

**MINUTES OF THE  
BELTON CITY COUNCIL  
SPECIAL MEETING  
APRIL 19, 2016 CITY HALL ANNEX  
520 MAIN STREET**

Mayor Davis called the special meeting to order at 7:00 P.M.

Mayor Davis led the Pledge of Allegiance.

Councilmembers present: Mayor Jeff Davis, Councilmen Jeff Fletcher, Gary Lathrop, Bob Newell, Lorrie Peek, Tim Savage, Chet Trutzel, and Dean VanWinkle; Absent: Councilman Scott Von Behren. Also present: Ron Trivitt, City Manager; Megan McGuire, City Attorney; and Patti Ledford, City Clerk.

Mayor Davis called the public hearing to receive input on the Second Amended and Restated Y-Belton Plaza Tax Increment Financing Redevelopment Plan.

The Second Amendment generally proposes the following changes to the Redevelopment Plan for the Redevelopment Area: adds additional property to the Redevelopment Area, revises the scope of development; revises the project costs; revises the reimbursable project costs and the method of financing such costs; revises the TIF revenue projections; and contains other revisions that are consistent with these items.

Brad Foster, Assistant City Manager, gave a quick overview of the project and then said he would turn it over to Charles Renner, Attorney for the developer David Christie. Mr. Renner will go into a lot more detail and provide more of the facts and conclusions behind their TIF application. The Y Belton TIF area is already partially constructed where Academy Sports and Hobby Lobby is which is the first phase of this project. With this amendment they are increasing the acreage and scope, extending it farther to the south. The original Y Belton Plan only went to the current Turner Road. The relocation of Turner Road is a right in right out onto 163<sup>rd</sup> street and relocates it to the south with signalization. We saw this as one of the major benefits of this TIF application from a public improvement stand point. The first amended estimated total redevelopment costs would be \$70,572,259, of that, \$10 million would be TIF reimbursable, which represented a 14.17% of TIF assistance. With the second amendment it goes from \$70 million to \$147 million total project costs, with a total of \$25,801,526 in TIF assistance, which represents a total amount of 17.56% in TIF reimbursement amount. With this TIF plan, it includes the 25% of PILOTS (payment in lieu of taxes) which will be rebated back to taxing jurisdictions. That was a policy change in 2006 from the school district. They continue to request 50% but we stayed with 25%.

The TIF Policy contained in our economic development policy states the TIF assistance to the project should generally not exceed 15% of total project costs, however, this threshold may be waived for circumstances where the developer:

- a. Has a proven track record in completing successful projects comparable in scope and scale;
- b. Documents the developers financial capacity to complete the proposed project;
- c. Demonstrates that tenant commitments are already in place for a significant portion of the proposed project;

- d. Documents evidence of substantial public benefit (ex: infrastructure), and other key components of the street master plan. The developer will talk about and provide the issues and why their request is above the 15%. It represent 17.56% which is a deviation from the policy but can be waived under certain circumstances and they will provide that detail.

Charles Renner, attorney for developer David Christie, said this is a public hearing and we are going to go through the details and overview of the TIF plan and touch on other components that relate to it and things we are already aware of. The TIF Commission recommended approval. We wanted to get a plan in front of you that makes sense. The staff requires a lot of due diligence; the developer is standing behind the project that you have a relationship with; the application before you is the Y Belton, LLC; with me is Matt Pennington and Mr. David Christie, Developer, who has long and strong relationship in Belton, bringing Academy Sports, which is a great gateway for that project. Mr. Renner gave a PowerPoint which outlined the Second Amended and Restated Y-Belton Tax Increment Financing Plan. The PowerPoint presentation showed:

- History of the Y-Belton TIF Plan
- Redevelopment Area
- Projects Under Existing Plan
- Proposed Plan Amendment
- Project 1
- Proposed Projects
- Site Plan
- Estimated Development Schedule
- Comparison to Existing Plan

Mr. Renner said the key in all of this is the actual project and the opportunities and growth push behind it. Mr. Christie will show the site plan and walk through where everything is.

David Christie, Developer, then addressed the Council. He said he is really excited about getting the project started and you all have entrusted me in bringing development to the area. We've done a good job and I enjoy developing in Belton; I have also acquired the vacant Price Chopper building and will start redevelopment of that as well. He went on to say he is really enthusiastic about bring forward the plan. We have 80,000 square feet of soft tenants and plan to come out of the ground with them and do site work this summer, opening in 2017. We have national tenants for the restaurant pads. It is truly exciting and you should be thrilled to be in driver's seat with all these retailers in the country excited about building and currently in Belton/Raymore there are not enough retailers here to meet the demands. He is excited about building Turner Road as it gives better flow to the area. We closed on the Crossroads Methodist church property. We had a contract with a hotel but they ended up buying property behind Walgreens in Belton as we couldn't agree on some specifics and they looked for another site. Currently, the only thing we don't have committed on Phase 1 on the project is the hotel site. We are working with Phase 2 and will initially start construction with about 100,000 square feet. We have three restaurants and will start site work in 30 days and be under construction and will have delivery dates for the restaurant pads later this summer. We are thrilled about the opportunity and will be happy to answer any questions.

