

**BOARD BILL NO. 73**

**INTRODUCED BY ALDERMAN KENNETH ORTMANN**

An ordinance approving a Redevelopment Plan for the 3525 Illinois Ave. Area ("Area") after finding that the Area is blighted as defined in Section 99.320 and Chapter 353 of the Revised Statutes of Missouri, 2000, as amended, (the "Statutes" being Sections 99.300 to 99.715 inclusive and Chapter 353), containing a description of the boundaries of said Area in the City of St. Louis ("City"), attached hereto and incorporated herein as Exhibit "A", finding that redevelopment and rehabilitation of the Area is in the interest of the public health, safety, morals and general welfare of the people of the City; approving the Plan dated May 24, 2016 for the Area ("Plan"), incorporated herein by attached Exhibit "B", pursuant to Sections 99.430 and 353.020 (4); finding that there is a feasible financial plan for the development of the Area which affords maximum opportunity for development of the Area by private enterprise; finding that no property in the Area may be acquired by the Land Clearance for Redevelopment Authority of the City of St. Louis ("LCRA") through the exercise of eminent domain; finding that the property within the Area is unoccupied, but if it should become occupied the Redeveloper shall be responsible for relocating any eligible occupants displaced as a result of implementation of the Plan; finding that financial aid may be necessary to enable the Area to be redeveloped in accordance with the Plan; finding that there shall be available ten (10) year real estate tax abatement with five (5) years of payments in lieu of taxes or up to five (5) years real estate tax abatement; and pledging cooperation of the Board of Aldermen and requesting various officials, departments, boards and agencies of the City to cooperate and to exercise their respective powers in a manner consistent with the Plan.

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1           WHEREAS, by reason of predominance of defective or inadequate street layout, insanitary  
2 or unsafe conditions, deterioration of site improvements, improper subdivision or obsolete platting,  
3 there exist conditions which endanger life or property by fire or other causes and constitute an  
4 economic or social liability or a menace to the public health, safety, morals or welfare in the  
5 present condition and use of the Area, said Area being more fully described in Exhibit "A"; and

6           WHEREAS, such conditions are beyond remedy and control solely by regulatory process in  
7 the exercise of the police power and cannot be dealt with effectively by ordinary private enterprise  
8 without the aids provided in the Statutes; and

9           WHEREAS, there is a need for the LCRA, a public body corporate and politic created  
10 under Missouri law, to undertake the development of the above described Area as a land clearance  
11 project ("Project") under said Statutes, pursuant to plans by or presented to the LCRA under  
12 Section 99.430.1 (4) and Chapter 353; and

13           WHEREAS, the LCRA has recommended such a plan to the Planning Commission of the  
14 City of St. Louis ("Planning Commission") and to this St. Louis Board of Aldermen ("Board"),  
15 titled "Blighting Study and Plan for 3525 Illinois Ave. Area," dated May 24, 2016 , consisting of a  
16 Title Page, a Table of Contents Page, and eleven (11) numbered pages, attached hereto and  
17 incorporated herein as Exhibit "B" ("Plan"); and

18           WHEREAS, under the provisions of the Statutes, and of the federal financial assistance  
19 statutes, it is required that this Board take such actions as may be required to approve the Plan; and

20           WHEREAS, it is desirable and in the public interest that a public body, the LCRA,  
21 undertake and administer the Plan in the Area; and

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1 WHEREAS, the LCRA and the Planning Commission have made and presented to this  
2 Board the studies and statements required to be made and submitted by Section 99.430 and Chapter  
3 353 and this Board has been fully apprised by the LCRA and the Planning Commission of the facts  
4 and is fully aware of the conditions in the Area; and

5 WHEREAS, the Plan has been presented and recommended by LCRA and the Planning  
6 Commission to this Board for review and approval; and

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

10 WHEREAS, this Board has duly considered the reports, recommendations and  
11 certifications of the LCRA and the Planning Commission; and

12 WHEREAS, the Plan does prescribe potential land use and street and traffic patterns which  
13 may require, among other things, the vacation of public rights-of-way, the establishment of new  
14 street and sidewalk patterns or other public actions; and

15 WHEREAS, this Board is cognizant of the conditions which are imposed on the  
16 undertaking and carrying out of the Project, including those relating to prohibitions against  
17 discrimination because of race, color, creed, national origin, sex, marital status, age, sexual  
18 orientation or physical handicap; and

19 WHEREAS, in accordance with the requirements of Sections 99.430, 353.060 and 353.110  
20 of the Statutes, this Board advertised that a public hearing would be held by this Board on the Plan,  
21 and said hearing was held at the time and place designated in said advertising and all those who  
22 were interested in being heard were given a reasonable opportunity to express their views; and

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1 WHEREAS, it is necessary that this Board take appropriate official action respecting the  
2 approval of the Plan.

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

5 **SECTION ONE.** There exists within the City of St. Louis ("City") a blighted area, as  
6 defined by Section 99.320 and Chapter 353 of the Revised Statutes of Missouri, 2000, as amended,  
7 (the "Statutes" being Sections 99.300 to 99.715 inclusive and Chapter 353, as amended) described  
8 in Exhibit "A", attached hereto and incorporated herein, known as the 3525 Illinois Ave. Area.

9 **SECTION TWO.** The redevelopment of the above described Area, as provided by the  
10 Statutes, is necessary and in the public interest, and is in the interest of the public health, safety,  
11 morals and general welfare of the people of the City.

12 **SECTION THREE.** The Area qualifies as a redevelopment area in need of redevelopment  
13 under the provision of the Statutes, and the Area is blighted as defined  
14 in Section 99.320 and Chapter 353 (2) of the Statutes.

