including potential new location at vacant Infield facility)*
- (CC) Remediate flooding concerns and develop new residences at old Public Works facility*
- (DEV) Restricted access, extreme topography and limited visibility all issues for (re)development; would be able to build on hills but run-off problems would have to be solved*
- (DEV) Would need 15 acres squared off to do anything, including properties not currently available*
- (DEV) Potential for senior living apartments; not suitable for retail (maybe some type of showroom)*
- (DEV) City Hall could relocate here and free up its existing location for better redevelopment opportunity; would have to then likely include adjacent properties*

Redevelopment Areas City of Ellisville, Missouri

-  Business Park / Retail
-  Commercial / Retail
-  Mixed Use
-  Parcel
-  Municipal Boundary



EDIR
Economic Development Resources





Redevelopment Area #1

Commercial - Retail / Full-Service Restaurant

City of Ellisville, Missouri

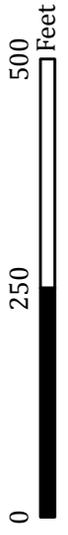


Economic Development Resources

Redevelopment Area ~ 14 Acres

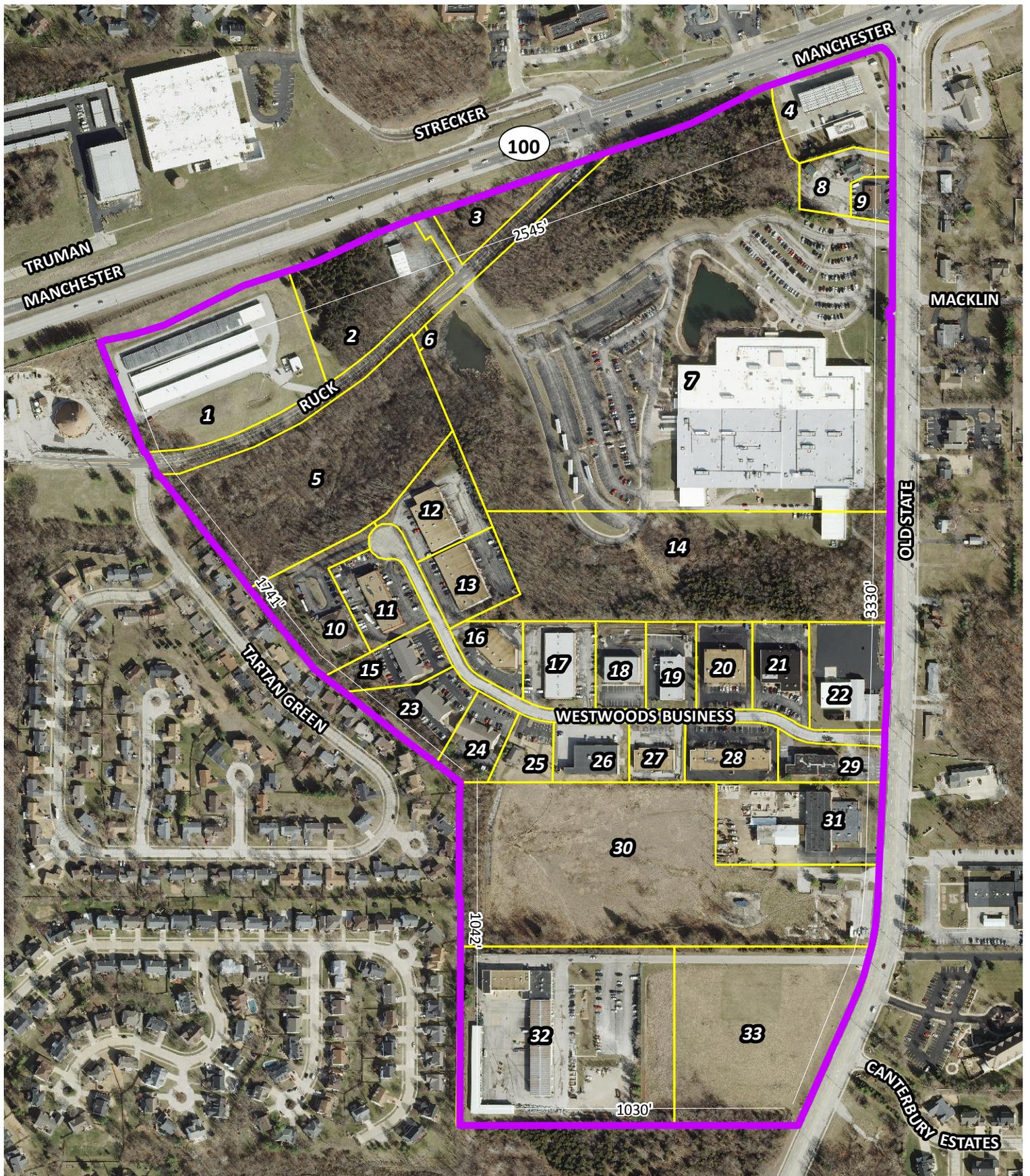


Boundary Map



Redevelopment Area #1
 City of Ellisville, Missouri

MAP LOCATOR	PARCEL ID	PROPERTY ADDRESS	OWNER	ACREAGE
1	23U610156	16230 TRUMAN RD	PSAC DEVELOPMENT PARTNERS LP	5.21
2	23U610167	10 STRECKER RD	ELISVILLE OFFICE AND STORAGE L L C	5.00
3	23U610178	8 STRECKER RD	PSTER INVESTMENT GROUP/STRECKER RD LLC	1.38
4	23U520264	16252 TRUMAN RD	PUBLIC STORAGE INC A CALIFORNIA CORPORAT	1.55
5	23U610145	16244 TRUMAN RD	PUBLIC STORAGE INC	1.22
			<i>Right-of-way</i>	N/A
			TOTAL >>	14.36

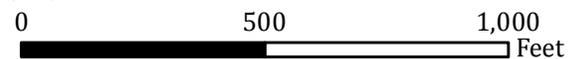


Redevelopment Area #2
 Business Park / Retail
 City of Ellisville, Missouri
EDR
 Economic Development Resources