Councilman Trutzel said the church asked him to inquire about access from Lot 1. Mr. Christie showed him on the site plan the access. Councilman Trutzel asked if they will be leaving the big steel power poles and they said they would be leaving them.

Mr. Renner then gave some details behind the plan referring them again to the PowerPoint Presentation which is attached and made an official part of the minutes. He went on to say that this does satisfy the “but for” analysis and he touched upon the revenue generation. He said this is a strong successful partnership. During the plan life, the taxing districts are expected to receive over \$40 million in new tax revenues from Project 2, 2-A and Project 3. It includes, among other new tax revenues, a portion of PILOTs, which will be declared surplus and returned to the taxing districts over the life of the Plan.

Mayor Davis noted that Grandview is giving 48-49% for their TIF and we are giving 17%.

Councilman Trutzel said we appreciate what you have done in bringing this to us. When we talk to people about what is coming to Belton they shake their heads, so we thank you for choosing Belton. Mayor Davis said the man (David Christie) is doing well and we have a great relationship. It is a good project and we are happy.

Councilman Lathrop thanked the city staff for doing a good job and David Christie for everything. We appreciate both sides working together. Mayor Davis said kudos to Jay Leipzig, Community Development Director; Carolyn Yatsook, Economic Development Specialists; Megan McGuire, City Attorney; and Brad Foster, Assistant City Manager, for all their work on this project.

Mr. Foster said one final thing, the TIF Commission held a public hearing in February and they made the recommendation for approval with a 6-3 vote.

Being no further public input, the public hearing was declared closed at 7:26 P.M.

#### **ORDINANCES:**

Patti Ledford, City Clerk, read Bill No. 2016-43: **AN ORDINANCE AUTHORIZING THE CITY COUNCIL TO APPROVE A FINANCIAL SERVICES AGREEMENT WITH PIPER JAFFRAY & COMPANY TO EVALUATE BOND ISSUANCE TERMS, DEBT SCHEDULES AND TRANSACTION MANAGEMENT IN ORDER TO DETERMINE FEASIBILITY OF ISSUING BONDS ON PHASE 1 AND 2 OF Y BELTON TAX INCREMENT FINANCING PROPERTIES, OTHERWISE REFERRED TO AS THE BELTON GATEWAY SHOPPING CENTER INCLUDING ACADEMY, HOBBY LOBBY, HEARTLAND DENTAL OFFICES, FAZOLIS AND A HOTEL SITE.** Presented by Councilman Trutzel, seconded by Councilman Lathrop. Vote on the first reading was recorded with all voting in favor, except Councilman Von Behren who was absent. First reading passed.

Ms. Ledford read Bill No. 2016-44: **AN ORDINANCE AUTHORIZING THE CITY COUNCIL TO APPROVE A BOND REVENUE STUDY BY GAI CONSULTANTS, INC. IN ORDER TO DETERMINE FEASIBILITY OF ISSUING BONDS ON PHASE 1 AND 2 OF Y BELTON TAX INCREMENT FINANCING PROPERTIES, OTHERWISE REFERRED TO AS THE BELTON GATEWAY SHOPPING CENTER INCLUDING ACADEMY, HOBBY LOBBY, HEARTLAND DENTAL OFFICES, FAZOLIS AND A HOTEL SITE.** Presented by Councilman Lathrop, seconded by Councilman Trutzel. Megan McGuire, City Attorney, noted the updated agreement with minor changes which are highlighted in the document, specifically Page 3 of 3 making sure any issues in dispute of the agreement are hauled in to court in Missouri, not Pennsylvania. Vote on the first reading was recorded with all voting in favor, except Councilman Von Behren who was absent. First reading passed.

Ms. Ledford read Bill No. 2016-45: **AN ORDINANCE AUTHORIZING THE CITY COUNCIL TO APPROVE A LETTER AGREEMENT WITH D. A. DAVIDSON TO PROVIDE INVESTMENT BANKING SERVICES AND ANALYSIS OF CAPITAL MARKETS IN ORDER TO DETERMINE FEASIBILITY OF ISSUING BONDS ON PHASE 1 AND 2 OF Y BELTON TAX INCREMENT FINANCING PROPERTIES, OTHERWISE REFERRED TO AS THE BELTON GATEWAY SHOPPING CENTER INCLUDING ACADEMY, HOBBY LOBBY, HEARTLAND DENTAL OFFICES, FAZOLIS AND A HOTEL SITE.** Presented by Councilman Lathrop, seconded by Councilman Trutzel. Vote on the first reading was recorded with all voting in favor, except Councilman Von Behren who was absent. First reading passed.

