

1 **BOARD BILL NO. 346**

INTRODUCED BY ALDERMAN CRAIG SCHMID

2 An ordinance approving a Redevelopment Plan for the 2831 Cherokee Street Area ("Area") after
3 finding that the Area is blighted as defined in Section 99.320 of the Revised Statutes of Missouri,
4 2000, as amended, (the "Statute" being Sections 99.300 to 99.715 inclusive), containing a
5 description of the boundaries of said Area in the City of St. Louis ("City"), attached hereto and
6 incorporated herein as Exhibit "A", finding that redevelopment and rehabilitation of the Area is in
7 the interest of the public health, safety, morals and general welfare of the people of the City;
8 approving the Plan dated September 27, 2005 for the Area ("Plan"), incorporated herein by
9 attached Exhibit "B", pursuant to Section 99.430; finding that there is a feasible financial plan for
10 the development of the Area which affords maximum opportunity for development of the Area by
11 private enterprise; finding that no property in the Area may be acquired by the Land Clearance for
12 Redevelopment Authority of the City of St. Louis ("LCRA") through the exercise of eminent
13 domain; finding that the property within the Area is unoccupied, but if it should become occupied
14 the Redeveloper shall be responsible for relocating any eligible occupants displaced as a result of
15 implementation of the Plan; finding that financial aid may be necessary to enable the Area to be
16 redeveloped in accordance with the Plan; finding that there shall be available ten (10) year real
17 estate tax abatement; and pledging cooperation of the Board of Aldermen and requesting various
18 officials, departments, boards and agencies of the City to cooperate and to exercise their respective
19 powers in a manner consistent with the Plan.

20 WHEREAS, by reason of predominance of defective or inadequate street layout, insanitary or
21 unsafe conditions, deterioration of site improvements, improper subdivision or obsolete platting,
22 there exist conditions which endanger life or property by fire or other causes and constitute an

1 economic or social liability or a menace to the public health, safety, morals or welfare in the
2 present condition and use of the Area, said Area being more fully described in Exhibit "A"; and
3 WHEREAS, such conditions are beyond remedy and control solely by regulatory process in the
4 exercise of the police power and cannot be dealt with effectively by ordinary private enterprise
5 without the aids provided in the Statute; and
6 WHEREAS, there is a need for the LCRA, a public body corporate and politic created under
7 Missouri law, to undertake the development of the above described Area as a land clearance project
8 under said Statute, pursuant to plans by or presented to the LCRA under Section 99.430.1 (4); and
9 WHEREAS, the LCRA has recommended such a plan to the Planning Commission of the City of
10 St. Louis ("Planning Commission") and to this St. Louis Board of Aldermen ("Board"), titled
11 "Blighting Study and Plan for the 2831 Cherokee Street Area," dated September 27, 2005
12 consisting of a Title Page, a Table of Contents Page, and fourteen (14) numbered pages, attached
13 hereto and incorporated herein as Exhibit "B" ("Plan"); and
14 WHEREAS, under the provisions of the Statute, and of the federal financial assistance statutes, it is
15 required that this Board take such actions as may be required to approve the Plan; and
16 WHEREAS, it is desirable and in the public interest that a public body, the LCRA, undertake and
17 administer the Plan in the Area; and
18 WHEREAS, the LCRA and the Planning Commission have made and presented to this Board the
19 studies and statements required to be made and submitted by Section 99.430 and this Board has
20 been fully apprised by the LCRA and the Planning Commission of the facts and is fully aware of
21 the conditions in the Area; and
22 WHEREAS, the Plan has been presented and recommended by LCRA and the Planning
23 Commission to this Board for review and approval; and

Date: December 2, 2005

Page 2 of 9

Board Bill No.

Sponsor: Alderman Craig Schmid

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

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

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

9 WHEREAS, this Board is cognizant of the conditions which are imposed on the undertaking and
10 carrying out of a redevelopment project, including those relating to prohibitions against
11 discrimination because of race, color, creed, national origin, sex, marital status, age, sexual
12 orientation or physical handicap; and

13 WHEREAS, in accordance with the requirements of Section 99.430 of the Statute, this Board
14 advertised that a public hearing would be held by this Board on the Plan, and said hearing was held
15 at the time and place designated in said advertising and all those who were interested in being
16 heard were given a reasonable opportunity to express their views; and

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

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

20 **SECTION ONE.** There exists within the City of St. Louis ("City") a blighted area, as defined by
21 Section 99.320 of the Revised Statutes of Missouri, 2000, as amended, (the "Statute" being
22 Sections 99.300 to 99.715 inclusive, as amended) described in Exhibit "A", attached hereto and
23 incorporated herein, known as the 2831 Cherokee Street Area.

1 **SECTION TWO.** The redevelopment of the above described Area, as provided by the Statute, as a
2 split-use property with plumbing, electrical and HVAC systems inspected and approved by the City
3 is necessary and in the public interest, and is in the interest of the public health, safety, morals and
4 general welfare of the people of the City. Residential units shall rent for at least \$650 per month
5 and must be converted to homeowner-occupied units within five (5) years. Residential units
6 shall be sold initially for a minimum of \$150,000 each. Commercial units shall be sold after five
7 years as rental units for an initial cost of at least \$150,000 each.

