

Summary

Board Bill Number 193

As Amended

Primary Sponsor: Alderman John Coatar

December 11, 2020

This Board Bill seeks to approve a Chapter 99 Redevelopment Plan and Blighting Study for the 1014 Spruce St. Redevelopment Area. This Board Bill will allow a 10-year tax abatement @ 40%.

BOARD BILL NUMBER 193 AS AMENDED INTRODUCED BY: ALDERMAN JOHN COATAR

1 An ordinance approving a Redevelopment Plan dated December 15, 2020 (“Plan”) for the 1014
2 Spruce St. Area ("Area") in the City of St. Louis (“City”) after finding that the Area is blighted as
3 defined in Section 99.320 of the Revised Statutes of Missouri, 2016, as amended, (the "Statute"
4 being Sections 99.300 to 99.715 inclusive), finding that there shall be available 10-year tax
5 abatement based on 40% of the assessed value of the incremental improvements.; and pledging
6 cooperation of the Board of Aldermen.

7 **WHEREAS**, by reason of predominance of defective or inadequate street layout, unsanitary
8 or unsafe conditions, deterioration of site improvements, improper subdivision or obsolete platting,
9 there exist conditions which endanger life or property by fire or other causes and constitute an
10 economic or social liability or a menace to the public health, safety, morals or welfare in the present
11 condition and use of the Area, said Area being more fully described in **Attachment "A"**; and

12 **WHEREAS**, such conditions are beyond remedy and control solely by regulatory process
13 in the exercise of the police power and cannot be dealt with effectively by ordinary private
14 enterprise without the aids provided in the Statute; and

15 **WHEREAS**, there is a need for the Land Clearance for Redevelopment Authority of the
16 City of St. Louis (“LCRA”), a public body corporate and politic created under Missouri law, to
17 undertake the development of the above described Area as a land clearance project (“Project”)
18 under said Statute, pursuant to plans by or presented to the LCRA under Section 99.430.1 (4); and

19 **WHEREAS**, the LCRA has recommended such a plan to the Planning Commission of the
20 City of St. Louis (“Planning Commission”) and to this St. Louis Board of Aldermen ("Board"),

1 titled "Blighting Study and Plan for the 1014 Spruce St.," dated December 15, 2020 consisting of a
2 Title Page, Table of Contents Pages, and nine (9) numbered pages, and **Exhibits A-G** attached
3 hereto and incorporated herein as **Attachment "B"** ("Plan"); and

4 **WHEREAS**, under the provisions of the Statute it is required that this Board take such
5 actions as may be required to approve the Plan; and

6 **WHEREAS**, it is desirable and in the public interest that a public body, the LCRA,
7 undertake and administer the Plan in the Area; and

8 **WHEREAS**, the LCRA and the Planning Commission have made and presented to this
9 Board the studies and statements required to be made and submitted by Section 99.430 and this
10 Board has been fully apprised by the LCRA and the Planning Commission of the facts and is fully
11 aware of the conditions in the Area; and

12 **WHEREAS**, the Plan has been presented and recommended by LCRA to this Board for
13 review and approval; and

14 **WHEREAS**, a general plan has been prepared and is recognized and used as a guide for the
15 general development of the City and the Planning Commission has advised this Board that the Plan
16 conforms to said general plan; and

17 **WHEREAS**, this Board has duly considered the reports, recommendations and
18 certifications of the LCRA and the Planning Commission; and

19 **WHEREAS**, the Plan does prescribe land use and street and traffic patterns which may
20 require, among other things, the vacation of public rights-of-way, the establishment of new street
21 and sidewalk patterns or other public actions; and

1 **WHEREAS**, this Board is cognizant of the conditions which are imposed on the
2 undertaking and carrying out of the Project, including those relating to prohibitions against
3 discrimination because of race, color, familial status, national origin or ancestry, sex, marital status,
4 age, sexual orientation, gender identity or expression, religion or disability; and

5 **WHEREAS**, in accordance with the requirements of Section 99.430 of the Statute, this
6 Board advertised that a public hearing would be held by this Board on the Plan, and said hearing
7 was held at the time and place designated in said advertising and all those who were interested in
8 being heard were given a reasonable opportunity to express their views; and

9 **WHEREAS**, it is necessary that this Board take appropriate official action respecting the
10 approval of the Plan.

11 **BE IT ORDAINED BY THE CITY OF ST. LOUIS AS FOLLOWS:**

12 **SECTION ONE.** There exists within the City a blighted area, as defined by Section 99.320 of the
13 Revised Statutes of Missouri, 2016, as amended, (the "Statute" being Sections 99.300 to 99.715
14 inclusive, as amended) described in **Attachment "A"**, attached hereto and incorporated herein,
15 known as the 1014 Spruce St. Area.

