

BILL NO. 22-027

ORDINANCE NO. 4912

FIRST READING: 10.04.2022

SECOND READING: 10.18.2022

**AN ORDINANCE OF THE CITY OF HANNIBAL ACCEPTING THE RECOMMENDATION OF THE PLANNING AND ZONING COMMISSION; FINDING THAT A CERTAIN BLIGHTED AREA AS DEFINED IN CHAPTER 353 OF THE REVISED STATUTES OF MISSOURI, AS AMENDED, THE URBAN REDEVELOPMENT CORPORATIONS LAW, EXISTS IN THE CITY OF HANNIBAL AND THAT THE REDEVELOPMENT OF SUCH AREA IS NECESSARY AND IN THE PUBLIC INTEREST; APPROVING A DEVELOPMENT PLAN FOR SUCH AREA; APPROVING A GRANT OF LIMITED REAL PROPERTY TAX ABATEMENT; APPROVING A DEVELOPMENT AGREEMENT; AND PROVIDING FURTHER AUTHORITY**

WHEREAS, by reason of the predominance of insanitary or unsafe conditions, deterioration of site improvements, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, a portion of a certain area situated within the City of Hannibal, Missouri (the “City”) and legally described in Exhibit A, attached to and incorporated by reference in this Ordinance (the “**Redevelopment Area**”), constitutes an economic or social liability or a menace to the public health, safety, or welfare in its present condition and use; and

WHEREAS, a development plan entitled “Amended and Restated Development Plan – Project Stay Redevelopment Area,” a copy of which is attached to and incorporated by reference in this Ordinance as Exhibit B (the “**Development Plan**”), has been prepared in accordance with the requirements of the Urban Redevelopment Corporations Law, Chapter 353 of the Revised Statutes of Missouri, as amended (“**Chapter 353**”) and Chapter 22, article III of the City Code (the “**City Code**”) and has been submitted by the Hannibal Downtown Redevelopment Corporation (the “**353 Corporation**”) to the City Planning and Zoning Commission (the “**Commission**”) for review and report; and

WHEREAS, the Development Plan at Exhibit C thereto contains an analysis of the Redevelopment Area entitled “Study of Blighting Factors within Redevelopment Area – Project Stay Redevelopment Area” (the “**Blight Analysis**”) which has been prepared to assist the Commission and the Council in determining whether the Redevelopment Area is a “blighted area” within the meaning of Chapter 353; and

WHEREAS, the Development Plan describes and calls for a redevelopment project (the “**Redevelopment Project**”) to be undertaken by the 353 Corporation, its successors and assigns which includes a grant of limited real property tax abatement as provided under Chapter 353; and

WHEREAS, the Commission after due deliberation and review has determined (i) that a declaration of blight with respect to the Redevelopment Area is necessary and advisable to effectuate the public purposes set forth in section 22-58 of the City Code; (ii) that the

Development Plan complies with the City comprehensive development plan; (iii) that no exercise of the power of eminent is necessary to effectuate the Redevelopment Project; (iv) that the Redevelopment Area is of sufficient size to allow redevelopment in an efficient and economically satisfactory manner; (v) that the Development Plan is practical; (vi) that public facilities serving the Redevelopment Area are adequate to serve the needs of the Redevelopment Project; (vii) that no zoning or street changes are necessary to effectuate the undertakings in the Development Plan; (viii) the content of the Development Plan complies with section 22-64 of the City Code; (ix) that the financing statement set forth in the Development Plan is recommended as adequate to its purpose based upon reasonable costs proposed in the Development Plan; and (x) the tax abatement proposed is recommended as necessary for the economic feasibility of the Redevelopment Project and the effect of the tax abatement on affected political subdivisions has been considered and accordingly has recommended that the Development Plan and the Redevelopment Project be approved by the Council; and

**WHEREAS**, in accordance with the requirements of Chapter 353, the City has provided written notice to each political subdivision whose boundaries for ad valorem taxation purposes include any portion of the real property within the Redevelopment Area of the proposed grant of tax abatement and which notice stated that each such political subdivision shall have the right to be heard at a public hearing to consider the Development Plan and the grant of limited real property tax abatement and has provided, together with such notice, a written statement of the impact on ad valorem taxes that the proposed grant of tax abatement would have on such political subdivision; and

**WHEREAS**, in accordance with the requirements of Chapter 353, the City has held a duly noticed public hearing on August 16, 2022 at 6:15 p.m. at the Hannibal City Hall, 320 Broadway, Hannibal, Missouri 63401 (the “**Public Hearing**”) for the stimulation of comment concerning the Development Plan, the Blight Analysis, the Redevelopment Project, and the proposed grant of limited real property tax abatement; and

**WHEREAS**, following the closure of the Public Hearing and upon consideration of the testimony presented, the Council has determined that it is necessary and in the interest of the public health, safety, morals, and general welfare of the people of the City that the Council take the appropriate official action respecting the findings and determinations set forth in the Blight Analysis and the approval of the Development Plan, the Redevelopment Project, and the proposed grant of real property tax abatement and, in connection therewith, the approval of a certain Development Agreement in substantially the form attached as Exhibit C to and incorporated by reference in this Ordinance (the “**Development Agreement**”); and

