

ORDINANCE #68553
Board Bill No. 242

An Ordinance pertaining to an amendment to the South Carondelet District #2 Tax Increment Financing (TIF) Redevelopment Plan due to a change in use and containing a severability clause.

WHEREAS, on recommendation of the TIF Commission by Ordinance No. 68089, the City of St. Louis (“City”) approved the South Carondelet District #2 Tax Increment Financing (TIF) Redevelopment Plan dated April 18, 2008, as amended on June 27, 2008 (“Original Redevelopment Plan”), for the South Carondelet District #2 Tax Increment Financing Redevelopment Area, which Redevelopment Area is more fully described in said Redevelopment Plan (“Redevelopment Area”); and

WHEREAS, staff and consultants of the City and of Carondelet TIF, Inc. (“Developer”) prepared a certain amendment to the Original Redevelopment Plan dated June 3, 2009 (“Redevelopment Plan”), which amended the Original Redevelopment Plan for a change in use; and

WHEREAS, the Original Redevelopment Plan proposed to redevelop the Redevelopment Area into residential and commercial uses; and

WHEREAS, the Redevelopment Plan now proposes a change in use to commercial, education and social services (“Redevelopment Project”); and

WHEREAS, after proper notice was given, the TIF Commission held a public hearing on August 26, 2009 in conformance with the Real Property Tax Increment Allocation Redevelopment Act, Chapter 99.800 to 99.865 R.S.Mo (“TIF Act”) and received comments from all interested persons and taxing districts relative to the Redevelopment Area, Redevelopment Plan and Redevelopment Project; and

WHEREAS, on August 26, 2009, the TIF Commission found that the completion of the Redevelopment Project under the Redevelopment Plan would provide a substantial and significant public benefit through the creation of new jobs, elimination of blight, the preservation of historic structures, the strengthening of the employment and economic base of the City, increased property values and tax revenues, stabilization of the Redevelopment Area, and facilitation of economic stability for the City as a whole, and further found that without the assistance of tax increment financing in accordance with the TIF Act, the Redevelopment Project under the Redevelopment Plan is not financially feasible and would not otherwise be completed; and

WHEREAS, on August 26, 2009, the TIF Commission voted to recommend that the Board of Aldermen adopt an ordinance in the form required by the TIF Act adopting tax increment financing within the Redevelopment Area, approving the Original Redevelopment Plan, affirming the Redevelopment Area as a Redevelopment Area under the TIF Act, approving the Redevelopment Project under the Original Redevelopment Plan and approving the issuance of one or more tax increment financing notes as specified in the Original Redevelopment Plan; and

WHEREAS, the Board of Aldermen has received the recommendations of the TIF Commission and finds that it is desirable and in the best interest of the City to adopt the Redevelopment Plan and the Redevelopment Project; and

WHEREAS, the Area qualifies for the use of tax increment financing to alleviate the conditions that qualify it as a blighted area as provided in the TIF Act as set forth herein; and

WHEREAS, it is necessary and desirable and in the best interest of the City to approve the Redevelopment Project to allow the construction of the Redevelopment Plan for the promotion of the redevelopment, which includes but is not limited to, assistance in the physical, economic, and social development of the City, providing for a stabilized population and plan for the optimal growth of the City, encouragement of a sense of community identity, safety and civic pride, and the elimination of impediments to land disposition and development in the City.

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

SECTION ONE. The Board of Aldermen makes the following findings:

(1) The Redevelopment Area on the whole is a blighted area, as defined in Section 99.805 of the TIF Act, and has not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to

be developed without the adoption of tax increment financing. This finding includes, that the Redevelopment Plan as attached hereto as **EXHIBIT A** and incorporated herein as if fully set out, contains a detailed description of the factors that qualify the Area as a blighted area under the TIF Act and that the Affidavit signed by the Developer and submitted with Redevelopment Plan attesting that the provisions of Section 99.810.1 (1) of the TIF Act have been met.

(2) The Redevelopment Plan conforms to the comprehensive plan for the development of the City as a whole.

(3) In accordance with the TIF Act, the Redevelopment Plan states the estimated dates of completion of the Project and retirement of the financial obligations issued to pay for certain redevelopment project costs and these dates are twenty-three (23) years or less from the date of approval of the Project.

(4) A plan has been developed for relocation assistance for businesses and residences in Ordinance No. 62581 adopted December 20, 1991.

(5) A cost-benefit analysis showing the economic impact of the Redevelopment Plan on each taxing district which is at least partially within the boundaries of the Redevelopment Area is on file with the St. Louis Development Corporation, which cost-benefit analysis shows the impact on the economy if the Project is not built and is built pursuant to the Redevelopment Plan.

(6) Redevelopment of the Area in accordance with the Redevelopment Plan is not financially feasible without the assistance of tax increment financing and would not otherwise be completed.

(7) The Redevelopment Plan does not include the initial development of any gambling establishment as that term is defined in section 99.805(6) of the TIF Act.

(8) The Redevelopment Area includes only those parcels of real property and improvements thereon directly and substantially benefitted by the proposed Redevelopment Project.

SECTION TWO. The designation of the Redevelopment Area described in the Redevelopment Plan is hereby affirmed.

