

1 COMMITTEE SUBSTITUTE

2 BOARD BILL 260

INTRODUCED BY ALDERMAN GREGALI

3 AN ORDINANCE RELATING TO THE SOUTHTOWN  
4 TRANSPORTATION DEVELOPMENT DISTRICT AUTHORIZING AND  
5 DIRECTING THE EXECUTION OF AN AMENDMENT TO THE  
6 REDEVELOPMENT AGREEMENT BETWEEN THE CITY AND DDR  
7 SOUTHTOWN LLC; AUTHORIZING AND DIRECTING THE  
8 EXECUTION OF AN INTERGOVERNMENTAL COOPERATION  
9 AGREEMENT BETWEEN THE CITY AND THE SOUTHTOWN  
10 TRANSPORTATION DEVELOPMENT DISTRICT TO PROVIDE FOR  
11 THE COLLECTION OF SALES TAX AND OTHER MATTERS; AND  
12 CONTAINING AN EMERGENCY AND SEVERABILITY CLAUSES.

13  
14 WHEREAS, on January 31, 2003, the Southtown Realty, LLC, as Developer, submitted  
15 to the City a redevelopment plan (the "Redevelopment Plan") for the Redevelopment Area, as  
16 described in Redevelopment Plan;

17 WHEREAS, pursuant to the Redevelopment Agreement, the City and Developer  
18 contemplated that a transportation development district would be created for the purpose of  
19 providing tax revenues to fund the construction and implementation of certain transportation  
20 projects, as that term is defined in the "TDD Act", that are to be constructed and implemented  
21 under the Redevelopment Plan;

22 WHEREAS, on April 9, 2003 following a public hearing held on that date, in accordance  
23 with the TIF Act, the Tax Increment Financing Commission of the City of St. Louis, Missouri  
24 (the "TIF Commission") adopted a resolution approving the redevelopment plan known as the  
25 Redevelopment Plan – Southtown Redevelopment Area (the "Redevelopment Plan") and  
26 recommending that the Board of Aldermen: (1) approve the Redevelopment Plan; and (2)  
27 approve and designate the Redevelopment Area as a "redevelopment area" as provided in the TIF  
28 Act;

1           WHEREAS, on July 3, 2003, after due consideration of the TIF Commission’s  
2 recommendations, the City adopted: (1) Ordinance No. 65937 designating the Redevelopment  
3 Area as a "redevelopment area" as provided in the TIF Act, approving the Redevelopment Plan,  
4 and approving the redevelopment project described in the Redevelopment Plan, adopting tax  
5 increment allocation financing within the Redevelopment Area, and establishing the Special  
6 Allocation Fund; and (2) Ordinance No. 65938 authorizing the City to enter into a  
7 redevelopment agreement with Developer;

8           WHEREAS, on August 18, 2003, Southtown Realty, LLC, as the sole owner of real  
9 property of record, filed a petition, *In Re The Matter of Creation of Southtown Transportation*  
10 *Development District, Circuit Court for the City of St. Louis, Cause No. 034-02176*, for the  
11 formation of the transportation development district (the “TDD Petition”) with the Circuit Court  
12 of the City of St. Louis, Missouri (the “Court”);

13           WHEREAS, the TDD Petition identified certain projects to be undertaken by the District  
14 (the “Transportation Projects”).

15           WHEREAS, on April 12, 2004, the Court issued its Judgment (the “Order”), which,  
16 among other things, established the District as a political subdivision pursuant to and in  
17 accordance with the TDD Act and identified the City as a “local transportation authority” within  
18 the meaning of Section 238.202.1(4) of the TDD Act;

19           WHEREAS, the District intends to impose a transportation development district sales tax  
20 at a rate not to exceed one percent (1%) as TDD Revenue (the “TDD Sales Tax”) pursuant to  
21 Section 238.235 of the TDD Act for a period not to exceed twenty-three years, for the purpose of  
22 providing funds to finance the costs of the Transportation Projects or to pay debt service on TIF  
23 Obligations issued by the City which will finance such costs;

