

DEVELOPMENT INCENTIVE PROGRAMS – 2019 REPORT

Tax Increment Finance Districts (TIFs), Chapter 100 Abatements, and Chapter 353 Abatements continue to divert tax dollars away from St. Charles County schools and other taxing authorities to pay for development projects that, without these types of incentives, are normally paid for by developers and corporations. As a public service, our office posts this annual report to show how many tax dollars are being diverted to pay off incentive-laden projects in St. Charles County instead of going to the voter-approved taxing authorities. As the charts that follow demonstrate, the dollar amounts are substantial and perhaps surprising to some taxpayers.

This information also highlights the fact that these types of subsidies reduce the tax base, leaving other taxpayers to pay a greater share. Because the Missouri Constitution and state statutes allow a taxing jurisdiction to always collect the same total amount of money, any special treatment set-out for one particular group (whether it's senior citizens, new businesses, or agricultural property) reduces the number of taxpayers from whom jurisdictions can collect, leaving fewer people to pay an ever growing percentage. When it comes to development incentives, taxpayers should ask themselves this question, "As a result of this new development project or business, has the community received a return greater than the cost of the incentive?"

TAX INCREMENT FINANCE DISTRICTS (TIFs)

Missouri Revised Statute 99.845 gives municipalities the right to create Tax Increment Finance districts (TIFs) for a defined area of land that is deemed blighted by the municipality. In short, after a TIF is established by ordinance, bonds are issued to cover the costs of demolition/environmental cleanup/utilities/roadways and the assessed values of the parcels within the TIF are statutorily frozen by the Assessor's Office, using the certified values for the year the ordinance was passed to form a base value for the TIF. In subsequent years, the difference between the base assessed value for each parcel and the current assessed value creates a tax increment, and the taxes on the aggregate increments are diverted to paying off the TIF bonds, instead of going to the taxing authorities. TIFs are set up for a pre-determined length of time, 23 years at most, and are dissolved when the TIF bonds are paid off, which can be before the TIF expires, or after it expires if an extension is needed and granted by the municipality.

TIF CHART FOR DEVELOPMENT INCENTIVE PROGRAMS					
<i>TAX INCREMENT FINANCE DISTRICTS (TIFS)</i>	2019 ASSESSED VALUE	BASE ASSESSED VALUE	2019 TAXES THAT SHOULD'VE BEEN PAID TO T.A.*	2019 TAXES ACTUALLY PAID TO T.A.*	2019 TAXES DIVERTED FROM T.A.*
NAME OF PROJECT					
TIF 5 (5-06-06) (1061) 1996	\$ 23,203,740	\$ 109,610	\$ 1,588,997.15	\$ 7,422.41	\$ 1,581,574.74
TIF 9 (3-06-06) (1025) 1997	\$ 8,986,843	\$ 569,030	\$ 635,315.88	\$ 40,055.55	\$ 595,260.33
TIF 12 (4-44-13) (1045) 2006	\$ 2,065,177	\$ 17,990	\$ 160,695.55	\$ 1,304.49	\$ 159,391.06
TIF 13 (6-06-06) (1065) 2007	\$ 30,776,276	\$ 2,096,540	\$ 2,284,498.37	\$ 155,573.35	\$ 2,128,925.02
TIF 14 (6-06-06) (1065) 2012	\$ 5,581,339	\$ 445,490	\$ 421,407.84	\$ 32,993.26	\$ 388,414.58
TOTALS	\$ 70,613,375	\$ 3,238,660	\$ 5,090,914.79	\$ 237,349.06	\$ 4,853,565.73
NOTE: TAX AMOUNTS MAY BE CALCULATED SLIGHTLY DIFFERENTLY BY THE COLLECTOR OF REVENUE			*T.A. = TAXING AUTHORITIES		

