

**TIF District/Project Status Report**  
**Fiscal Year Ending June 30, 2004**  
(Pursuant to WV Code 7-11B-15)

Municipality: City of Morgantown  
389 Spruce Street  
Morgantown, WV 26505

Contact: Dan Boroff, City Manager  
304-284-7405/(fax) 304-284-7430  
citymanager@morgantown.com

District: Riverfront Development/Redevelopment District #2  
Project: Riverfront Project #1 (Parking Facility and Public Infrastructure Improvements)

- |  |               |
|--|---------------|
| 1) Aggregate amount and amount by source of revenue  | \$ 0          |
| 2) Amount and purpose of expenditures:<br>Appraisal fee  | \$800.00      |
| 3) Amount of any pledge of revenues, including principal and interest on any outstanding tax increment financing indebtedness:           | \$ 0          |
| 4) Base-assessed value of the development/redevelopment project area:  | \$ 37,577,971 |
| 5) Assessed value for the current year of the taxable property having a tax situs in the development/redevelopment project area:         | \$ 38,576,915 |
| 6) Assessed value added to base-assessed value of the taxable property having a tax situs in the development/redevelopment project area: | \$ 998,944    |
| 7) Payments made in lieu of taxes received and expended:   | \$ 0          |
| 8) Contracts made incidental to the implementation and furtherance of a development/redevelopment project:                               | Attachment 1  |
| 9) Copy of any development/redevelopment plan, including required findings and cost-benefit analysis:                                    | Attachment 2  |
| 10) Cost of any property acquired, disposed of, rehabilitated, reconstructed, repaired, or remodeled:                                    | \$ 0          |

- |  |   |
|--|---|
| 11) Number of parcels of land acquired by or through the initiation of eminent domain proceedings:   | None  |
| 12) Number and types of jobs projected by the project developer to be created, estimated annualized wages and benefits to be paid to persons filling those jobs: | Attachment 3  |
| 13) Number, type and duration of jobs created and annualized wages and benefits paid:  | None  |
| 14) Amount of disbursements from the tax increment financing fund during the most recently completed fiscal year:  | \$ 800.00   |
| 15) Annual statement showing payments made in lieu of taxes received and expended during the fiscal year:  | None to report  |
| 16) Status of the development/redevelopment project:   | Attachment 4  |
| 17) Amount of outstanding tax increment financing obligations:   | \$ 0  |
| 18) Additional information:  | Expenditure listed in 2) and 14) above was paid by advances from the City of Morgantown to the TIF Fund |

I hereby certify that the information contained in this report, including all attachments, is true and accurate to the best of my knowledge.

December 14, 2004  
Date

  
Dan Boroff, City Manager

**AGREEMENT FOR PROFESSIONAL SERVICES BETWEEN**  
**THE CITY OF MORGANTOWN AND PLATINUM PROPERTIES, LLC**

THIS AGREEMENT, dated this 12 day of <sup>MARCH</sup> ~~January~~, 2004, is by and between Platinum Properties, LLC, a West Virginia limited liability company, (hereinafter referred to as "Consultant") and the CITY OF MORGANTOWN, a public body of the State of West Virginia (hereinafter referred to as "City");

WITNESSETH:

WHEREAS, Consultant is specially trained, experienced, and competent to perform the special services that will be required by this agreement; and

WHEREAS, Consultant is willing to render such professional services, as hereinafter defined, on the following terms and conditions.

NOW, THEREFORE, Consultant and the City agree as follows:

(1) Scope of Service.

Consultant's services are described in Exhibit A, attached hereto and incorporated herein.

(2) Compensation.

