

1 **BOARD BILL NO. 226 INTRODUCED BY ALDERWOMAN CHRISTINE INGRASSIA**

2 An Ordinance relating to the proceeds from an increase of one half of one percent in the rate of  
3 the local use tax levied by the City of St. Louis pursuant to Ordinance No. 65609, which increase  
4 corresponds to a proposed one half of one percent local sales tax for economic development  
5 purposes; calling and providing for the holding of an election in the City of St. Louis on April 4,  
6 2017, for the purpose of submitting to the qualified voters of the City of St. Louis a proposal to  
7 use the proceeds of such one half of one percent increase in the local use tax levied by the City of  
8 St. Louis for the purpose of providing funding for minority job training and business  
9 development programs and a multipurpose stadium for soccer, local amateur sports, concerts,  
10 and community events; directing the Comptroller to collect the proceeds of such one half of one  
11 percent increase in the local use tax levied by the City of St. Louis from the State of Missouri to  
12 be held separate and apart from all other proceeds of the local use tax levied by the City of St.  
13 Louis; authorizing and directing that the proceeds of such one half of one percent increase in the  
14 local use tax levied by the City of St. Louis be used for the purpose of providing funding for  
15 minority job training and business development programs and a multipurpose stadium for soccer,  
16 local amateur sports, concerts, and community events subject to voter approval of such purposes;  
17 containing a severability clause; and containing an emergency clause.

18 WHEREAS, the City of St. Louis (the “City”) is a body corporate and a political  
19 subdivision of the State of Missouri, duly created, organized and existing under and by virtue of  
20 its charter, the Constitution and laws of the State of Missouri; and

21 WHEREAS, pursuant to Section 144.757 RSMo. and City Ordinance No. 65609, the City  
22 levies a local use tax at a rate equal to the current rate of the local sales tax levied by the City,  
23 which use tax is the equivalent of a sales tax on purchases from out-of-state sellers by in-state

1 buyers and on certain taxable business transactions for which a sales tax is not levied so that no  
2 taxpayer is subject to a sales tax and a use tax on the same transaction; and

3 WHEREAS, on \_\_\_\_\_, 2017, pursuant to Section 67.1305 of the laws of the State of  
4 Missouri, the Board of Aldermen of the City passed Ordinance No. \_\_\_\_\_, [Board Bill No. \_\_\_\_]  
5 providing for the submission to the qualified voters of the City of a proposition to impose a new  
6 one half of one percent sales tax on all retail sales made in the City which are subject to taxation  
7 under Chapter 144 RSMo. for economic development purposes (the “Economic Development  
8 Sales Tax”); and

9 WHEREAS, upon approval of the Economic Development Sales Tax proposition by the  
10 qualified voters of the City and the City’s levy of the Economic Development Sales Tax, the rate  
11 of the local use tax levied by the City under Ordinance No. 65609 will increase by a  
12 corresponding one half of one percent without the need for any further action or voter approval;  
13 and

14 WHEREAS, the City of St. Louis is committed to working in partnership with labor,  
15 businesses, and the community to create a skilled workforce that reflects the diversity of the  
16 population of City; and a well-trained, diverse workforce is critical to the economic and social  
17 vitality of the City and the region; and statistical data and other evidence shows that minorities  
18 and women are under-represented in the skilled workforce of the construction industry, including  
19 the “City of St. Louis Disparity Study” and the “City of St. Louis Workforce Study” completed  
20 in 2015 by Mason Tillman Associates, Ltd., for the City of St. Louis and the St. Louis  
21 Development Corp., which identified numerous and specific deficiencies and disparities; and

22 WHEREAS, such under-representation is due to past discriminatory barriers and that  
23 minority job training and business development programs are needed to rectify such under-

1 representation; and funding from any increased proceeds from the City's use tax can provide  
2 training and job opportunities as a means to increase the skills and diversity of the City  
3 workforce; and