CHAPTER 100 ABATEMENTS

Chapters 100.010 through 100.200 of the Missouri Revised Statutes grant municipalities the authority to create Chapter 100 Abatements. Under this authority, a municipality may issue bonds to cover the costs involved to buy land and construct industrial facilities, research and development facilities, warehouses and distribution facilities, or to purchase existing industrial buildings and renovate them. Once the facilities are constructed or renovated, the municipality then leases the property for a pre-determined number of years to an individual, a partnership, or a private corporation, which agrees to make payments to pay the principal and interest on the bonds. Since the property is owned by the municipality, there are no real or personal property taxes that must be paid by the lessee. However, the municipality may choose to grant only a partial tax abatement, instead of abating all real and personal property taxes, and in that instance may require the lessee to make Payments In Lieu Of Taxes (PILOTs). Once the lease payments and PILOTs reach a pre-determined threshold, and the bonds are paid off, the Chapter 100 Abatement is dissolved, and the lessee becomes the owner of the facility.

Note that the use of this type of bond also allows the company to apply to the Missouri Department of Economic Development to receive an exemption on sales tax, which would otherwise go to state and local governments, on the personal property purchased through the Chapter 100 bonds.

CHAPTER 100 CHART FOR DEVELOPMENT INCENTIVE PROGRAMS					
CHAPTER 100 ABATEMENTS	2019 ASSESSED VALUE	BASE ASSESSED VALUE	2019 TAXES THAT SHOULD'VE BEEN PAID TO T.A.*	2019 TAXES ACTUALLY PAID TO T.A.*	2019 TAXES DIVERTED FROM T.A.*
NAME OF PROJECT					
MASTERCARD (R.P.) (4-29-13)	\$ 18,909,876	\$ -	\$ 1,449,479.82	\$ -	\$ 1,449,479.82
GATEWAY RE I INC (R.P.) (5-06-06)	\$ 2,276,085	\$ -	\$ 155,868.58	\$ -	\$ 155,868.58
SAK CONTRUCTION (R.P.) (2-29-11)	\$ 1,519,916	\$ -	\$ 119,076.30	\$ -	\$ 119,076.30
FIREMANS FUND (R.P.) (3-29-14)	\$ 4,999,726	\$ -	\$ 382,479.04	\$ -	\$ 382,479.04
WENTZVILLE LOGISTICS (R.P.) (4-44-13)	\$ 17,126,028	\$ -	\$ 1,332,610.49	\$ -	\$ 1,332,610.49
BEST BUY (R.P.) (6-31-20)	\$ 4,653,051	\$ -	\$ 396,984.35	\$ -	\$ 396,984.35
RECKITT BENCKISER (R.P.) (6-31-20)	\$ 12,363,796	\$ -	\$ 1,054,841.98	\$ -	\$ 1,054,841.98
SEYER (R.P.) (2-31-20)	\$ 813,308	\$ -	\$ 67,125.56	\$ -	\$ 67,125.56
SEYER (P.P.) (2-31-20)	\$ 2,468,098	\$ -	\$ 190,621.08	\$ -	\$ 190,621.08
FED EX (R.P.) (2-31-20)	\$ 9,886,726	\$ -	\$ 815,991.04	\$ -	\$ 815,991.04
CENTENE (R.P.) (3-29-14)	\$ 1,780,484	\$ -	\$ 136,207.03	\$ -	\$ 136,207.03
CENTENE (P.P.) (3-29-14)	\$ 185,319	\$ -	\$ 13,194.71	\$ -	\$ 13,194.71
MITEK (R.P.) (5-06-06)	\$ 3,725,596	\$ -	\$ 255,132.54	\$ -	\$ 255,132.54
MITEK (P.P.) (5-06-06)	\$ 331,846	\$ -	\$ 20,966.36	\$ -	\$ 20,966.36
ALPLA INC (R.P.) (2-31-20)	\$ 2,868,236	\$ -	\$ 236,726.99	\$ -	\$ 236,726.99
ALPLA INC (P.P.) (2-31-20)	\$ 1,148,664	\$ -	\$ 88,715.92	\$ -	\$ 88,715.92
GENERAL MOTORS (R.P.) (4-44-13)	\$ 5,770,554	\$ -	\$ 449,018.35	\$ -	\$ 449,018.35
GENERAL MOTORS (P.P.) (4-44-13)	\$ 12,891,067	\$ -	\$ 934,757.05	\$ -	\$ 934,757.05
PHARMA MEDICA (P.P.) (5-06-06)	\$ 147,613	\$ -	\$ 9,326.34	\$ -	\$ 9,326.34
DUKE SPEC 1 (R.P.) (6-31-20)	\$ 5,497,866	\$ -	\$ 469,061.43	\$ -	\$ 469,061.43
DUKE SPEC 2 (R.P.) (6-31-20)	\$ 4,884,053	\$ -	\$ 416,692.75	\$ -	\$ 416,692.75
TOTALS	\$ 114,247,908	\$ -	\$ 8,994,877.71	\$ -	\$ 8,994,877.71
NOTE: TAX AMOUNTS MAY BE CALCULATED SLIGHTLY DIFFERENTLY BY THE COLLECTOR OF REVENUE			*TAXING AUTHORITIES		

