

ORDINANCE #68380
Board Bill No. 57

AN ORDINANCE RECOMMENDED BY THE BOARD OF ESTIMATE AND APPORTIONMENT AMENDING ORDINANCE NO. 55390, APPROVED AUGUST 16, 1969, AS AMENDED BY ORDINANCE NO. 55522, APPROVED FEBRUARY 18, 1970, AS AMENDED BY ORDINANCE NO. 56178, APPROVED JUNE 21, 1972, AS AMENDED BY ORDINANCE NO. 56912, APPROVED MARCH 6, 1975, AS AMENDED BY ORDINANCE NO. 62515, APPROVED FEBRUARY 21, 1992, AS AMENDED BY ORDINANCE NO. 65669, APPROVED OCTOBER 24, 2002, AND AS AMENDED BY ORDINANCE NO. 66772, APPROVED JULY 18, 2005, PERTAINING TO THE ENTERTAINMENT LICENSE TAX AS CODIFIED IN CHAPTER 8.08 OF THE REVISED CODE OF THE CITY OF ST. LOUIS (THE "CODE") BY ADDING A NEW PARAGRAPH TO SECTION ONE OF SAID ORDINANCE NO. 55390, AS AMENDED, CREATING A NEW SUBCLASS OF TAXPAYERS AND FIXING A TAX RATE FOR SUCH SUBCLASS OF TAXPAYERS; AND CONTAINING A SEVERABILITY CLAUSE.

WHEREAS, there continue to exist, in the City of St. Louis (the "City"), areas of economic instability, economic decline and areas which suffer from a lack of continued economic investment and development; and

WHEREAS, the City has the authority to determine and to make a finding of those areas in the City which constitute blighted or insanitary areas as defined in Section 99.320 of the Revised Statutes of Missouri, as amended; and

WHEREAS, new development, investment and expansion in the City will serve to stabilize blighted areas, insanitary areas, or areas otherwise in economic decline in the City, and will significantly benefit the City by increasing and providing new revenues by the creation of new jobs, new and increased sales, increased property tax values, additional or increased payroll and earnings taxes, and enhanced tourism; and

WHEREAS, in order to ensure the stability and expansion of the City's economy, the City wishes to create and provide an incentive to stimulate, promote and attract economic development and tourism in the City by tying new economic development or expansion in the City to tax relief; and

WHEREAS, there exist in the City deteriorated, dilapidated, or obsolete sporting arenas, stadiums, or other entertainment venues which prevent the City from competing in the marketplace for the retention or acquirement of professional sports teams, leagues, franchises, or other professional entertainers and performances, and therefore the City is under immediate threat to lose a significant portion of its tax base or is precluded by the presence of such deteriorated, dilapidated, or obsolete venues from increasing its current tax base; and

WHEREAS, in order to stimulate, attract and promote stabilization of the local economy, growth, expansion and development of local businesses, and increased tourism, the City is prepared to provide a tax rate incentive in connection with the substantial investment in the historic rehabilitation of a Historic Entertainment Facility (as hereinafter defined), which is contiguous to a Contiguous Recreation Facility (as hereinafter defined), and the subject matter of a redevelopment plan approved by the City by ordinance and redevelopment agreement approved by the Land Clearance for Redevelopment Authority for the City of St. Louis (the "LCRA"); and

WHEREAS, the City recognizes that new construction, redevelopment or historic rehabilitation of a Historic Entertainment Facility (as hereinafter defined) will serve to stabilize such blighted or insanitary areas, as well as other areas within the City in economic decline, and will significantly benefit the City by increasing and providing new revenues from the creation of new jobs, new and increased sales, increased property tax values, additional or increased payroll and earnings taxes, and enhanced tourism; and

WHEREAS, the City finds that it is in the best interests of the City and its residents and its inhabitants to provide a tax rate incentive in order to promote, encourage, and attract new development and tourism in the City;

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

SECTION ONE. The Board of Aldermen hereby adopts the foregoing recitals as findings.

SECTION TWO. Ordinance No. 55390, approved August 16, 1969, as amended by Ordinance No. 55522, approved February 18, 1970, as amended by Ordinance No. 56178, approved June 21, 1972, as amended by Ordinance No. 56912, approved March 6, 1975, as amended by Ordinance No. 62515, approved February 21, 1992, as amended by Ordinance No. 65669, approved

October 24, 2002, and as amended by Ordinance No. 66772, approved July 18, 2005, pertaining to the Entertainment License Tax as codified in Chapter 8.08 of the Code, is hereby amended by adding a new paragraph to the end of Section One of said Ordinance No. 55390, as amended, and as codified as Section 8.08.010 of said Code, creating a new subclass of taxpayers and fixing a tax rate for such subclass of taxpayers, to read as follows:

Any person or persons, partnership of whatever form, or corporation in the business of admitting persons or groups upon payment of an admission charge to a pleasure ride or cruise, wrestling match, show or exhibition, boxing match, show or exhibition, sporting event, including but not restricted to baseball, football, rugby, soccer, hockey, basketball, rodeo, and other like entertainment presentation, are taxed upon the amount of gross receipts derived from such admission charges at the rate of five percent of the gross receipts, payable on quarterly calendar intervals; where the business is conducted for a period of time less than the licensing period hereinafter, the same rate of tax shall be levied and the amount thereof shall be paid for the period of time the business has been conducted.