16 **SECTION TWO.** The redevelopment of the above described Area, as provided by the
17 Statute, is necessary and in the public interest, and is in the interest of the public health, safety,
18 morals and general welfare of the people of the City.

19 **SECTION THREE.** The Area qualifies as a redevelopment area in need of redevelopment
20 under the provision of the Statute, and the Area is blighted as defined in Section 99.320 of the
21 Statute.

1 **SECTION FOUR.** The Blighting Study and Plan for the Area, dated December 15, 2020,
2 having been duly reviewed and considered, is hereby approved and incorporated herein by
3 reference, and the President or Clerk of this Board is hereby directed to file a copy of said Plan with
4 the Minutes of this meeting.

5 **SECTION FIVE.** The Plan for the Area is feasible and conforms to the general plan for
6 the City.

7 **SECTION SIX.** The financial aid provided and to be provided for financial assistance
8 pertaining to the Area is necessary to enable the redevelopment activities to be undertaken in
9 accordance with the Plan for the Area, and the proposed financing plan for the Area is feasible.

10 **SECTION SEVEN.** The Plan for the Area will afford maximum opportunity, consistent
11 with the sound needs of the City as a whole, for the redevelopment of the Area by private
12 enterprise, and private developments to be sought pursuant to the requirements of the Statute.

13 **SECTION EIGHT.** The Plan for the Area provides that the LCRA may not acquire any
14 property in the Area by the exercise of eminent domain.

15 **SECTION NINE.** The property within the Area is currently unoccupied. If it becomes
16 occupied, all eligible occupants displaced by the Redeveloper ("Redeveloper" being defined in
17 Section Twelve, below) shall be given relocation assistance by the Redeveloper at its expense, in
18 accordance with all applicable federal, state and local laws, ordinances, regulations and policies.

19 **SECTION TEN.** The Plan for the Area gives due consideration to the provision of
20 adequate public facilities.

1 **SECTION ELEVEN.** In order to implement and facilitate the effectuation of the Plan
2 hereby approved it is found and determined that certain official actions must be taken by this Board
3 and accordingly this Board hereby:

4 (a) Pledges its cooperation in helping to carry out the Plan;

5 (b) Requests the various officials, departments, boards and agencies of the City, which
6 have administrative responsibilities, likewise to cooperate to such end and to execute their
7 respective functions and powers in a manner consistent with the Plan; and

8 (c) Stands ready to consider and take appropriate action upon proposals and measures
9 designed to effectuate the Plan.

10 **SECTION TWELVE.** All parties participating as owners or purchasers of property in the
11 Area for redevelopment ("Redeveloper") shall agree for themselves and their heirs, successors and
12 assigns that they shall not discriminate on the basis of race, color, familial status, national origin or
13 ancestry, sex, marital status, age, sexual orientation, gender identity or expression, religion or
14 disability in the sale, lease, or rental of any property or improvements erected or to be erected in the
15 Area or any part thereof and those covenants shall run with the land, shall remain in effect without
16 limitation of time, shall be made part of every contract for sale, lease, or rental of property to which
17 Redeveloper is a party, and shall be enforceable by the LCRA, the City and the United States of
18 America.

19 **SECTION THIRTEEN.** In all contracts with private and public parties for redevelopment
20 of any portion of the Area, all Redevelopers shall agree:

21 (a) To use the property in accordance with the provisions of the Plan, and be bound by
22 the conditions and procedures set forth therein and in this Ordinance;

1 (b) That in undertaking construction under the agreement with the LCRA and the Plan,
2 bona fide Minority Business Enterprises ("MBE's") and Women's Business Enterprises ("WBE's")
3 will be solicited and fairly considered for contracts, subcontracts and purchase orders;

4 (c) To be bound by the conditions and procedures regarding the utilization of MBE's
5 and WBE's established by the City;

6 (d) To adhere to the requirements of Ordinance Nos. 69427, 70767 and 71094, as may
7 be amended or supplemented, pertaining to minority-owned and women-owned business
8 participation, workforce development, and prevailing wage compliance, to the extent the provisions
9 of those ordinances apply to the Project

10 (e) To comply with the requirements of Ordinance 60275 of the City;

11 (f) To cooperate with those programs and methods supplied by the City with the
12 purpose of accomplishing, pursuant to this paragraph, minority and women subcontractors and
13 material supplier participation in the construction under this Agreement. The Redeveloper will
14 report semi-annually during the construction period the results of its endeavors under this
15 paragraph, to the Office of the Mayor and the President of this Board; and

16 (g) That the language of this Section Thirteen shall be included in its general
17 construction contract and other construction contracts let directly by Redeveloper.

