

1 **BOARD BILL NO. 114** **INTRODUCED BY ALDERMAN FRANK WILLIAMSON**

2 An ordinance authorizing twenty five (25) years of tax abatement for certain properties
3 listed on the attached Exhibit “A,” (the “Property”), known as Etzel II, which is attached hereto and
4 incorporated herein by this reference, all of which is located within the West End Urban Renewal
5 Area (the “Area”) commencing on January 1, 1998 in accordance with Ordinance 55268 and the
6 Redevelopment Plan for the West End Urban Renewal Area at the time of the commencement of
7 the tax abatement and this Ordinance.

8 WHEREAS, the Board of Aldermen of the City of St. Louis by Ordinance No. 55268
9 dated March 27, 1969 (the “Approval Ordinance”) approved a redevelopment plan (the “Plan”)
10 for the West End Urban Renewal Project Area (the “Area”) which includes the Property and
11 authorized 25 years of tax abatement.

12 WHEREAS, the Board of Commissioners of the Land Clearance for Redevelopment
13 Authority of the City of St. Louis (the “Authority”) advertised for and received a residential
14 redevelopment proposal for the Property from Affordable City Homes, Inc. (the “Redeveloper”)
15 dated July 17, 1995 (the “Proposal”).

16 WHEREAS, the Authority designated Affordable City Homes, Inc. as the redeveloper for
17 the Property and entered into a Redevelopment Agreement with it dated September 18, 1995 (the
18 “Redevelopment Agreement”) which is attached hereto as Exhibit “B.”

19 WHEREAS, the intent of the Redevelopment Agreement and the Redeveloper’s
20 application for designation as redeveloper was to secure twenty five (25) years of tax abatement
21 for the Property (ten (10) years at full abatement and an additional fifteen (15) years at 50% tax
22 abatement).

1 WHEREAS, the Redeveloper substantially completed the redevelopment of the Property
2 in accordance with the Proposal and Plan on October 23, 1997.

3 WHEREAS, the Authority's staff sent a letter to the Assessor dated December 21, 1997
4 advising that the Property was entitled to ten (10) years of tax abatement pursuant to Sections
5 99.700 through 99.710 RSMo instead of the twenty five (25) years intended by the
6 Redevelopment Agreement and the Authorizing Ordinance.

7 WHEREAS, as a result, the Assessor's Office commenced ten (10) years of tax
8 abatement on January 1, 1998.

9 WHEREAS, the tax abatement was contemplated for a period longer than ten (10) years,
10 and the Approval Ordinance and state statutes required title to the Property to be passed through
11 an urban redevelopment corporation organized pursuant to Chapter 353 RSMo.

12 WHEREAS, a Letter of Understanding evidencing the intent to grant the Property a total
13 of twenty five (25) years of tax abatement is attached hereto as Exhibit "C."

14 WHEREAS, the Property was passed through the SLDC Redevelopment Corporation,
15 which is an urban redevelopment corporation organized pursuant to Chapter 353 RSMo., on
16 February 20, 2004.

17 WHEREAS, the terms of the Approval Ordinance call for tax abatement for property
18 passed through a Chapter 353 Urban Redevelopment Corporation to commence on January 1 of
19 the year following the transfer of title.

20 WHEREAS, a commencement date later than January 1, 1998 would cause the Property
21 to receive more than twenty five (25) years of tax abatement contrary to the intent of the
22 Approval Ordinance, the Plan, the Proposal and the Redevelopment Agreement.

1 WHEREAS, it is the intent of this Ordinance is to effectuate the original intent of the
2 Approval Ordinance and Redevelopment Agreement and to give the Property tax abatement for a
3 period of twenty five (25) years (ten (10) years at full abatement and an additional fifteen (15)
4 years at 50% abatement) commencing on January 1, 1998.

5 WHEREAS, the Land Clearance for Redevelopment Authority of the City of St. Louis
6 (“LCRA”) has approved and recommended the adoption of this Ordinance.

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

9 **SECTION ONE.** There is hereby authorized tax abatement for certain properties listed on
10 the attached Exhibit “A,” (the “Property”) which is attached hereto and incorporated herein by this
11 reference, located within the West End Urban Renewal Area (the “Area”) for a period of twenty
12 five (25) years (ten (10) years at full abatement and an additional fifteen (15) years at 50%
13 abatement) commencing on January 1, 1998 in accordance with terms, covenants and conditions of
14 Ordinance 55268 (the “Approval Ordinance”), Redevelopment Plan for the West End Urban
15 Renewal Area at the time of the commencement of the tax abatement (the “Plan”) and this
16 Ordinance.