Ms. Ledford read Bill No. 2016-46: **AN ORDINANCE APPROVING THE SECOND AMENDED AND RESTATED Y-BELTON PLAZA TAX INCREMENT FINANCING PLAN AND DESIGNATING Y BELTON, L.L.C. AS THE DEVELOPER FOR THE PLAN.** Presented by Councilman Lathrop, seconded by Councilman Trutzel. Vote on the first reading was recorded with all voting in favor, except Councilman Von Behren who was absent. First reading passed.

Ms. Ledford read Bill No. 2016-47: **AN ORDINANCE APPROVING A SECOND AMENDED AND RESTATED TAX INCREMENT FINANCING REDEVELOPMENT AGREEMENT BY AND AMONG THE CITY OF BELTON, MISSOURI, AND Y BELTON, L.L.C.** Presented by Councilman Lathrop, seconded by Councilman Trutzel. Rich Wood, Attorney with Gilmore and Bell, reported generally the TIF contract takes what is heard as the plan and turns in to a contractual obligation between the parties. He provided highlights of some of the things in the TIF contract that aren't necessarily in the TIF plan. He went on to say it sets out the process to certify cost to get reimbursed and they are to submit documentation to city so we can review it to make sure they actually do spend the up to \$35 million in order to get reimbursed. The contract also takes different reimbursement numbers and makes them an actual cap that was outlined and once it hit the caps the TIF turns off and it returns to the tax rolls. The contract caps interest and they are entitled to receive interest and sets out obligations built in accordance with the budget in the TIF plan and schedule and it is slightly modified. The contract outlines obligations and the City can at some point issue bonds to replay the developer and can issue them at lower interest rates. There are a number of development obligations: Construction of Turner Road; the developer will work with staff on a schedule for the road and comply with all rules and regulations regarding the construction public works projects; there are added provisions that require the developer to comply with onsite storm water management system and it is included in the contract and the developer has to comply with it during construction; we created triggers for the installation of the Markey Parkway traffic signal and that trigger is, once we get to 60,000 square feet on unit #2 of the plat or if the traffic engineer determines punsafe conditions based on a traffic study; the contract establishes the location of the Crossroads United Methodist Church access point; contract also sets out that the developer can't relocate businesses from other areas in the city or county outside the redevelopment area to development unless they come to the Council and request an exception; contract has a list of land uses that cannot be made of the areas Exhibit H sets out those restrictions; there are a number of provisions outlining how the developer is allowed to utilize the existing revenue from the existing TDD and also the two different CID's to impose property and sales tax generate additional revenue on the property. Mayor Davis thanked Rich Wood and staff for doing a good job. The language alone has been tedious but with good partners we always work out things with a good developer like Christie and Company. We are excited about what has been done. Vote on the first reading was recorded

with all voting in favor, except Councilman Savage voting no. Councilman Von Behren was absent. First reading passed.

Ms. Ledford read Bill No. 2016-48: **AN ORDINANCE APPROVING AND DESIGNATING REDEVELOPMENT PROJECT 2-A OF THE Y-BELTON TAX INCREMENT FINANCING REDEVELOPMENT PLAN AS A REDEVELOPMENT PROJECT AND ADOPTING TAX INCREMENT FINANCING THEREIN.** Presented by Councilman Lathrop, seconded by Councilman Trutzel. Vote on the first reading was recorded with all voting in favor, except Councilman Von Behren who was absent. First reading passed.

Ms. Ledford read Bill No. 2016-49: **AN ORDINANCE APPROVING AND DESIGNATING REDEVELOPMENT PROJECT 3 OF THE Y-BELTON TAX INCREMENT FINANCING REDEVELOPMENT PLAN AS A REDEVELOPMENT PROJECT AND ADOPTING TAX INCREMENT FINANCING THEREIN.** Presented by Councilman Lathrop, seconded by Councilman Trutzle. Vote on the first reading was recorded with all voting in favor, except Councilman Von Behren who was absent. First reading passed.

At 7:38 P.M. Councilman Lathrop moved to enter into Executive Session to discuss matters pertaining to discuss matters pertaining to preparation, including any discussion or work product, on behalf of a public governmental body or its representatives for negotiations with employee groups according to Missouri Statute 610.021.9 and that the record be closed. Councilman Newell seconded. The following vote was recorded: Ayes: 8, Mayor Davis, Councilmen Savage, Peek, Newell, Fletcher, Lathrop, Trutzel, and VanWinkle; Noes: None; Absent: Councilman Von Behren.

The Council returned from Executive Session at 8:13 P.M. Being no further business, Councilman Lathrop moved to adjourn. Councilman Trutzel seconded. All voted in favor. Councilman Von Behren absent. Meeting adjourned.

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Patti Ledford, City Clerk

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Jeff Davis, Mayor