-  Redevelopment Area ~ 115 Acres
-  Parcel

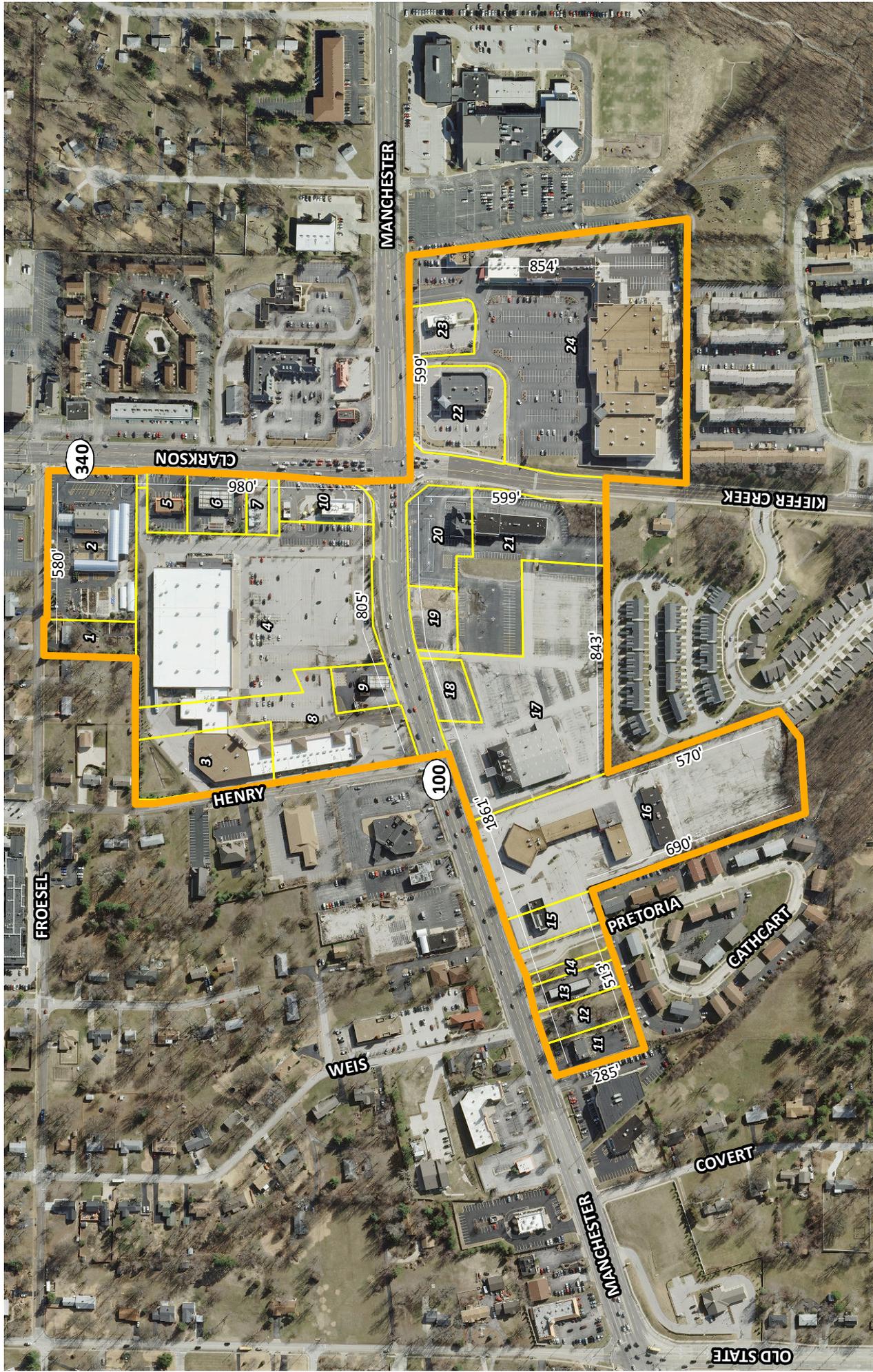


Boundary Map



MAP LOCATOR	PARCEL ID	PROPERTY ADDRESS	OWNER	ACREAGE
1	23U610091	16039 RUCK RD	MANCHESTER CLARKSON CO	5.33
2	23U610079	16110 MANCHESTER RD	COOPER BUSSMANN INC	3.00
3	23U620056	16102 MANCHESTER RD	COOPER BUSSMANN INC	0.87
4	23T410843	16100 MANCHESTER RD	QUIKTRIP CORPORATION	2.20
5	23U3331002	16030 RUCK RD	GUTIERREZ, JESUS & ANA H/W	6.94
6	23U620111	16004 RUCK RD	SOUTHWESTERN BELL TELEPHONE COMPANY	0.05
7	23U620122	114 OLD STATE RD	COOPER BUSSMANN INC	31.04
8	23U340334	16329 WESTWOODS BUSINESS PARK	WESTWOODS IV L L C	1.54
9	23T410782	54 OLD STATE RD	MASTER COMMUNICATIONS INC	0.37
10	23U3331042	16388 WESTWOODS BUSINESS PARK	ADI REAL ESTATE LLC	1.82
11	23T410834	40 OLD STATE RD A	CLANCY MATTHEW F & ANGELA L H/W	0.87
12	23U3331031	16344 WESTWOODS BUSINESS PARK	WESTWOODS CENTER III L L C A MISSOURI LI	1.25
13	23U340325	16301 WESTWOODS BUSINESS PARK	WESTWOODS CENTER II L L C A MISSOURI LIM	1.27
14	23U340435	140 OLD STATE RD	COOPER BUSSMANN INC	9.09
15	23U3331064	16284 WESTWOODS BUSINESS PARK	P & T PROPERTIES L L C	1.00
16	23U340161	16129 WESTWOODS BUSINESS PARK	R & M PARTNERSHIP	1.13
17	23U340194	16201 WESTWOODS BUSINESS PARK	PICCIONE PETER P NANCY A H/W TRUSTEES	1.33
18	23U340392	16189 WESTWOODS BUSINESS PARK	SYDNEYS PROPERTIES OF PERFORMING ARTS IN	0.93
19	23U340408	16175 WESTWOODS BUSINESS PARK	STL DISTRIBUTION SERVICES LLC	0.94
20	23U340462	16149 WESTWOODS BUSINESS PARK	MADDOX THOMAS L & SUSAN S H/W	1.04
21	23U340361	16241 WESTWOODS BUSINESS PARK	SPENCER PROPERTIES L L C	0.84
22	23T130307	160 OLD STATE RD	CASPAN REALTY LLC	1.80
23	23U340370	16268 WESTWOODS BUSINESS PARK	TNT WESTWOOD L L C	1.26
24	23U340381	16252 WESTWOODS BUSINESS PARK	LAWRENCE PROPERTIES L L C	0.91
25	23U340343	16236 WESTWOODS BUSINESS PARK	QUICKSILVER HOLDINGS L L C	0.69
26	23U340141	16190 WESTWOODS BUSINESS PARK	ERIN GO BRAGH L L C	0.96

MAP LOCATOR	PARCEL ID	PROPERTY ADDRESS	OWNER	ACREAGE
27	23U340132	16176 WESTWOODS BUSINESS PARK	SPENCER PROPERTIES L L C	0.71
28	23U340123	16140 WESTWOODS BUSINESS PARK	PPR & ASSOCIATES LLC	1.17
29	23T130325	16108 WESTWOODS BUSINESS PARK	OVERMANN RAYMOND V TRUSTEE	0.90
30	23U320314	266 OLD STATE RD	L H J COMPANY	11.75
31	23U340444	260 OLD STATE RD	WHITE LEAF ENTERPRISES L L C	2.88
32	23U320273	280 OLD STATE RD	UNION ELECTRIC COMPANY	8.22
33	23U320305	311 OLD STATE RD	BETHESDA LONG TERM CARE INC	6.18
<i>Right-of-way</i>				4.09
TOTAL >>				114.36



