

ORDINANCE #65605
Board Bill No. 159

AN ORDINANCE DESIGNATING A PORTION OF THE CITY OF ST. LOUIS, MISSOURI, A REDEVELOPMENT AREA; ADOPTING A REDEVELOPMENT PLAN AND APPROVING A REDEVELOPMENT PROJECT THEREIN; ADOPTING TAX INCREMENT ALLOCATION FINANCING; AND ESTABLISHING A SPECIAL ALLOCATION FUND ALL PURSUANT TO THE REAL PROPERTY TAX INCREMENT ALLOCATION REDEVELOPMENT ACT; AND MAKING FINDINGS RELATED THERETO AND AUTHORIZING CERTAIN ACTIONS BY CITY OFFICIALS.

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

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

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

WHEREAS, at the direction of the Board of Aldermen, staff and consultants have prepared a plan for redevelopment titled "1505 Missouri TIF Redevelopment Plan" dated April 25, 2002 (the "Redevelopment Plan"), for an area located at 1505 Missouri Avenue in the Lafayette Square Historic District neighborhood (the "Redevelopment Area"), which Redevelopment Area is more fully described in the Redevelopment Plan; and

WHEREAS, the Redevelopment Plan envisions the complete renovation and rehabilitation of the historic Lafayette Park Presbyterian Church building, located at 1505 Missouri Avenue, into luxury loft condominiums with a basement-level parking garage (the entire proposal for redevelopment as described in the Redevelopment Plan being hereinafter referred to as the "Redevelopment Project"); and

WHEREAS, Gilded Age Renovation, L.L.C. (the "Developer"), in response to the City's solicitation of proposals from developers, submitted its development proposal dated March 25, 2002, (the "Redevelopment Proposal"), for redevelopment of the Redevelopment Area; and

WHEREAS, on June 5, 2002, after all proper notice was given, the TIF Commission held a public hearing in conformance with the TIF Act, and received comments from all interested persons and taxing districts relative to the Redevelopment Area, the Redevelopment Plan, the Redevelopment Project and the Redevelopment Proposal; and

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

WHEREAS, the Board of Aldermen has determined that the Redevelopment Area qualifies for the use of tax increment allocation financing to alleviate the conditions that qualify it as a "redevelopment area" as provided in the TIF Act and that it is necessary and desirable and in the best interest of the City to adopt tax increment allocation financing within and to establish a special allocation fund for the Redevelopment Area.

NOW THEREFORE, BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF ST. LOUIS, MISSOURI, AS FOLLOWS:

Section One. The Board of Alderman hereby makes the following findings:

1. The Redevelopment Area on the whole is a "conservation area" as defined in Section 99.805(3) of the TIF Act,

and has not been subjected to growth and development through investment by private enterprise and would not reasonably be anticipated to be developed without the adoption of tax increment allocation financing and the Redevelopment Plan. This finding includes, the Redevelopment Plan sets forth, and the Board of Aldermen hereby finds and adopts by reference: (a) a detailed description of the factors that qualify the Redevelopment Area as a "conservation area" and (b) an affidavit, signed by the Developer and submitted with the Redevelopment Plan attesting that the provisions of Section 99.810.1(1) of the TIF Act have been met, which description and affidavit are incorporated herein as if set forth here in full.

2. The Redevelopment Plan conforms to the City's comprehensive plan for the development of the City as a whole.

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

4. A plan has been developed for relocation assistance for business and residences in Ordinance No. 62481 adopted December 20, 1991.

5. The Redevelopment Plan includes a cost-benefit analysis showing the economic impact of the Redevelopment Plan on each taxing district which is at least partially within the boundaries of the Redevelopment Area, which cost-benefit analysis shows the impact on the economy if the project is not built and is built pursuant to the Redevelopment Plan and is incorporated herein as if fully set forth here in full.

6. The Redevelopment Plan does not include the initial development or redevelopment of any gaming establishment as that term is defined in Section 99.805(6) of the TIF Act.

7. The Redevelopment Area includes only those parcels of real property and improvements thereon substantially benefited by the proposed Redevelopment Project.

Section Two. The Redevelopment Area described in the Redevelopment Plan is hereby designated as a "redevelopment area" as defined in Section 99.805(11) of the TIF Act.