**WHEREAS**, in consideration for the covenants and proposed undertakings of Horizon Rentals, L.L.C. (the “**Company**”) as “end user” with respect to the Redevelopment Project and to incentivize the use of local vendors and suppliers in the construction of the Redevelopment Project, the City has agreed to rebate to the Company an amount equal to the revenue verified by the City as actually paid by the Company or by others on behalf of the Company in City sales tax for tangible materials and personal property actually incorporated into or consumed in the construction of the Redevelopment Project, but only if the tangible materials and personal

property were purchased from vendors or suppliers have a principal place of business within the City; and

**NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF HANNIBAL, MISSOURI:**

**SECTION ONE:** The setting of the date and time of the Public Hearing and the giving of the respective notices, by publication and in writing, together with the preparation and furnishing of the Tax Impact Statement to each affected political subdivision and all prior acts and activities attendant thereto are hereby approved, confirmed, ratified and endorsed.

**SECTION TWO:** Upon due consideration of the Blight Analysis, the recommendation of the Commission, and the testimony presented at the Public Hearing, it is hereby found, determined and declared that the Redevelopment Area constitutes a "blighted area" as that term is used and defined in Chapter 353.

**SECTION THREE:** It is hereby further found, determined and declared that the redevelopment of the Redevelopment Area and the implementation of the Redevelopment Project as provided in the Development Plan and pursuant to Chapter 353 is necessary and in the interest of the public health, safety, morals, and general welfare of the people of the City.

**SECTION FOUR:** The Development Plan, in substantially the form of Exhibit B, having been duly reviewed and considered, is hereby approved.

**SECTION FIVE:** The Development Agreement by and among the City, the 353 Corporation, and the Company, in substantially the form of Exhibit C, having been duly reviewed and considered, is hereby approved and the Mayor of the City is hereby authorized and directed to execute and deliver the Development Agreement on behalf of the City.

**SECTION SIX:** Any redevelopment corporation acquiring real property within the Redevelopment Area shall be entitled to abatement of ad valorem taxes on such real property in accordance with the following schedule: Commencing in and for the calendar year such urban redevelopment corporation acquires the real property, (the "**Initial Period**"), such property shall not be subject to assessment or payment of general ad valorem taxes imposed by the City or by the state or any political subdivision thereof, except to the extent and in such amount of the assessed valuation of the land, exclusive of improvements, as was determined by the Marion County Assessor upon acquisition of title by the urban redevelopment corporation of such property; for the next fourteen (14) years (the "**Next Ensuing Period**"), ad valorem taxes upon the real property in the Redevelopment Area shall be measured by the assessed valuation thereof as determined by the Marion County Assessor upon the basis of fifty percent (50%) of the true value in money of such real property, including both the land and any improvements thereon. The amounts of such tax assessments shall not be increased during such periods so long as the real property is used in accordance with the Development Plan. After the expiration of a total fifteen (15) tax years ending not later than December 31, 2037, the real property shall be subject to assessment and payment of all ad valorem based on the true value of the real property.

**SECTION SEVEN:** The grant of limited real property tax abatement provided for in this Ordinance shall inure to the benefit of such urban redevelopment corporation and to any successors and assigns with interest in real property originally acquired by the urban redevelopment corporation so long as such successors and assigns shall continue to use such property as provided in the Development Plan and in accordance with all requirements of the Development Agreement. The real property within the Redevelopment Corporation shall be acquired by the 353 Corporation on or before December 1, 2022. In the event the 353 Corporation shall fail to acquire any portion of the property within the Redevelopment Area by such time, the development rights hereunder including, without limitation, the right of real property tax abatement shall automatically terminate as to the unacquired portions. In the event of a conflict between this Ordinance and the Development Agreement, the terms of the Development Agreement shall govern and this Ordinance shall be deemed amended accordingly.

**SECTION EIGHT:** The Mayor, City Manager, City Finance Director, and City Clerk are hereby each further authorized to take any and all actions as may be deemed necessary or convenient to carry out and comply with the intent of this Ordinance and with the implementation of the Development Plan, the Development Agreement, and the Redevelopment Project, and to execute and deliver for and on behalf of the City all certificates, instruments, agreements, or other documents as may be necessary, desirable, convenient, or proper to carry out the matters herein authorized.

**SECTION NINE:** The portions of this Ordinance shall be severable. In the event that any portion of this Ordinance is found by a court of competent jurisdiction to be invalid, the remaining portions of this Ordinance are valid, unless the court finds the valid portions of this Ordinance are so essential and inseparably connected with and dependent upon the void portions that it cannot be presumed that the Council would have enacted the valid portions without the invalid ones, or unless the court finds that the valid portions standing alone are incomplete and are incapable of being executed in accordance with the legislative intent.

**SECTION TEN:** This Ordinance shall be effective immediately upon its adoption and approval.

Adopted this 18<sup>th</sup> day of October, 2022.

