

RESOLUTION NUMBER 12
RECOMMENDING THAT THE CITY OF ST. LOUIS PORT AUTHORITY PROVIDE
PERSONAL PROPERTY TAX ABATEMENT AND A SALES TAX EXEMPTION ON
CONSTRUCTION MATERIALS FOR RB STL ARCH LLC.

WHEREAS, pursuant to Ordinance Nos. 56707 and 56939 and in accordance with Chapter 68 of the Revised Statutes of Missouri, as amended (the “Port Authority Act”), The City of St. Louis, Missouri created the City of St. Louis Port Authority (the “Port Authority”); and

WHEREAS, as stated in the Port Authority Act, the Port Authority’s purpose is “to promote the general welfare, to promote development within the port district, to encourage private capital investment by fostering the creation of industrial facilities and industrial parks within the port district and to endeavor to increase the volume of commerce, and to promote the establishment of a foreign trade zone within the port districts;” and

WHEREAS, RB STL ARCH LLC (the “Company”) desires to renovate and rehabilitate the existing Hilton at the Arch hotel located at 400 Olive Street (the “Hotel”), which is within the Port Authority’s port district boundaries, by acquiring and installing approximately \$3,025,000 of new furniture and other equipment and constructing approximately \$4,475,000 of building improvements (collectively, the “Project”); and

WHEREAS, completion of the Project will allow the Company to maintain the Hilton brand at the Hotel and retain 50 jobs at the Hotel, all of which will have economic benefits to the City and other taxing districts; and

WHEREAS, by participating in an industrial revenue bond transaction, whereby personal property is acquired by the Port Authority and leased to the Company, the Port Authority is able to facilitate personal property tax abatement for the Project; and

WHEREAS, by participating in an industrial revenue bond transaction, whereby the Port Authority will take a leasehold interest in the Company’s real property, construction materials for the building improvements may be exempted from sales taxes; and

WHEREAS, completion of the Project will improve the general welfare of the City by retaining jobs, fostering private capital investment within the Port Authority’s port district boundaries, and increasing hotel opportunities for business travelers, convention visitors and others.

NOW THEREFORE BE IT RESOLVED by the Board of Aldermen of the City of St. Louis that the Board of Aldermen hereby recommends that the Port Authority participate in an industrial revenue bond transaction with the Company to provide 10 years of personal property tax abatement (85% in years 1 – 5 and 50% in years 6 – 10) and a sales tax exemption on construction materials for the Project.

**Introduced this 30th day of April, 2021 by:
The Honorable John Coatar, Alderman 7th Ward**

Adopted this ___ day of _____, 2021, as attested by:

**Terry Kennedy
Clerk, Board of Aldermen**

**Lewis E. Reed
President, Board of Aldermen**