Section Three. The Redevelopment Plan, as reviewed and approved by the TIF Commission on June 5, 2002 including amendments thereto, if any, and the Redevelopment Project described in the Redevelopment Plan are hereby approved and adopted. A copy of the Redevelopment Plan is set forth as **Exhibit A**, attached hereto and incorporated herein by reference.

Section Four. After the total equalized assessed valuation of the taxable real property in the Redevelopment Area exceeds the certified total initial equalized assessed valuation of the taxable real property in the Redevelopment Area, the ad valorem taxes, and payments in lieu of taxes, if any, arising from the levies upon taxable real property in the Redevelopment Area by taxing districts and tax rates determined in the manner provided in Section 99.855.2 of the TIF Act each year after the effective date of this Ordinance until redevelopment costs have been paid shall be divided as follows:

1. That portion of taxes levied upon each taxable lot, block, tract, or parcel of real property which is attributable to the initial equalized assessed value of each such taxable lot, block, tract, or parcel of real property in the area selected for the redevelopment project shall be allocated to and, when collected, shall be paid by the City Collector to the respective affected taxing districts in the manner required by law in the absence of the adoption of tax increment allocation financing;

2. Payments in lieu of taxes attributable to the increase in the current equalized assessed valuation of each taxable lot, block, tract, or parcel of real property in the area selected for the redevelopment project over and above the initial equalized assessed value of each such unit of property in the area selected for the redevelopment project shall be allocated to and, when collected, shall be paid to the City Treasurer, who shall deposit such payment in lieu of taxes into a special fund called the "City of St. Louis, Missouri, Special Allocation Fund for 1505 Missouri TIF Project" (the "Special Allocation Fund") for the purpose of paying redevelopment costs and obligations incurred in the payment thereof. Payments in lieu of taxes which are due and owing shall constitute a lien against the real estate of the redevelopment project from which they are derived.

Section Five. In addition to the payments in lieu of taxes described in paragraph (2) of Section Four of this Ordinance, fifty percent of the total additional revenue from taxes which are imposed by the City or other taxing districts and which are generated by economic activities within the area of the redevelopment project over the amount of such taxes generated by economic activities within the area of the redevelopment project in the calendar year prior to the adoption of the redevelopment project by ordinance,

while tax increment financing remains in effect, but excluding personal property taxes, taxes imposed on sales or charges for sleeping rooms paid by transient guests of hotels and motels, taxes levied pursuant to Section 70.500 of the Revised Statutes of Missouri, as amended, or taxes levied for the purpose of public transportation pursuant to Section 94.660 of the Revised Statutes of Missouri, as amended, licenses, fees or special assessments other than payments in lieu of taxes and penalties and interest thereon, in accordance with Section 99.845.3 of the TIF Act, as may be amended from time to time, shall be allocated to, and paid by the collecting officer to the City Treasurer or other designated financial officer of the City, who shall deposit such funds in a separate segregated account within the Special Allocation Fund.

Section Six. The Special Allocation Fund of the City is hereby established. To the extent permitted by law, the City hereby pledges certain funds on deposit from time to time in the Special Allocation Fund for the payment of redevelopment project costs and obligations incurred in the payment thereof.

Section Seven. The City Register is hereby directed to submit a certified copy of this Ordinance to the City Assessor, who is directed to determine the total equalized assessed value of all taxable real property within the Redevelopment Area as of the date of this Ordinance, by adding together the most recently ascertained equalized assessed value of each taxable lot, block, tract or parcel of real property within the Redevelopment Area and shall certify such amount as the total initial equalized assessed value of the taxable real property within the Redevelopment Area.

Section Eight. The Comptroller of the City is hereby authorized to enter into agreements or contracts with other taxing districts as is necessary to ensure the allocation and collection of the taxes and payments in lieu of taxes described in Sections 4 and 5 of this Ordinance and the deposit of the said taxes or payments in lieu of taxes into the Special Allocation Fund for the payment of redevelopment project costs and obligations incurred in the payment thereof, all in accordance with the TIF Act.