Redevelopment Area #3

Mixed Use
City of Ellisville, Missouri

EDIR
Economic Development Resources

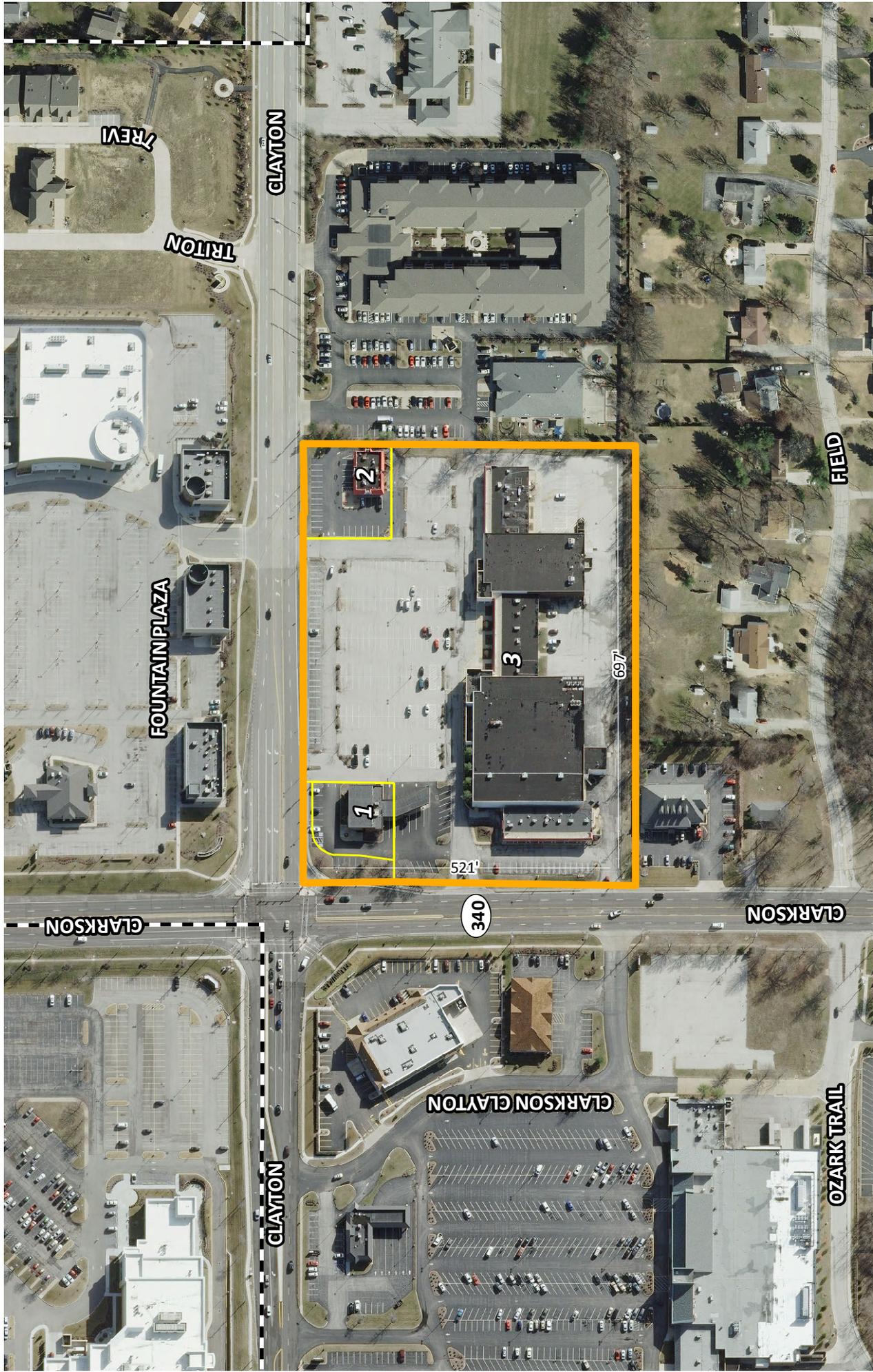
 Redevelopment Area ~ 59 Acres
 Parcel

Boundary Map

 N
 0 500 1,000 Feet

Redevelopment Area #3
City of Ellisville, Missouri

MAP LOCATOR	PARCEL ID	PROPERTY ADDRESS	OWNER	ACREAGE
1	22T120141	1330 FROESEL DR	CLARKSON L L C	0.71
2	22T210772	54 CLARKSON RD	CLARKSON L L C	2.80
3	22T120417	15921 MANCHESTER RD	CENTRO BRADLEY SPE 3 LLC	1.81
4	23T531001	15909 MANCHESTER RD	CENTRO BRADLEY SPE 3 LLC	8.19
5	22T210745	32 CLARKSON RD	WALSH DONALD M DIANA TRUSTEES	0.52
6	22T210736	28 CLARKSON RD	BUCKS INC	0.76
7	23T530927	1307 ELLIS AVE	UNION ELECTRICCOMPANY	0.29
8	23T440482	15913 MANCHESTER RD	FROESEL OIL COMPANY INC	3.08
9	23T440493	15961 MANCHESTER RD	FROESEL OIL COMPANY INC	0.55
10	23T530981	15901 MANCHESTER RD	SPIRIT ENERGY L L C	0.81
11	23T430065	16012 MANCHESTER RD	WESTCO LUBE INC	0.67
12	23T440020	16006 MANCHESTER RD	EARLY DONALD R LINDA L H/W	0.64
13	23T440042	15996 MANCHESTER RD	LAKE CHESTERFIELD AUTO CARE A MISSOURI G	0.53
14	23T440323	15992 MANCHESTER RD	CLARKCHESTER APARTMENTS TRUSTEES	0.23
15	23T440053	15978 MANCHESTER RD	KELLY & SONS PROPERTIES LLC ETAL	0.65
16	23T440383	15970 MANCHESTER RD	KELLY & SONS PROPERTIES LLC ETAL	7.35
17	23T440534	15950 MANCHESTER RD	LINABE	6.16
18	23T440516	15928 MANCHESTER RD	NSN 15928 LLC	0.56
19	23T531199	15924 MANCHESTER RD	DELAWARE MCDONALDS CORPORATION	0.62
20	23T531243	15902 MANCHESTER RD	NSN 15902 LLC	1.25
21	23T531254	20 KIEFER CREEK RD	NSN 15902 LLC	3.19
22	23T531210	15846 MANCHESTER RD	BRADFORD HILLS ASSOCIATES LLC	1.78
23	23T531232	15836 MANCHESTER RD	A & O INVESTMENTS LTD LLP	0.72
24	23T531201	15828 MANCHESTER RD	BRADFORD HILLSASSOCIATES LLC	11.10
Right-of-way				4.02
TOTAL >>				58.98



