

Rolla West TIF & Project Related FAQ's

1. What is a 'TIF'? TIF is an economic development tool authorized by the MO Legislature to assist communities with the elimination of blighted conditions. TIF financing redirects a portion of sales taxes and property taxes generated from a redevelopment project to assist in covering extraordinary costs. TIF projects require a determination that the project is not feasible were it not for the TIF assistance.
2. Why is a 'TIF' necessary for the development of the Rolla West project? Primarily due to the extra-ordinary site development costs and infrastructure needs, the project is not financially feasible without TIF assistance.
3. How long will the 'TIF' stay in effect? State law limits TIF projects to no longer than 23 years. The term can be and often is less depending on the success of the project.
4. What makes this area 'Blighted' and why is it important to the development? The TIF Act only allows TIF to be utilized in "blighted areas," "conservation areas" or "economic development areas" (each of which are defined in the TIF Act). The County hired PGAV Planners, which is a planning consultant firm familiar with the requirements of the TIF Act. PGAV Planners ultimately provided a report, which is included in the redevelopment plan and available on the City's website, that describes why the proposed redevelopment area meets the definition of a "blighted area" as set forth in the TIF Act.
5. Why is this called 're-development' opposed to 'development' since it hasn't been developed before? "Redevelopment Project" and "Development Project" are somewhat interchangeable terms. For example, the TIF Act defines "redevelopment project" as any "development project within a redevelopment area..." In this case, the key to the "redevelopment project" is that it is remedying conditions that cause the redevelopment area to be a "blighted area" (as described in the PGAV Planners report).
6. Is Rolla or Phelps County at financial risk of *any* kind if this fails? There is no fiscal or financial obligation or pledge by either the City or the County. If a project "fails" by under-performing, the financial risks lie with the Developer and TIF bond holders.
7. Have there ever been any 'TIF' projects fail and if so what was the impact on the community? A complete listing of all TIF projects is required to be filed with the MO Department of Revenue and is available on the MO State Auditor's website. A review of these projects will indicate some examples of abandoned or underperforming projects – not all real estate investments succeed, just like not all businesses succeed. However, the financial feasibility of a project and its chances to succeed to are two of the most important factors that the City and the County consider when evaluating proposals for incentives (likewise, having a developer willing to invest millions of dollars in a project and lenders willing to loan money for a project also indicate that people are confident that the project will succeed). The only adverse impact of an unsuccessful TIF project to a community would be an underutilized or worse yet a vacant new development (which could occur with or without TIF). As noted above, the financial risk of an unsuccessful project falls mainly on the Developer and other investors.
8. Will 'Eminent Domain' be used to acquire land for the project? The TIF Act does allow for the utilization of eminent domain if granted by the governing body (the County in this case). The Developer has not requested the need of

eminent domain and the County has made it clear they are not supportive of same. The Developer has option contracts to acquire all necessarily properties voluntarily.

9. How many acres will be developed? A total of 152 acres +/- or involved with this project. A significant portion of this acreage will be set-aside for conservation uses.
10. Will it all be built at one time? No – the project is planned to be done in 2 – 3 phases, but that will ultimately be determined by the Developer’s success in securing retail tenants.
11. When is this supposed to start and completed? Market interest will ultimately when the project phases begin and are completed. However, the primary anchor has expressed interest in starting vertical construction in fall 2016 and, assuming there is sufficient market interest, other buildings may start construction in 2017. .
12. What type of stores are expected to be or likely to be in the development? The Developer responded to a Request for Development Proposals to initiate this project. In its proposal, the Developer identified potential retailers such as home improvement, clothing, pet care, athletics, hobby/crafts, and grocery retailers as potential tenants. There are also proposed “out-lots” that would appeal to restaurants and other commercial businesses.
13. Is there a possibility these new stores will hurt the current store sales in Rolla? Any new store entering the Rolla market will compete to some degree with existing businesses (just as the growth in online sales also adds more competition for existing businesses). However, the proposed project also has the potential to expand the volume of retail sales in the area –because (1) project will draw people from surrounding areas, who would otherwise not shop in Rolla, to new stores as the Westside Marketplace and (2) local residents will no longer have to travel to other cities to shop at certain stores.
14. What is the benefit to have this development in Rolla? There are several. It puts into substantial productive use 150 acres of land that is currently under-utilized and providing limited benefit to the community. It brings substantial new shopping/retail opportunities that ensure Rolla’s regional retail trade area – something often referenced by efforts to recruit new businesses and professionals to Rolla/Phelps County. It provides substantial opportunity to grow the geographic draw to Rolla and reduces “leakage” – tax dollars taken outside of Phelps County. It also creates substantial work for contractors and construction trades and provides hundreds of service jobs to the area. Finally, the project is also an opportunity to demonstrate the success of the community’s plans for smart growth.
15. Why was Rolla selected and not somewhere else? Many cities and counties all over MO and the US have opportunities to grow and prosper. In this case, the Developer was already familiar with Rolla and has connections with many national retailers and regional businesses that view Rolla as a quality, growing out-state MO community.
16. Will Rolla and/or Phelps County have to ‘cost share’ in the development with roads, utilities, etc.? Absolutely. TIF funds and TDD funds will be required to assist in infrastructure and access.
17. With the anticipated increase in population due to the development, will there be enough tax revenue received to pay for the increase in overhead our schools, police, fire and road departments, etc.? The Rolla West Project is not likely to have a significant effect on population. While we would hope managerial and professional job opportunities associated with the project will bring some new folks to Rolla/Phelps County, most folks will not relocate for retail service jobs. Of course, any new development (residential, commercial, industrial or institutional) provides additional demands on public services. Even with the TIF, taxing districts will receive new sales tax, utility tax, personal property tax and commercial

surcharge revenues to offset costs associated with providing services to the new development. Because the project involves commercial development (and will not, by itself, increase the number of school age children), the City of Rolla will have the burden of providing most of the services needed for the new development (i.e., police and fire protection).

18. Why isn't this put before a vote of the citizens? From a legal stand point an election is not required or permitted (non-charter cities and counties can only seek voter approval when authorized by Missouri law and the TIF Act does not authorize an election regarding the approval or disapproval of TIF). From a philosophical perspective, we are a "Representative Democracy" – we elect citizens to represent our interests with their own values and opinions.
19. Is there a place on the internet or City Hall that the public can go to see lay-out maps and other information/data? Yes – the City has many of the maps and reports on the proposed Westside Market Place, the Move Rolla TDD and the Forum Plaza CID located on the internet at www.rollawest.com.
20. What affect will it have or could it have on the residents surrounding the development? It is hard to know that with any certainty. If the development is done well with proper buffering, directional lighting, appropriate access and quality landscaping, the impact can be positive. Fundamental procedures such as comprehensive planning, Planning & Zoning review and subdivision regulations all take into consideration adjacent properties.