Section Nine. The Mayor and Comptroller of the City and all other officers, agents, representatives and employees of the City are hereby authorized to take any and all actions as may be deemed necessary, desirable, convenient or proper to carry out and comply with the intent of this Ordinance with regard to the implementation of the Redevelopment Plan and to execute and deliver for and on behalf of the City all certificates, instruments or other documents as may be necessary, desirable, convenient or proper to carry out the matters herein authorized.

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

Section Eleven. Be it further ordained that all ordinances or parts of ordinances in conflict with provisions of this ordinance are hereby repealed.

Clerk, Board of Aldermen

Vice-President, Board of Aldermen

Approved: Date: _____

Mayor

Truly Engrossed and Enrolled

Chairman

EXHIBIT A
Redevelopment Plan
(Attached)

1505 MISSOURI
TIF REDEVELOPMENT PLAN

Presented to
City of St. Louis
Tax Increment Financing Commission
April 25, 2002

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I. INTRODUCTION

The following is a plan prepared by the City in conjunction with Gilded Age Renovation (the "Developer") for redevelopment of the historic Lafayette Park Presbyterian Church building located at 1505 Missouri in the historic Lafayette Park neighborhood, St. Louis, Missouri (the "Redevelopment Area"). The Redevelopment Area includes one parcel of land upon which stands a vacant historic stone church building. A legal description of the Redevelopment Area is contained herein as **Appendix 1**.

The proposed Redevelopment Area qualifies as a conservation area under Missouri's Real Property Tax Increment Allocation Redevelopment Act (Revised Statutes of Missouri § 99.800 et. seq.) (the "TIF Act").

This plan proposes to completely renovate and rehabilitate the historic Lafayette Park Presbyterian Church building into luxury loft condominiums, with a basement-level parking garage (the "Redevelopment Project").

This Redevelopment Plan proposes that a Tax Increment Financing Note ("TIF Note") be authorized and issued by the City in the amount of \$600,000.00 plus issuance costs to fund a portion of the Project Costs. Fifty percent of Economic Activity Taxes, as defined in the TIF Act, generated within the designated Redevelopment Area will be allocated to retire the TIF Note. Payments in lieu of real estate taxes within the Redevelopment Area ("PILOTS") will also be allocated to retire the TIF Note.

Further, this Redevelopment Plan calls for amortization of the TIF Note for a period of up to 23 years after PILOTS and EATS are initially generated. Other financing aspects of the Redevelopment Project are discussed in more detail in Section V.

II. OVERVIEW OF TAX INCREMENT FINANCING (TIF)

In order to promote the redevelopment of a declining area, or to induce new activity in an area that has been lacking in growth and development, the State of Missouri has provided statutory tools to counties and municipalities to assist private, and initiate public investment. One such tool is the TIF Act.

The TIF Act allows cities and counties to: (1) identify and designate redevelopment areas that qualify as Blighted Areas, Conservation Areas, or Economic Development Areas as each are defined in the TIF Act; (2) adopt a redevelopment plan that designates the redevelopment area and states the objectives to be attained and the program to be undertaken; (3) approve a redevelopment project(s) for implementation of the redevelopment plan; and (4) utilize the tools set forth in the TIF Act to assist in reducing or eliminating those conditions that cause the area to qualify as a redevelopment area. Generally, the TIF Act allows municipalities to foster economic and physical improvements in a redevelopment or project area and to enhance the tax base of all taxing districts that levy taxes in such area. Within redevelopment areas, municipalities may use the power of eminent domain to provide necessary property acquisition for the implementation of a redevelopment plan and redevelopment project.

The concept of tax increment financing is outlined as follows: implementation of a redevelopment project within the redevelopment area will produce increased real estate assessments attributable to the redevelopment within the area. The project then makes PILOTS on the increased assessed value of the improved property. The project also generates new EATS resulting from operations within the redevelopment or project area. The TIF Act authorizes the capture of certain PILOTS and EATS in the redevelopment or project area over and above such levels within that area in the year prior to the approval of the redevelopment project. New development is made possible within the redevelopment area through the municipality's use of incremental revenues to finance certain costs of developing or redeveloping the area.