15 **SECTION FOUR.** The Blighting Study and Plan for the Area, dated May 24, 2016  
16 ("Plan") having been duly reviewed and considered, is hereby approved and incorporated herein by  
17 reference, and the President or Clerk of this St. Louis Board of Aldermen ("Board") is hereby  
18 directed to file a copy of said Plan with the Minutes of this meeting.

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

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

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

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

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

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

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

- 20           (a) Pledges its cooperation in helping to carry out the Plan;
- 21           (b) Requests the various officials, departments, boards and agencies of the City, which  
22 have administrative responsibilities, likewise to cooperate to such end and to execute their  
23 respective functions and powers in a manner consistent with the Plan; and

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

3 **SECTION TWELVE.** All parties participating as owners or purchasers of property in the  
4 Area for redevelopment ("Redeveloper") shall agree for themselves and their heirs, successors and  
5 assigns that they shall not discriminate on the basis of race, color, creed, national origin, sex,  
6 marital status, age, sexual orientation or physical handicap in the sale, lease, or rental of any  
7 property or improvements erected or to be erected in the Area or any part thereof and those  
8 covenants shall run with the land, shall remain in effect without limitation of time, shall be made  
9 part of every contract for sale, lease, or rental of property to which Redeveloper is a party, and shall  
10 be enforceable by the LCRA, the City and the United States of America.

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

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

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

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

20 (d) To adhere to the requirements of the Executive Order of the Mayor of the City,  
21 dated July 24, 1997, as amended;

22 (e) To comply with the requirements of Ordinance No. 60275 of the City (codified as  
23 Chapter 3.09 of the Revised Ordinances of the City of St. Louis);

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

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

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

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

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1           **SECTION FOURTEEN.** The Redeveloper(s) may seek ten (10) year real estate tax  
2 abatement (“Tax Abatement Period”) pursuant to Sections 99.700 - 99.715, RSMo, as amended,  
3 upon application as provided therein. Such real estate tax abatement shall not include any Special  
4 Business District, Neighborhood Improvement District, Commercial Improvement District, or any  
5 other similar local taxing district created in accordance with Missouri law, whether now existing or  
6 later created. For the last five (5) years of the Tax Abatement Period the Redeveloper shall make  
7 annual Payments in Lieu of Taxes which shall be calculated by subtracting the amount of *ad*  
8 *valorem* real estate taxes due and payable to each taxing district for each tax year (i.e., the amount  
9 of taxes based on the assessment prior to Project completion) from the amount of *ad valorem* real  
10 estate taxes which would have been paid to each such taxing district for such year if no Certificate  
11 of Qualification for Tax Abatement had been issued for the Project (i.e. the amount of taxes  
12 without abatement).

13 In lieu of the abatement outlined above, a Redeveloper which is an urban redevelopment  
14 corporation formed pursuant to Chapter 353 of the Missouri Statutes shall hereby be entitled to real  
15 property ad valorem tax abatement which shall not include any Special Business District,  
16 Neighborhood Improvement District, Commercial Improvement District or any other single local  
17 taxing district created in accordance with Missouri law, whether now existing or later created, for a  
18 total period of up to five (5) years (“Abbreviated Tax Abatement Period”) from the commencement  
19 of such tax abatement, in accordance with the following provisions:

20           If property in the Area is sold by the LCRA to an urban redevelopment corporation  
21 formed pursuant to Chapter 353 of the Missouri Statutes, or if any such corporation shall  
22 own property within the Area, then for the first five (5) years after the date the  
23 redevelopment corporation shall acquire title to such property, taxes on such property shall

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1 be based upon the assessment of land, exclusive of any improvements thereon, during the  
2 calendar year preceding the calendar year during which such corporation shall have  
3 acquired title to such property. In addition to such taxes, any such corporation shall during  
4 the Abbreviated Tax Abatement Period make a payment in lieu of taxes to the Collector of  
5 Revenue of the City of St. Louis in an amount based upon the assessment on the  
6 improvements located on the property during the calendar year preceding the calendar year  
7 during which such corporation shall have acquired title to such property. If property shall  
8 be tax-exempt because it is owned by the LCRA and leased to any such corporation, then  
9 such corporation during the Abbreviated Tax Abatement Period shall make payments in  
10 lieu of taxes to the Collector of Revenue of the City in an amount based upon the  
11 assessment on the property, including land and improvements, during the calendar year  
12 preceding the calendar year during which such corporation shall lease such property.

13 All payments in lieu of taxes shall be a lien upon the property and, when paid to the  
14 Collector of Revenue of the City shall be distributed as all other property taxes. These  
15 partial tax relief and payment in lieu of taxes provisions, during the Abbreviated Tax  
16 Abatement Period, shall inure to the benefit of all successors in interest in the property of  
17 the redevelopment corporation, so long as such successors shall continue to use such  
18 property as provided in this Plan and in any contract with the LCRA. In no event shall such  
19 benefits extend beyond five (5) years after the redevelopment corporation shall have  
20 acquired title to the property.

21 **SECTION FIFTEEN.** Any proposed modification which will substantially change the  
22 Plan must be approved by the St. Louis Board of Aldermen in the same manner as the Plan was  
23 first approved. Modifications which will substantially change the Plan include, but are not

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1 necessarily limited to, modifications on the use of eminent domain, to the length of tax abatement,  
2 to the boundaries of the Area, or to other items which alter the nature or intent of the Plan. The  
3 Plan may be otherwise modified (e.g. urban design regulations, development schedule) by the  
4 LCRA.

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