Approved this 18<sup>th</sup> day of October, 2022.



James R. Hark, Mayor

ATTEST:

  
Angelica N. Zerbonia, MRCC, CMO, City Clerk

City Clerk

**EXHIBIT A**

**REDEVELOPMENT AREA**

ALL OF LOTS ONE (1), TWO (2), THREE (3), FOUR (4), TWELVE (12) AND THIRTEEN (13) IN BOWLING'S SUBDIVISION OF OUT LOT EIGHTY-SEVEN (87); ALSO ALL THAT PORTION OF AN ABANDONED PUBLIC THIRTY (30) FOOT ALLEY OR STREET, APPROXIMATELY EIGHTY-TWO AND FOUR HUNDREDTHS (82.04) FEET IN LENGTH LYING WEST OF THE EAST LINE OF SAID LOTS ONE (1) AND THIRTEEN (13) AS EXTENDED, IN SAID BOWLING'S SUBDIVISION EXTENDING WESTERLY TO THE WEST LINE OF SAID LOT TWELVE (12) AS EXTENDED, IN SAID SUBDIVISION, SUBJECT TO THE RESERVATIONS BY THE CITY OF HANNIBAL, MISSOURI, OF CERTAIN UTILITY EASEMENTS, ALL IN THE CITY OF HANNIBAL, COUNTY OF MARION, STATE OF MISSOURI.



**EXHIBIT B**  
**DEVELOPMENT PLAN**

**EXHIBIT C**  
**DEVELOPMENT AGREEMENT**

**Amended and Restated Development Plan  
Project Stay Redevelopment Area  
Hannibal, Missouri**

Prepared for and Submitted to

The City Council of the City of Hannibal, Missouri

on behalf of

The Hannibal Downtown Redevelopment Corporation

and

Hannibal Regional Economic Development Council

September 2022



**AMENDED AND RESTATED DEVELOPMENT PLAN  
PROJECT STAY REDEVELOPMENT AREA  
CITY OF HANNIBAL, MISSOURI**

**HANNIBAL DOWNTOWN REDEVELOPMENT CORPORATION  
HANNIBAL REGIONAL ECONOMIC DEVELOPMENT COUNCIL**

**Introduction**

This Development Plan (this “*Plan*”) sets forth a program of redevelopment intended to eliminate or mitigate certain factors which cause an area located at 612 Mark Twain Avenue, Hannibal, Missouri, formerly the site of the “Best Way Inn,” and legally described in **Exhibit A** and depicted on **Exhibit B**, both attached to and incorporated by reference in this Plan (the “*Redevelopment Area*”), to continue to be a “blighted area,” as that term is used and defined in the Urban Redevelopment Corporations Law, Chapter 353 of the Revised Statutes of Missouri, as amended (“*Chapter 353*”). A study entitled “Study of Blighting Factors within the Project Stay Redevelopment Area” (the “*Blight Analysis*”) has been performed and has concluded that evidence of physical, social, and economic conditions of statutory blight exist in the Redevelopment Area. A copy of the Blight Analysis is attached as **Exhibit C** and is incorporated in this Plan by reference and sets forth the factors which support this determination.

The Redevelopment Area encompasses one parcel, all currently under the ownership of Horizon Rentals, L.L.C. (the “*End User*”). The Redevelopment Area is capable of supporting expanded commercial and tourism/hospitality operations and has been underutilized despite many locational advantages enjoyed by the site. To address long term blighting factors present in the Redevelopment Area, the Hannibal Downtown Redevelopment Corporation (the “**353 Corporation**”) has determined that development of the Redevelopment Area is necessary and has proposed this Plan, prepared in conjunction with the Hannibal Regional Economic Development Council in accordance with Chapter 353 governing consideration of redevelopment proposals, which calls for the grant of limited real property tax abatement to induce the investment necessary to renovate and re-use the facilities within the Redevelopment Area. The End User has expressed willingness to make such an investment and undertake such renovations, subject to the availability of real property tax abatement in accordance with this Plan.

**Chapter 353 Provisions and Requirements**

Chapter 353 as a redevelopment tool is available to all Missouri cities regardless of size. Chapter 353 encourages redevelopment by providing for real property tax abatement for properties within designated redevelopment areas. Under Chapter 353, real property acquired by an Urban Redevelopment Corporation (as that term is used in Chapter 353) and used in accordance with an approved redevelopment plan may receive tax relief in the form of partial real property tax abatement for a period of up to twenty-five years. Taxation of personal property remains unaffected.

Before authorizing a redevelopment project and granting property tax abatement, the governing body of a city must schedule and hold a public hearing, notify affected taxing districts in writing,

and provide to the taxing districts a written statement identifying the estimated impact of the proposed property tax abatement. Following the public hearing, the city may approve the project and the tax abatement by ordinance. The ordinance must set the time for acquisition of property by the Urban Redevelopment Corporation and for expiration of the development rights granted.