Typically bonds or other financial obligations are issued by the municipality to finance certain costs of the redevelopment project. These financial obligations are then retired using the incremental revenues generated by the redevelopment project(s) within the redevelopment or project area. The municipality segregates these incremental revenues into a special account, the "Special Allocation Fund," during the period of time in which the incremental revenues are dedicated to the purposes identified in the redevelopment plan. The municipality is further authorized to pledge additional net new revenues from the project to the purposes identified in the redevelopment plan. All taxing districts that levy taxes on property within the redevelopment or project area continue to receive tax revenues based upon property values which existed prior to the adoption of ordinances establishing the redevelopment or project area. Taxing districts also benefit from the increase in certain other taxes resulting from the increased economic activity in the redevelopment or project area. These taxes resulting from development of the redevelopment project are not deposited in the Special Allocation Fund pursuant to the provisions of the TIF Act, but are distributed to the affected taxing districts.

The TIF Act requires that, prior to establishing a redevelopment area or approving or amending TIF redevelopment plans and projects, a municipality must create a TIF Commission. A TIF Commission is comprised of six individuals appointed by the chief elected official of the municipality, with the consent of its governing body, and three individuals who are appointed by the other taxing districts within the proposed redevelopment area. Two of these three members are to represent the school district(s) that tax property within the proposed redevelopment area; the other member is appointed by all the remaining taxing districts. The TIF Commission's role is to review, consider, and make recommendations to the municipality's governing body concerning the adoption of redevelopment plans and redevelopment projects and the designation of redevelopment areas; and to exercise such other powers as are available to it under the TIF Act.

III. CONSERVATION AREA ANALYSIS

The Redevelopment Area on the whole is a conservation area. As defined in the TIF Act, a "conservation area" is:

[a]ny improved area within the boundaries of a redevelopment area located within the territorial limits of a municipality in which fifty percent or more of the structures in the area have an age of thirty-five years or more. Such an area is not yet a blighted area but is detrimental to the public health, safety, morals, or welfare and may become a blighted area because of any one or more of the following factors: dilapidation; obsolescence; deterioration; illegal use of individual structures; presence of structures below minimum code standards; abandonment; excessive vacancies; overcrowding of structures and community facilities; lack of ventilation, light or sanitary facilities; inadequate utilities; excessive land coverage; deleterious land use or layout; depreciation of physical maintenance; and lack of community planning.

The Redevelopment Area is a conservation area based upon the fact that it exhibits at least three of the factors enumerated above and evidence that the area may become blighted.

In determining if the proposed Redevelopment Area meets the eligibility requirements for TIF per the statutory provisions, a number of sources of information were utilized. These include field investigations; records and data from local sources, including the St. Louis City Assessor; interviews with local officials knowledgeable as to the Redevelopment Area's conditions and history; information on site improvements and building conditions; and data on market conditions.

i. Age of Structure in the Redevelopment Area. The only structure in the Redevelopment Area is the church building. The original church building within the Redevelopment Area was first occupied in 1884. The tornado of 1896, however, caused severe damage to the church building, such that it had to be rebuilt immediately following the tornado as it stands today with its Gothic design in cut stone. Therefore, at least fifty percent of the structures within the Redevelopment Area have an age of thirty-five years or more.

ii. Excessive Vacancies and Abandonment. The Redevelopment Area has not been occupied as a church for many years. From 1999 to 2001, the Redevelopment Area was partially occupied as a residence and has been on the market for sale for over a year. Since January 2002, the building has been completely vacant and abandoned. Therefore, the majority of the Redevelopment Area has been plagued by excessive vacancies and is presently abandoned.

iii. Deterioration. The Redevelopment Area consists of a deteriorated, vacant building. Deterioration of the Redevelopment Area is evidenced by open holes in its exterior, broken-out, boarded-up and/or blocked-in stained-glass windows, rotted or otherwise damaged exterior doors, window frames and exterior trim, missing and deteriorated roofing shingles, overgrown vegetation, and severe drainage problems. The alley and sidewalk within the Redevelopment Area are cracked and spotted with vegetation. In its present condition, the Redevelopment Area requires significant clean-up, restoration and rehabilitation before it can be available for any type of use.