Redevelopment Area #4
 Mixed Use
 City of Ellisville, Missouri
EDIR
 Economic Development Resources

-  Redevelopment Area ~ 8 Acres
-  Parcel
-  Municipal Boundary

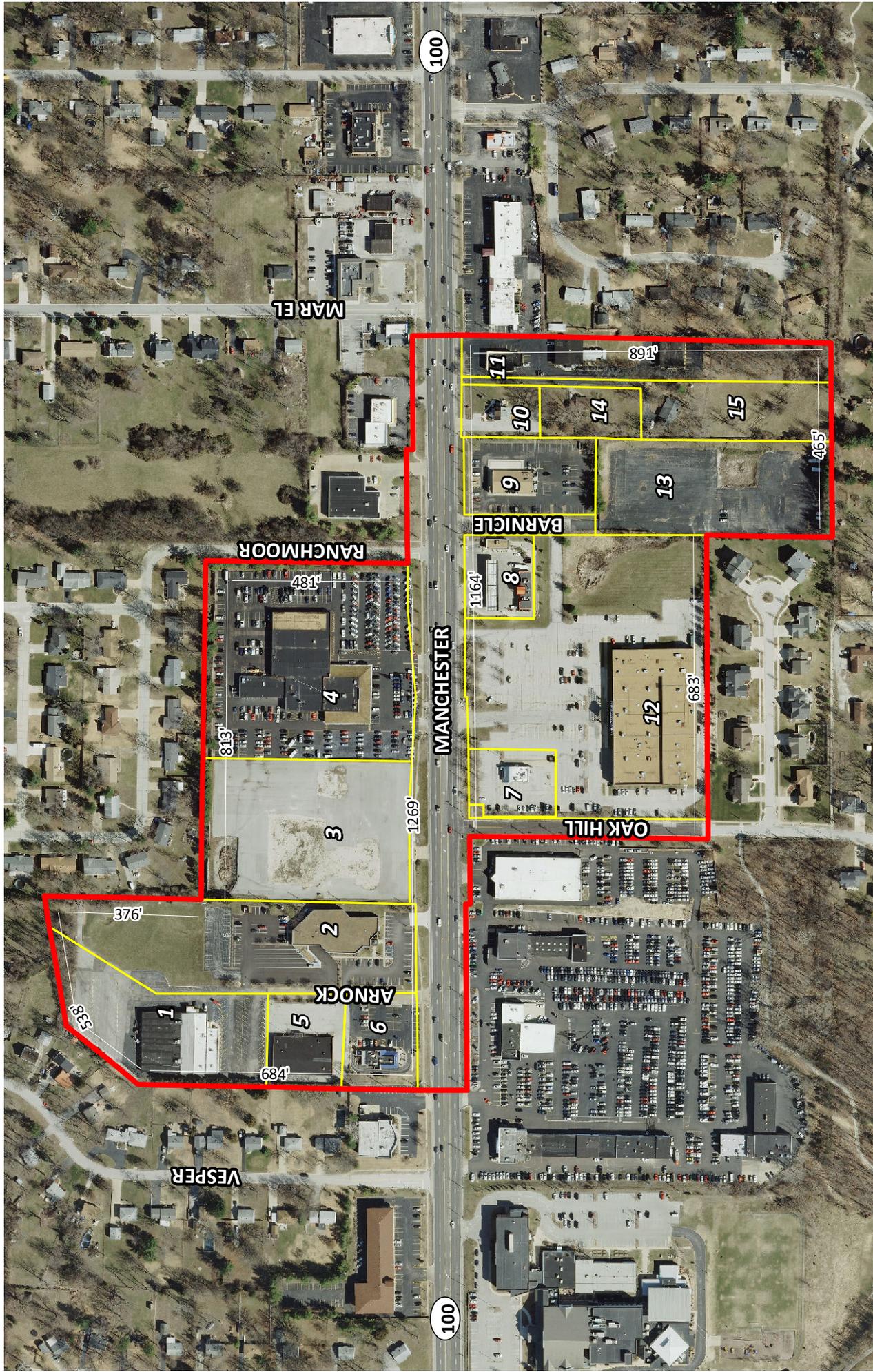
Boundary Map

N 

0 250 500 Feet

Redevelopment Area #4
 City of Ellisville, Missouri

MAP LOCATOR	PARCEL ID	PROPERTY ADDRESS	OWNER	ACREAGE
1	22T530203	15886 CLAYTON RD	MAPLE TREE CENTER LLC	0.33
2	22T530296	15850 CLAYTON RD	MAPLE TREE CENTER LLC	0.48
3	22T510430	337 CLARKSON RD	MAPLE TREE CENTER LLC	7.38
<i>Right-of-way</i>				N/A
TOTAL >>				8.19



Redevelopment Area #5
 Commercial / Retail
 City of Ellisville, Missouri

EDDR
 Economic Development Resources

 Redevelopment Area ~ 36 Acres
 Parcel



Boundary Map

Redevelopment Area #5
 City of Ellisville, Missouri

MAP LOCATOR	PARCEL ID	PROPERTY ADDRESS	OWNER	ACREAGE
1	22T220609	15727 MANCHESTER RD	VOSS MANAGEMENT PROPERTIES GEN PTNSP	2.61
2	22T220618	15715 MANCHESTER RD	FIRST COMMUNITY CREDIT UNION	4.08
3	23T630342	15677 MANCHESTER RD	STIVERS EDWARD M JR TRUSTEE	3.93
4	23T630353	15675 MANCHESTER RD	BEUCKMAN FAMILY LLC	5.43
5	23T540313	15739 MANCHESTER RD	DAFNIDES CHRISTOPHE ANTIGONI ETAL	0.95
6	23T540304	15751 MANCHESTER RD	DAFNIDES CHRISTOPHE ANTIGONI ETAL	0.94
7	23T630421	15698 MANCHESTER RD	WHITE CASTLE SYSTEM INC	0.75
8	23T630100	15670 MANCHESTER RD	WESTERN OIL INC A MO CORPORATION	0.77
9	23T630452	15662 MANCHESTER RD	FBB LLC	1.35
10	23T630111	15654 MANCHESTER RD	J P LEWIS PROPERTIES LLC	0.54
11	23T640187	15652 MANCHESTER RD	PATAM PROPERTIES MO GENERAL PTNSP	2.02
12	23T630412	15678 MANCHESTER RD	YORK AMUSEMENTCO INC ETAL	7.55
13	23T630221	15674 MANCHESTER RD	BEUCKMAN FAMILY LLC	3.00
14	23T630201	15656 MANCHESTER RD	J P LEWIS PROPERTIES LLC	0.69
15	23T630210	15658 MANCHESTER RD	MOTZ ALBERT G & SHARON K H/W TRUSTEES	1.69
Right-of-way				6.38
TOTAL >>				42.68