City hereby agrees to pay the Consultant an administrative fee equal to Six (6%) percent of the project construction hard costs, as outlined in the Memorandum of Understanding (MOU) between the City of Morgantown and The West Virginia Economic Development Authority. The lump sum fee will be capped at the original hard costs budgeted in MOU and paid in equal monthly installments over a period of 42 months (total project timeline). Said fee to commence upon execution of this Agreement. It is understood that the compensation will be contingent upon WVEDA grant fund availability, and monthly draws from The City to The WVEDA to pay said administrative fee. Consultant acknowledges that compensation will be solely from grant funds, and that The City's financial obligation to Consultant is limited to grant funding availability.

(3) Independent Contractor Status.

It is expressly understood and agreed by both parties that Consultant, while engaged in carrying out and complying with any of the terms and conditions of this agreement, is an independent contractor and not an employee of the City. Consultant expressly warrants not to represent, at any time or in any manner, that Consultant is an employee of the City.

(4) Advice and Status Reporting.

Consultant shall provide the City with timely advice of all significant developments arising during performance of its services hereunder orally or in writing, as Consultant considers appropriate.

(5) Designation of Primary Provider of Services.

This agreement contemplates the coordination services of Consultant firm, Platinum Properties, LLC. The primary

contact person for this agreement shall be Richard Lane, who shall not be replaced without the written consent of Morgantown's City Manager.

(6) Assignment and Subcontracting.

It is recognized by the parties hereto that a substantial inducement to City for entering into this agreement was, and is, the professional reputation and competence of Consultant. Neither this agreement nor any interest therein may be assigned by Consultant, without the prior written approval of Morgantown's City Manager.

(7) Insurance.

On or before beginning any work associated with the Marina, Public Theater, and Site Infrastructure, Consultant, shall work with and coordinate to ensure that each subcontractor hired by Consultant to perform services under this Agreement shall carry, maintain for the duration of the agreement, and provide proof thereof that is acceptable to Consultant the insurance specified in subsections (a) through (c) below with insurers and under forms of insurance satisfactory in all respects to Consultant.

(a) Workers' Compensation.

(b) Commercial General and Automobile Liability.

(c) Professional Liability.

(8) Indemnification-Consultant's Responsibility.

It is understood and agreed that Consultant has the professional skills experience, knowledge necessary to perform the work agreed to be performed under this agreement, that City relies upon the professional skills of Consultant to do and perform Consultant's work in a skillful and professional manner, and Consultant thus agrees to so perform the work.

Acceptance by City of the work performed under this agreement does not operate as a release of the Consultant from such professional responsibility for the work performed. It is further understood and agreed that Consultant is apprized of the scope of the work to be performed under this agreement and Consultant agrees that the work can and shall be performed in a fully competent manner.

Consultant shall indemnify, defend, and hold City, its officers, employees, agents, and volunteers harmless from and against any and all liability, claims, suits, actions, damages, and causes of action arising during the term of this agreement out of any personal injury, bodily injury, loss of life, or damage to property, or any violation of any federal, state, or municipal law or ordinance, or other cause in connection with the negligent or intentional acts or omissions of Consultant, its employees, subcontractors, or agents, or on account of the performance or character of this work, except for any such claim arising solely out of the active negligence, sole negligence, or willful misconduct of the City, its officers, employees, agents, or volunteers.



(13) Ownership of Materials.

Any and all documents, including draft documents where completed documents are unavailable, or materials prepared or caused to be prepared by Consultant pursuant to this agreement shall be the property of the City at the moment of their completed preparation.

(14) Amendments.

This agreement is not subject to modification or amendment, except by a writing executed by both Consultant and City, which writing shall expressly state that it is intended by the parties to amend the terms and conditions of this agreement.

(15) Waiver.

The waiver by either party of a breach by the other of any provision of this agreement shall not constitute a continuing waiver or a waiver of any subsequent breach of either the same or a different provision of this agreement.

(16) Severability.

Should any part of this agreement be declared by a final decision by a court or tribunal of competent jurisdiction to be unconstitutional, invalid, or beyond the authority of either party to enter into or carry out, such decision shall not affect the validity of the remainder of this agreement, which shall continue in full force and effect, provided that the remainder of this agreement, absent the unexcised portion, can be reasonably interpreted to give effect to the intentions of the parties.