iv. Dilapidation. Since the congregation of Lafayette Park Presbyterian Church merged with Tyler Place Presbyterian Church in the Shaw neighborhood around 1946, little, if any, structural or aesthetic improvements have been made to the Redevelopment Area. As a result, the Redevelopment Area suffers from severe neglect and dilapidation. Much of the interior flooring and walls suffer from water damage and must be torn out and replaced. Many of the once intricate and elaborate stained glass windows are broken and must be either repaired or completely restored. The roof is severely damaged and must be completely replaced. Severe drainage problems aggravate water damage from rain and other elements. Holes exist in the interior and exterior of the Redevelopment Area, which allow for vermin, rain, wind, and other destructive forces to add to the demise of the Redevelopment Area. The stairwells and staircases are not structurally sound, and must be replaced as well as extended and realigned.

v. Presence of Structures Below Minimum Code Standards. In its present condition, the Redevelopment Area suffers from severe neglect and is well below minimum code standards. The existing flooring in the Redevelopment Area is rotted out, and the interior walls, which contain holes and are not structurally sound, need to be removed and replaced. The windows are not functional, and need to be replaced. There is no handicapped-accessible entrance or exit, and the existing staircases are too steep and need to be realigned to meet ADA standards. It is likely that an additional staircase must be added in order to meet minimum fire protection and escape standards. In addition, there exists a lack of an adequate heating and cooling system, proper plumbing, proper wiring and electrical work. In order to meet minimum safety codes and standards, the wiring, plumbing, and HVAC system will need to be replaced. Moreover, because of a lack of off-street parking, the building cannot comply with the City's zoning code as a church.

vi. Depreciation of Physical Maintenance. The Redevelopment Area suffers from a lack of physical care and maintenance of the premises. This is evidenced by decay of both the exterior and interior of the Redevelopment Area, including decay of the structure, façade, woodwork and other finishing. In addition, due to the excessive number of holes and roof decay, a large number of squirrels and other vermin currently nest in the Redevelopment Area. In addition to wear and tear on the Redevelopment Area from poor weather, such animals continue to add to the deterioration and unsanitary condition of the Redevelopment Area. The alley and sidewalk within the Redevelopment Area suffers from a lack of maintenance, as it evidenced by numerous cracks in the pavement and vegetation, which is growing through the pavement.

vii. Obsolescence. Originally built and used as a church, the prior use of the building is no longer suitable for the area, and does not fit within the Lafayette Square Neighborhood Urban Plan ("Urban Plan") adopted by the City Planning Commission for the neighborhood. In its present location, the Redevelopment Area lacks the correct parcel size, configuration, setback, location and arrangement of off-street parking for any use other than residential. Moreover, the Urban Plan changes the proposed use and zoning of the Redevelopment Area to residential.

viii. Excessive Land Coverage. As previously alluded to, the present building covers almost all of the property and lacks sufficient off-street parking for use as a church. Therefore, the Redevelopment Area may become blighted due to excessive land coverage.

ix. Detriment to the Public Health, Safety, Morals or Welfare in its Present Condition and Use. The Redevelopment Area exhibits many factors, which constitute a menace to the public health, safety, morals, or welfare in its present condition and use. The deteriorating, unsanitary, and unsafe site conditions as illustrated above represent a menace to the public health and safety; the economic liability illustrated above represents a menace to the public welfare. Moreover, the Redevelopment Area is presently delinquent in paying its property tax for 2001 and 2000; therefore, being an economic liability to the City.

The above factors, whether considered alone or as combined, not only retard the provision of housing accommodations within the surrounding area and community, but also constitute an economic and social liability, and constitute a menace to the public health, safety, and welfare. As long as such conditions are present in the Lafayette Park neighborhood, there will be little incentive for private investment and development, commercial or residential, to benefit the area. Such disuse of property as is evidenced by the current condition of the area retards historic preservation and redevelopment, lowers the morale of citizens, encourages abuse and social harm, and furthers the social stigma, which currently plagues that and other areas of the City of St. Louis.

IV. REDEVELOPMENT PLAN INCLUDING NECESSARY FINDINGS

1. Description of the Redevelopment Area

The Redevelopment Area is comprised of one parcel lot. A legal description of the Redevelopment Area is included herein as **Appendix 1**.