CHAPTER 353 ABATEMENTS

Missouri Revised Statute 353.110 grants municipalities the authority to create Chapter 353 Abatements. Once a Chapter 353 is created by ordinance, for a defined area that has been deemed blighted by the municipality, a redevelopment corporation is established to operate the development project. Bonds are issued for the project's redevelopment corporation to cover the costs of demolition/environmental cleanup/utilities/roadways. The assessed values of the land for the parcels within the Chapter 353 are frozen by the Assessor's Office, using the certified values for the year prior to the creation of the ordinance, to form a base value for the Chapter 353. During the first ten years taxes are paid on the base value of each parcel and for the next fifteen years taxes are paid on zero to fifty percent of newly reassessed value; the municipality may also require the redevelopment corporation to make Payments In Lieu Of Taxes (PILOTs). Chapter 353's are dissolved when the redevelopment corporation pays off the project's bonds, which is achieved by using the money saved from the payment of lower taxes, and all the parcels are finally taxed at one hundred percent of their current assessed value.

CHAPTER 353 CHART FOR DEVELOPMENT INCENTIVE PROGRAMS					
CHAPTER 353 ABATEMENTS	2019 ASSESSED VALUE (WITHOUT ABATEMENT)	BASE ASSESSED VALUE (WITH ABATEMENT)	2019 TAXES THAT SHOULD'VE BEEN PAID TO T.A.*	2019 TAXES ACTUALLY PAID TO T.A.*	2019 TAXES DIVERTED FROM T.A.*
NAME OF PROJECT					
DARDENNE PRAIRIE PLAZA (R.P.) (2-53-13)	\$ 70,811	\$ -	\$ 5,171.70	\$ -	\$ 5,171.70
DARDENNE PRAIRIE PLAZA (R.P.) (4-53-13)	\$ 1,986,906	\$ -	\$ 143,285.72	\$ -	\$ 143,285.72
WENTZVILLE BLUFFS (R.P.) (4-44-13)	\$ 8,480,641	\$ 3,822,746	\$ 659,895.66	\$ 297,455.51	\$ 362,440.15
MERCEDES BENZ (R.P.) (3-54-14)	\$ 1,977,222	\$ 988,611	\$ 140,260.16	\$ 70,130.08	\$ 70,130.08
COURTYARD BY MARRIOTT (R.P.) (2-31-20)	\$ 3,258,272	\$ 413,035	\$ 268,918.25	\$ 34,089.43	\$ 234,828.82
TOTALS	\$ 15,773,852	\$ 5,224,392	\$ 1,217,531.49	\$ 401,675.02	\$ 815,856.47
NOTE: TAX AMOUNTS MAY BE CALCULATED SLIGHTLY DIFFERENTLY BY THE COLLECTOR OF REVENUE			*TAXING AUTHORITIES		