SECTION THREE. The Redevelopment Plan as reviewed and recommended by the TIF Commission on August 26, 2009, and the Redevelopment Project described in the Redevelopment Plan are hereby adopted and approved.

SECTION FOUR. Tax increment allocation financing is hereby adopted within the Area. There are no payment in lieu of taxes as described in the TIF Act because the Redevelopment Area is abated pursuant to Ordinance No. 68018; however, fifty percent (50%) of the total additional revenue from taxes, penalties and interest within the Area over the amount of such taxes generated by economic activities within the Area in the calendar year prior to the adoption of the Redevelopment Project by ordinance, while tax increment financing remains in effect, but excluding personal property taxes, taxes imposed on sales or charges for sleeping rooms paid by transient guests of hotels and motels, taxes levied pursuant to Section 70.500 R.S.Mo., or taxes levied for the purpose of public transportation pursuant to Section 94.660 R.S.Mo., licenses fees or special assessments other than payment in lieu of taxes and penalties and interest thereon, shall be allocated to, and paid by the collecting officer to the City Treasurer or toner designated financial officer of the City, who shall deposit such funds in a separate segregated account within the South Carondelet District #2 Special Allocation Fund.

SECTION FIVE. The Comptroller of the City is hereby authorized to enter into agreements or contracts with other taxing districts as is necessary to ensure the allocation and collection of the taxes described in Section Four of this Ordinance and the deposit of said taxes into the South Carondelet District #2 Special Allocation Fund for the payment of the redevelopment project costs and obligations incurred in the payment thereof, all in accordance with the TIF Act.

SECTION SIX. The Mayor and Comptroller of the City or their designated representatives are hereby authorized and directed to take any and all actions as may be necessary and appropriate in order to carry out the matters herein authorized, with no such further action by the Board of Aldermen to authorize such action by the Mayor or Comptroller or their designated representatives.

SECTION SEVEN. It is hereby declared to be the intention of the Board of Aldermen that each and every part, section and subsection of this Ordinance shall be separate and severable from each and every other part, section and subsection hereof and that the Board of Aldermen intends to adopt each said part, section and subsection separately and independently of any other part,

section and subsection. In the event that any part, section or subsection of this Ordinance shall be determined to be or to have been unlawful or unconstitutional, the remaining parts, sections and subsections shall be and remain in full force and effect, unless the court making such findings shall determine that the valid portions standing alone are incomplete and are incapable of being executed in accord with the legislative intent.

SECTION EIGHT. After adoption of this Ordinance by the Board of Aldermen, this Ordinance shall become effective on the 30th day after its approval by the Mayor or by adoption over his veto; *provided however* that if, within ninety (90) days after the effective date of this Ordinance, the Developer has not (i) executed a redevelopment agreement pertaining to the Redevelopment Project and (ii) paid all fees due to the City in accordance with the terms of the redevelopment agreement, the provisions of this Ordinance shall be deemed null and void and of no effect and all the rights conferred by this Ordinance on Developer shall terminate, *provided further however*, that prior to any such termination the Developer may seek an extension of time in which to execute the Redevelopment Agreement, which extension may be granted in the sole discretion of the Board of Estimate and Apportionment of the City.

EXHIBIT A

AMENDMENT TO

**SOUTH CARONDELET DISTRICT 2
TIF REDEVELOPMENT PLAN**

**Submitted to
the City of St. Louis
Tax Increment Financing Commission
June 27, 2008
(Amendment - June 3, 2009)**

By Ordinance No. 68089, the City of St. Louis ("City"), upon the recommendation of its TIF Commission ("TIF Commission"), approved the South Carondelet District 2 Tax Increment Financing Redevelopment Plan for the South Carondelet District 2 Redevelopment Area dated April 18, 2008 ("South Carondelet District 2 redevelopment Plan" or "Plan"). The TIF Commission is considering amending the Plan as set forth herein. The TIF Commission and the City must make corresponding modifications to South Carondelet District 2 redevelopment Plan. The South Carondelet District 2 Redevelopment Plan shall be amended as follows:

1. Section 2. The last sentence of the fourth paragraph on page 7 shall be deleted in its entirety and replaced with the lieu thereof:

The new plan identifies the Redevelopment Area as a "Neighborhood Preservation Area ("NPA"), which is consistent with the proposed used for the Area.

2. Section 3. The second and third bulletin paragraphs shall be deleted in their entirety ad replaced with the following in lieu thereof:

To encourage the orderly redevelopment of the Area to provide high quality commercial, educational and social service used to serve the residents and businesses of south St. Louis City and County;

To assure the proposed commercial, educational and social service uses are supported by adequate parking, improved infrastructure and other public improvements necessary for redevelopment;

3. Section 4. The second non-bulleted paragraph and the eighth bulleted paragraph of this section shall be deleted in their entirety and respectively replace with the following in lieu thereof:

As a result of these efforts, this Redevelopment Plan envisions the rehabilitation of the former school into commercial, educational and social service uses.

Construction of the new commercial, educational and social service uses and supporting infrastructure, parking, improvements, and amenities within the Redevelopment Area.

4. Section 5. The subsection titled "Proposed Land Use" in this section, shall be deleted in its entirety and replaced with the following in lieu thereof:

The proposed land uses for the Redevelopment Area are commercial, educational and social service uses.

Approved: December 22, 2009