2. Redevelopment Plan Objectives

Developer has established the following objectives for the 1505 Missouri Redevelopment Plan:

- To cure the conditions and factors which designate the Redevelopment Area as a "conservation area" as defined by Section 99.805(1) of the TIF Act and as described in Section III of this Redevelopment Plan.
- To preserve and enhance the cultural and historical heritage of the City of St. Louis by effectuating the complete

restoration and rehabilitation of a historic landmark in the City of St. Louis

- To enhance the public health, safety, morale and welfare of the community by improving the infrastructure, preventing and curing conditions that may otherwise lead to blight and encouraging other public improvements necessary for insuring the area’s stability and existing and future redevelopment.
- To create new, permanent residences in the City.
- To provide a funding mechanism which will pay for a portion of the public improvements needed to stimulate private development and redevelopment in the area surrounding the Redevelopment Area.
- To increase the tax base and the resulting tax revenues for the City and all other taxing districts within the Redevelopment Area.
- To serve as a catalyst for residential development and private investment, in the historic Lafayette Park neighborhood of the City of St. Louis.

3. Redevelopment Project Activities

Specifically, the above objectives will be satisfied by implementing each of the following, which together comprise the Redevelopment Project:

- **Residential Use** Renovate and rehabilitate the existing structure into luxury, loft condominium units, with a basement-level parking garage.
- **Historic Restoration** Restore existing structure in accordance with the Secretary of Interior standards for rehabilitation and the building code and construction standards as set forth by the Cultural Resources Office in order to maintain the historic Gothic architecture and design so that the Redevelopment Area can maintain its listing as a “most significant architectural” building in the Lafayette Square National Register Historic District.
- **Landscaping
Structural
Enhancements** Provide for certain landscaping and structural enhancements to increase the aesthetic value of the Redevelopment Area and surrounding neighborhoods.

The Redevelopment Project Activities are generalized to leave room for design creativity and accommodations as needed, and so that Developer can respond to prospective purchaser’s needs and historic agency requirements as completion of the Redevelopment Project progresses. Redevelopment of an area of this type must take into consideration the unique needs of a mix of residents with specific space needs and requirements including the provision of adequate parking and access for the disabled.

It is expected that the Redevelopment Project will in turn encourage and foster continued private as well as public investment in the surrounding areas. In addition, the safety of the area will improve due to the public improvements and other amenities provided by the Redevelopment Project.

4. General Land Uses to Apply

The proposed land use for the Redevelopment Area is residential. Currently, the Redevelopment Area is comprised of one commercially assessed lot. The lot is underutilized, abandoned, in severe disrepair and stands as a vacant improvement. The Redevelopment Area is currently zoned “Two-Family,” however, the Redevelopment Project does not require re-zoning.

5. Redevelopment Schedule

Estimated dates for implementation of this Redevelopment Plan are set forth in **Appendix 2**. The estimated date for completion of the TIF Projects and retirement of obligations incurred to finance the TIF Projects shall not be more than 23 years from approval of the TIF Projects, or by 2025.

6. Most Recent Equalized Assessed Value

The current (2001) Equalized Assessed Value of the property in the Redevelopment Area is attached as **Appendix 3**. This value is established by the Assessor of the City of St. Louis. Currently, the assessed land value of the Redevelopment Area is \$15,700, and the assessed improvement value is \$96,300.00, which assessed total equals \$112,000.00. Based upon discussions with the City Assessor's Office, it is anticipated the assessed value of the property will be \$104,000 after the Developer closes on the property based on the purchase price.

7. Estimated Equalized Assessed Value After Redevelopment

The total *estimated* Equalized Assessed value of all taxable property in the Redevelopment Area after redevelopment is \$1,683,553 (in 2024) as set forth in greater detail in **Appendix 4**.

8. Acquisition

Developer is the owner under contract of all of the property required for the Redevelopment Plan and Redevelopment Project. No further acquisition or eminent domain is necessary.

9. Conservation Area

As previously described in greater detail in Section III, the Redevelopment Area as a whole is a conservation area, and has not been subject to growth and development through investment by private enterprise and will not reasonably be expected to be developed without the adoption of tax increment financing. The Developer has executed an affidavit attesting to the existence of these conditions which is included herein as **Appendix 5**.