8 **SECTION THREE.** The Area qualifies as a redevelopment area in need of redevelopment under
9 the provision of the Statute, and the Area is blighted as defined in Section 99.320 of the Statute.

10 **SECTION FOUR.** The Blighting Study and Plan for the Area, dated September 27, 2005 ("Plan")
11 having been duly reviewed and considered, is hereby approved and incorporated herein by
12 reference, and the President or Clerk of this St. Louis Board of Aldermen ("Board") is hereby
13 directed to file a copy of said Plan with the Minutes of this meeting.

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

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

18 **SECTION SEVEN.** The Plan for the Area will afford maximum opportunity, consistent with the
19 sound needs of the City as a whole, for the redevelopment of the Area by private enterprise, and
20 private developments to be sought pursuant to the requirements of the Statute, as home-owner
21 occupied split-use/residential property with plumbing, electrical and HVAC systems inspected and
22 approved by the City.

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

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

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

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

- 13 (a) Pledges its cooperation in helping to carry out the Plan;
- 14 (b) Requests the various officials, departments, boards and agencies of the City, which
15 have administrative responsibilities, likewise to cooperate to such end and to execute their
16 respective functions and powers in a manner consistent with the Plan; and
- 17 (c) Stands ready to consider and take appropriate action upon proposals and measures
18 designed to effectuate the Plan.

19 **SECTION TWELVE.** All parties participating as owners or purchasers of property in the Area
20 for redevelopment ("Redeveloper") shall agree for themselves and their heirs, successors and
21 assigns that they shall not discriminate on the basis of race, color, creed, national origin, sex,
22 marital status, age, sexual orientation or physical handicap in the sale, lease, or rental of any
23 property or improvements erected or to be erected in the Area or any part thereof and those

1 covenants shall run with the land, shall remain in effect without limitation of time, shall be made
2 part of every contract for sale, lease, or rental of property to which Redeveloper is a party, and shall
3 be enforceable by the LCRA, the City and the United States of America.

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

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

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

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

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

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

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

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

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

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

15 **SECTION FOURTEEN.** The Redeveloper may seek ten (10) year real estate tax abatement
16 pursuant to Sections 99.700 - 99.715, Revised Statutes of Missouri, 2000, as amended, upon
17 application as provided therein. Such real estate tax abatement shall not include any Special
18 Business District taxes which may be assessed for the property located in a Special Business
19 District.

20 In lieu of the ten (10) year abatement outlined above, a Redeveloper which is an urban
21 redevelopment corporation formed pursuant to Chapter 353 of the Missouri Statutes shall hereby be
22 entitled to real property ad valorem tax abatement which shall not include any Special Business
23 District taxes which may be assessed for the property located in a Special Business District for a

Date: December 2, 2005

Page 7 of 9

Board Bill No.

Sponsor: Alderman Craig Schmid

1 total period of up to ten (10) years from the commencement of such tax abatement, in accordance
2 with the following provisions:

3 If property in the Area is sold by the LCRA to an urban redevelopment corporation formed
4 pursuant to Chapter 353 of the Missouri Statutes, or if any such corporation shall own property
5 within the Area, then for the first ten (10) years after the date the redevelopment corporation shall
6 acquire title to such property, taxes on such property shall be based upon the assessment of land,
7 exclusive of any improvements thereon, during the calendar year preceding the calendar year
8 during which such corporation shall have acquired title to such property. In addition to such taxes,
9 any such corporation shall for the same ten (10) year period make a payment in lieu of taxes to the
10 Collector of Revenue of the City of St. Louis in an amount based upon the assessment on the
11 improvements located on the property during the calendar year preceding the calendar year during
12 which such corporation shall have acquired title to such property. If property shall be tax-exempt
13 because it is owned by the LCRA and leased to any such corporation, then such corporation for the
14 first ten (10) years of such lease shall make payments in lieu of taxes to the Collector of Revenue of
15 the City in an amount based upon the assessment on the property, including land and
16 improvements, during the calendar year preceding the calendar year during which such corporation
17 shall lease such property. All payments in lieu of taxes shall be a lien upon the property and, when
18 paid to the Collector of Revenue of the City shall be distributed as all other property taxes. These
19 partial tax relief and payment in lieu of taxes provisions, during up to said ten (10) year period,
20 shall inure to the benefit of all successors in interest in the property of the redevelopment
21 corporation, so long as such successors shall continue to use such property as provided in this Plan
22 and in any contract with the LCRA. In no event shall such benefits extend beyond ten (10) years
23 after the redevelopment corporation shall have acquired title to the property.

1 **SECTION FIFTEEN.** Any proposed modification which will substantially change the Plan must
2 be approved by the St. Louis Board of Aldermen in the same manner as the Plan was first
3 approved. Modifications which will substantially change the Plan include, but are not necessarily
4 limited to, modifications on the use of eminent domain, to the length of tax abatement, to Urban
5 Design objectives, to Urban Design Regulations, to the boundaries of the Area, or to other items
6 which alter the nature or intent of the Plan. The Plan may be otherwise modified (e.g. urban design
7 regulations, development schedule) by the LCRA, provided that such revisions shall be effective
8 only upon the consent of the Planning Commission of the City. Changes which are not substantial
9 are those that do not go to the crux of the Plan.

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