ST CHARLES COUNTY TAX DISTRICTS

TAX DISTRICT	TAXING ENTITIES (S)-(C)-(F)	(S) SCHOOL DISTRICT	(C) CITY NAME	(F) FIRE DISTRICT
1001	1-00-17	WASHINGTON	UNINCORPORATED	NEW MELLE
1002	1-00-18	WASHINGTON	UNINCORPORATED	AUGUSTA
1003	1-75-18	WASHINGTON	AUGUSTA	AUGUSTA
1004	2-00-11	FORT ZUMWALT	UNINCORPORATED	O'FALLON
1005	2-00-00	FORT ZUMWALT	UNINCORPORATED	VOLUNTEER
1006	2-27-11	FORT ZUMWALT	ST PAUL	O'FALLON
1007	2-00-20	FORT ZUMWALT	UNINCORPORATED	CENTRAL COUNTY FIRE & RESCUE
1008	2-00-13	FORT ZUMWALT	UNINCORPORATED	WENTZVILLE
1009	2-25-13	FORT ZUMWALT	FLINT HILL	WENTZVILLE
1010	2-26-13	FORT ZUMWALT	JOSEPHVILLE	WENTZVILLE
1011	2-29-11	FORT ZUMWALT	O'FALLON	O'FALLON
1012	2-31-20	FORT ZUMWALT	ST PETERS	CENTRAL COUNTY FIRE & RESCUE
1013	2-44-13	FORT ZUMWALT	WENTZVILLE	WENTZVILLE
1014	2-29-20	FORT ZUMWALT	O'FALLON	CENTRAL COUNTY FIRE & RESCUE
1015	2-53-11	FORT ZUMWALT	DARDENNE PRAIRIE	O'FALLON
1016	2-53-13	FORT ZUMWALT	DARDENNE PRAIRIE	WENTZVILLE
1017	2-00-14	FORT ZUMWALT	UNINCORPORATED	COTTLEVILLE
1018	2-38-14	FORT ZUMWALT	COTTLEVILLE	COTTLEVILLE
1019	2-29-14	FORT ZUMWALT	O'FALLON	COTTLEVILLE
1020	2-29-13	FORT ZUMWALT	O'FALLON	WENTZVILLE
1021	2-31-14	FORT ZUMWALT	ST PETERS	COTTLEVILLE
1022	2-31-11	FORT ZUMWALT	ST PETERS	O'FALLON
1023	2-53-14	FORT ZUMWALT	DARDENNE PRAIRIE	COTTLEVILLE
1024	2-29-15	FORT ZUMWALT	O'FALLON	LAKE ST LOUIS
1025	3-06-06	FRANCIS HOWELL	ST CHARLES	ST CHARLES CITY
1026	3-00-20	FRANCIS HOWELL	UNINCORPORATED	CENTRAL COUNTY FIRE & RESCUE
1027	3-00-00	FRANCIS HOWELL	UNINCORPORATED	VOLUNTEER
1028	3-31-20	FRANCIS HOWELL	ST PETERS	CENTRAL COUNTY FIRE & RESCUE
1029	3-38-20	FRANCIS HOWELL	COTTLEVILLE	CENTRAL COUNTY FIRE & RESCUE
1030	3-38-14	FRANCIS HOWELL	COTTLEVILLE	COTTLEVILLE
1031	3-00-14	FRANCIS HOWELL	UNINCORPORATED	COTTLEVILLE
1032	3-31-14	FRANCIS HOWELL	ST PETERS	COTTLEVILLE
1033	3-29-14	FRANCIS HOWELL	O'FALLON	COTTLEVILLE
1034	3-00-17	FRANCIS HOWELL	UNINCORPORATED	NEW MELLE
1035	3-54-14	FRANCIS HOWELL	WELDON SPRING CITY	COTTLEVILLE
1036	3-60-17	FRANCIS HOWELL	NEW MELLE	NEW MELLE
1037	3-00-18	FRANCIS HOWELL	UNINCORPORATED	AUGUSTA
1038	3-29-13	FRANCIS HOWELL	O'FALLON	WENTZVILLE
1039	3-00-13	FRANCIS HOWELL	DARDENNE PRAIRIE	WENTZVILLE
1040	3-53-13	FRANCIS HOWELL	DARDENNE PRAIRIE	WENTZVILLE
1041	3-53-14	FRANCIS HOWELL	DARDENNE PRAIRIE	COTTLEVILLE
1042	3-56-14	FRANCIS HOWELL	WELDON SPRING HEIGHTS	COTTLEVILLE