18 The term MBE shall mean a sole proprietorship, partnership, corporation, profit or non-
19 profit organization owned, operated and controlled by minority group members who have at least
20 fifty-one percent (51%) ownership. The minority group member(s) must have operational and
21 management control, interest in capital and earnings commensurate with their percentage of
22 ownership. The term Minority Group Member(s) shall mean persons legally residing in the United

1 States who are Black, Hispanic, Native American (American Indian, Eskimo, Aleut or Native
2 Hawaiian), Asian Pacific American (persons with origins from Japan, China, the Philippines,
3 Vietnam, Korea, Samoa, Guam, U.S. Trust Territory of the Pacific Islands, Laos, Cambodia or
4 Taiwan) or Asian Indian American (persons with origins from India, Pakistan or Bangladesh). The
5 term WBE shall mean a sole proprietorship, partnership, corporation, profit or non-profit
6 organization owned, operated and controlled by a woman or women who have at least fifty-one
7 percent (51%) ownership. The woman or women must have operational and managerial control,
8 interest in capital and earnings commensurate with their percentage of ownership.

9 The term "Redeveloper" as used in this Section shall include its successors in interest and
10 assigns.

11 **SECTION FOURTEEN.** The Redeveloper(s) may seek ten (10) year ad valorem real
12 estate tax abatement (the "Tax Abatement Period") pursuant to Sections 99.700 – 99.715, RSMo,
13 as amended, upon application as provided therein. LCRA shall provide the Redeveloper(s) with a
14 Certificate of Qualification of Tax Abatement as provided in Section 99.700, RSMo, and any
15 redevelopment agreement, and the Redeveloper shall file such certificate with the City Assessor
16 within thirty (30) days receipt thereof as required by Section 99.705, RSMo. The City Assessor
17 shall, promptly after receipt of the certificate, provide a written certification of the current assessed
18 value of the then-existing applicable real property or portion thereof (the "Base Assessed Value") to
19 the Redeveloper(s).

20 During the Tax Abatement Period, and subject to continued compliance with the Plan and
21 any redevelopment agreement, the Redeveloper(s) (or subsequent owners of the applicable real

1 property or portion thereof) shall pay unabated ad valorem real estate taxes and make additional
2 payments in lieu of taxes (“PILOTs”) as follows:

3 During each year of the Tax Abatement Period, unabated ad valorem real estate taxes will
4 be imposed based on the then-current tax levy rates and the Base Assessed Value of the applicable
5 real property or portion thereof pursuant to Section 99.710, RSMo; and

6 During each year of the Tax Abatement Period, PILOTs shall equal: In each of years one
7 through ten of the Tax Abatement Period, an amount equal to sixty percent (60%) of the difference
8 between the ad valorem real estate taxes that would be due if there were no abatement and the
9 amount of taxes actually due (as described above); and

10 Pursuant to Section 99.715, RSMo, nothing in the Plan shall prevent the City Assessor from
11 increasing or decreasing the assessed value of the any real property or portion thereof that is not
12 subject to a Certificate of Qualification of Tax Abatement properly filed with the City Assessor.

13 All unabated ad valorem real estate taxes and PILOTs shall be collected by the City Collector of
14 Revenue in the same manner as regular ad valorem real estate taxes.

15 **SECTION FIFTEEN.** Any proposed modification which will substantially change the
16 Plan must be approved by the St. Louis Board of Aldermen in the same manner as the Plan was first
17 approved. Modifications which will substantially change the Plan include, but are not necessarily
18 limited to, modifications on the use of eminent domain, to the length of tax abatement, or to the
19 boundaries of the Area. The Plan may be otherwise modified (e.g. development schedule) by the
20 LCRA in accordance with its July 24, 2018 policy governing time extensions as may be amended.

21 **SECTION SIXTEEN.** The sections of this Ordinance shall be severable. In the event that
22 any section of this Ordinance is found by a court of competent jurisdiction to be invalid, the

1 remaining sections of this Ordinance are valid, unless the court finds the valid sections of the
2 Ordinance are so essential and inseparably connected with and dependent upon the void section that
3 it cannot be presumed that this Board would have enacted the valid sections without the void ones,
4 or unless the court finds that the valid sections standing alone are incomplete and are incapable of
5 being executed in accordance with the legislative intent.