

“Advise City staff and consultants on preparation of a blight/conservation study and preparation of a Missouri Downtown and Rural Economic Stimulus Act (MODESA) application.

The City of Columbia, the University of Missouri and Stephens College in the summer of 2006 agreed to undertake a joint-planning study of Columbia’s downtown district adjoining and including the downtown edges of the two campuses. The joint effort reflected an assessment that, while the institutions and the Broadway commercial corridor are strong urban resources, the area in between has yet to fulfill its potential as an inviting “campus town.”

The intent of the study was to identify existing and potential institutional, public, cultural, commercial and residential development opportunities that can regenerate the area framed by the campuses, the blocks flanking Broadway and the area along Providence Road. The goal of the study has been to create a model for town-gown revitalization that is distinctive to Columbia, making it economically and culturally vital and more attractive as a venue for urban living in a mid-sized campus city.

The study process, guided by a steering group representing the three participating entities was built around four public community forums that occurred over a period of five months:

- Aug. 2006: ideas and concerns about the area were solicited
- Oct. 2006: ideas restated, along with an analysis of the study area and case illustrations of how revitalization was addressed in other, similar localities.
- Dec. 2006: conceptual plan options were discussed
- Jan. 2007: conclusions of the preceding forum were presented in a composite plan, along with a discussion of developing the plan in more detail and implementing recommendations.



Columbia Chamber of Commerce

The University of Missouri, at the south end of the expanded downtown study area, is investigating partnering with private interests, both not-for profit and for-profit, to develop projects that serve the mission of the institution, while driving new economic activities.



TASK 3

During the time in which the forums took place, Sasaki staff spent considerable time walking the study area looking for opportunity sites, using as site-criteria:

- Single-story buildings with inactive frontage
- Large percentage of surface parking
- Buildings without historical and/or architectural significance
- Higher and better-use opportunities



Columbia Chamber of Commerce

The \$10 million renovation and restoration of the Missouri Theatre Center for the Arts was paid for with public donations, grants and tax credits.

The forums were an integral part of the process and critical in identifying ideas that ultimately led to the final Sasaki Land Use and Urban Opportunities Study.

Once the opportunity-sites were identified and mapped, Sasaki proposed several undertakings as “catalytic projects”:

- A new School of Music/Performing Arts Center
- A complex housing the State Historical Society Museum and an MU museum
- A privately developed hotel-conference center
- A new civic square and other public streetscape improvements
- Eastward extension of Elm Street to form a new gateway at College Avenue
- Expansion of City and University garage parking capacity to serve these developments

Not to be overlooked are catalytic projects already in use in this downtown area: the YouZeum and the redeveloped Missouri Theater. Visionaries behind these projects deserve community praise, predating the Sasaki study, for investing time, money and effort into this transitional area of downtown.

DOWNTOWN REDEVELOPMENT

Since the Sasaki study, community actions speak to the desire to preserve and potentially transform the downtown area. The City Council in 2008 established a policy allowing Tax Increment Financing (TIF) within the downtown and subsequently established the Downtown Leadership Council.

Tax Increment Financing, a specific incentive for development which a community may grant for a “TIF project” often within a TIF district, allows the new incremental taxes generated from redevelopment to be captured and reinvested into the redevelopment. The DLC, broadly charged with helping solidify the community vision for the preservation and redevelopment of downtown, began the process of establishing the downtown boundaries. We suggest the City Council move forward with a TIF district.



The City Council in late summer 2008 formed the requisite TIF Commission that, in turn, in Jan. 2009, began the process of further refining TIF policies and initiating the first solicitations of TIF applications.

More downtown redevelopment efforts soon followed:

- 2009 TIF commission was formed to develop TIF policies and procedures
- pre-development planning was begun for catalytic projects not initiated, i.e., the “New Media” incubator and the Hotel/Conference Center.
- a broad redevelopment authority existed that will coordinate a district approach to redevelopment, which could include the formation of a TIF district allowing the capture of new increments that can be invested in developing catalytic, public projects and critical private projects.
- the authority may be granted the power to plan catalytic projects – including land assembly – and engage private development partners, and to explore other incentive financing, such as MODESA, CID, TDD, NID, special use taxes, etc. (further explained below) to leverage TIF.

