

2 **AN ORDINANCE DESIGNATING A PORTION OF THE CITY OF ST.**

3 **LOUIS, MISSOURI, AS A REDEVELOPMENT AREA KNOWN AS THE**

4 **2300 LOCUST STREET REDEVELOPMENT AREA PURSUANT TO THE**

5 **REAL PROPERTY TAX INCREMENT ALLOCATION**

6 **REDEVELOPMENT ACT; APPROVING A REDEVELOPMENT PLAN**

7 **AND A REDEVELOPMENT PROJECT WITH RESPECT THERETO;**

8 **ADOPTING TAX INCREMENT FINANCING WITHIN THE**

9 **REDEVELOPMENT AREA; MAKING FINDINGS WITH RESPECT**

10 **THERETO; ESTABLISHING THE 2300 LOCUST STREET SPECIAL**

11 **ALLOCATION FUND; AUTHORIZING CERTAIN ACTIONS BY CITY**

12 **OFFICIALS; AND CONTAINING A SEVERABILITY CLAUSE.**

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

1 **WHEREAS**, on December 20, 1991, pursuant to Ordinance No.
2 62477, the Board of Aldermen of the City created the Tax
3 Increment Financing Commission of the City of St. Louis, Missouri
4 (the "TIF Commission"); and

5 **WHEREAS**, the TIF Commission is duly constituted according to
6 the Real Property Tax Increment Allocation Redevelopment Act,
7 Sections 99.800 to 99.865 of the Revised Statutes of Missouri
8 (2000), as amended (the "TIF Act"), and is authorized to hold
9 public hearings with respect to proposed redevelopment areas and
10 redevelopment plans and to make recommendations thereon to the
11 City; and

12 **WHEREAS**, staff and consultants of the City and NSI Ventures, LLC, a Missouri limited
13 liability company (the "Developer"), prepared a plan for redevelopment titled "*Tax Increment*
14 *Blighting Analysis and Redevelopment Plan for the 2300 Locust Street Redevelopment Area*"
15 dated February 25, 2005, as amended April 1, 2005 (the "Redevelopment Plan"), for an area
16 generally comprising a portion of City Block 920 and which is generally bounded by Locust
17 Street on the north, 23rd Street on the east, Olive Street on the south and several existing
18 buildings on the west in downtown St. Louis (the "Redevelopment Area" or "Area"), which
19 Redevelopment Area is more fully described in the Redevelopment Plan, attached hereto and
20 incorporated herein as **Exhibit A**; and

21 **WHEREAS**, the Redevelopment Plan proposes to redevelop the Redevelopment Area by
22 renovating and rehabilitating the structure that currently exists in the Area into commercial and

1 office space with related parking and other improvements, as set forth in the Redevelopment Plan (the
2 “Redevelopment Project,” or “TIF Project”); and

3 **WHEREAS**, on April 13, 2005 after all proper notice was given, the TIF Commission
4 held a public hearing in conformance with the TIF Act and received comments from all
5 interested persons and taxing districts relative to the Redevelopment Area, the Redevelopment
6 Plan, and the Redevelopment Project; and

7 **WHEREAS**, on April 13, 2005, the TIF Commission found that completion of the
8 Redevelopment Project would provide a substantial and significant public benefit through the
9 elimination of blight, strengthening of the employment and economic base of the City, increased
10 property values and tax revenues, stabilization of the Redevelopment Area, and facilitation of
11 economic stability for the City as a whole, and further found that without the assistance of tax
12 increment financing in accordance with the TIF Act, the Redevelopment Project is not
13 financially feasible and would not otherwise be completed; and

14 **WHEREAS**, on April 13, 2005, the TIF Commission voted to
15 recommend that the Board of Aldermen adopt an ordinance in the
16 form required by the Act (i) adopting tax increment financing
17 within the Redevelopment Area, (ii) approving the Redevelopment
18 Plan, (iii) approving and designating the Redevelopment Area as a
19 “redevelopment area” as provided in the Act, (iv) approving the
20 Redevelopment Project as described within the Redevelopment Plan,
21 and (v) approving the issuance of tax increment financing revenue
22 notes in the amount as specified in the Redevelopment Plan; and

1 **WHEREAS**, the Developer has demonstrated that the Redevelopment Project would not
2 reasonably be anticipated to be developed without the adoption of tax increment financing and,
3 therefore, redevelopment of the Redevelopment Area in accordance with the Redevelopment
4 Plan is not feasible and would not otherwise be completed; and