(17) Controlling Law.

This agreement and all matters relating to it shall be governed by the laws of the State of West Virginia.

(18) Conflict of Interest.

Consultant warrants and covenants that Consultant presently has no interest in, nor shall any interest be hereinafter acquired in, any matter that will render the services required under the provisions of this agreement a violation of any applicable state, local, or federal law. In the event that any conflict of interest should nevertheless hereinafter arise, Consultant shall promptly notify City of the existence of such conflict of interest so that the City may determine whether to terminate this agreement.

(19) Time is of the Essence.

Consultant agrees to diligently prosecute the services to be provided under this agreement to completion and in accordance with any schedules specified herein. In the performance of this agreement, time is of the essence.

(20) Whole Agreement.

This agreement has six (6) pages excluding the exhibits described on its signature page. This agreement constitutes the entire understanding and agreement of the parties. This agreement integrates all of the terms and conditions mentioned herein or incidental hereto and supersedes all negotiations or previous agreements between the parties

with respect to all or any part of the subject matter hereof.

(21) Multiple Copies of Agreement.

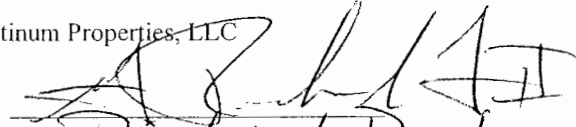
Multiple copies of this agreement may be executed but the parties agree that the agreement on file in the office of Morgantown's City Clerk is the version of the agreement that shall take precedence should any differences exist among counterparts of the document.

IN WITNESS WHEREOF, Consultant has executed this agreement, and the City, by and through its City Manager, duly authorized to act, has executed this agreement.

Platinum Properties, LLC

By

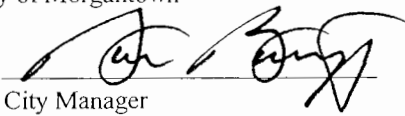
Its

  
Development Director

City of Morgantown

By

Its City Manager



Attest:

  
City Clerk

Attachments: Exhibit A Scope of Services, consisting of one (1) page.

**S&J Draft: 4/23/04**  
**Construction Bid MOU**

**MEMORANDUM OF UNDERSTANDING**

THIS MEMORANDUM OF UNDERSTANDING (the "MOU"), is made and entered into as of this May 4<sup>th</sup>, 2004, by and between the CITY OF MORGANTOWN, a municipal corporation of the State of West Virginia, (the "City"), and PLATINUM PROPERTIES, LLC, a West Virginia limited liability company, (the "Company").

WHEREAS, the City has, on December 16, 2003, enacted an ordinance (the "Riverfront TIF District Creation Ordinance") creating a development/redevelopment district known as the "City of Morgantown Riverfront Development/Redevelopment District No. 2" (the "Riverfront TIF District") along and near the Monongahela River Wharf District in the City of Morgantown, Monongalia County, West Virginia, as more fully described in the Riverfront TIF District Creation Ordinance;

WHEREAS, the City and the Company have agreed to jointly develop and finance through the issuance of tax increment financing bonds or other obligations among other things, a public multi-level parking garage and appurtenant facilities ("the Project") for a new development located in the Riverfront TIF District, known as the "Riverfront Project No. 1 (Parking Facility and Public Infrastructure Improvements)";

WHEREAS, the Company has submitted its application for approval of a project plan and issuance of tax increment financing obligations (the "Application") to the City and the City has, on April 6, 2004, held a public hearing with respect to the approval the Application and the issuance of tax increment financing obligations;

WHEREAS, the City is now prepared to submit the Application to the West Virginia Development Office;

WHEREAS, in accordance with the Application, a memorandum of understanding between the Company and the City regarding the competitive bidding process is a required submittal;

ACCORDINGLY, the Company and the City have determined to proceed in the following manner;

1. The bid specifications for design and/or construction of the Project or any portion thereof will be prepared by or on behalf of the Company and provided to the City for review at least two weeks prior to publication of the advertisement for bids.