10. Conforms with Comprehensive Plan of the City of St. Louis

This Redevelopment Plan conforms to the City's comprehensive plan for the City of St. Louis.

11. Cost-Benefit Analysis

A cost-benefit analysis showing the economic impact of the Plan on each taxing district, which is at least partially within the boundaries of the Redevelopment Area, has been prepared and is included herein as **Appendix 6**. The analysis shows the impact on the economy if the Redevelopment Project is not built compared to the impact on the economy if the Redevelopment Project is built pursuant to this Redevelopment Plan under consideration. The cost-benefit analysis includes a fiscal impact study on every affected political subdivision, and sufficient information from the Developer for the TIF Commission to evaluate whether the project proposed is financially feasible.

12. Plan for Relocation Assistance

The provisions of Section 99.810(4) of the TIF Act requires that a relocation plan be developed for the assistance of every resident and/or business which is to be displaced in conjunction with the implementation of the Redevelopment Plan and any Redevelopment Project. In addition, the provisions of Sections 523.200 and 523.215 R.S.Mo., as amended, and its various subsections require that relocation plans have certain minimum requirements as contained therein. By Ordinance No. 62481, the City of St. Louis has adopted a Relocation Policy that incorporates the required provisions of Sections 523.200 to 523.205 as minimum requirements of a relocation plan for any TIF Redevelopment Plan approved by the City. It is not anticipated that relocation will be necessary; however, to the extent relocation of any eligible resident or business would be necessary, this Redevelopment Plan adopts the Relocation Assistance Plan incorporating the provisions of Ordinance No. 62481 and incorporates the same herein by this reference.

13. Does Not Include Gambling Establishment

The Redevelopment Plan does not include the initial development or redevelopment of any gambling establishment.

14. Reports to DED

As required by the Statute, the TIF Commission shall report to the Department of Economic Development by the last day of February each year, the name, phone number, and primary line of business of any business which locates within the

Redevelopment Area.

V. FINANCING PLAN

1. Estimated Redevelopment Project Costs

The estimated Redevelopment Project Costs to be incurred in connection with the TIF Projects are approximately \$2,676,000.00, and are set forth in **Appendix 7**. More specifically, the TIF Act allows the City and/or its designated developer(s) to incur redevelopment costs associated with implementation of an approved Redevelopment Plan and approved Redevelopment Project. These costs include all reasonable or necessary costs incurred, and any costs incidental to a Redevelopment Project. Thus, this Redevelopment Plan anticipates that a portion of the sources of funds used to pay the Project Costs will come from the TIF revenues, which, in accordance with the TIF Act, may include but are not limited to:

- Cost of studies, surveys, plans and specifications;
- Professional service costs including, but not limited to, architectural, engineering, legal marketing, financial, planning or special services;
- Property assembly costs including, but not limited to, acquisition of land and other property real or personal or rights, or interests therein;
- Costs of rehabilitation, reconstruction, or repair or remodeling of existing buildings and fixtures;
- Costs of construction of public works or improvements;
- Financing costs including, but not limited to, all necessary and incidental expenses related to the issuance of obligations, and which may include the payment of interest on any obligations issued under the provisions of this Redevelopment Plan accruing during the estimated period of construction of any redevelopment Project for which such obligations are issued and for not more than eighteen months thereafter, and including reasonable reserves related thereto; and
- All or a portion of a taxing district's capital costs resulting from the Redevelopment Project necessarily incurred or to be incurred in furtherance of the objectives of the Redevelopment Plan and Project, to the extent the City, by written agreement, accepts and approves such costs.

The costs as shown on **Appendix 7** represent the total approximate cost of the project regardless of the source of funding. This table does not include custom finishes over and above Developer supplied finishes, which are unknown at this time. Typical plan implementation and financing costs are based on the experience of the Developer. It should be noted that these costs are estimated based on the knowledge of the project at this time and that the actual redevelopment cost items for implementing the Redevelopment Plan and the Redevelopment Project may vary from these estimates.

It is not the intent of **Appendix 7** or this Redevelopment Plan to restrict the City or the Developer to the cost amounts or cost items as outlined. During the life of the Redevelopment Area, Plan and Project, other costs may be incurred or adjustments may be made within and among the line items specified in **Appendix 7**, if necessary and reasonable to accomplish the program objectives of the Redevelopment Plan.