5 **WHEREAS**, the Board of Aldermen has received the
6 recommendations of the TIF Commission regarding the Redevelopment
7 Area and the Redevelopment Plan and finds that it is desirable
8 and in the best interests of the City to designate the
9 Redevelopment Area as a "redevelopment area" as provided in the
10 TIF Act, adopt the Redevelopment Plan and Redevelopment Project
11 in order to encourage and facilitate the redevelopment of the
12 Redevelopment Area; and

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

17 **WHEREAS**, it is necessary and desirable and in the best
18 interest of the City to adopt tax increment allocation financing
19 within the Redevelopment Area and to establish a special
20 allocation fund for the Redevelopment Area in order to provide
21 for the promotion of the general welfare through redevelopment of
22 the Redevelopment Area in accordance with the Redevelopment Plan
23 which redevelopment includes, but is not limited to, assistance

1 in the physical, economic, and social development of the City of
2 St. Louis, providing for a stabilized population and plan for the
3 optimal growth of the City of St. Louis, encouragement of a sense
4 of community identity, safety and civic pride, and the
5 elimination of impediments to land disposition and development in
6 the City of St. Louis.

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

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

9 A. The Redevelopment Area on the whole is a “blighted area”, as defined in Section
10 99.805 of the TIF Act, and has not been subject to growth and development through investment
11 by private enterprise and would not reasonably be anticipated to be developed without the
12 adoption of tax increment financing. This finding includes, the Redevelopment Plan sets forth,
13 and the Board of Aldermen hereby finds and adopts by reference: (i) a detailed description of the
14 factors that qualify the Redevelopment Area as a “blighted area” and (ii) an affidavit, signed by
15 the Developer and submitted with the Redevelopment Plan, attesting that the provisions of
16 Section 99.810.1(1) of the TIF Act have been met, which description and affidavit are
17 incorporated herein as if set forth herein.

18 B. The Redevelopment Plan conforms to the comprehensive plan for the
19 development of the City as a whole.

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

5 D. A plan has been developed for relocation assistance for businesses and residences
6 in Ordinance No. 62481 adopted December 20, 1991.

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

12 F. Redevelopment of the Redevelopment Area in accordance with the
13 Redevelopment Plan is not financially feasible without the assistance of tax increment financing
14 and would not otherwise be completed.

15 G. The Redevelopment Plan does not include the initial development or
16 redevelopment of any “gambling establishment” as that term is defined in Section 99.805(6) of
17 the TIF Act.

18 H. The Redevelopment Area includes only those parcels of real property and
19 improvements thereon directly and substantially benefited by the proposed Redevelopment
20 Project.

21 **SECTION TWO.** The Redevelopment Area described in the Redevelopment Plan is

1 hereby designated as a “redevelopment area” as defined in Section 99.805(11) of the TIF Act.

2 **SECTION THREE.** The Redevelopment Plan as reviewed and recommended by the
3 TIF Commission on April 13, 2005, including amendments thereto, if any, and the
4 Redevelopment Project described in the Redevelopment Plan are hereby adopted and approved.
5 A copy of the Redevelopment Plan is attached hereto as **Exhibit A** and incorporated herein by
6 reference.

1 **SECTION FOUR.** There is hereby created and ordered to be established within the
 2 treasury of the City a separate fund to be known as the “2300 Locust Street Special Allocation
 3 Fund.” To the extent permitted by law and except as otherwise provided in the Redevelopment
 4 Plan, the City hereby pledges funds in the 2300 Locust Street Special Allocation Fund for the
 5 payment of redevelopment project costs and obligations incurred in the payment thereof.

6 **SECTION FIVE.** Tax increment allocation financing is hereby adopted within the
 7 Redevelopment Area. After the total equalized assessed valuation of the taxable real property in
 8 the Redevelopment Area exceeds the certified total initial equalized assessed valuation of the
 9 taxable real property in the Redevelopment Area, the ad valorem taxes, and payments in lieu of
 10 taxes, if any, arising from the levies upon taxable real property in the Redevelopment Area by
 11 taxing districts and tax rates determined in the manner provided in Section 99.855.2 of the TIF
 12 Act each year after the effective date of this Ordinance until redevelopment costs have been paid
 13 shall be divided as follows:

14 A. That portion of taxes, penalties and interest levied upon each
 15 taxable lot, block, tract, or parcel of real property which is attributable to the
 16 initial equalized assessed value of each such taxable lot, block, tract, or parcel of
 17 real property in the area selected for the Redevelopment Project shall be allocated
 18 to and, when collected, shall be paid by the City Collector to the respective
 19 affected taxing districts in the manner required by law in the absence of the
 20 adoption of tax increment allocation financing;

