

City of Warrensburg Incentive Program

Chapter 353 Tax Abatement

Overview

An Urban Redevelopment Corporation is created under the general corporations laws of Missouri and is formed for the purpose of clearance, replanning, reconstruction or rehabilitation of blighted areas, and the construction of such industrial, commercial, residential or public structures as may be appropriate. An Urban Redevelopment Corporation allows for the abatement of incremental real property taxes within the blighted area. "Incremental" property tax is the amount of increase in tax due to higher property valuation occurring in the project area after the completion of the redevelopment project. Sections 353.010 to 353.190 RSMo set forth the requirements governing Urban Redevelopment Corporations.

Revenues

Has the power of eminent domain and can accept grants or loans from the U.S. government. During the first 10 years, 100% of incremental real property taxes may be abated. During the next 15 years, up to 50% of incremental real property taxes may be abated.

Eligible costs

No direct expenses are eligible since it is a tax abatement tool.

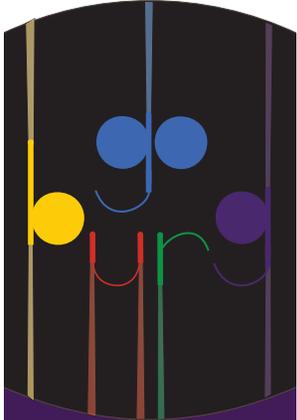
Examples

Independence, MO—Chapter 353 redevelopment corporations have been used on the Midtown Truman Road Corridor and the Santa Fe Trail Neighborhood for residential improvements and in the Fairmount-Carlisle area to increase commercial and residential development in Northwest Independence by allowing tax abatements for redeveloped property.

Policy Guidelines

In addition to the General Policy Guidelines provided earlier and in accordance with Missouri law, the City of Warrensburg will consider the granting of Chapter 353 tax abatement when the property has been found to be a "blighted area".





Continued from front page:

City Application/Approval Process

After proceeding through steps 1 -7 of the Incentive Application Process as outlined in the City of Warrensburg's Economic Development Incentive Policy and Considerations, with a favorable outcome from City Council, the applicant will be invited to submit a redevelopment plan and blight study covering the area proposed for redevelopment. The city Council will hold a required public hearing and consider the redevelopment plan and blight study for approval.

Following approval of the redevelopment plan, the City and the Urban Redevelopment Corporation shall enter into a performance agreement which will govern the terms of the abatement. The agreement shall require that an annual report be submitted to the City by March 1 of each year. The report shall cover the time period of January 1 through December 31 of the previous year and include a detailed accounting of the project. The agreement May 9, 2013 include a claw-back provision requiring specified performance on issues such as new jobs created as a condition for granting and maintaining the abatement.

For more information, please contact the City of Warrensburg. We look forward to assisting with your business needs.

**City of Warrensburg
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