



Conclusions in the audit of the Hanley Road Corridor Transportation Development District

Background

The Hanley Road Corridor Transportation Development District (TDD) was formed in March 2009 with the primary objective of creating a funding source to construct an intersection located at Highway 40 and Hanley Road to help relieve traffic congestion, among other transportation-related improvements such as road straightening and widening, bridge replacement, and sidewalk installation.

The City of Brentwood, the City of Maplewood, St. Louis County, and the Bi-State Development Agency of the Missouri-Illinois Metropolitan District are the public entities with jurisdiction over the local portion of the project, and serve as the Local Transportation Authorities (LTAs). The boundaries of the district include 5 other previously existing TDDs: the Brentwood Pointe TDD and Folk Avenue South TDD, as well as the Brentwood/Strassner Road TDD, Kenilworth TDD, and the Hanley Road and North of Folk Avenue TDD. These TDDs have since dissolved. In addition, several past and present Tax Increment Financing (TIF) Redevelopment Areas overlap with the boundaries of the district. Those TIF districts include: Eager Road (Brentwood Promenade), Eager Road (Brentwood Pointe), Kenilworth (Brentwood Square), and Hanley Road/South of Folk Avenue (Maplewood Commons). As of June 30, 2024, the Hanley Road/South of Folk Avenue Redevelopment Area is the only TIF still active.

In August 2009, the Board of Directors passed a resolution formally approving the submission of the proposed sales tax rate of 1 percent on all taxable transactions within the district's boundaries. The sales tax became effective in September 2009. The district satisfied revenue bond debts in their entirety by April 2024. All district projects were completed by approximately March 2019, with costs totaling approximately \$46.6 million through June 30, 2024. In July 2024, the Board of Directors approved a resolution to repeal the sales tax collections, and subsequently notified the Missouri Department of Revenue (DOR) of the resolution. The sales tax was repealed on September 30, 2024.

Based on the audit, the cash balance of the Hanley Road Corridor TDD as of June 30, 2024, was \$3,011,154. Per the district's bank statements, their cash balance has since increased to a total of \$5,967,392 as of April 30, 2025. According to the district's legal counsel, the Hanley Road Corridor TDD has remaining estimated liabilities of \$157,700 which include the following: legal fees (\$150,000), audit fees (\$5,500), and bank fees (\$2,200). Based on these representations, the district has sufficient cash to pay any remaining costs and obligations. After the district's final costs are paid, the remaining balance will be transferred to the LTAs in accordance with state law.

Financial Status

The audit of the Hanley Road Corridor Transportation Development District indicates the financial condition of the district is such that it may be abolished.

Because of the nature of this audit, no rating is provided.