

## EXHIBIT A

### INCENTIVE POLICY

#### St Joseph Neighborhood Redevelopment Corporation

##### **I. Program Statement**

The intent of the St Joseph Neighborhood Redevelopment Corporation (“SJNRC”) is to strengthen the economic viability of neighborhoods in the City of St Joseph, Missouri (the “City”) by providing financial incentives for improving the appearance and structural conditions of its residential buildings and increasing the infill development of vacant parcels and population density to further support residential properties and the commercial developments that serve them.

The ultimate success of the SJNRC is dependent on private sector commitment. It is up to the residents and investors to improve the condition and thereby the value of their homes.

This incentive program is intended to stimulate improvements by providing tax relief for improved residential properties. It presents an opportunity to preserve our community’s heritage, and to enhance and promote the aesthetics and economic viability of the City.

##### **II. Description of Tax Abatement Program**

Pursuant to Chapter 353, the SJNRC has the ability to abate real property taxes for redevelopment projects. The amount and length of the tax abatement is dependent on which “Level” applies to the project: A, B or C. The incentive amount varies with each Level depending upon the investment as a percentage of the existing value of the residence to be improved.

##### **Level A**

Investment Threshold:	Investment must be at least 50% of assessed value of property prior to investment
Incentive Amount	10 years 100% abatement on improvements + 15 years at 50% abatement of total value

##### **Level B**

Investment Threshold:	Investment must be at least 25% of assessed value of property prior to investment
Incentive Amount	10 years 100% abatement on improvements + 5 years at 50% abatement of total value

##### **Level C**

Investment Threshold:	Investment must be at least 15% of assessed value of property prior to investment
Incentive Amount	7 years 100% abatement on improvements

## EXHIBIT A

*Determination of qualified investment threshold.* If the project involves new construction, or rehabilitation of an existing structure, interior and exterior costs may count towards the investment range. Interior costs shall not include furniture, appliances. No personal property shall be included in interior or exterior costs. The SJNRC Board of Directors shall review the project application and make a recommendation to the City's Planning Commission. The Planning Commission will, after consideration of the project application and the recommendation of the SJNRC, make a recommendation to the City Council.

*Project density.* A project shall generally relate to an individual land parcel, but treating multiple properties as if assembled may be appropriate depending upon the circumstances. This Policy shall generally apply to individual single family residential structures, but may be applied to multi-family or multiple single-family structures in the discretion of the SJNRC and the City.

*But-for economic analysis* means that, with respect to a particular project, the applicant would not reasonably be anticipated to undertake the project without the tax abatement incentive, which may be evidenced by an applicant's affidavit attesting to this fact.

### **III. Tax Abatement Application Process**

Applications for the program will be accepted by City Staff on behalf of SJNRC. The Application will first be reviewed by the SJNRC Board of Directors for recommendation to the City's Planning Commission, including a recommendation as to the appropriate incentive level. The Planning Commission will, after consideration of the project application and the recommendation of the SJNRC, make a recommendation to the City Council. If the City Council favorably considers the application, it will adopt an ordinance approving the project and authorizing the Chapter 353 Abatement. The applicant and the SJNRC will then enter into a Memorandum of Understanding setting forth program responsibilities and expectations and execute deeds conveying the property – albeit briefly – to SJNRC and then back to the applicant, which triggers the Chapter 353 Abatement.

The tax incentive is available for only those projects that have been approved by the City Council before the project is started. The project is considered "started" when the applicant has received a building permit for the project.

### **IV. Annual Report**

During the period of project implementation, the applicant will promptly respond to the SJNRC with respect to any requests to provide the following information: the availability of financing for the project and the status of the project as to any permits applied for or issued and any certificates of occupancy issued to allow the SJNRC to include such information in its required annual report to City Council.

### **V. Order of Events for Chapter 353 Abatement**

An application and approval process for Chapter 353 Abatement will follow the order of events shown below.

