



CITY OF BELTON, MO

Old Town Belton Redevelopment Plan Policy

I. Program Statement

The intent of the Old Town Belton Redevelopment Plan is to strengthen the economic viability of the Old Town Belton (OTB) area by providing financial incentives for improving the appearance and structural conditions of its buildings.

The ultimate success of OTB is dependent upon private sector commitment. It is up to the merchants, building owners, residents, professionals, and investors to improve the value of their businesses or residences and the condition of their buildings.

This incentive program is intended to stimulate improvements to Old Town buildings by providing an innovative financing mechanism. It presents an opportunity to preserve our community's heritage, and to enhance and promote the unique atmosphere, which Belton provides. Successful implementation will result in a stronger Old Town and a stronger Belton community. See attached Exhibit A for the Redevelopment Area Boundaries.

II. Appropriate Improvements

A number of Old Town buildings have not been properly maintained or altered in a manner that does not improve the appearance or the image of Belton. In some cases, alteration is not consistent with the overall design of the structure itself. Such building treatments or lack of improvements/maintenance are in direct conflict with the need for a comprehensive, coordinated approach to improvements.

In 2012 the Old Town Belton Overlay District & Design Guidelines were approved by City Council, which includes guidelines for improvements to existing buildings that address the appearance and structural conditions. It promotes the potential use of financial incentives to encourage investment and redevelopment activity. The boundaries of that district lie within the boundary of the OTB Redevelopment Area.

Furthermore, one of the principal findings and recommendations of the 2019 Belton Housing Study is that OTB has significant amounts of older homes, and older rental units. Many of these have become blighting influences. Through strategies, policies and plans for enhancing the original part of Belton, and if fully rehabilitated to contemporary standards, may provide for affordable workforce housing assets, strengthening the housing stock and economic viability of OTB. The study states that the greatest potential for a resurgent town center, lies in continued reinvestment in the surrounding Old Town Area.

The focus on Old Town reinvestment remains highly relevant in 2021.

The OTB Redevelopment Plan Policy has been drafted with the notion of encouraging building improvements in accordance with the OTB Redevelopment Plan. It is important that structures, in their design and use, are improved/upgraded. The incentive program would provide property tax abatement as a tool to encourage investment in OTB. A policy has been developed that establishes standards for qualifying for incentives. Accordingly, no tax abatement shall be granted unless, at a minimum, the proposed redevelopment project reflects a significant improvement as determined by the City.

III. Description of Program

Pursuant to Chapter 353, RSMo, the City of Belton, through an entity to be created called the Old Town Belton Redevelopment Corporation (OTBRC), has the ability to abate real property taxes for redevelopment projects. The amount and length of the tax abatement depends on which “level” applies to the project: A (1-2), B or C. The incentive amount and length vary with each level depending upon the investment amount.

Level A-1 / To Attract Market-Stabilizing Investments (market stabilization)	
Investment Threshold	\$15,000 - \$24,999 (excluding cost of acquisition)
Incentive Amount and Abatement Period:	Equal to cost of improvements or 90% abatement for 10 years, whichever occurs first.
% of Exterior Improvements	100% Exterior

Level A-2 / To Attract Market-Stabilizing Investments (market stabilization)	
Investment Threshold	\$25,000 - \$149,999 (excluding cost of acquisition)
Incentive Amount and Abatement Period:	Equal to cost of improvements or 90% abatement for 10 years, whichever occurs first.
% of Exterior Improvements	50% exterior

Level B / To Attract Mid-Market Investments (market stimulating)	
Investment Threshold	\$150,000 - \$749,999
Incentive Amount and Abatement Period:	Equal to cost of improvements or 12 years 90% abatement, whichever occurs first.
% of Exterior Improvements	50% exterior