### **Redevelopment Objectives; Proposed Incentives**

The principal objectives of this Plan are the reduction or elimination of ongoing blighted conditions within the Redevelopment Area and the improvement of the site resulting appropriate economic reutilization of the Redevelopment Area and a capacity to pay reasonable taxes.

The Redevelopment Area is characterized by underutilization. The Redevelopment Area has inadequate drainage facilities, a deteriorating building and infrastructure, accumulated site debris, and other haphazardly deposited waste which poses a danger to the health and safety of and users of the Redevelopment Area and the general public.

Reutilization of the Redevelopment Area must be provided to address long term and ongoing blighting factors present in the Redevelopment Area. Accordingly this Plan calls for building and site rehabilitation by the End User in the Redevelopment Area, including reconstruction, and repair of existing structures, additions of equipment and improvements necessary to support the hospitality and lodging operations, together with a grant of a 50% partial real property tax abatement for a fifteen (15) year period to incentivize proposed project activities.

As further incentive, this Plan additionally proposes that the City of Hannibal (the “*City*”) rebate to the End User revenues from respective sales tax levies paid by the End User or by others on behalf of the End User generated from purchases of tangible materials and personal property actually used in construction of the renovations. To be eligible for such rebate, such purchases must be made from vendors or suppliers having a principal place of business within the City.

As noted above, the End User has demonstrated a willingness to invest in improvements to the site and undertake a hospitality/lodging venue at the Redevelopment Area, subject to the availability of the real property tax abatement in accordance with this Plan.

### **Description of the Redevelopment Project**

#### **A. Project Activities**

The proposed redevelopment project (the “*Project*”) will involve the repair and reconstruction buildings and site improvements within the Redevelopment Area to support the operation of new hospitality/lodging facilities featuring extended stay capacity, all undertaken in a single phase. Anticipated Project activities include substantial improvements to the motel building facilities located in the Redevelopment Area which is expected to result in the creation 1.5 full time equivalent jobs with starting salaries in the \$70,000 range annually. The improvements involve an estimated capital expenditure by the End User of approximately \$750,000.00 in real property and \$300,000.00 in equipment and personalty on and to the Redevelopment Area. Specific improvements will include the repair and rehabilitation of the structures in the Redevelopment

Area, including the primary motel structure, regrading and resurfacing currently paved areas, and infill, regrading and resurfacing to eliminate the hazards associated with the former pool area. Major improvements in the Redevelopment Area have begun in anticipation of approval of this Plan and associated grant of tax abatement.

No use of eminent domain will be necessary under this Plan. No request for the City to exercise eminent domain on behalf of the 353 Corporation has been or will be made. No changes to existing zoning classifications in the Redevelopment Area are required or contemplated. *See Land Use Plan, infra.* No changes to existing street layout are proposed.

B. Relocation Plan

The 353 Corporation by resolution has established a relocation policy for projects undertaken pursuant to Chapter 353 (the “**Relocation Policy**”) in accordance with requirements of Sections 523.200 et seq. of the Revised Statutes of Missouri, as amended. This Plan incorporates the Relocation Policy as the relocation plan for the Project. This Plan as proposed does not require relocation activities.

C. Financing. No additional acquisition of property is anticipated or required. The End User will utilize its own equity capital and in house resources to undertake the improvements required for Project. *See also Project Activities.* No debt financing is anticipated.

D. Management. Upon acquisition by the 353 Corporation and reconveyance to the End User (thus initiating tax abatement) Horizon Rentals, L.L.C., a Missouri limited liability company in good standing, will be responsible for management of the Project and operation of the redeveloped facilities. The registered agent of Horizon Rentals, L.L.C., IS Aswin B. Patel and the address is 221 Butternut, Hannibal, Missouri.

D. Redevelopment Terms and Proposed Limitations on Tax Abatement

This Plan calls for a grant of partial real property tax abatement for a total period of fifteen (15) years (the “**Abatement Period**”). During the first year of the Abatement Period (the “**Initial Period**”), the End User will pay real property taxes measured solely by the amount of the assessed valuation of the land in the Redevelopment Area, exclusive of improvements plus Payments in Lieu of Taxes equal to fifty percent (50%) of the estimated taxes generated by improvements to the property. During the next fourteen (14) years (the “**Next Ensuing Period**”), real property in the Redevelopment Area will enjoy abatement of fifty percent (50%) of those taxes expected to be paid on land and improvements to the property. Upon expiration of the Abatement Period, the End User will pay taxes based upon the full “true value in money” of the land and improvements and all affected taxing jurisdictions will receive revenues representing the full amount of real property taxes levied on the Redevelopment Area.

Further, taxes will continue to be levied upon and paid for all taxable personal property throughout the Abatement Period and thereafter. A statement of tax impact on affected political subdivisions is attached to this Plan as **Exhibit D.**

Upon approval of this Plan and of the grant of limited tax abatement called for, the City will enter into a binding redevelopment agreement (the "*Agreement*") with the 353 Corporation, and End User specifying, among other things, requirements and timetables for the Project.