## EXHIBIT A

1. Application is submitted to City Staff.
2. City Staff inform SJNRC of Application.
3. SJNRC reviews applications and makes recommendations to Planning Commission.
4. City staff prepares Impact Study Exhibit and submits application to Planning Commission with Impact Study Exhibit attached.
5. Planning Commission considers application at a public meeting.
6. Planning Commission makes recommendations to City Council.
7. If Planning Commission recommendation is in favor of project, notice of application is mailed to taxing jurisdictions at least 15 days prior to City Council meeting at which public hearing will be held.
8. Public hearing is held on application, at which hearing all affected taxing jurisdictions may comment on application.
9. City Council determines whether to approve the application.
10. If City Council approves the application by ordinance, SJNRC will enter into a memorandum of understanding with the applicant relating to the project and the Chapter 353 Abatement, which will be recorded in the real property records of the county.
11. Project site is conveyed by applicant to SJNRC by special warranty deed, and then immediately conveyed back to applicant to trigger Chapter 353 Abatement.
12. Applicant completes project, which is subject to Chapter 353 Abatement in accordance with this Policy.

### **VI. Board of Directors**

The St Joseph Neighborhood Redevelopment Corporation Board of Directors shall consist of three individuals, consisting of one representative from the City's Legal Department, one representative from the Planning & Community Development Department, and one representative from the St Joseph Chamber of Commerce. The three members will review applications for consistency with program guidelines and make a recommendation to the Planning Commission for their review and consideration, prior to forwarding to City Council for approval.

EXHIBIT A

**Application for Property Tax Abatement**

**Pursuant to the Incentive Policy  
established by the  
City of St Joseph, Missouri  
for the  
St Joseph Neighborhood Redevelopment Corporation**

This application constitutes a development plan for purposes of Chapter 353 of the  
Revised Statutes of Missouri, as amended.

## EXHIBIT A

A. Please provide a written description of the proposed project(s), improvements and renovations.

Project Name (Street Address):	
Applicant Name:	
Owner of Real Property on which Project will be completed:	
Tax Parcel ID Number for each affected parcel (attach tax bill for each parcel at Exhibit A and legal descriptions at Exhibit B):	
Phone Number:	
Names of project contractor and intended occupant (if project is for a home that will be sold by applicant after completion, state "To be sold" instead of occupant):	
Business License number (if applicant is a contractor):	
Total Project Costs (provide cost budget on Exhibit C:	\$
Land acquisition date:	
Project start date and anticipated completion date:	
Level of abatement requested:	Policy Level: A B C [circle one]
Is this project for (1) renovation of existing home, (2) demolition of existing and construction of a new home, or (3) construction of new home on vacant lot?	
List all buildings or improvements to be demolished and approximate time period during which the demolition will take place (or enter "n/a").	
Will any zoning changes be requested in connection with this project? If so, designate the current zoning and the zoning that will be requested.	

## EXHIBIT A

B. Outline the proposed timeline of the development, including the commencement date and completion date of the following: (1) acquisition of properties; (2) demolition of houses (if any); and (3) new construction and/or renovation.

C. Identify any steps and developmental approvals anticipated and whether completed or in progress, including any necessary zoning changes.

D. Are any portions of the project proposed to be sold, donated, exchanges or lease to the board of education, public library board, art commission or other public agency? If so, please provide an outline of the terms.

E. Are any portions of the project determined to be amenities, including, but not limited to any permanent residential open space for recreation, streetscape, plaza areas or anything similar? If so please describe.

F. Are any changes to streets or alleys anticipated in connection with this project? If so, please describe. Will street closings be necessary? If so please describe.