2. The bid specifications will comply with Chapter 5G, Article 1, Chapter 5, Article 22 and Chapter 5, Article 22A of the West Virginia Code (collectively, the "Bidding Statutes"), as applicable. In addition, the bid specifications for construction will include provisions with respect to payment of West Virginia State prevailing wage and resident vendor preference in accordance with the West Virginia Tax Increment Financing Act, Chapter 7, Article 11B of the West Virginia Code.

3. Upon approval by the City, the Company will be responsible for the publication of the advertisement for bids.

4. Bid opening will be held at the City's office in the presence of representatives of the City and the Company.

5. The City and the Company will, in accordance with the provisions of the applicable Bidding Statute, select from those bids offered the appropriate bidder, subject to the right of the City and the Company to reject any and all bids.

6. The Company will be responsible for all costs in connection with the preparation and advertisement of bids, provided however, that all such costs may be reimbursable from proceeds of tax increment financing obligations to be issued by the City.

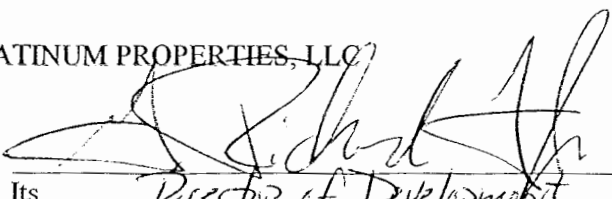
WITNESS the following signatures:

CITY OF MORGANTOWN

By:   
Mayor

By:   
City Manager

PLATINUM PROPERTIES, LLC

By:   
Its Director of Development

SECTION II.

PROJECT INFORMATION

**DETAILED DESCRIPTION OF PROJECT**

**TIF District**

An ordinance creating the "City of Morgantown Riverfront Development/Redevelopment District No. 2" (the "TIF District") was enacted by the City on December 16, 2003. The TIF District includes the Waterfront Place Complex, as well as adjacent residential and commercial properties. The real property within the TIF District has and will benefit from eliminating and preventing the spread of blighted and deteriorated areas, increasing employment and encouraging commerce and industry to stay in this area. In addition, the real property in the TIF District will benefit in the form of public infrastructure improvements from funds to be generated in the TIF Fund over the 30-year life of the TIF District.

The City has been an active participant in development within the TIF District, including construction of a number of gateway entrances on Hurley Street and a small park, as well as construction of a 300-space parking facility and additional improvements to Hurley Street. Establishing the TIF District will allow the City to maximize economic development along the Monongalia River.

**TIF Project**

The Riverfront Project No. 1 (Parking Facility and Public Infrastructure Improvements), (the "TIF Project") includes (i) the construction and equipping of a multi-level parking garage, consisting of approximately 650 parking spaces and boutique shops at the street level (the "Parking Facility"), and (ii) improvements to public infrastructure within the District, including, but not limited to public street resurfacing, utility improvements, sidewalks, curbs and curb cuts, lighting, and landscaping (Public Infrastructure improvements"), and (iii) a portion of the construction and/or equipping of The West Virginia Public Theatre subject to available project funds.

The Parking Facility is an integral part of The West Virginia Public Theatre and Marina Economic Development Grant Project that City Council unanimously endorsed on June 2002, and later reaffirmed on July 2003. The public theatre and marina are to be funded, in part, from the West Virginia Economic Development Authority's Grant of \$13,900,000, awarded in August of 2003, and would not be constructed without the Parking Facility. This Parking Facility's primary function is to facilitate the intense parking demands for the public theatre performances, as well as other theatre and event functions. The TIF Project is planned to be wholly financed from proceeds of tax increment revenue bonds issued by the City, described herein. Platinum Properties, LLC (the "Project Developer") proposes to own and operate the Parking Facility.

