

City of St. Joseph

1100 Frederick Avenue, St. Joseph, Missouri 64501

November 10, 2011

Mo. Dept of Economic Development
Attn: TIF Annual Report
P.O. Box 118
301 West High Street
Jefferson City, Missouri 65102

RE: Stockyards Redevelopment TIF Annual Report

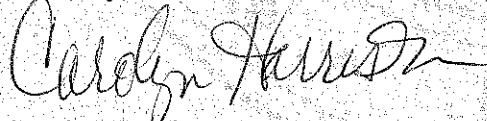
Enclosed is the 2011 annual report for the Stockyards Redevelopment Tax Increment Financing District.

If you have any questions or need any additional information, you may contact me at (816) 271-5526 or email at charrison@ci.st-joseph.mo.us. You may also contact the following:

Judy Hovey, Revenue Manager (816) 271-4828
Email – jhovey@ci.st-joseph.mo.us

Rich Karleskint, Financial Analyst (816) 271-4608
Email – rkarleskint@ci.st-joseph.mo.us

Sincerely,



Carolyn Harrison
Financial Services Director
City of St. Joseph

Missouri Department of Economic Development

Tax Increment Financing Annual Report

Deadline for Submission: Tuesday, November 15, 2011

(Note: The reporting period may cover any 12 month period prior to September 30.)

This report includes the requirements of Section 99.865, RSMo **which elements (or portions thereof) are identified by subsection noted in bold**. Additional information is requested to accurately determine the impact of TIF in the State. The results of this report will be posted on DED's web site, and distributed to the Missouri General Assembly and the media. There are three Sections to this report, Section 1, Description of the Plan and Project; Section 2, Tax Increment Financing Revenues and Section 3, Certification of Accuracy. An Instruction Sheet is available. If you have any questions, please contact the Development Finance Section: 573-526-0748 or 573-522-8004

Section 1: Description of the Plan and Project

1. Name of City and/or County (entity that approved the TIF Plan or Project): St. Joseph, Missouri
2. Name of Plan or Project: Stockyards Redevelopment
3. Report Period: From July 1, 2010 to June 30, 2011
4. Name of the person who prepared this Annual Report: Rich Karleskint, Financial Analyst/Judy Hovey, Revenue Manager
5. Contact Information
 - a) City or County Contact Agency: St. Joseph, Missouri
 - b) Person:

<u>Carolyn Harrison</u>	<u>Clint Thompson</u>
<u>Financial Services Director</u>	<u>Planning & Community Development Director</u>
 - c) Phone:

<u>(816) 271-4760</u>	<u>(816) 271-4787</u>
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 - d) Fax:

<u>(816) 271-4697</u>	<u>(816) 271-4752</u>
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 - e) E-mail Address: charrison@ci-st-joseph.mo.us cthompson@ci-st-joseph.mo.us
 - f) Private Sector Developer: Triumph Foods, LLC
 - g) Person: Rick Hoffman, President and CEO
 - h) Phone: (913) 894-8282
 - i) Fax: (913) 894-8280
 - j) E-Mail Address: rhoffman@triumphfoods.com
6. Original Date Plan/Project Approved: October 27, 2003
7. Ordinance Number: (if available) Special Ordinance No. 6170
8. Most Recent Plan Amendment : (if any) **[99.865.1(10)]**
9. Ordinance Number (if available) Special Ordinance No. 6675
10. State House District 29
11. State Senate District 34
12. School District 294
13. General Location of Area or Project Area (if feasible, please attach copy of Redevelopment Area Boundary Map from Plan) **[99.865.1(10)]**

The redevelopment area is located in the southeastern portion of St. Joseph in an area commonly known as the Stockyards. The main thoroughfares surrounding the redevelopment area are Packers Avenue and Stockyards Expressway. U.S. Highway 59 is located two blocks east and Interstate Highway 229 is two miles to the north.

14. Brief description of Plan/Project [99.865.1(10)]

The Redevelopment Plan provides for the construction of approximately 550,000 gross square feet of improvements to be used for the corporate headquarters and operation of a pork processing facility, estimated value of \$130 million, together with the installation, repair, construction, reconstruction and relocation of certain streets and utilities.