## EXHIBIT A

The undersigned applicant certifies the following:

1. The information submitted herein (including Exhibits A through E, which has been provided by the applicant) is true and accurate to the best of the applicant's knowledge.
2. The applicant has read and understands the conditions of the City's *Incentive Policy – St Joseph Neighborhood Redevelopment Corporation* and agrees to abide by its conditions and guidelines.
3. The applicant understands that all incentives described under the *Incentive Policy – St Joseph Neighborhood Redevelopment Corporation* are considered and granted in the discretion of the St Joseph Neighborhood Redevelopment Corporation, the Planning Commission, and the City Council and that submission of a proper application that qualifies for abatement under the *Incentive Policy – St Joseph Neighborhood Redevelopment Corporation* does not in itself entitle the applicant to any incentives.
4. The applicant understands that neither the City nor any other governmental entity will use the power of eminent domain to assist with the acquisition of property in connection with this application.
5. The applicant will not assign the benefits of this application except pursuant to the terms of a memorandum of understanding between the applicant and the St Joseph Neighborhood Redevelopment Corporation.
6. Without tax abatement in the amount requested, the applicant would be financially unable to complete the project and/or the project would not be financially feasible based on the necessary investment and the rate of return to the applicant.

Signature of Applicant(s): \_\_\_\_\_ Date: \_\_\_\_\_

\_\_\_\_\_ Date: \_\_\_\_\_

EXHIBIT A

**EXHIBIT A**

**MOST RECENT PROPERTY TAX BILL**

(applicant: attach here)

EXHIBIT A

**EXHIBIT B**

**LEGAL DESCRIPTION OF PROPERTY  
AND MAP OF PROJECT SITE BOUNDARIES**

(applicant: attach here)

EXHIBIT A

EXHIBIT C

**PROJECT COST BUDGET**

(applicant: attach detailed project budget here)

EXHIBIT A

**EXHIBIT D**

**EVIDENCE OF FINANCING**

(Applicant: provide evidence of sufficient equity and/or  
loan commitments to financing costs shown on Exhibit C)

## EXHIBIT A

## EXHIBIT E

### EVIDENCE OF BLIGHT

By signing the application to which this exhibit is attached, the applicant certifies to the City that the property described on Exhibit B contains only property that (1) is a blighted area for purposes of Chapter 353, of the Revised Statutes of Missouri, as amended, and/or (2) contains buildings, improvements or property not in themselves blighted, the inclusion of which is necessary for the effective clearance, replanning, reconstruction or rehabilitation of the blighted portions of the property described on Exhibit B.

The property described on Exhibit B is affected by the following blighting factors: [check all that apply]

- ☐ Age of improvements, specify age: \_\_\_\_\_ years (should be at least 35 years)
- ☐ Obsolescence of improvements
- ☐ Inadequate or outmoded design
- ☐ Physical deterioration

*Applicant: **Attach evidence** of blighting factors selected above, including pictures, to this Exhibit E as evidence of blight. Pictures should identify the property described on Exhibit B and the portions that are blighted and/or otherwise necessary to the redevelopment project.*

Based on the blighting factors identified above and the evidence attached hereto, the property described on Exhibit B has become an economic liability by virtue of the fact that its condition prevents investment in the surrounding neighborhood and has become a social liability by virtue of the fact that such condition contributes to increased crime and safety concerns as general neighborhood viability and desirability is negatively affected by the continued existence of the property in its current state. Further, the condition of the Property is conducive to the following: [check all that apply]

- ☐ ill health or transmission of disease
- ☐ crime
- ☐ inability to pay reasonable taxes.

*Applicant and/or City Staff: **Attach evidence** of selected effects of blight, including description of how conditions may affect health, evidence of increased crime in the area, and/or evidence of reduced assessed valuation in the area.*

EXHIBIT A

**EXHIBIT F**

**CERTIFICATE OF INCORPORATION  
OF ST JOSEPH NEIGHBORHOOD REDEVELOPMENT CORPORATION**

(to be added to application by City Staff after receipt)

EXHIBIT A

EXHIBIT G

IMPACT STUDY

**SHOWING EFFECTS OF PROPOSED ABATEMENT ON TAXING JURISDICTIONS**

(to be added to application by City Staff after receipt)