17 **SECTION TWO.** In order to implement and facilitate the effectuation of this Ordinance
18 and the Plan, as hereby authorized and approved, it is found and determined that certain official
19 actions must be taken by this Board of Aldermen (the “Board”) and accordingly this Board hereby:

- 20 (a) Pledges its cooperation in helping to carry out the terms of this Ordinance and the
21 Plan;

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

4 (c) Stands ready to consider and take appropriate action upon proposals and measures
5 designed to effectuate this Ordinance and the Plan.

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

14 **SECTION FOUR.** In all contracts with private and public parties for redevelopment of
15 any portion of the Area, all Redevelopers shall agree:

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

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

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

1 (d) To adhere to the requirements of the Executive Order of the Mayor of the City,
2 dated July 24, 1997.

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

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

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

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

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

3 **SECTION FIVE.** The Redeveloper in entitled to ten (10) year real estate tax abatement
4 pursuant to Sections 99.700 - 99.715, Revised Statutes of Missouri, as amended, upon application
5 as provided therein. Such real estate tax abatement shall not include any Special Business District,
6 Neighborhood Improvement District, Commercial Improvement District, or any other similar local
7 taxing district created in accordance with Missouri law, whether now existing or later created. Said
8 abatement shall be effective as of January 1, 1998.

9 In lieu of the ten (10) year abatement outlined above, a Redeveloper which is an urban
10 redevelopment corporation formed pursuant to Chapter 353 of the Missouri Statutes shall hereby be
11 entitled to real property ad valorem tax abatement which shall not include any Special Business
12 District, Neighborhood Improvement District, Commercial Improvement District or any other
13 single local taxing district created in accordance with Missouri law, whether now existing or later
14 created, for a total period of up to twenty five (25) years from the commencement of such tax
15 abatement, in accordance with the following provisions:

16 If property in the Area is sold by the LCRA to an urban redevelopment corporation
17 formed pursuant to Chapter 353 of the Missouri Statutes, or if any such corporation shall
18 own the Property located within the Area, then for the first ten (10) years commencing
19 January 1, 1998, taxes on such property shall be based upon the assessment of land,
20 exclusive of any improvements thereon, during the calendar year preceding January 1,
21 1998. In addition to such taxes, any such corporation shall for the same ten (10) year
22 period make a payment in lieu of taxes to the Collector of Revenue of the City of St. Louis

1 in an amount based upon the assessment on the improvements located on the property
2 during the calendar year preceding January 1, 1998.

3 For the ensuing period of up to fifteen (15) years following the original period
4 stated above, any such corporation shall pay taxes and payments in lieu of taxes as provided
5 above in an amount based upon fifty percent (50%) of the then normal assessment of the
6 land and improvements. Thereafter any such corporation shall pay the full amount of taxes.

7 All payments in lieu of taxes shall be a lien upon the property and, when paid to the
8 Collector of Revenue of the City shall be distributed as all other property taxes. These
9 partial tax relief and payment in lieu of taxes provisions, during up to said twenty five (25)
10 year period, shall inure to the benefit of all successors in interest in the property of the
11 redevelopment corporation, so long as such successors shall continue to use such property
12 as provided in the Approval Ordinance and Plan and in any contract with the LCRA. In no
13 event shall such benefits extend beyond twenty five (25) years.

14 **SECTION SIX.** The tax abatement described herein on the Property is effective as of
15 January 1, 1998 and shall not, in any event, exceed a total term of twenty five (25) years.

16 **SECTION SEVEN.** The sections of this Ordinance shall be severable. In the event that
17 any section of this Ordinance is found by a court of competent jurisdiction to be invalid, the
18 remaining sections of this Ordinance are valid, unless the court finds the valid sections of the
19 Ordinance are so essential and inseparably connected with and dependent upon the void section
20 that it cannot be presumed that this Board would have enacted the valid sections without the void
21 ones, or unless the court finds that the valid sections standing alone are incomplete and are
22 incapable of being executed in accordance with the legislative intent.