4 WHEREAS, construction of a multipurpose stadium for soccer, local amateur sports,  
5 concerts, and community events is contingent on an MLS commitment to bring a professional  
6 soccer team to the City, attracting visitors from throughout the region to the City, and  
7 significantly benefiting the City by: (a) increasing state and local tax revenues through the  
8 creation of new jobs; (b) increasing state and local tax revenues through increased sales; (c)  
9 increasing state and local taxes through increased taxes withheld or paid by employers; (d)  
10 increasing sports activity, recreational entertainment, convention and tourism activities within  
11 the City; and (e) causing redevelopment of an areas within the City in need of redevelopment and  
12 creating an environment to stimulate additional private investment in and near the areas in which  
13 the stadium will be located; and

14 WHEREAS construction of such a multipurpose stadium will, in addition to other major  
15 projects such as the new National Geospatial-Intelligence Agency headquarters, MetroLink  
16 expansion, Choice Neighborhood development, Ballpark Village expansion, Union Station  
17 renovation and other projects, create several hundred jobs and provide opportunities for City  
18 residents to build a career in the construction trades and for the City to put into action minority  
19 job training and business development programs also funded by the proceeds of an increased use  
20 tax; and

21 WHEREAS, the site of the proposed multipurpose stadium is within one and a half miles  
22 of other civic amenities such as Union Station, Ballpark Village, Scottrade Center, Busch  
23 Stadium and the Arch Grounds, providing the City an unprecedented opportunity to form a

1 “corridor” of attractions with the potential of driving significant economic activity for the City;  
2 and

3 WHEREAS, pursuant to the foregoing, it is desirable and in the public interest that the  
4 proposition of whether the proceeds of such one half of one percent increase in the local use tax  
5 levied by the City should be used for the purpose of providing funding for minority job training  
6 and business development programs and a multipurpose stadium for soccer, local amateur sports,  
7 concerts, and community events be submitted to the qualified voters of the City at an election;  
8 and

9 WHEREAS, it is desirable and in the public interest to authorize and direct that, upon the  
10 passage of the Economic Development Sales Tax proposition by the qualified voters of the City  
11 and levy of the Economic Development Sales Tax by the City, the proceeds from the  
12 corresponding one half of one percent increase in the rate of the local use tax levied by the City  
13 be used for the purpose of providing funding for minority job training and business development  
14 programs and a multipurpose stadium for soccer, local amateur sports, concerts, and community  
15 events, subject to approval of such funding by the qualified voters of the City as provided herein.

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

17 **SECTION ONE.** The Board of Aldermen hereby adopts the foregoing recitals as  
18 findings.

19 **SECTION TWO.** In accordance with Section 144.757 RSMo. and Ordinance No.  
20 65609, upon the passage of the Economic Development Sales Tax proposition by the qualified  
21 voters of the City and levy of the Economic Development Sales Tax by the City, the rate of the  
22 local use tax levied by the City shall increase by one half of one percent.

1           **SECTION THREE.** An election shall be held and the same is hereby called and ordered  
2 to be held in the City of St. Louis, Missouri on the 4th day of April, 2017, at which there shall be  
3 submitted to the qualified voters of the City the proposition as hereinafter set forth. The  
4 proposition shall read substantially in words and figures as follows:

5           Shall the use tax paid by businesses on out-of-state purchases and derived from the one  
6 half of one percent increased use tax, which corresponds to approval and levy of an Economic  
7 Development Sales Tax in the City of St. Louis, be used for the purposes of minority job training  
8 and business development programs, and a portion of construction costs, but not construction  
9 cost overruns, of a multipurpose stadium for soccer, local amateur sports, concerts and  
10 community events? A use tax is the equivalent of a sales tax on purchases from out-of-state  
11 sellers by in-state buyers and on certain taxable business transactions for which a sales tax is not  
12 levied. No taxpayer is subject to a sales tax and a use tax on the same transaction. The City shall  
13 be required to make available to the public an audited comprehensive financial report detailing  
14 the management and use of the portion of the funds each year.