21 B. Payments in lieu of taxes attributable to the increase in the current
 22 equalized assessed valuation of each taxable lot, block, tract, or parcel of real

1 property in the area selected for the Redevelopment Project and any applicable
2 penalty and interest over and above the initial equalized assessed value of each
3 such unit of property in the area selected for the Redevelopment Project shall be
4 allocated to and, when collected, shall be paid to the City Treasurer, who shall
5 deposit such payment in lieu of taxes into the 2300 Locust Street Special
6 Allocation Fund for the purpose of paying redevelopment costs and obligations
7 incurred in the payment thereof. Payments in lieu of taxes which are due and
8 owing shall constitute a lien against the real estate of the Redevelopment Project
9 from which they are derived and shall be collected in the same manner as the real
10 property tax, including the assessment of penalties and interest where applicable.

1 **SECTION SIX.** In addition to the payments in lieu of taxes described in Section Five of
2 this Ordinance, fifty percent (50%) of the total additional revenue from taxes, penalties and
3 interest which are imposed by the City or other taxing districts, and which are generated by
4 economic activities within the area of the Redevelopment Project over the amount of such taxes
5 generated by economic activities within the area of the Redevelopment Project in the calendar
6 year prior to the adoption of the Redevelopment Project by ordinance, while tax increment
7 financing remains in effect, but excluding personal property taxes, taxes imposed on sales or
8 charges for sleeping rooms paid by transient guests of hotels and motels, taxes levied pursuant to
9 Section 70.500 of the Revised Statutes of Missouri (2000) as amended, or taxes levied for the
10 purpose of public transportation pursuant to Section 94.660 of the Revised Statutes of Missouri
11 (2000) as amended, licenses, fees or special assessments other than payments in lieu of taxes and
12 penalties and interest thereon, shall be allocated to, and paid by the collecting officer to the City
13 Treasurer or other designated financial officer of the City, who shall deposit such funds in a
14 separate segregated account within the 2300 Locust Street Special Allocation Fund.

15 **SECTION SEVEN.** The Comptroller of the City is hereby authorized to enter into
16 agreements or contracts with other taxing districts as is necessary to ensure the allocation and
17 collection of the taxes and payments in lieu of taxes described in Sections Five and Six of this
18 Ordinance and the deposit of the said taxes or payments in lieu of taxes into the 2300 Locust
19 Street Special Allocation Fund for the payment of redevelopment project costs and obligations
20 incurred in the payment thereof, all in accordance with the TIF Act.

21 **SECTION EIGHT.** The City Register is hereby directed to submit a certified copy of
22 this Ordinance to the City Assessor, who is directed to determine the total equalized assessed

1 value of all taxable real property within the Redevelopment Area as of the date of this
2 Ordinance, by adding together the most recently ascertained equalized assessed value of each
3 taxable lot, block, tract or parcel of real property within the Redevelopment Area, and shall
4 certify such amount as the total initial equalized assessed value of the taxable real property
5 within the Redevelopment Area.

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

11 **SECTION TEN.** The Mayor and the Comptroller or their
12 designated representatives, with the advice and concurrence of
13 the City Counselor and after approval by the Board of Estimate
14 and Apportionment, are hereby further authorized and directed to
15 make any changes to the documents, agreements and instruments
16 approved and authorized by this Ordinance as may be consistent
17 with the intent of this Ordinance and necessary and appropriate
18 in order to carry out the matters herein authorized, with no such
19 further action of the Board of Aldermen necessary to authorize
20 such changes by the Mayor and the Comptroller or their designated
21 representatives.

22 **SECTION ELEVEN.** It is hereby declared to be the intention of the Board of Aldermen

1 that each and every part, section and subsection of this Ordinance shall be separate and severable
2 from each and every other part, section and subsection hereof and that the Board of Aldermen
3 intends to adopt each said part, section and subsection separately and independently of any other
4 part, section and subsection. In the event that any part, section or subsection of this Ordinance
5 shall be determined to be or to have been unlawful or unconstitutional, the remaining parts,
6 sections and subsections shall be and remain in full force and effect, unless the court making
7 such finding shall determine that the valid portions standing alone are incomplete and are
8 incapable of being executed in accord with the legislative intent.

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

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EXHIBIT A

2300 LOCUST STREET TIF REDEVELOPMENT PLAN