Level C / To Attract Sizable Market Shifting Investments (market shifting)	
Investment Threshold	\$750,000 & Up - Requires a “But for” economic analysis paid for by the applicant.
Incentive Amount and Abatement Period:	Equal to cost of improvements or 15 years 90% abatement, whichever occurs first. PILOTS to be negotiated as deemed appropriate by the City Council.
% of Exterior Improvements	50% exterior

Determination of qualified investment threshold. If the project involves new construction or rehabilitation of an existing structure, interior and exterior costs may count towards the investment range. The total project budget for the investment should look to allocate approximately 50% to exterior costs and 50% to interior costs, however these percentages may vary with the key consideration being both the exterior and interior must be brought up to desired standards, subject to the OTBRC Board’s review. The OTBRC Board shall review the project budget and make a recommendation to the City Council for approval.

Applicable/Non-applicable investment costs examples include, but are not limited to:

Applicable costs:

- Exterior: Masonry work, paint, signs, awnings, materials, windows, doors, roof, gutters, downspouts, pavement (off-street), landscaping, lighting, ADA accessible, demolition, self-help labor, and contract labor
- Interior: Plumbing, electrical, structural alterations/reconstruction, paint, energy conservation (insulation, weather stripping, sealing, etc.), permanently attached fixtures, HVAC, ADA accessible, self-help labor, and contract labor

Non-applicable costs:

- Exterior: Inappropriate cleaning methods
- Interior: Furniture, appliances, inventory, display fixtures (unattached to wall), and decor

Self-help labor. Self-help labor must be approved before it occurs. City staff will coordinate with applicant to track and verify the amount that will be included as an applicable cost.

Invoice documentation. Invoices for all investment costs will be required to be submitted to City staff after the redevelopment project is complete and before the tax abatement is finalized.

Project density. A redevelopment project shall generally relate to an individual land parcel but treating multiple properties as if assembled may be appropriate depending upon the circumstances. Commercial projects may have one or more units per structure.

Future projects. If a project occurs in the future on a property during its tax abatement time period, the future project will be allowed to apply for tax abatement. If the future project does not apply for or is not granted tax abatement, additional PILOTs will be required to be paid on the increase of assessed valuation relating to the future project.

“PILOT” refers to payments in lieu of taxes to be made to all taxing authorities whose property tax revenues are affected by the abatement on the same pro rata basis and in the same manner as the ad valorem property tax revenues received by each taxing authority from such property in the year such payments are due.

But-for economic analysis. With respect to a particular Redevelopment Project, the applicant would not reasonably be anticipated to undertake the Redevelopment Project without the tax abatement incentive, which may be evidenced by an applicant’s affidavit attesting to this fact. The cost of any but-for economic analysis will be paid for by the applicant.

IV. Eligible Property

Redevelopment projects may be located on any parcel within the OTB Redevelopment Area. See attached Exhibit A for the Redevelopment Area boundaries.

V. Application Process

Applications for the program will be accepted by the City staff on behalf of OTBRC. A \$250.00 filing fee to City of Belton is required with the application for investment Level “A” or a filing fee of \$750.00 for investment Level “B” and “C”. If approval is not given for tax abatement for the project, the filing fee will be refunded.

The Application will first be reviewed by City staff for a determination of whether the proposed Redevelopment Project is a suitable project. If the staff review determines that the proposed Redevelopment Project is suitable, the application will be considered by the OTBRC Board for recommendation to the City Council, including a recommendation as to the appropriate incentive level. The City Council shall then consider the OTBRC Board’s recommendation. If the City Council favorably considers the application, it will adopt an ordinance approving the Redevelopment Project and authorizing the tax abatement. The property owner and OTBRC will then enter into a Memorandum of Understanding setting forth program responsibilities and expectations and execute special warranty deeds conveying the property – albeit briefly – to OTBRC and then back to the property owner, which then serves as the statutory trigger for the tax abatement.

**The tax incentive is available for only those projects that have been approved by the City Council before the project is started (excluding pilot projects undertaken prior to adoption of this Policy).