### **Land Use Plan**

The entire parcel comprising the Redevelopment Area is classified for purposes of real property taxation as "commercial." This Plan calls for the entire Redevelopment Area to continue to be used for commercial purposes, as required by the End User. The Redevelopment Area lies within the City's "commercial" zoning district classification. The proposed use is permitted as of right under the respective district regulations. This Plan requires no prior zoning approvals nor any other land use controls for implementation.

### **Duration of Plan**

This Plan and all development rights hereunder shall expire at the end of the fifteen year term of Abatement Period, on December 31, 2037.

### **Plan Amendments**

This Plan may be amended from time to time by the City Council by ordinance in accordance with Section 22-69 of the Hannibal City Code. Any such amendment that substantially departs from the terms of the Agreement shall additionally require approval by the End User or any of his successors in interest.

### **Certificate of Incorporation**

A copy of the certificate of incorporation of the 353 Corporation is attached as Exhibit E to and incorporated by reference in this Development Plan.

**EXHIBIT A**  
**LEGAL DESCRIPTION**

ALL OF LOTS ONE (1), TWO (2), THREE (3), FOUR (4), TWELVE (12) AND THIRTEEN (13) IN BOWLING'S SUBDIVISION OF OUT LOT EIGHTY-SEVEN (87); ALSO ALL THAT PORTION OF AN ABANDONED PUBLIC THIRTY (30) FOOT ALLEY OR STREET, APPROXIMATELY EIGHTY-TWO AND FOUR HUNDREDTHS (82.04) FEET IN LENGTH LYING WEST OF THE EAST LINE OF SAID LOTS ONE (1) AND THIRTEEN (13) AS EXTENDED, IN SAID BOWLING'S SUBDIVISION EXTENDING WESTERLY TO THE WEST LINE OF SAID LOT TWELVE (12) AS EXTENDED, IN SAID SUBDIVISION, SUBJECT TO THE RESERVATIONS BY THE CITY OF HANNIBAL, MISSOURI, OF CERTAIN UTILITY EASEMENTS. ALL IN THE CITY OF HANNIBAL, COUNTY OF MARION, STATE OF MISSOURI.

**EXHIBIT B**  
**MAP OF REDEVELOPMENT AREA**



**EXHIBIT C**  
**BLIGHT STUDY**

**Study of Blighting Factors**  
**within the Project Stay Redevelopment Area**  
**Hannibal, Missouri**

In accordance with the Urban Redevelopment Corporations Law, Chapter 353 of the Revised Statutes of Missouri, as amended (“**Chapter 353**”), this study of blighting factors within a certain area located in the City of Hannibal, Missouri (the “**City**”), hereinafter defined as the “Redevelopment Area” has been prepared to assist the Council of the City (the “**City Council**”) in determining whether the aforementioned area constitutes a “blighted area,” as that term is used and defined in Chapter 353. *Capitalized terms used and not defined in this Study of Blighting Factors (this “**Analysis**”) shall have the meanings ascribed to them in that certain development plan entitled “Development Plan – Project Stay,” dated as of July 2022 (the “**Development Plan**”).*

The area under study contains a single parcel of land located in the City’s downtown area known and numbered as 612 Mark Twain Avenue, Hannibal, Missouri and formerly the site of the “Best Way Inn,” all as depicted in Exhibit C attached to the Development Plan and incorporated by reference in this Analysis (collectively, the “**Redevelopment Area**”). This Analysis was conducted in the second quarter of calendar year 2022. At the time of this Analysis, all of the total Redevelopment Area was classified for purposes of real property taxation as “commercial.” The Redevelopment Area will be substantially renovated and reused as a lodging facility featuring both short term and extended stay accommodations.

Chapter 353 requires as a prerequisite to the undertaking of proposed redevelopment activities, including the granting of real property tax abatement, that the City Council make a determination that the Redevelopment Area is a “blighted area” as that term is defined and used in Chapter 353. A “blighted area” is defined by Chapter 353 to mean:

“an area which, by reason of the predominance of insanitary or unsafe conditions, deterioration of site improvements, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, retards the provision of housing accommodations or **constitutes an economic or social liability or a menace to the public health, safety, or welfare in its present condition and use;**” *Mo. Rev. Stat. § 99.805(1) (emphasis added)*<sup>1</sup>.

The determination of statutory “blight” need not encompass the entire Redevelopment Area. Rather, Chapter 353 expressly provides that “any such area may include buildings or improvements not in themselves blighted, and any real property, whether improved or unimproved,

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<sup>1</sup> The definition of “blighted area” in Chapter 353 RSMo. states that it has “the same meaning as defined pursuant to section 99.805.” *Mo. Rev. Stat. § 353.020(2)*.

the inclusion of which is deemed necessary for the effective clearance, replanning, reconstruction, or rehabilitation of the area of which such buildings, improvements, or real property form a part.” *Mo. Rev. Stat. § 353.020(1)*. Based on the evidence presented below, the City Council has been provided with sufficient factual basis to support a determination that the Redevelopment Area is indeed a “blighted area” under Chapter 353.