1           WHEREAS, Southtown Realty, LLC, the sole owner of the real property within the  
2 District filed with the Circuit Court Clerk its Unanimous Petition as its vote in approval, in lieu  
3 of an election, which was so verified and certified pursuant to the TDD Act with the TDD Sales  
4 Tax;

5           WHEREAS, pursuant to the Redevelopment Plan and Redevelopment Agreement, the a  
6 portion of the costs of the Redevelopment Project will be financed by utilizing tax increment  
7 allocation financing in accordance with the Act, and by applying the TDD Sales Tax to the  
8 payment of any TIF Obligations issued by the City;

9           WHEREAS, the City and the District desire to enter into an Intergovernmental  
10 Cooperation Agreement, whereby (a) the District, having caused the construction of the  
11 Transportation Projects, will remit to the City the proceeds of the TDD Sales Tax as necessary to  
12 repay the TIF Obligation, and (b) the City will agree to accept receipt of the TDD Revenues or  
13 TDD Sales Tax, depositing same into the TDD Revenue Account within the Southtown Special  
14 Allocation Account, applying same to the TIF Obligation issued by the City;

15           WHEREAS, the development of the Intergovernmental Cooperation Agreement brought  
16 about an issue requiring amendment of the original Redevelopment Agreement, as authorized by  
17 Ordinance No. 65938, in that the amount allowed to the Southtown Redevelopment  
18 Development District to cover the costs of the collection and enforcement of the Transportation  
19 Development District Tax was limited to an amount not to exceed one percent of the total sales  
20 tax collection, such amount not being sufficient to pay for even minimal costs of the District; and

21           WHEREAS, this Ordinance and the Intergovernmental Cooperation Agreement promotes  
22 and protects the health, safety, morals, and welfare of the public by allowing the District's  
23 revenues to be used to reduce the amount of TIF Revenues necessary to finance the

1 Redevelopment Project, thereby alleviating the impact of the Redevelopment Area on the tax  
2 revenues of the City and the other taxing jurisdictions.

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

5 **SECTION ONE.** The Board of Aldermen hereby approves, and the Mayor and Comptroller of  
6 the City are hereby authorized and directed to execute, on behalf of the City, the First  
7 Amendment to Redevelopment Agreement between the City and the Developer, and the City  
8 Register is hereby authorized and directed to attest to the First Amendment to Redevelopment  
9 Agreement and to affix the seal of the City thereto. The First Amendment to Redevelopment  
10 Agreement shall be in substantially the form attached hereto as **Exhibit A**, with such changes  
11 therein as shall be approved by the City Counselor of the City that are consistent with the intent  
12 of this Ordinance and as may be necessary, desirable, convenient or proper in order to carry out  
13 the matters herein authorized.

14 **SECTION TWO.** The Board of Aldermen hereby approves, and the Mayor and Comptroller of  
15 the City are hereby authorized and directed to execute, on behalf of the City, the  
16 Intergovernmental Cooperation Agreement between the City and the Southtown Transportation  
17 Development District, and the City Register is hereby authorized and directed to attest to the  
18 Intergovernmental Cooperation Agreement and to affix the seal of the City thereto. The  
19 Intergovernmental Cooperation Agreement shall be in substantially the form attached hereto as  
20 **Exhibit B**, with such changes therein as shall be approved by the City Counselor of the City that  
21 are consistent with the intent of this Ordinance and as may be necessary, desirable, convenient or  
22 proper in order to carry out the matters herein authorized.

1 **SECTION THREE.** If any section, subsection, sentence, clause, phrase or portion of this  
2 ordinance is held to be invalid or unconstitutional, or unlawful for any reason, by any court of  
3 competent jurisdiction, such portion shall be deemed and is hereby declared to be a separate,  
4 distinct and independent provision of this ordinance, and such holding or holdings shall not  
5 affect the validity of the remaining portions of this ordinance.

6 **SECTION FOUR.** The City shall, and the officers, agents and employees of the City are hereby  
7 authorized and directed to take such further action and execute such other documents, certificates  
8 and instruments as may be necessary or desirable to carry out and comply with the intent of this  
9 Ordinance.