Redevelopment Area #6
 Commercial / Retail
 City of Ellisville, Missouri
EDDR
 Economic Development Resources

-  Redevelopment Area ~ 37 Acres
-  Parcel
-  Municipal Boundary

Boundary Map

N 

0 400 800 Feet



Redevelopment Area #6
 City of Ellisville, Missouri

MAP LOCATOR	PARCEL ID	PROPERTY ADDRESS	OWNER	ACREAGE
1	23U510201	16216 AUTUMN VIEW TERRACE DR	AUTUMN VIEW VILLAS L L C	11.68
2	23U510221	16237 AUTUMN VIEW TERRACE DR	QUOL L L C	1.04
3	23U530212	2500 WESTHILLS PARK DR	ELLISVILLE CITY OF	4.00
4	23U510287	16314 TRUMAN RD A	ELLISVILLE CITY OF	1.58
5	23U510100	2626 WESTHILLS PARK DR	INFIELD INC THE	3.51
6	23U510320	16318 TRUMAN RD	INFIELD INC THE	3.23
7	23U230194	16201 AUTUMN VIEW TERRACE DR	J W E LLC	1.87
8	23U230206	16360 TRUMAN RD	J W E LLC	3.76
9	23U230233	16396 TRUMAN RD	D & S ROBERTS ENTERPRISES LC	1.39
10	23U230242	16384 TRUMAN RD	S & A TIRE AND AUTO INC	0.86
Right-of-way				4.19
TOTAL >>				37.10

* Denotes partial parcel

PROGRAMS AND INCENTIVES

As part of our efforts in our Summary Report, we have also researched economic development programs and incentives the City may use in order to achieve its economic development goals and objectives outlined in the previous Section; many of which had been identified in our discussions with members of City Council, the Economic Development Commission or the Developers.

Information concerning how such programs and incentives are created, how the programs/incentives generate revenue, the types of revenue that are generated by the programs/incentives, the activities that these revenues can pay for, and how such programs/incentives are administered, is included in the outline below.

1. **Tax Increment Financing** (“TIF”)
2. **Community Improvement District** (“CID”)
3. **Transportation Development District** (“TDD”)
4. **Neighborhood Improvement District** (“NID”)
5. **Sales Tax Rebate Agreements**
6. **Local-Option Economic Development Sales Tax** (“ED Sales Tax”)
7. **Chapter 353** (Urban Corporations Law)
8. **Chapter 100** (Industrial Development Bonds)

Tax Increment Financing, commonly referred to as “**TIF**”, is presented in the Real Property Tax Increment Allocation Redevelopment Act (RSMo. Section 99.800 et seq., the “TIF Act”).

How a TIF is Created

In order for a TIF to be created:

- (i) the City must create a TIF commission comprised of representatives of all taxing districts taxing property within the proposed “TIF Area” (or “redevelopment area”);
- (ii) a redevelopment plan, including a description of the redevelopment area and the redevelopment project(s) therein, must be completed;
- (iii) a cost-benefit analysis showing the economic impact of the redevelopment plan on each taxing district within the redevelopment area must be prepared;
- (iv) a TIF commission must hold a public hearing and make a recommendation to the City pertaining to the redevelopment plan, the redevelopment project(s), and the redevelopment area; and
- (v) the City must adopt an ordinance approving the redevelopment plan, the redevelopment project(s) and the designation of the redevelopment area.

Missouri Court decisions have determined that there must be one (or more) actual redevelopment projects, essentially “ready to go” in the redevelopment area at the time the City creates the TIF.

How TIF Revenue is Generated

Incremental Property Taxes

When a TIF plan is adopted, the total of all assessed value of real property in the redevelopment area is determined by St. Louis County, and such assessed value is, then, the “base value” for all subsequent calculations. As a redevelopment area is (re)developed, the assessed value of real property in the redevelopment area increases above the base value. Annually, by applying the then current tax rate of all affected taxing districts within the redevelopment area to such increase in assessed valuation the “tax increment” is calculated. These tax increments, referred to as “payments in lieu of taxes” or “PILOTS”, are paid by the property owner in the same manner as regular property taxes. The PILOTS (minus those taxes not allocated to TIF, including for the State of Missouri) are transferred by the County to the City and deposited in a separate account referred to as a “special allocation fund”, to be used in the manner described in the redevelopment plan.

Sales Taxes

Similarly, when a TIF plan is adopted, the amounts of each City, county and special district (TDD or CID) sales tax revenue generated within the redevelopment area in the calendar year prior that of the creation of the redevelopment area is determined (by the respective level of government) as the “base level” for each such tax. As property is (re)developed, additional sales taxes may be generated above these base levels. On an annual basis, once these additional, or incremental, sales taxes are created, the city, county and special districts transfer 50% of all such incremental sales tax revenues, referred to as “economic activity taxes” or “EATS”, to the City treasurer for deposit into the special allocation fund (minus those taxes not allocated to TIF, including public transportation taxes). These EATS are also used in the manner described in the redevelopment plan.

What TIF Revenue Can be Used For

All or a portion of the money in the special tax allocation fund (both PILOTS and EATS) can then be used to pay for “redevelopment project costs”.

With respect to “redevelopment project costs”, the TIF Act defines such costs as including “the sum total of all reasonable or necessary costs incurred or estimated to be incurred, and any such costs incidental to a redevelopment plan or redevelopment project, as applicable”. Such costs include, but are not limited to, the following:

- (i) Costs of studies, surveys, plans, and specifications;
- (ii) Professional service costs, such as financial advisory fees, bond counsel fees and planning expenses, subject to certain limitations as provided in the TIF Act;
- (iii) Land acquisition and demolition costs;
- (iv) costs of rehabilitating and repairing existing buildings;
- (v) initial costs for an economic development area;
- (vi) costs of constructing public works or improvements, such as street lighting, repairs or parking;
- (vii) financing costs, including bond issuance costs, capitalized interest and reasonable reserves;
- (viii) capital costs incurred by any taxing jurisdiction as a direct result of the project;
- (ix) relocation costs; and,
- (x) payments in lieu of taxes.

How TIF Revenue is Used

For each redevelopment project, the City will negotiate one or more agreements with a developer, or developers, who will undertake the redevelopment project(s) identified in the redevelopment plan. These agreements provide a certain amount, or percentage, of the TIF revenues generated annually to the developer, or the developer’s lender, or to bond holders to pay (or repay) them for all or a portion of the redevelopment project costs of the redevelopment project.

The City may retain a certain dollar amount, or percentage of the TIF revenues, to pay for (or repay itself for) certain redevelopment project costs (such as the costs of creating the TIF); and may use TIF revenues to pay for certain other costs (usually, if done in this manner, for “public works and improvements”).