Blight Factors Present Within the Redevelopment Area



Figure 1- Deteriorated Surface Area

*Age; Inadequate or Outmoded Design*

The main building in the Redevelopment Area was built in 1964 as a motel with auxiliary structures added between 1966 and as late as 1993. The complex has been vacant since 2019. As such, there is visible deterioration to the main and auxiliary structures, as well as to the surface area where the structures are located. Indeed, the age of the structures alone militates in favor of rehabilitation and restoration.

Overall, the Redevelopment Area suffers from an inadequate and outmoded design which renders the Redevelopment Area an economic and social liability unable to pay reasonable taxes. The Redevelopment Area is currently zoned for commercial uses. Despite its commercial use potential, the Redevelopment Area lacks the adequate infrastructure necessary for its optimal beneficial use.

Surface improvements, primarily consisting of a concrete parking lot and concrete driveways are beyond their useful economic life and now exhibit significant rutting, deterioration and depressions, allowing water accumulation. **See e.g., Figures 1, 2.** Such deterioration renders internal driveways and parking areas inadequate for safe operation of commercial activities. The entire parking layout is no longer adequate to serve the needs of the traveling public and constitutes a significant impediment to the reuse of the site.



Figure 2 – Deteriorated Surface Area/ Evidence of Prior Ponding

In addition, multiple places in the Redevelopment Area present opportunities for the ponding of water, creating breeding grounds for disease-carrying vectors. Storm sewerage and site drainage within the Redevelopment Area are inadequate and present a social liability constituting a threat to public health, safety, and welfare.



Figure 3 – Overgrown Brush Adjacent to Redevelopment Area

This inadequacy is evidenced by the uneven surface area and visible deterioration throughout the Redevelopment Area. These conditions are exacerbated by the flat terrain of the Redevelopment Area and its proximity to dense, overgrown brush behind the Redevelopment Area. **See Figure 3.**

The severity of the drainage issue is illustrated by the deterioration to the surface area of the redevelopment area. **See**



**Figures 1, 2, and 4.** Overall, storm sewerage and functional drainage facilities within the Redevelopment Area range from inadequate to non-existent, resulting in significant areas of standing water and ponding that provide an ideal habitat for mosquitos and mosquito borne diseases. Additionally, as noted previously, the area surrounding the Redevelopment Area has been neglected and is very overgrown. See **Figure 3**, above.



**Figure 4 – Deteriorated Surface Area**

According to statistics compiled by the Centers for Disease Control and Prevention (“**CDC**”), there were 532 cases of West Nile Virus in Missouri between 2002 and 2014, with 38 deaths. There were an estimated 29 cases with 4 deaths in 2015. In 2012, West Nile Virus was listed as a potential “public health emergency” in the Emergency Operations Plan prepared by the Columbia/Boone County Office of Emergency Management. According to a 2004 West Nile Virus R Virus Response Plan prepared by public health officials in the metropolitan St. Louis area, prime breeding sites for West Nile carriers include “standing water, and puddles that last for a week or more.” As part of its

response strategy, the West Nile Virus Response Plan calls for elimination of standing water breeding sites as the simplest and most effective way to reduce mosquito breeding. This is consistent with CDC recommendations to reduce the risk of West Nile Virus infections.

Moreover, CDC as well as the Missouri Department of Health and Senior Services records reveal a history of cases in Missouri of other mosquito-borne diseases including LaCrosse Encephalitis, Eastern Equine Encephalitis, Dengue, and Chikungunya viruses. Like West Nile Virus, the most effective manner to combat these diseases is to reduce mosquito breeding by eliminating breeding sites. Lack of sewerage and poor site drainage within the Redevelopment Area thus create the threat of mosquito-borne illnesses, rendering the current design of the property a public health hazard. Remediating the conditions posing this threat will require extensive re-grading and installation of a functional site drainage system within the Redevelopment Area.

*Physical Deterioration; Unsafe Conditions*

The Redevelopment Area shows many signs of significant physical deterioration that will require substantial clearance, rehabilitation, and reconstruction, rendering it a social and economic liability.



Figure 5 – Boarded Up Windows

As noted above, concrete parking lot and concrete driveways exhibit significant rutting, deterioration and depressions, allowing water accumulation. See e.g., Figures 1, 2. Re-grading and resurfacing will be required to bring this area to restore functionality

The old motel structures located within the Redevelopment Area are in various states of decay. Both structures exhibit severe damage to the exterior structure and unsecured access to the interior of the structures, which allow vermin to access the interior. See Figures 5, 9, 10. which would allow vermin to access the interior structure. See Figures 7, 6. Additionally the structures show numerous signs of deterioration, including crumbling soffits, broken windows, and cracks in the vinyl. See Figures 6, 8, and 9. These structures will either require demolition and reconstruction or substantial renovation. Moreover, the decaying structures present economic liabilities contributing to the inability of the property to pay reasonable taxes.

