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P. Hrngs. \_\_\_\_\_  
Pgs. 5  
Filed: 12-10-19

Sponsored by: Ferguson

First Reading: \_\_\_\_\_

Second Reading: \_\_\_\_\_

COUNCIL BILL 2019-277

SPECIAL ORDINANCE \_\_\_\_\_

AN ORDINANCE

1 AMENDING the budget of the City of Springfield for Fiscal Year 2019–2020 in the  
2 amount of \$150,000 for the purpose of approving expenditures from the  
3 Commercial Street Tax Increment Financing Special Allocation Fund for  
4 certain public improvement projects within the Commercial Street Tax  
5 Increment Financing District. (Staff and the City Loan Committee  
6 recommend approval.)  
7  
8

9 WHEREAS, the Commercial Street Historic District Strategy for Success was  
10 approved by Council Resolution 7388 on February 6, 2006, and recommended the use  
11 of Tax Increment Financing (“TIF”) funding for redevelopment and revitalization in and  
12 around Commercial Street; and  
13

14 WHEREAS, the Commercial Street TIF Plan (“Plan”) approved by Special  
15 Ordinance 25373 on April 7, 2008, established a process to fund and implement public  
16 improvements within the TIF District; and  
17

18 WHEREAS, the Plan outlines projects for which TIF funds may be used and  
19 provides for annual input from stake-holders to assist the City in prioritizing projects;  
20 and  
21

22 WHEREAS, this year’s annual stakeholder meeting was held on September 12,  
23 2019, and produced the recommendation that City Council approve expenditures of the  
24 TIF Special Allocation Fund to allocate funding for district gateway improvements at an  
25 approximate cost of \$150,000; and  
26

27 WHEREAS, City Council now desires to allocate funding from the Commercial  
28 Street TIF Special Allocation Fund to fund district gateway improvements, in the amount  
29 of \$150,000.  
30

31 NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF  
32 SPRINGFIELD, MISSOURI, as follows, that:  
33

34           Section 1 – City Council hereby authorizes the expenditure of funds from the  
35 Commercial Street TIF Special Allocation Fund to fund district gateway improvements,  
36 in the amount of \$150,000.  
37

38           Section 2 – A budget adjustment for said Special Allocation Fund is hereby  
39 submitted for Fiscal Year 2019-2020, in the accounts and in the amounts as shown on  
40 Budget Adjustment No. 019, a copy of which is attached hereto and incorporated by  
41 reference as “Exhibit A.”  
42

43           Section 3 – The City Manager is hereby directed to cause the appropriate  
44 accounting entries to be made in the books and records of the City to reflect the budget  
45 adjustment described in “Exhibit A.”  
46

47           Section 4 – This Ordinance shall be in full force and effect from and after  
48 passage.  
49

50 Passed at meeting: \_\_\_\_\_  
51

52 \_\_\_\_\_  
53 Mayor  
54

55 Attest: \_\_\_\_\_, City Clerk  
56

57 Filed as Ordinance: \_\_\_\_\_  
58

59 Approved as to form: Richard T. Widen, Assistant City Attorney  
60

61 Approved for Council action: Jason A. Hage, City Manager  
62  
63

## **EXPLANATION TO COUNCIL BILL 2019-277**

FILED: 12-10-19

ORIGINATING DEPARTMENT: Planning and Development

PURPOSE: Amending the budget of the City of Springfield for Fiscal Year 2019–2020 in the amount of \$150,000 for the purpose of approving expenditures from the Commercial Street Tax Increment Financing Special Allocation Fund for certain public improvement projects within the Commercial Street Tax Increment Financing District. (Staff and City Loan Committee recommends approval.)

BACKGROUND INFORMATION: The Commercial Street Historic District Strategy for Success was accepted by Council by Resolution 7338 on February 6, 2006. The Strategy recommended use of Tax Increment Financing (“TIF”) for sustained redevelopment and revitalization. Council directed city staff to prepare a TIF Redevelopment Plan for the area.