How a TIF is Administered

The TIF is administered by the City, which creates the special allocation fund into which the TIF revenues are deposited. PILOTS are calculated and collected by St. Louis County and distributed by the County to the City as such monies become available; depending on the specific sales tax, EATS are calculated by the County, or by the City, and are distributed on a monthly basis. Both PILOTS and EATS are then deposited in the special allocation fund.

The City is responsible for completing, annually, a report concerning the status of each redevelopment plan and redevelopment project, which is then submitted to the Director of the Missouri Department of Economic Development. Should the City not comply with the reporting requirements contained in the annual report, it is prohibited from implementing any new tax increment financing project for a period of no less than five years.

A **Community Improvement District (“CID”)** may be created by the City for the purpose of financing a wide range of improvements or services, as authorized by the Community Improvement District Act (RSMo. Section 67.1401 et seq., the “CID Act”).

How a CID is Created

A CID is created by filing a petition signed by property owners that: (i) collectively own at least 50% of the assessed value of the real property within the proposed CID; and (ii) make up more than 50% per capita of all owners of real property within the proposed CID. The petition must include a five-year plan that describes the purposes of the proposed CID, the services such District will provide, the improvements it will make and an estimate of the costs of the identified project(s). Once filed, the City Council holds a public hearing and may approve the creation of the proposed CID by ordinance.

How CID Revenue is Generated

If the CID is organized as a “political subdivision”, it can raise revenues through:

- (i) levy of a special assessment (to fund improvements that specifically benefit properties within the CID);
- (ii) levy of a real property tax assessment (to fund improvements that specifically benefit properties within the CID); or
- (iii) levy of a sales and use tax (levied on general merchandise at 0.25% increments up to a maximum 1.0%).

If the CID is organized as a “nonprofit corporation”, it can raise revenues through:

- (i) levy of a special assessment (to fund improvements that specifically benefit properties within the CID).

What CID Revenue Can be Used For

Either type of CID may fund, provide, or contract to provide, a variety of public improvements or services, including, but not limited to:

- (i) pedestrian or shopping malls and plazas;
- (ii) parks, lawns, trees and any other landscape;
- (iii) convention centers and meeting facilities;

- (iv) sidewalks, streets, alleys, bridges, tunnels, traffic signals, utilities, drainage, water, storm and sewer systems;
- (v) parking lots, garages or other facilities;
- (vi) lakes and waterways;
- (vii) streetscape, lighting, benches or other seating furniture, trash receptacles, walls and barriers;
- (viii) bus stops, rest rooms and kiosks;
- (ix) sculptures and fountains;
- (x) security personnel and equipment;
- (xi) tourism, recreational or cultural activities, including advertising and promotion;
- (xii) training programs; and
- (xiii) other economic, planning or marketing studies.

If the CID has been found to be a “blighted area” (as found either under the CID Act, the TIF Act or the 353 Law), a CID revenues may also, then, pay for the demolition, and removal, renovation, reconstruction or rehabilitation of any building or structure with the CID owned by a private party.

How CID Revenue is Used

For each project, the CID may negotiate one or more agreements with a developer, or developers, who will undertake the redevelopment project(s) identified in the CID Petition. These agreements provide a certain amount, or percentage, of the CID revenues generated annually to the developer, or the developer’s lender, or to bond holders to pay (or repay) them for all or a portion of the redevelopment project costs of the redevelopment project.

The CID may retain a certain dollar amount, or percentage of the CID revenues, to pay for (or repay itself for) certain project costs (such as the costs of creating the CID); and may use CID revenues to pay for certain other costs enumerated above.

How a CID is Administered

CID sales tax revenues are collected by the Missouri Department of Revenue, in the course of its collection of all sales taxes. CID real property tax revenues are collected by the County Collector of Revenue, in the same manner as other real property taxes are collected. Each month, both the Department and the County send the revenues to the CID (less any collection fees) to then be used in accordance with activities outlined in the CID Petition.

A CID is administered by a board of directors consisting of at least five but not more than 30 directors, each of whom is either an owner of real property or of a business operating within the CID, or a registered voter residing within the CID. The CID Board of Directors submits an annual budget to the City Council no less than 90 days prior to the first day of the City’s fiscal year. The CID Board of Directors must also adopt and submit to the City Clerk, and the Missouri Department of Economic Development, an annual report no more than 120 days after the end of the City’s fiscal year, stating the services provided, revenues collected and expenditures made during the fiscal year.

A **Transportation Development District** (“TDD”) is a separate political subdivision that may be created to fund, promote, plan, design, construct, improve, maintain and operate one or more transportation-related projects or to assist in such activity, as authorized by the Missouri Transportation Development District Act (RSMo. Section 238.200 et seq., the “TDD Act”).

How a TDD is Created

A TDD may be created by petition of:

- (i) at least 50 registered voters within the proposed TDD;

- (ii) if there are no registered voters within the TDD, the owners of all real property located within the proposed TDD; or
- (iii) the governing body of any local transportation authority in which a proposed project may be located.

In addition, two or more local transportation authorities may adopt resolutions calling for the joint establishment of a district and then file a petition requesting its creation. In all cases, the petition is filed in the circuit court of the county in which the proposed project is to be located. Once the petition is filed, the circuit court will certify the petition for voter approval by the “qualified voters” within the boundaries of the proposed TDD. A “qualified voter” is: (i) any registered voter residing within the proposed TDD; or (ii) if no persons eligible to be registered voters reside within the proposed TDD, the owners of real property located within the proposed TDD.

How TDD Revenue is Generated

Once created, a TDD can assist in the financing of a project through:

- (i) levy of a special assessment (to fund improvements that specifically benefit properties within the TDD);
- (ii) levy of a property tax (in an amount not to exceed \$0.10 per \$100 of assessed valuation);
- (iii) levy of a sales and use tax (levied on general merchandise at 0.25% increments up to a maximum 1.0%); or,
- (iv) tolls and fees for use of the TDD’s Project.

What TDD Revenue Can be Used For

A TDD can finance any transportation-related Project (as that term is defined in the TDD Act), including, but not limited to, any bridge, street, road, highway, access road, intersection, signing, signalization, parking lot, bus stop, station, garage, shelter, light rail, or other mass transit and any similar or related improvement or infrastructure. However, before construction or funding of any project, a TDD is required to submit the proposed project, together with the proposed plans and specifications, to the Missouri Highways and Transportation Commission and/or the local transportation authority for their prior approval. A “local transportation authority” is a county, city, town, village, county highway commission, special road district, interstate compact agency, or any local public authority or political subdivision having jurisdiction over any bridge, street, highway, dock, wharf, ferry, lake or river port, airport, railroad, light rail or other transit improvement or service.