Additionally, substantial portions of the Redevelopment Area are marked by accumulated debris and abandoned facilities. Indeed, an abandoned swimming pool exists in the Redevelopment Area

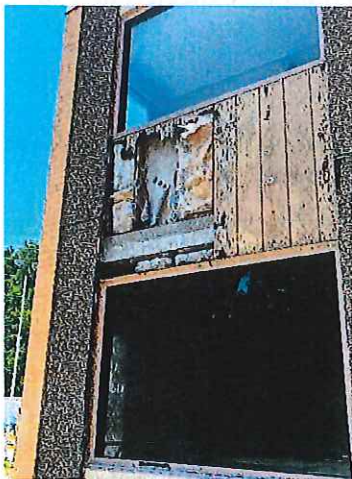


Figure 6 – Exposed Insulation on Structure

that has been filled with rock and debris. See Figure 7. Several of these items present an attractive nuisance to children either visiting or trespassing in the Redevelopment Area. This area is unsecured and presents a substantial risk of physical injury to invitees or others traversing the property.

Other debris littering the property observed during this Analysis include an unsecured canister of kerosene. Kerosene is a combustible liquid which presents a risk of physical injury and environmental contamination conducive to ill health if not properly stored. The accessibility of these dangerous discarded or improperly stored items present an unsafe condition as well as a social liability conducive to ill health and the transmission of disease.



Figure 7 - Unsecured Swimming Pool filled with Rock and Debris

### *Obsolescence and Economic Underutilization*

Currently, portions of the Redevelopment Area are underutilized, which results in an economic liability and contributes to the inability to pay reasonable taxes. The Redevelopment Area's underutilization is due, in part, to the above discussed blighting factors, including inadequate and outmoded design; lack of effective infrastructure; and significant deterioration of internal improvements.



Figure 8 – Structural Damage

The Redevelopment Area is largely vacant and overgrown with uncultivated vegetation, suffers from the previously mentioned pooling and sewerage issues, and has no internal infrastructure or access points. See Figure 9, on the page following.



Figure 9 - Overgrown Vegetation and Chipping Exterior Paint

These obsolescent conditions prevent any possibility of attracting a level of patronage which would again facilitate the ability to pay reasonable taxes. At present the property generates a mere \$6,135 in annual property taxes on an assessed valuation of approximately \$85,000, reflecting a significant economic underutilization. These amounts represent only 25 percent of the site's generation potential and lag significantly the revenue generation that could be expected at a fully utilized commercial/hospitality site.

Notwithstanding the foregoing site conditions, the Redevelopment Area enjoys several locational advantages for potential reuse as a hospitality venue. It is located along Main Twain Avenue, a short drive from the Hannibal downtown with its various tourist attractions and facilities including the Mark Twain Boyhood Home, the Molly Brown Birthplace Museum, and the Huck Finn Freedom Center. Located along the Mississippi River, Hannibal is famously known as the setting for Tom Sawyer and Huckleberry Finn and the City enjoys a world-wide recognition as a premier tourist destination. In addition, Hannibal is ideally located at the crossroads of the Chicago-Kansas City Expressway and the Avenue of the Saints linking Minneapolis/St. Paul to St. Louis – 4-lane highway systems that carry a combined 40,000 vehicles through Hannibal daily and link the metro areas of St. Louis, Kansas City and Chicago, and by extension, Des Moines, Memphis and Omaha. The City is home to Hannibal-LaGrange University and the Hannibal Regional Hospital and medical facilities.

City officials have realized the advantages that a location within downtown Hannibal can provide and has developed land use policies to promote effective development of quality commercial and service uses. In particular, the City has recognized a current need for extended stay lodging facilities to meet the needs for major employers for temp nurses/doctors, educators, and executives. The City enjoys a progressive leadership that understands the need for relevant incentives and public finance mechanisms to support growth and enhance profitability and is currently considering a downtown wide revitalization effort. With respect to this site, however, the blighted conditions in the Redevelopment Area have resulted in underutilization of the Redevelopment Area, frustrating the City's land use policies and economic development goals.

This Analysis concludes that the Redevelopment Area, if its current state and conditions persist, will continue to be underutilized. Continued underutilization of the Redevelopment Area would deprive the City of Hannibal and other affected taxing jurisdictions of reasonable taxes and is inconsistent with the City's land use policies, frustrating the City's economic development and land use objectives.

### **Summary of Findings and Conclusions**

The following summarizes the findings of this Analysis:

1. The Redevelopment Area is presently characterized by **economic underutilization**. Continued underutilization and attendant limitations on private investment commensurate with the land use classification and development potential of the Redevelopment Area constitute an **economic liability** and are **conducive to the inability of the Redevelopment Area to pay reasonable taxes**.
2. The continued underutilization of the Redevelopment Area, as well as the **deteriorating condition of internal improvements** and **ineffective design**, falls short of the intended goals of City land use policies and frustrates the City's economic development objectives.
3. The Redevelopment Area's lack of effective storm sewerage and drainage system, deterioration of improvements, and accumulation of debris and abandoned equipment, are **social liabilities** presenting threats to the **public health, safety, and welfare**.