City Council approved the Commercial Street TIF Plan by Special Ordinance 25373 on April 7, 2008. The purpose of the Plan is to establish a process by which public improvements within the area will occur and establish a process for redevelopment to occur. The basic philosophy behind the Plan was that public investment in key projects would provide incentive for sustained private investment and redevelopment in the area.

The Plan outlines the projects the TIF funds may be used for and the process by which funds captured by the TIF may be expended. First, the plan requires that an annual public meeting with Commercial Street property owners, business owners, and residents be held, in which City staff provides information about the Special Allocation Fund balance and makes recommendations for projects based on funding available. At the same meeting, the Commercial Street stakeholders review the material and identify their recommendations. After this meeting, City staff finalizes the recommendation to City Council considering stakeholder input, project priorities, feasibility of projects, and the nature of financing. City Council makes an annual decision regarding expenditure of the Special Allocation Fund.

REMARKS: City staff held a public meeting on September 12, 2019, to gather input from Commercial Street property owners, business owners, and residents prior to making these recommendations.

At the meeting, staff sought input on the following question:

Should uncommitted TIF funds (approximately \$198,000) be banked for future years or allocated to additional eligible projects described in the TIF Plan?

Public Input: Staff took comments via comment cards at the meeting and through a webform on the City website for two weeks following the meeting. The overwhelming

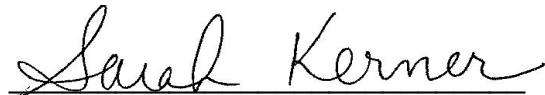
majority of respondents wanted to see uncommitted TIF Funds allocated to an additional project. The highest number of votes for projects went to acquisition/refurbishment of public parking lots (28 votes), district gateway improvements (25 votes), and landscaping planters (17 votes).

Staff Recommendations: Based on the input received at the Commercial Street public input meeting on September 12, 2019, and comments received thereafter, City Staff recommends that City Council approve expenditure of the TIF Special Allocation Fund to allocate funding for district gateway improvements, at an approximate cost of \$150,000.

This funding approval will commit nearly all the available funds in the Commercial Street TIF Special Allocation Fund; the balance was approximately \$198,000 as of June 30, 2019.

City staff will conduct public meetings and work with Commercial Street TIF stakeholders on a design for the district gateway signage that is acceptable.

Submitted by:



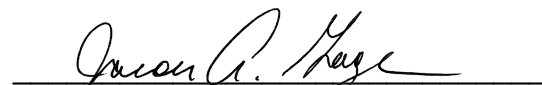
Sarah Kerner, Economic Development Director

Recommended by:



Mary Lilly Smith, Planning Director

Approved by:



Jason Gage, City Manager

CITY OF SPRINGFIELD, MO  
BUDGET ADJUSTMENT

Exhibit A

Budget Adjustment  
019

Revenues:

Fund	Dept	Org	Account	P&G	Location	Amount	Description
Net Revenue Adjustment						-	

Expenditures:

Fund	Dept	Org	Account	P&G	Location	Amount	Description
43050	17	60010	508220	000000	00000	\$ 150,000	Commercial Street TIF Special Allocation Fund projects
Net Expenditure Adjustment						\$ 150,000	

Fund Balance Appropriation:

Fund	Title	Amount
43050	Commercial Street TIF	\$ (150,000)

Explanation: To amend the FY2019-20 budget to appropriate accumulated fund balance from the Commercial Street TIF Special Allocation Fund for projects in the established area.

Requested By:

Mary Lily Smith 12/11/19  
Department Head Date

Approved By:

DJ Hill 12/11/19  
Director of Finance or Acting Director Date

Authorization:

Council Bill No. 2019-277  
Ordinance No. \_\_\_\_\_  
1st Reading \_\_\_\_\_  
2nd Reading \_\_\_\_\_  
Journal Imp No. \_\_\_\_\_

\_\_\_\_\_  
City Manager Date