15           **SECTION FOUR.** The foregoing proposition shall be submitted to qualified voters in  
16 the City at an election in said City to be held on Tuesday, April 4, 2017. If the proposition shall  
17 receive in its favor the votes of a majority of the qualified voters voting thereon, the use tax as  
18 set forth within said proposition shall be used exclusively for the purpose of funding minority job  
19 training and business development programs and a multipurpose stadium for soccer, local  
20 amateur sports, concerts, and community events. The qualified voters may, at such election, vote  
21 a ballot substantially in the following form:

1 **OFFICIAL BALLOT**

2 Instructions to voters:

3 To vote in favor of the proposition submitted upon this ballot, place a cross (X) mark in  
4 the square opposite the word "YES"; and, to vote against the said proposition, place a cross (X)  
5 mark in the square opposite the word "NO".

6 **PROPOSITION \_\_\_\_**

7 Shall the use tax paid by businesses on out-of-state purchases and derived from  
8 the one half of one percent increased use tax, which corresponds to approval and levy of an  
9 Economic Development Sales Tax in the City of St. Louis, be used for the purposes of minority  
10 job training and business development programs, and a portion of construction costs, but not  
11 construction cost overruns, of a multipurpose stadium for soccer, local amateur sports, concerts  
12 and community events? A use tax is the equivalent of a sales tax on purchases from out-of-state  
13 sellers by in-state buyers and on certain taxable business transactions for which a sales tax is not  
14 levied. No taxpayer is subject to a sales tax and a use tax on the same transaction. The City shall  
15 be required to make available to the public an audited comprehensive financial report detailing  
16 the management and use of the portion of the funds each year.

17 YES

18 NO

19 **SECTION FIVE.** Notice of the election on such proposition shall be published and  
20 said election shall be conducted in the manner provided by law.

21 **SECTION SIX.** The Board of Election Commissioners for the City of St. Louis,  
22 Missouri shall provide notice of such election, shall provide the ballots or voting machines, or

1 both, shall conduct the election, and shall certify the results of said election, according to the  
2 laws regulating such elections.

3 **SECTION SEVEN.** Immediately upon the passage and approval of this ordinance, the  
4 Clerk of the Board of Aldermen shall certify a copy thereof to the Board of Election  
5 Commissioners for the City of St. Louis, Missouri for action and proceedings by said Board in  
6 accordance herewith and as required by law.

7 **SECTION EIGHT.** Subject to approval by the qualified voters of the City of the  
8 proposition set forth herein, the Comptroller shall receive and collect all City use taxes  
9 distributed by the Missouri Collector of Revenue under Section 144.759 RSMo. and shall deposit  
10 and maintain the amount of such taxes derived from the one half of one percent increased use tax  
11 described by this Ordinance and corresponding to approval and levy of the Economic  
12 Development Sales Tax separate and apart from all other City use taxes received by the  
13 Comptroller, and, subject to voter approval as provided herein, the Board of Aldermen hereby  
14 authorize and direct that such use taxes so received by the Comptroller shall be used for the  
15 purpose of providing funding for minority job training and business development programs and a  
16 multipurpose stadium for soccer, local amateur sports, concerts, and community events.

17 **SECTION NINE.** It is hereby declared to be the intention of the Board of Aldermen  
18 that each and every part, section and subsection of this Ordinance shall be separate and severable  
19 from each and every other part, section and subsection hereof and that the Board of Aldermen  
20 intends to adopt each said part, section and subsection separately and independently of any other  
21 part, section and subsection. In the event that any part, section or subsection of this Ordinance  
22 shall be determined to be or to have been unlawful or unconstitutional, the remaining parts,  
23 sections and subsections shall be and remain in full force and effect, unless the court making

1 such finding shall determine that the valid portions standing alone are incomplete and are  
2 incapable of being executed in accord with the legislative intent.

3           **SECTION TEN.**     The Board of Aldermen hereby finds and determines that this  
4 Ordinance constitutes an “emergency measure” pursuant to Article IV, Section 20 of the City  
5 Charter, because this Ordinance calls and provides for an election and vote by the people, and as  
6 such, this Ordinance shall take effect immediately upon its approval by the Mayor as provided in  
7 Article IV, Section 20 of the City Charter.