**Conclusions and Recommendation:** This Analysis demonstrates that the Redevelopment Area exhibits conditions that meet statutory and common law tests supporting a determination by the City Council that the Redevelopment Area on the whole constitutes a "blighted area" so that the clearance, replanning, reconstruction or rehabilitation of the Redevelopment Area is necessary to effectuate the purposes of Chapter 353, as amended. This Analysis recommends, to permit and encourage redevelopment activities designed to remediate current site conditions, that the City Council so find and determine.

**EXHIBIT D**  
**STATEMENT OF THE IMPACT ON AD VALOREM TAXES OF AFFECTED  
SUBDIVISIONS**

**EXHIBIT E**  
**CERTIFICATE OF INCORPORATION**

**STATE OF MISSOURI**



**John R. Ashcroft**  
**Secretary of State**

**CERTIFICATE OF AGREEMENT OR ASSOCIATION**

WHEREAS, Articles of Agreement or Association of

*HANNIBAL DOWNTOWN REDEVELOPMENT CORPORATION*  
*RD001393994*

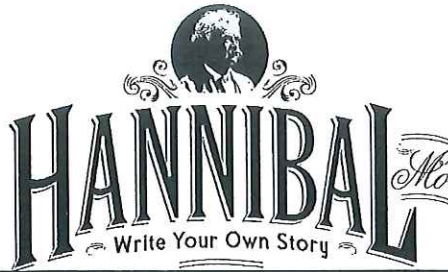
have been received and filed in the Office of the Secretary of State, which Articles, in all respects, comply with the requirements of Urban Redevelopment Corporations Law.

NOW, THEREFORE, I, JOHN R. ASHCROFT, Secretary of State of the State of Missouri, do by virtue of the authority vested in me by law, do hereby certify and declare this entity a body corporate, duly organized this date and that it is entitled to all rights and privileges granted corporations organized under the Urban Redevelopment Corporations Law.

IN TESTIMONY WHEREOF, I hereunto set my hand and cause to be affixed the GREAT SEAL of the State of Missouri. Done at the City of Jefferson, this 21st day of June, 2022.

  
Secretary of State





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**To: City Council**  
**From: Planning & Zoning Commission**  
**Re: Development Plan**  
**Date: September 16, 2022**

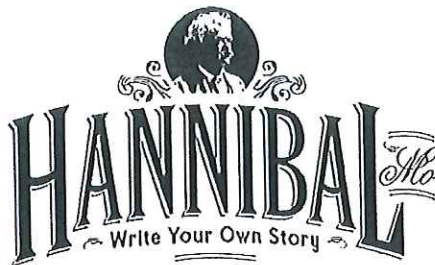
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Planning and Zoning Commission held their meeting on Thursday, September 15, 2022 to discuss the Development Plan Project Stay Redevelopment Area which is defined in Chapter 353 of the revised statutes of Missouri, as amended, the Urban Redevelopment Corporations Law. This involves the property located at 612 Mark Twain Ave in downtown Hannibal.

After discussion, a vote was taken, and it was unanimously agreed upon to recommend the approval of this plan by all P&Z Commissioners. They are requesting City Council approval.



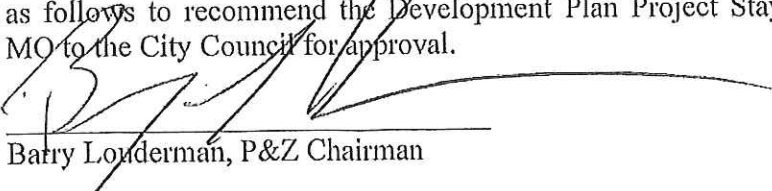
**Planning & Zoning  
Commission**



**Planning and Zoning Commission makes the following recommendations to the City Council regarding 612 Mark Twain Avenue, Hannibal, MO:**

- (i) that a declaration of blight with respect to the Redevelopment Area is necessary and advisable to effectuate the public purposes set forth in section 22-58 of the City Code;
- (ii) that the Development Plan complies with the City comprehensive development plan;
- (iii) that no exercise of the power of eminent is necessary to effectuate the Redevelopment Project;
- (iv) that the Redevelopment Area is of sufficient size to allow redevelopment in an efficient and economically satisfactory manner;
- (v) that the Development Plan is practical;
- (vi) that public facilities serving the Redevelopment Area are adequate to serve the needs of the Redevelopment Project;
- (vii) that no zoning or street changes are necessary to effectuate the undertakings in the Development Plan;
- (viii) that the content of the Development Plan complies with section 22-64 of the City Code;
- (ix) that the financing statement set forth in the Development Plan is recommended as adequate to its purpose based upon reasonable costs proposed in the Development Plan; and
- (x) that the tax abatement proposed is recommended as necessary for the economic feasibility of the Redevelopment Project and the effect of the tax abatement on affected political subdivisions has been considered.

On 9-15 of 2022, 2022 the Planning and Zoning Commission voted as follows to recommend the Development Plan Project Stay Redevelopment Area Hannibal, MO to the City Council for approval.

  
Barry Louderman, P&Z Chairman

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