How the TDD Revenues are Used

For each Project, the TDD may negotiate one or more agreements with a developer, or developers, who will undertake the redevelopment projects identified in the TDD Petition. A TDD may also issue bonds, notes and other obligations and may secure its obligations by mortgage, pledge, assignment or deed of trust of any or all of the property and income of the district. Each month, the Department of Revenue sends the revenues of the TDD (less any collection fees) to be deposited in a special trust fund and used in accordance with activities outlined in the TDD Petition.

How a TDD is Administered

TDD sales tax revenues are collected by the Missouri Department of Revenue, in the course of its collection of all sales taxes. TDD real property tax revenues are collected by the County Collector of Revenue, in the same manner as other real property taxes are collected. Each month, both the Department and the County send the revenues to the TDD (less any collection fees) to then be used in accordance with activities outlined in the TDD Petition.

A TDD is governed by a board of directors consisting of at least five but not more than 15 directors. Each director must be either a registered voter residing within the TDD or an owner of real property within the TDD.

A **Neighborhood Improvement District** (“NID”) may be created in an area desiring certain public-use improvements that are paid for by special tax assessments to property owners in the area to which the improvements are made, as authorized by the Missouri Neighborhood Improvement District Act (RSMo. Section 67.453 et seq., the “NID Act”).

How a NID is Created

A NID may be established in one of two ways:

- (i) by a petition of at least two-thirds of the owners of record of all of the real property located within the proposed NID requesting that the City approve the NID; or,
- (ii) by the City’s submission of a question to all qualified voters residing within the proposed NID at a general or special election called for that purpose, which must be approved by the requisite percentage of votes required for the City to issue any other general obligation debt.

How NID Revenue is Generated

A NID is financed by general obligation bonds and temporary notes issued by the City. A NID can be established anywhere; there is no requirement that a NID contain any conditions of blight. To pay for the public improvements, the City levies assessments that are above existing property or sales taxes imposed. While the property owners are primarily responsible for payment of the costs of the public improvements, the City carries its share of the burden as well. If the property owners fail to pay their assessments, the City is ultimately responsible to the bondholders, although the delinquent assessments constitute liens on the property and, as such, the City has some recourse against the property owners. Other local taxing districts (such as schools and fire) have no affect or impact from a NID, even though they may receive an increase in tax revenues attributable to the public improvements.

What NID Revenue Can be Used For

NID revenues can be used to pay for any one or more public facilities or improvements which confer a benefit on property within the NID, including streets, street lighting, parks and recreational facilities, sidewalks, utility service connections, sewer and storm water systems, flood control works, off-street parking structures, bridges, overpasses, tunnels, and any other public facilities or improvements deemed necessary by City Council. The NID Act also allows certain incidental costs to be financed, such as land acquisition and engineering, legal, and financing fees and costs.

How NID Revenue is Used

Notes or general obligation bonds may be issued by the City to pay for any one or more public facilities or improvements noted above.

Administration of the NID

After the adoption of the ordinance or resolution imposing the special assessments, the city clerk shall mail a notice to each property owner within the NID which sets forth a description of each parcel of real property to be assessed, the special assessment assigned to such property, and a statement that the property owner may pay such assessment in full, together with interest accrued thereon from the effective date of such ordinance or resolution, on or before a specified date determined by the effective date of the ordinance or resolution, or may pay such assessment in annual installments as provided in subsection 4 of this section. Special assessments shall be collected and paid over to the city treasurer in the same manner as real property taxes of the City are collected and paid.

Sales Tax Rebate Agreements (RSMo. Section 70.220 et seq.) enable the City to contract with any other political subdivision, private person or firm for the “planning, development, construction, acquisition or operation of any public improvement or facility”.

How to Create a Sales Tax Rebate Agreement

The Missouri Constitution generally requires voter approval if a political subdivision pledges tax revenue to the repayment of indebtedness that lasts for more than one year. Therefore, sales tax rebate agreements specifically provide that the political subdivision’s obligation is from year-to-year only, and is subject to annual appropriation by the City Council. Since the City is obligating only its funds (not the funds of any other political subdivision), no public hearing or consultation with other political subdivisions is required.

How Sales Tax Rebate Agreement Revenues are Generated

The City enters into an agreement (commonly referred to as a “sales tax rebate agreement” or “development agreement”) with a private person, firm, business or developer, where the entity agrees to fund the costs of certain public improvements. The City agrees to reimburse the owner for the cost of those improvements, with interest at an agreed-upon taxable interest rate, from those incremental sales taxes generated by the project. The owner generally agrees to be paid solely from those incremental sales taxes, and not from any other funds of the City.

Many retail developments require the installation of public improvements (roads, traffic signals and utilities) to accommodate the development. Under a sales tax rebate agreement, the developer agrees to advance the costs of the public improvements. The City agrees to reimburse the developer for such costs, with interest, over a specified period of time. The agreement provides that a portion of the additional sales tax revenues generated from the development will be used to reimburse the cost of the public improvements.

Local Option Economic Development Sales Tax (“**ED Sales Tax**”) allows the City to impose a City-wide supplemental sales tax, subject to voter approval, dedicated exclusively for certain economic development initiatives in the community, as authorized by RSMo. Section 67.1305 et seq.

How an ED Sales Tax is Created

An ED Sales Tax may be levied, subject to voter approval, at a rate of up to one-half of one percent (0.5%) by the City. The ED Sales Tax may not be imposed by the City without majority approval by voters of the City in a citywide, county or state general, primary or special election proposing to authorize the City to impose the ED Sales Tax. If the majority of the votes cast by the qualified voters voting thereon are in favor of the question, the sales tax will become effective on the first day of the second calendar quarter following the election. If not approved by the voters, a new proposal for an ED Sales Tax may not be resubmitted to the voters for 12 months.

How ED Sales Tax Revenue is Generated

The voter-approved tax of not more than 0.5% is charged on all retail sales made in the City that are subject to sales taxes under RSMo. Chapter 144. This tax is in addition to all other sales taxes imposed by law.

All ED Sales Tax revenue collected by the director of revenue (less any collection fees), shall be deposited into a special trust fund by the City, to be known as the "Local Option Economic Development Sales Tax Trust Fund".

What ED Sales Tax Revenue Can be Used For

The use of ED Sales Tax revenue is subject to several restrictions:

- (i) ED Sales Tax revenue may not be used for any retail development project, except for the redevelopment of downtown areas or historic districts;
- (ii) At least twenty percent (20%) of the revenue must be used for projects directly related to long-term economic development preparation, including but not limited to the following: (a) acquisition of land; (b) installation of infrastructure for industrial or business parks; (c) improvement of water and wastewater treatment capacity; (d) extension of streets; and (e) providing matching dollars for state or federal grants;
- (iii) Remaining revenue may be used for, but is not limited to, the following: (a) marketing; (b) providing grants and low-interest loans to companies for job training, equipment acquisition, site development and infrastructure; (c) training programs to prepare workers for advanced technologies and high skill jobs; (d) legal and accounting expenses directly associated with the economic development planning and preparation process; and, (e) developing value-added and export opportunities for Missouri agricultural products;
- (iv) Not more than 25% of ED Sales Tax revenue may be used annually for administrative purposes, including staff and facility costs;
- (v) ED Sales Tax is not captured by tax increment financing (TIF), where applicable; and,
- (vi) ED Sales Tax revenue may not be used for the purposes of an overlapping TIF, NID, CID or TDD, unless recommended by the Economic Development Sales Tax Board and approved by City Council.