MODESA

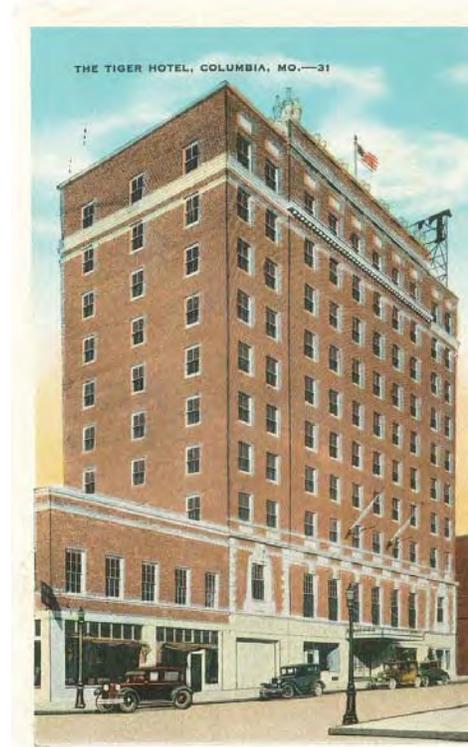
The tool of choice for southern downtown redevelopment is a Missouri Downtown Economic Stimulus Act (MODESA) district which, when layered with a local TIF, allows typically large increments of both sales taxes and state income taxes to be captured and reinvested. To establish a MODESA district, an application is made to the State Department of Economic Development, which is then approved (or not) by the Missouri Development Finance Board.

A MODESA program, however, can be difficult to put in place due to program conditions, which include an extremely high “net new jobs,” and/or conditions of blight or conservation-area status, etc., in proximity to the central business district. To date, MODESA has only been utilized successfully in Springfield’s downtown and Kansas City’s “KC LIVE” redevelopments.

State Supplemental TIF

State TIF is an addition on top of a local TIF. Applicable to blighted areas only, State TIF has been more broadly utilized than MODESA due to its less challenging eligibility requirements. State TIF, however, allows only for capturing and reinvesting 50 percent of the new sales taxes OR 50 percent of the new state income taxes.

Acquiring a State TIF requires an application to the Department of Economic Development, followed by legislative approval via inclusion in an appropriations bill. The timing of an application thus should allow for the legislative budget process. The overall State TIF cap is limited and utilization is near the cap in many out-program years.



Columbia Chamber of Commerce
The Tiger Hotel owners hope to secure TIF financing to redevelop the Columbia landmark into a boutique hotel.



TASK 3



MU Campus Facilities
Communications

The YouZeum, an interactive science center focused on health, wellness and fitness, was the brainchild of the Boone County Medical Society Alliance and became a reality through support from the City, Chamber of Commerce, grants and donors.

Other “district” tools worthy of consideration, as supplements to the local and state TIF tools or as stand-alone programs, are:

A Neighborhood Improvement District (NID) may be created where certain public-use improvements are desired and paid for by special tax assessments to area property owners. Such projects must be for public use and confer a benefit on property within the NID. An NID is created by election or petition of voters and/or property owners within the proposed district’s boundaries.

A Community Improvement District (CID) may be either a political subdivision or a not-for-profit corporation. CIDs are organized for the purpose of financing a wide range of public-use facilities and establishing and managing policies and public services relative to the needs of the district. CIDs may assess additional property taxes or other special assessments to generate financing and are created via petition of a majority of the property owners within the targeted area.

A Transportation Development District (TDD) may be created to act as the entity responsible for developing, improving, maintaining, or operating one or more projects relative to the transportation needs of the area in which the District is located. A TDD may be created by request petition filed in the circuit court of any county partially or totally within the proposed district. A TDD is financed via a special assessment of sales taxes or property taxes within the district.