Public Infrastructure Improvements will include streetscape projects, utility relocations, street resurfacing, utility improvements, curbs and curb cuts, sidewalks, lighting and other public improvements within the TIF District boundaries that will further enhance property values, as well as provide the necessary foundation for additional development. Subject to available funds, the City may use a portion of TIF Project funds to finance a portion of the construction and/or equipping of The West Virginia Public Theatre.

The TIF Project is consistent with the stated goals and objectives of Amendment One to the West Virginia Constitution, as well as City's comprehensive planning regarding economic development and revitalization of the TIF District. Additionally, the TIF Project achieves the Planning Commission and City Council's goal of providing ample parking.

**C. PUBLIC IMPROVEMENTS**

TYPE	ESTIMATED COST	LOCATION
<u>Parking Facility</u>	<u>\$11,000,000</u>	<u>University Ave. (Waterfront Place)</u>

TYPE	ESTIMATED COST	LOCATION
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The following are planned Public Infrastructure Improvements within the TIF District to be financed with TIF Bonds:

- Walnut Street                      \$ 250,000                      West of University Ave.
- University Ave                      \$ 300,000                      Vicinity of Garrett to Moore Street
- Clay Street                            \$ 400,000                      Vicinity of Donely St. to Wharf St.
- Other Public Infrastructure Improvements    \$ TBD                      Within the TIF District

TOTAL:                      \$ 950,000

TYPE	ESTIMATED COST	LOCATION
<u>West Virginia Public Theatre</u>	\$ <u>TBD</u>	<u>University Ave. Waterfront Place Complex</u>

**D. ESTIMATED BREAKDOWN OF PROJECT COSTS**

	<u>TOTAL</u>	<u>PROPOSED METHOD OF FINANCING</u>
1. Capital Costs (Parking Facility)	\$ 9,821,430	TIF Bonds proceeds
2 Financing Costs	\$ 736,600	TIF Bonds proceeds
3. Professional Services (Parking Facility)	\$ 589,285	TIF Bonds proceeds
4. Administrative Costs (Parking Facility)	\$ 589,285	TIF Bonds proceeds
5. Relocation Costs	\$ 0	N/A
6. Environmental Impact Studies/Analyses	\$ 0	N/A
7. Public Information	\$ 0	N/A
8. Construction of Public Works (Public Infrastr. Improvements)	\$ 950,000	TIF Bonds proceeds
9. Associated Costs with the sale/lease of county or municipal property that results in a loss for the county or municipality.	\$ 0	N/A
10. Other TIF Costs: (Capitalized Interest)	\$ 1,207,278	TIF Bonds proceeds
(Debt Service Reserve)	\$ 902,600	TIF Bonds proceeds
<b>Total Project Cost</b>	<b>\$ 14,796,478</b>	

**(Parking Facility Construction Budget Estimate Attached)**

**B(2): JOB CREATION ESTIMATES**

Number of jobs to be created by the TIF Project in the project area or TIF District.  
Estimated jobs created are as follows:

**PARKING FACILITY**

1. JOB CATEGORY: **Professional**  
WAGES: \$75,000 to \$150,000  
BENEFITS: Industry Standards  
CONSTRUCTION JOBS: 10 – GC & Subs, 2-Arch, 2-CE, 2-EE, 2-ME, 2-SE  
PERMANENT: -  
TEMPORARY OR SEASONAL: FOR DURATION OF JOB  
PART-TIME: -  
Part-time jobs must be aggregated and expressed as full-time equivalent positions.  
FULL-TIME: -