Notwithstanding the foregoing paragraph, any person or persons, partnership of whatever form, or corporation in the business of admitting persons or groups upon payment of an admission charge to a pleasure ride or cruise, wrestling match, show or exhibition, boxing match, show or exhibition, sporting event, including but not restricted to baseball, football, rugby, soccer, hockey, basketball, rodeo, and other like entertainment presentation, and who or which: 1) has been designated the developer or redeveloper or co-developer or co-redeveloper (a "Redeveloper"), pursuant to a redevelopment plan approved by the City by ordinance and a redevelopment agreement ("Redevelopment Agreement") approved by the LCRA, for the construction or substantial rehabilitation of a new or redeveloped sports arena, sports stadium, field house, ballpark or other type of sports or recreation facility to be constructed or rehabilitated after the effective date of this ordinance ("Recreation Facility") and for the development of a substantial mixed-use development adjacent to the Recreation Facility which may include, but is not limited to, housing, offices, museums, entertainment venues, retail stores, restaurants or other similar facilities, all of which such facilities, including the Recreation Facility, are or will be located within a blighted and/or insanitary area, as determined by the City by ordinance, or 2) is the primary tenant, occupant or operator of the Recreation Facility, or has been designated as such pursuant to the Redevelopment Agreement ("Tenant"), or 3) is an Affiliate (as hereinafter defined) of such Redeveloper or Tenant, shall be taxed upon the amount of gross receipts derived from such admission charges at such Recreation Facility during the term of the Redevelopment Agreement at the rate corresponding to the estimated total amount of Private Investment for the construction or rehabilitation of the Recreation Facility as set forth in the Redevelopment Agreement in accordance with the following tax rate schedule:

Amount of Estimated Private Investment in the Recreation Facility	Tax Rate
less than \$50,000,000	5% of gross receipts
\$50,000,000-\$99,999,999	4% of gross receipts
\$100,000,000-\$199,999,999	2% of gross receipts
\$200,000,000 and above	0% of gross receipts

The tax imposed pursuant to this paragraph shall be payable on quarterly calendar intervals. Upon expiration or termination of the Redevelopment Agreement, the Redeveloper, Affiliate or Tenant shall be subject to the same rate of tax as set forth in the preceding paragraph of this Section 8.08.010. For purposes of this section, "Private Investment" shall mean the total amount to be provided by the Redeveloper, Affiliate, Tenant or any other private party for the construction or rehabilitation of the Recreation Facility as calculated pursuant to the terms of the Redevelopment Agreement. For purposes of this section, "Affiliate" shall mean any corporation, partnership, sole proprietorship or other person or entity that directly or indirectly through one or more intermediaries controls, is controlled by or is under common control with the Redeveloper.

Further, notwithstanding the foregoing paragraphs, any person or persons, partnership of whatever form, or corporation in the business of admitting persons or groups upon payment of an admission charge to a pleasure ride or cruise, wrestling match, show or exhibition, boxing match, show or exhibition, sporting event, including but not restricted to baseball, football, rugby, soccer, hockey, basketball, rodeo, and other like entertainment presentation, and who or which is an owner, primary tenant, occupant or operator, or Affiliate of a sports arena, sports stadium, field house, ballpark or other type of sports or recreation facility ("Contiguous Recreation Facility"), and such Contiguous Recreation Facility is contiguous to a historic theatre, opera house or concert hall ("Historic Entertainment Facility"), which is the subject matter of a redevelopment plan approved by the City by ordinance and a

Redevelopment Agreement approved by the LCRA after the effective date of this ordinance, for the historic rehabilitation of the Historic Entertainment Facility to be rehabilitated after the effective date of this ordinance, shall be taxed upon the amount of gross receipts derived from such admission charges at the Contiguous Recreation Facility, during the time the Redevelopment Agreement with respect to the Historic Entertainment Facility is in effect, at the rate corresponding to the estimated total amount of Private Investment for the historic rehabilitation of the Historic Entertainment Facility as set forth in the Redevelopment Agreement of the Historic Entertainment Facility in accordance with the following tax rate schedule:

Amount of Estimated Private Investment in the Historic Entertainment Facility	Tax Rate
less than \$50,000,000	5% of gross receipts
\$50,000,000 and above	0% of gross receipts

The tax imposed pursuant to this paragraph shall be payable on quarterly calendar intervals. Upon expiration or termination of the Redevelopment Agreement of the Historic Entertainment Facility for any reason, the owner, primary tenant, occupant or operator, or Affiliate of the Contiguous Recreation Facility shall be subject to the same rate of tax as set forth in the first paragraph of this Section 8.08.010. For purposes of this paragraph, "Private Investment" shall mean the total amount to be provided by the owner, primary tenant, occupant or operator, or Affiliate, or any other private party for the construction or historic rehabilitation of the Historic Entertainment Facility as calculated pursuant to the terms of the Redevelopment Agreement for the Historic Entertainment Facility.

SECTION THREE. 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.

Approved: June 16, 2009