ST CHARLES COUNTY TAX DISTRICTS (CONTINUED)

1043	4-00-13	WENTZVILLE	UNINCORPORATED	WENTZVILLE
1044	4-25-13	WENTZVILLE	FLINT HILL	WENTZVILLE
1045	4-44-13	WENTZVILLE	WENTZVILLE	WENTZVILLE
1046	4-46-13	WENTZVILLE	FORISTELL	WENTZVILLE
1047	4-42-13	WENTZVILLE	LAKE ST LOUIS	WENTZVILLE
1048	4-42-15	WENTZVILLE	LAKE ST LOUIS	LAKE ST LOUIS
1049	4-00-15	WENTZVILLE	UNINCORPORATED	LAKE ST LOUIS
1050	4-42-11	WENTZVILLE	LAKE ST LOUIS	O'FALLON
1051	4-00-11	WENTZVILLE	UNINCORPORATED	O'FALLON
1052	4-29-11	WENTZVILLE	O'FALLON	O'FALLON
1053	4-53-13	WENTZVILLE	DARDENNE PRAIRIE	WENTZVILLE
1054	4-00-17	WENTZVILLE	UNINCORPORATED	NEW MELLE
1055	4-53-11	WENTZVILLE	DARDENNE PRAIRIE	O'FALLON
1056	4-29-13	WENTZVILLE	O'FALLON	WENTZVILLE
1057	5-00-19	ORCHARD FARM	UNINCORPORATED	ORCHARD FARM
1058	5-00-00	ORCHARD FARM	UNINCORPORATED	VOLUNTEER
1059	5-77-21	ORCHARD FARM	WEST ALTON	RIVERS POINTE
1060	5-00-21	ORCHARD FARM	UNINCORPORATED	RIVERS POINTE
1061	5-06-06	ORCHARD FARM	ST CHARLES	ST CHARLES CITY
1062	5-00-20	ORCHARD FARM	UNINCORPORATED	CENTRAL COUNTY FIRE & RESCUE
1063	5-31-20	ORCHARD FARM	ST PETERS	CENTRAL COUNTY FIRE & RESCUE
1064	5-76-00	ORCHARD FARM	PORTAGE DES SIOUX	VOLUNTEER
1065	6-06-06	ST CHARLES CITY	ST CHARLES	ST CHARLES CITY
1066	6-00-20	ST CHARLES CITY	UNINCORPORATED	CENTRAL COUNTY FIRE & RESCUE
1067	6-31-20	ST CHARLES CITY	ST PETERS	CENTRAL COUNTY FIRE & RESCUE
1068	OPEN			
1069	4-29-15	WENTZVILLE	O'FALLON	LAKE ST LOUIS
1070	4-29-17	WENTZVILLE	O'FALLON	NEW MELLE
1071	2-00-22	FORT ZUMWALT	UNINCORPORATED	OLD MONROE
1072	2-38-11	FORT ZUMWALT	COTTLEVILLE	O'FALLON
1073	5-76-21	ORCHARD FARM	PORTAGE DES SIOUX	RIVERS POINTE
1074	3-53-11	FRANCIS HOWELL	DARDENNE PRAIRIE	OFALLON
1075	4-60-17	WENTZVILLE	NEW MELLE	NEW MELLE
1076	3-29-17	FRANCIS HOWELL	O'FALLON	NEW MELLE
1077	3-54-00	FRANCIS HOWELL	WELDON SPRING CITY	VOLUNTEER