

Summary

Board Bill Number 213

Committee Substitute

Primary Sponsor: Alderwoman Dwindlerlin Evans

January 8, 2021

This Board Bill seeks to approve a Chapter 99 Redevelopment Plan and Blighting Study for the N. Newstead Ave./Cottage Ave./Whittier St./Page Blvd. Redevelopment Area. This Board Bill will allow up to a twenty-five (25) year tax abatement as follows: ten (10) years based on 95% of the assessed value of the incremental improvements, followed by fifteen (15) years based on 50% of the assessed value of the incremental improvements. This Area includes both occupied and unoccupied residential and commercial buildings and vacant lots.

**BOARD BILL NUMBER 213 COMMITTEE SUBSTITUTE INTRODUCED BY:
ALDERWOMAN DWINDERLIN EVANS**

1 An ordinance approving a blighting study and Redevelopment Plan for the N. Newstead
2 Ave./Cottage Ave./Whittier St./Page Blvd. Redevelopment Area ("Area") after finding that the
3 Area is blighted as defined in Section 99.320 of the Revised Statutes of Missouri, 2016, as amended
4 ("RSMo"), (the "Statute" being Sections 99.300 to 99.715 inclusive), and is blighted as defined in
5 Section 353.020 RSMo: finding that financial aid may be necessary to enable the Area to be
6 redeveloped in accordance with the Plan; finding that there shall be up to twenty-five (25) year tax
7 abatement with PILOTS for the remainder of the area); and pledging cooperation of the Board of
8 Aldermen and requesting various officials, departments, boards and agencies of the City to
9 cooperate and to exercise their respective powers in a manner consistent with the Plan.

10 **WHEREAS**, the predominance of defective or inadequate street layout, insanitary or unsafe
11 conditions, deterioration of site improvements, improper subdivision or obsolete platting,
12 inadequate or outmoded design and conditions which endanger life or property by fire or other
13 causes, or any combination of such factors, retards the provision of housing accommodations and
14 constitutes an economic and social liability and a menace to the public health, safety, morals or
15 welfare in the present condition and use of the Area, said Area being more fully described in
16 **Attachment "A"**; and

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

1 **WHEREAS**, there is a need for the LCRA, a public body corporate and politic created
2 under Missouri law, to undertake the development of the above described Area as a land clearance
3 project (“Project”) under said Statute, pursuant to plans by or presented to the LCRA under Section
4 99.430.1 (4); and

5 **WHEREAS**, the LCRA has recommended such a plan to the Planning Commission of the
6 City of St. Louis (“Planning Commission”) and to this St. Louis Board of Aldermen ("Board"),
7 titled "Blighting Study and Plan for the N. Newstead Ave./Cottage Ave./Whittier St./Page Blvd.,"
8 dated December 15, 2020 consisting of a Title Page, a Table of Contents Page, and nine (9)
9 numbered pages, attached hereto and incorporated herein as **Attachment "B"** ("Plan"); and

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

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

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

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

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

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

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

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

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

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

16 **NOW, THEREFORE, BE IT ORDAINED BY THE CITY OF ST. LOUIS AS**
17 **FOLLOWS:**

18 **SECTION ONE.** There exists within the City of St. Louis ("City") a blighted area, as
19 defined by Section 99.320 of the Revised Statutes of Missouri, 2016, as amended, and as defined in
20 Section 353.020 of the Revised Statutes of Missouri, described in **Attachment "A"**, attached
21 hereto and incorporated herein, known as the N. Newstead Ave./Cottage Ave./Whittier St./Page
22 Blvd. Area.

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

4 **SECTION THREE.** The Area qualifies as a redevelopment area in need of redevelopment
5 under the provision of the Statute, and the Area is blighted as defined in Section 99.320 of the
6 Statute and Section 353.020 RSMo, as amended.

7 **SECTION FOUR.** The Blighting Study and Plan for the Area, dated December 15, 2020,
8 ("Plan") having been duly reviewed and considered, is hereby approved and incorporated herein by
9 reference, and the President or Clerk of this St. Louis Board of Aldermen ("Board") is hereby
10 directed to file a copy of said Plan with the Minutes of this meeting.

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

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

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

19 **SECTION EIGHT.** The Plan for the Area provides that the Land Clearance for
20 Redevelopment Authority of the City of St. Louis ("LCRA") may not acquire any property in the
21 Area by the exercise of eminent domain.

1 **SECTION NINE.** The properties within the Area are both occupied and unoccupied. All
2 eligible occupants displaced by the Redeveloper ("Redeveloper" being defined in Section Twelve,
3 below) shall be given relocation assistance by the Redeveloper at its expense, in accordance with all
4 applicable federal, state and local laws, ordinances, regulations and policies.