15. Plan/Project Status (Circle or check one which best describes status):

- a) Starting-Up b) Seeking Developer c) Under Construction
d) Fully-Operational e) Inactive f) District Dissolved

If Clarification Is Needed: _____

16. Area Type (Circle or check all applicable):

- a) Blight** b) Conservation c) Economic Development

17. How was the "but-for" determination made? (Circle or check all applicable):

- a) Project had unusual/extraordinary costs that made the project financial unfeasible in the market place.**
b) Project required significant public infrastructure investment to remedy existing inadequate conditions.
c) Project required significant public infrastructure investment to construct adequate capacity to support the project.
d) Project required parcel assembly and/or relocation costs.

e) Other (describe): _____

18. Major Development Obstacles to Overcome:

- Financing a project of this magnitude.
- Wastewater Treatment process improvements and additional capacity were mandatory at the City's wastewater treatment plant for this project.
- Pretreatment facilities to be built on-site at Triumph Foods to make processing cost-effective.
- Inadequate Street Layout and improper subdivision or obsolete platting were minor obstacles.

19. Briefly Describe the Project's Public Benefits [99.865.1(10)]

- Creation of 1,000 new jobs for the St. Joseph area.
- Removal of blighted conditions and infrastructure constructed to serve the project.
- Increased tax revenues from an area currently generating only minor tax revenues from two existing businesses.

20. Briefly Describe Agreements with the Developer [99.865.1(9)]

- Wastewater Improvements Agreement – Bonds were issued to fund up to \$7,000,000 in project costs plus customary reserves and related wastewater capital costs. Monies were used to construct an on-site pre-treatment facility. Debt service to be paid from sewer reserve charges to be paid in amount of \$65,668 per month from February 1, 2005 to February 1, 2008 and \$81,083 per month from March 1, 2008 to February 1, 2025 in addition to normal usage charges for discharge of waste. Wastewater reserve capacity shall be of at least twenty (20) million gallons of discharge per month.
- Chapter 100 Bond Financing – \$200,000,000 to provide funding for the purchase of the equipment for the new facilities. PILOTS will be paid by the company in an amount equal to 100% of the assessed valuation of the equipment to help pay the debt service on TIF Bonds sold to cover the reimbursable TIF expenditures.

21. Brief Description of Any Agreements with the Affected Taxing Districts [99.865.1(9)]

- Cooperation and Payment in Lieu of Tax Agreement – an agreement between the City of St. Joseph, Buchanan County, School District of St. Joseph and Triumph Foods, LLC, whereby the City, the County and the School District agreed to contribute a portion of the Chapter 100 PILOTS that each would otherwise have received to be applied to the repayment of (a) the payment of TIF Obligations, (b) the repayment by the City of the MDFB Loans, and (c) reimburse the City in the event that payments to the City required by the Redevelopment Agreement to ensure reserve capacity for certain wastewater improvements are not paid by the Company when due.

22. Number of Relocated Residences During This Report Period: N/A

23. Number of Relocated Businesses During This Report Period: N/A

24. Number of Parcels Acquired Through Use of Eminent Domain Power In This Report Period [99.865.1(12)]: N/A

25. Identify any Businesses that have Relocated to the Redevelopment Area During This Report Period: (Completion of This Section Satisfies Requirements of 99.810.2 'New Business Report', Otherwise Due by 2/28/2012).

Name	Address	Phone Number	Primary Business Line	Relocated from What City/County?

(Please Attach List Separately If Necessary or Desired)

26. Estimate of New Jobs: *Projected:* 1,000 *Actual to date:* 2,740

27. Estimate of Retained Jobs: *Projected:* 0 *Actual to date:* 0

Section 2: Tax Increment Financing Revenues

28. TIF Revenue Deposits to the Special Allocation Fund as of the Report Date: June 30, 2011

a. Payments in Lieu of Taxes (PILOTs): [99.865.1(6)]

Total received since inception: \$4,041,420.78; Amount on hand: \$0.00
(As of Report Date)

b. Economic Activity Taxes (EATs): [99.865.1(8)]

Total received since inception: \$244,040.40; Amount on hand: \$5,878.47
(As of Report Date)

Total Revenue on hand in the Special Allocation Fund as of Report Date: [99.865.1(1)] \$ 5,878.47