2. Anticipated Sources of Funds to Pay Costs

There are four principal sources of funds that are anticipated to be used to pay the costs of implementation of the Redevelopment Plan and the Redevelopment Project previously described. These sources are:

- State Historic Tax Credits;
- Construction Loan;
- Owner Equity;
- Private Financing; and

- Funds available through the issuance of Tax Increment Financing Notes (“TIF Note”), bonds, loans, certificates or other certificates of indebtedness (herein collectively referred to as “TIF Note or other financial obligations”).

3. TIF Note Funding

It is anticipated that the City will issue TIF Notes or other types of TIF obligations in an amount of \$600,000 in the aggregate of all such issues, exclusive of the costs of financing or refinancing costs as described above, and with a term of retirement for all such issues of not more than 23 years. The TIF Notes or other financial obligations will be issued only to finance the Redevelopment Plan and project costs as previously outlined in **Appendix 7** which are eligible costs as specified in Section 99.805(11) of the TIF Act, including any costs of issuing the TIF Notes or other financial obligations.

The Notes may be issued in one or more series and may include notes, temporary notes or other financial obligations to be redeemed by TIF Notes upon completion of the Redevelopment Project. In addition, these Notes or other financial obligations may be privately placed. It is the City’s intent to pay for the principal and interest on these Notes or other financial obligations, in any year, solely with money legally available for such purpose within the City’s Special Allocation Fund.

4. Evidence of Commitment to Finance Project Costs

Appendix 8 contains a letter provided by the US Bancorp which has made a preliminary review of the development proposal and has expressed an interest to finance the Project Costs. It should be noted, however, that as expressed in US Bancorp’s letter, it does not appear that the Redevelopment Project can generate acceptable returns without public investment.

**APPENDIX 1
1505 MISSOURI
LEGAL DESCRIPTION OF REDEVELOPMENT AREA**

Lots 4 and 5 of Funkhouser’s Lafayette Park Addition and in Block 2141 of the City of St. Louis, together fronting 117 feet on the West line of Missouri Avenue, by a depth Westwardly of 140 feet to an alley; bounded on the North by Albion Place.

1505 Missouri Avenue
2141-00-01400

**APPENDIX 3
1505 MISSOURI
EQUALIZED ASSESSED VALUE OF PROPERTY
WITHIN THE REDEVELOPMENT AREA**

<u>Parcel I.D. No.</u>	<u>Property Address:</u>	<u>Assessed Total (2001):</u>
21410001400	1505 Missouri Avenue	\$112,000.00

**APPENDIX 4
1505 MISSOURI
ESTIMATED TIF REVENUES**

See Estimated TIF Revenue table on file in the Register's Office

**APPENDIX 5
1505 MISSOURI
DEVELOPER AFFIDAVIT**

See Affidavit on file in the Register's Office

**APPENDIX 6
1505 MISSOURI
COST BENEFIT ANALYSIS**

See Cost Benefit Analysis on file in the Register's Office

**APPENDIX 7
1505 MISSOURI
Estimated Redevelopment Project Costs**

Uses

Acquisition Costs	\$ 330,000
Construction Costs (including Site Preparation) (\$120.00 per sq. ft.)	\$ 1,920,000*
Architecture & Engineering	\$ 96,000
Legal	\$ 10,000
City's TIF Fees and Issuance Costs	\$ 25,000
Construction Loan Bank Fee	\$ 17,000
Construction Period Interest	\$ 50,000
General Contingency	\$ 100,000
Development Fee	\$ 128,000
Total Project Costs:	\$ 2,676,000

Sources

Construction Loan	\$ 2,076,000
State Historic Tax Credits	\$400,000
Owner Equity	\$200,000
	<hr/>
Total Sources:	\$ 2,676,000

* Based on preliminary estimates

**APPENDIX 8
1505 MISSOURI
EVIDENCE OF COMMITMENT TO FINANCE PROJECT COSTS**

See US Bank Letter of interest on file in the Register's Office.

Cost Benefit Analysis for Taxing Districts With TIF on file in the Register's Office.

Approved: August 5, 2002