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

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

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

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

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

16 **SECTION TWELVE.** All parties participating as owners or purchasers of properties in
17 the Area for redevelopment ("Redeveloper") shall agree for themselves and their heirs, successors
18 and assigns that they shall not discriminate on the basis of race, color, familial status, national
19 origin or ancestry, sex, marital status, age, sexual orientation, gender identity or expression, religion
20 or disability in the sale, lease, or rental of any property or improvements erected or to be erected in
21 the Area or any part thereof and those covenants shall run with the land, shall remain in effect
22 without limitation of time, shall be made part of every contract for sale, lease, or rental of property

1 to which Redeveloper is a party, and shall be enforceable by the LCRA, the City and the United
2 States of America.

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

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

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

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

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

16 (e) To comply with the requirements of Ordinance No. 60275 of the City;

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

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

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

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

18 **SECTION FOURTEEN.** may seek ten (10) year real estate tax abatement pursuant to
19 Sections 99.700 - 99.715, RSMo, as amended, upon application as provided therein. Such real
20 estate tax abatement shall not include taxes collected for any Special Business District,
21 Neighborhood Improvement District, Commercial Improvement District, or any other similar local
22 taxing district created in accordance with Missouri law, whether now existing or later created.

1 In lieu of the tax abatement pursuant to Sections 99.700 – 99.715, RSMo, as amended, any
2 Redeveloper(s) may seek tax abatement pursuant to Chapter 353, RSMo, as amended, upon
3 compliance with the procedures set forth therein and in Chapter 11.06 of the City Code, as
4 amended. The terms of the tax abatement available to the applicable real property or portion
5 thereof will be set forth in a Redevelopment Agreement between the LCRA and the Redeveloper.
6 The Redevelopment Agreement shall provide that tax abatement shall begin in the year during
7 which an urban redevelopment corporation acquires title to the applicable real property or portion
8 thereof and continue no longer than twenty-five (25) years thereafter (the “Chapter 353 Tax
9 Abatement Period”), provided, however, that:
10 PILOTs will be imposed to ensure that the total revenues payable to the affected taxing jurisdictions
11 from PILOTs and unabated ad valorem taxes (including those set forth in Section 353.110, RSMo)
12 equals at least:
13 For years one through ten of the Chapter 353 Tax Abatement period, at least:
14 One hundred percent (100%) of the ad valorem taxes that would be imposed based on the then-
15 current tax levy rates and the assessed value of the land and improvements included in the
16 applicable real property or portion thereof in the year prior to the urban redevelopment
17 corporation’s acquisition thereof (subject to adjustment pursuant to Section 353.110.2, RSMo, if
18 the land was tax exempt prior to acquisition by the urban redevelopment corporation) (the “Base
19 Tax Value”); plus five percent (5%) of the difference between the ad valorem real estate taxes that
20 would be due if there were no tax abatement and Base Tax Value.

1 For years eleven through twenty-five of the Chapter 353 Tax Abatement period, at least fifty
2 percent (50%) of the ad valorem real estate taxes that would be due if there were no tax abatement.
3 Pursuant to Section 71.801, RSMo., all calculations of PILOTs and abated taxes shall exclude any
4 ad valorem real property tax imposed by a Special Business District.

5 The tax abatement described above shall not apply to special assessments and shall not
6 serve to reduce or eliminate any other licenses or fees owing to the City or any other taxing
7 jurisdiction with respect to the applicable real property or portion thereof, except as expressly
8 described above. Nothing in this Redevelopment Plan shall prevent the City Assessor from
9 increasing or decreasing the assessed value of the any real property or portion thereof that is not
10 acquired by an urban redevelopment corporation in accordance with the Redevelopment Plan and
11 Redevelopment Agreement.

12 All unabated ad valorem real estate taxes and PILOTs shall be collected by the City
13 Collector of Revenue in the same manner as regular ad valorem real estate taxes. Each phase of the
14 project will require LCRA Board approval and redeveloper designation when financing is secured.
15 Up to twenty five-year tax abatement has been authorized for the Area; however, abatement of
16 shorter duration or quantity may be granted for a particular phase if the financial proformas do not
17 support twenty-five (25) years.

18 **SECTION FIFTEEN.** Any proposed modification which will substantially change the
19 Plan must be approved by the St. Louis Board of Aldermen in the same manner as the Plan was first
20 approved. Modifications which will substantially change the Plan include, but are not necessarily
21 limited to, modifications on the use of eminent domain, to the length of tax abatement, or to the

1 boundaries of the Area. The Plan may be otherwise modified (e.g. urban design regulations,
2 development schedule) by the LCRA in accordance with its July 24, 2018 policy governing time
3 extensions as may be amended.

4 **SECTION SIXTEEN.** The sections of this Ordinance shall be severable. In the event that
5 any section of this Ordinance is found by a court of competent jurisdiction to be invalid, the
6 remaining sections of this Ordinance are valid, unless the court finds the valid sections of the
7 Ordinance are so essential and inseparably connected with and dependent upon the void section that
8 it cannot be presumed that this Board would have enacted the valid sections without the void ones,
9 or unless the court finds that the valid sections standing alone are incomplete and are incapable of
10 being executed in accordance with the legislative intent.