2. JOB CATEGORY: **Clerical & Administration**  
WAGES: \$25,000 to \$75,000  
BENEFITS: Industry Standards  
CONSTRUCTION JOBS: 20  
PERMANENT: 4  
TEMPORARY OR SEASONAL: FOR DURATION OF JOB  
PART-TIME: -  
FULL-TIME: 4

3. JOB CATEGORY: **Skilled**  
WAGES: \$40,000 - \$75,000  
BENEFITS: Industry Standards  
CONSTRUCTION JOBS: 100  
PERMANENT: -  
TEMPORARY OR SEASONAL: FOR DURATION OF JOB  
PART-TIME: -  
FULL-TIME: -

4. JOB CATEGORY: **Semi-Skilled**  
WAGES: \$20,000 - \$40,000  
BENEFITS: Industry Standards  
CONSTRUCTION JOBS: -  
PERMANENT: -  
TEMPORARY OR SEASONAL: -  
PART-TIME: -  
FULL-TIME: -

Total FTE: 4



# The City of Morgantown

389 SPRUCE STREET  
MORGANTOWN, WEST VIRGINIA 26505  
(304) 284-7405 TDD (304) 284-7512

OFFICE OF CITY MANAGER

Status Report on Riverfront TIF District as of June 30, 2004

There has been no physical development activity at this time on the Riverfront Tax Increment Financing District. Developments continue to be in the planning phase. Professional Consulting Services of Platinum Properties has been contracted to provide planning and coordination between the West Virginia Economic Development Grant funds and the TIF Parking Garage Project. Property acquisition through the West Virginia Economic Development Grant will soon provide the land that will be occupied by the TIF District Parking Garage located along the Monongahela River near the Wharf District.

Jeff Mikorski  
Assistant City Manager

**West Virginia Public Theatre**

1. JOB CATEGORY:	<b>Professional</b>
WAGES:	\$75,000 to \$150,000
BENEFITS:	Industry Standards
CONSTRUCTION JOBS:	10-GC & Subs, 2-Arch, 2-CE, 2-EE, 2-ME, 2-SE
PERMANENT:	
TEMPORARY OR SEASONAL:	FOR DURATION OF JOB
PART-TIME:	
FULL-TIME:	<b>10</b>
2. JOB CATEGORY:	<b>Clerical &amp; Administration</b>
WAGES:	\$25,000 to \$75,000
BENEFITS:	Industry Standards
CONSTRUCTION JOBS:	25
PERMANENT:	
TEMPORARY OR SEASONAL:	FOR DURATION OF JOB (construction jobs)
PART-TIME:	
FULL-TIME:	<b>16</b>
3. JOB CATEGORY:	<b>Skilled</b>
WAGES:	\$40,000 - \$75,000
BENEFITS:	Industry Standards
CONSTRUCTION JOBS:	120
PERMANENT:	
TEMPORARY OR SEASONAL:	Length will vary with different trade duration.
PART-TIME:	
FULL-TIME:	<b>14</b>
4. JOB CATEGORY:	<b>Semi-Skilled</b>
WAGES:	\$20,000 - \$40,000
BENEFITS:	Industry Standards
CONSTRUCTION JOBS:	-
PERMANENT:	
TEMPORARY OR SEASONAL:	FOR DURATION OF JOB (construction jobs)
PART-TIME:	
FULL-TIME:	<b>60</b>
5. JOB CATEGORY:	<b>Unskilled</b>
WAGES:	\$15,000 - \$20,000
BENEFITS:	Industry Standards
CONSTRUCTION JOBS:	-
PERMANENT:	
TEMPORARY OR SEASONAL:	FOR DURATION OF JOB (construction jobs)
PART-TIME:	
FULL-TIME:	<b>60</b>
<b>TOTAL FTE:</b>	<b>160</b>

There will be additional construction-related jobs associated with the TIF Project (Public Infrastructure Improvements). The Parking Facility, in support of the West Virginia Public Theatre, will facilitate additional construction and permanent jobs, with continued development in the TIF District.