29. Expenditures for Total Project Costs Funded by TIF: **[99.865.1(2)]**

	Total Since Inception:	Report Period Only:
a) Public Infrastructure (streets, utilities, etc)	\$ 1,434,744.77	\$ 0.00
b) Site Development (grading, dirt moving, etc.)	\$ 0.00	\$ 0.00
c) Rehab of Existing Buildings [99.865.1(11)]	\$ 0.00	\$ 0.00
d) Acquisition of Land or Buildings [99.865.1(11)]	\$ 5,600,000.00	\$ 0.00
e) Other (specify): Wastewater Improvements (Per WWT agreement)	\$ 4,028,287.00	\$ 0.00
f) Other (specify): City WWT Capacity Imp.	\$ 0.00	\$ 0.00

Amount Paid on Debt Service: **[99.865.1(3)]**

g) Payments of Principal and Interest on Outstanding Bonded Debt:

Since Inception: \$ 2,724,278.33 [j1] This Reporting Period: \$ 822,973.75

h) Reimbursement to Developer for Eligible Costs:

Since Inception: \$ 9,628,287.00 This Reporting Period: \$ 0.00

i) Reimbursement to Municipality (or Other Public Entity) for Eligible Costs:

Since Inception: \$ 2,232,806.06 This Reporting Period: \$ 389,103.96

30. Anticipated TIF Reimbursable Costs (Only include hard costs; do not include interest or bond issuance costs.)

a) Public Infrastructure and Site Development Costs (Utility Extensions, Road Improvements, Storm water, Demolition, Grading, etc.)	\$ 2,450,000.00
b) Property Acquisition and Relocation Costs	\$ 5,600,000.00
c) Project Implementation Costs (Including Professional Fees)	\$ 150,000.00
d) Other (specify, as applicable): WWT Facility	\$ 8,500,000.00
e) Other (specify):	\$
f) Other (specify):	\$
Total Anticipated TIF Reimbursable Project Costs	\$ 16,700,000.00

31. Anticipated **Total Project Costs**

\$128,500,000.00

(Please attach a copy of the budgets from the Redevelopment Plan for Anticipated Total Project Costs and Anticipated Reimbursable TIF Costs if any revisions occurring since previous filing.)

32. TIF Financing Method (Circle or check all that apply):

a) pay-as-you-go

b) general obligation bonds

c) TIF notes

d) loan

TIF Bond

Industrial Revenue Bond

g) other bond

h) other

Maturity of TIF Obligations (term of the TIF payout)

33. Original Estimate (# of Years to Retirement) - 16 years

34. Current Anticipated Estimate (# of Years to Retirement) - 20 years

Estimated Increase in Tax Generation

35. Original Assessed Value of the Redevelopment Project: **[99.865.1(4)]**

\$ 505,210

36. Assessed Valuation Added to the Redevelopment Project (As of the end of the rpt period): **[99.865.1(5)]**

\$ 11,153,030

37. Anticipated Assessed Value at Time of District Termination: \$ 48,000,000

38. Total Amount of **Base Year** EATs **[99.865.1(7)]** \$ 2,193.62

39. Total Amount of **Base Year** PILOTS \$ 31,817.62

40. Total Annual EATs Anticipated at Time of District Termination \$ 57,119

41. Total Annual PILOTS Anticipated at Time of District Termination \$ 697,000

42. Percentage of EATs Captured (per TIF Plan, usually up to 50%) 100.00%

43. Total Years Anticipated to Capture EATs (per TIF Plan, up to 23 years) 1 year

44. Percentage of PILOTS Captured (per TIF Plan, usually up to 100%) 34.8%

45. Total Years Anticipated to Capture PILOTS (per TIF Plan, up to 23 years) 23 years

Section 3: Certification of Chief Executive Officer of Municipality or Agency

This section is not a requirement of 99.865.1-8 RSMo, but is required, along with other submitted certifications by the municipality or agency, in the event the municipality desires the Department of Economic Development to provide statement of conformance with the TIF Annual Report Statutes.

I, J. Bruce Wady certify that, to the best of my knowledge and
(Name of Chief Executive Officer of Municipality or Agency)

belief, the statements of fact contained in this report are true and correct.

(Signature of affiant)

J. Bruce Wady
City Manager

(Title of affiant)

*****Please include any before and after color photographs of the Redevelopment Area that are available. If the site has not yet been redeveloped, if possible please include a before picture and a rendering of what the site will look like after redevelopment.**

Send Report to:

**Missouri Department of Economic Development
Attn: TIF Annual Report
P.O. Box 118, 301 West High Street
Jefferson City, Missouri 65102
Fax: 573/522-9462**

Further Information:

**Hal Van Slyck 573-526-0748
Ann Perry 573-522-8004**