How an ED Sales Tax is Administered

Upon voter approval, City Council must create an Economic Development Tax Board (the “Board”) to oversee project proposals, construction activities, and distribution of ED Sales Tax revenue and to prepare required annual reports. The members of the Board are appointed by City Council and by the school district(s) included within any economic development plan area funded by the ED Sales Tax.

The Board and City Council must compile an annual report on the use of the ED Sales Tax revenue and the progress of any economic development plan, economic development project or the designation of the economic development area. Additionally, the Board must submit an annual report to the Joint Committee on Economic Development that includes the information for each project funded, including, but not limited to:

- (i) primary economic goals;
- (ii) total amount of ED Sales Tax revenue received in the previous calendar year; and
- (iii) total expenditures in the previous calendar year by category.

The Director of Revenue shall keep accurate records of the amount of money in the trust fund and which was collected by the City, and the records shall be open for inspection. Each month, the Director of Revenue distributes all moneys deposited in the trust fund during the preceding month to the City. Such funds shall be deposited with the City, and all expenditures of funds arising from the ED Sales Tax trust fund shall be used in accordance with the provisions above.

Chapter 353 (RSMo. Chapter 353 et seq., the Urban Redevelopment Corporations Law) provides real property tax abatement to encourage the redevelopment of designated “blighted areas”.

How a Chapter 353 Corporation is Created

Following:

- (i) the creation of a redevelopment plan describing the project and proposed abatement;
- (ii) a tax impact statement being sent to each taxing district within the boundaries of a proposed redevelopment area;
- (iii) a public hearing; and,
- (iv) approval of the redevelopment plan by the City Council,

an Urban Redevelopment Corporation can be created under the general corporation laws of Missouri (i.e. articles of incorporation being filed with the Secretary of State).

How Chapter 353 Works

Chapter 353 Corporations (“Corporation”) are entitled to receive various property tax abatements. To be eligible for the abatement, the Corporation must take title to the property to be redeveloped; the City has the power to exercise condemnation in this regard.

As tax abatement is triggered on the day that the Corporation takes title to property, it is common for a Corporation to own property for a moment in time, and immediately transfer title back to the developer. In this situation, the developer will assume all of the rights, duties and obligations of the Corporation in the property by contract, and will receive the tax abatement as the authorized successor to the Corporation.

Tax abatement is negotiable between the Corporation and the City. Abatement is available for up to 25 years; in the first period of abatement, not to exceed 10 years:

- (i) 100% of the incremental increase in real property taxes on the land may be abated; and
- (ii) 100% of the real property taxes on all improvements may be abated.

During the period of abatement, the property owner continues to pay real property taxes on the land in an amount equal to those assessed in the year before the Corporation took title. During the next abatement period, not to exceed 15 years, at least 50% and up to 100% of the incremental real property taxes on all land and all improvements may be abated. The individual periods of abatement and the total amount of the tax abatement are set by the City. The Corporation may take title to lots, tracts or parcels of property within the redevelopment area in phases, to maximize the tax abatement during a phased project.

PILOTS are paid on an annual basis to replace all or part of the real estate taxes that are abated. PILOTS are allocated to each taxing district according to their proportionate share of ad valorem property taxes.

The Urban Redevelopment Corporation must carefully plan the point in time at which it takes title to real property to ensure that it maximizes the benefits of 353 tax abatement. The 25 years starts to run as soon as the Urban Redevelopment Corporation takes title. Unless the current improvements on the real property have a significant assessed value, the Urban Redevelopment Corporation should not take title to the real property until the improvements to be made under the redevelopment project are completed. Until that time, title to the real property may be held by a related entity.

Chapter 100 (RSMo. Chapter 100 et seq.), authorizes municipalities to issue Industrial Development Bonds (IDB's) to finance industrial development projects for private corporations, partnerships or individuals.

How Chapter 100 is Created

When proposing a Chapter 100 project, The City Council must first approve the plan for the project by majority vote. The plan shall include the following information in regards to the proposed project:

- (i) description of the project;
- (ii) an estimate of the cost of the project;
- (iii) a statement of the source of funds to be expended for the project;
- (iv) a statement of the terms upon which the facilities to be provided by the project are to be leased or otherwise disposed of by the City; and,
- (v) such other information necessary to meet the requirements of Chapter 100.

IDB's issued by the City do not require voter approval, and may be issued as tax-exempt or non-tax-exempt. It is upon the issuance of taxable Chapter 100 IDB's that local ad valorem taxes on bond-financed property may be abated, which the City may offer to new industrial prospect companies.

How Chapter 100 Works

The City issues the IDB's, and must maintain legal ownership of the property while the bonds are outstanding in order for the property to be eligible for tax abatement. Full or partial abatement of real property or personal property tax on the project for up to the total period the IDB's are outstanding. The City and the company may determine partial tax abatement is desirable, and the company may agree to make "payments in lieu of taxes" to the City under a negotiable agreement. In a typical IDB transaction, the company will convey to the City fee simple title to the site on which the project will be located. At the same time, the City will lease the project site, with all improvements thereon, back to the company pursuant to a lease agreement. The lease agreement will require that the company, acting on behalf of the City, will use the proceeds of the IDB's to purchase and construct the project. The company will make payments to the City in amounts that will be sufficient to pay principal and interest on the IDB's as they become due.

What Chapter 100 Can be Used For

IDB's from Chapter 100 are issued to finance various industrial projects, including:

- (i) costs of industrial plants, warehouses, distribution facilities;
- (ii) research and development facilities, office industries, services facilities providing interstate commerce;
- (iii) agricultural processing industries; and,
- (iv) land, buildings, fixtures and machinery in connection with the development project.

Retail and services in intrastate commerce and others are not eligible.

How Chapter 100 is Administered

Prior the personal property being installed, the Department of Economic Development (DED) will approve a sales tax exemption to the company receiving IDB's. The company may purchase eligible personal property for resale, as the title will then be transferred to the City. The company will be responsible for the payment of sales tax on purchases above the limit in the proposal, ineligible purchases, or the revenue generated by lease of ineligible personal property. DED will produce an incentive proposal to qualifying projects, in which the exemption will be included. The proposal must be accepted by the company prior to any project announcements. DED may issue approval based on the company and City portions of the Sales Tax Exemption, plus a copy of the resolution or ordinance authorizing the bond issuance. After the personal property has been transferred to the City, bond documents and the lease agreement, DED will issue a certificate to the City (which must be retained).



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