

1 **BOARD BILL #270**      **INTRODUCED BY ALDERWOMAN CHRISTINE INGRASSIA**

2            An Ordinance designating a portion of the City of St. Louis, Missouri as a redevelopment  
3 area known as the Union Station Phase 2 Redevelopment Area pursuant to the Real Property Tax  
4 Increment Allocation Redevelopment Act; approving a redevelopment plan and a redevelopment  
5 project with respect thereto; adopting tax increment financing within the redevelopment area;  
6 making findings with respect thereto; establishing the Union Station Phase 2 Special Allocation  
7 Fund; authorizing certain actions by City officials; and containing a severability clause.

8            **WHEREAS**, The City of St. Louis, Missouri (the “City”), is a body corporate and a  
9 political subdivision of the State of Missouri, duly created, organized and existing under and by  
10 virtue of its charter, the Constitution and laws of the State of Missouri; and

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

14            **WHEREAS**, the TIF Commission is duly constituted according to the Real Property Tax  
15 Increment Allocation Redevelopment Act, Sections 99.800 to 99.865 of the Revised Statutes of  
16 Missouri (2000), as amended (the “TIF Act”), and is authorized to hold public hearings with  
17 respect to proposed redevelopment areas and redevelopment plans and to make  
18 recommendations thereon to the City; and

19            **WHEREAS**, staff and consultants of the City and USH, LLC, an affiliate of ROL Capital  
20 III Inc., a Missouri corporation (the “Developer”), prepared a plan for redevelopment titled the  
21 “Union Station Phase 2 TIF Redevelopment Plan” dated December 12, 2014 (the  
22 “Redevelopment Plan”) for an area located generally at the address of 1900 Market Street and  
23 401-415 South 18<sup>th</sup> Street and commonly known as St. Louis Union Station (the

1 “Redevelopment Area” or “Area”), which Redevelopment Area is more fully described in the  
2 Redevelopment Plan, attached hereto and incorporated herein as **Exhibit A**; and

3 **WHEREAS**, the Redevelopment Plan proposes to redevelop the Redevelopment Area by  
4 rehabilitation and redevelopment of the improvements within the Redevelopment Area for  
5 commercial use, including, but not limited to, amusement uses (the “Redevelopment Project”);  
6 and

7 **WHEREAS**, on January 7, 2015, after all proper notice was given, the TIF Commission  
8 held a public hearing in conformance with the TIF Act and received comments from all  
9 interested persons and taxing districts relative to the Redevelopment Area, the Redevelopment  
10 Plan, and the Redevelopment Project; and

11 **WHEREAS**, on January 7, 2015, the TIF Commission found that completion of the  
12 Redevelopment Project would provide a substantial and significant public benefit through the  
13 elimination of blighting conditions, preservation of historic structures, the creation of new jobs in  
14 the City, increased property values and tax revenues, stabilization of the Redevelopment Area,  
15 facilitation of the economic stability of the City as a whole, and further found that without the  
16 assistance of tax increment financing in accordance with the TIF Act, the Redevelopment Project  
17 is not financially feasible and would not otherwise be completed; and

18 **WHEREAS**, on January 7, 2015, the TIF Commission voted to recommend that the  
19 Board of Aldermen adopt an ordinance in the form required by the Act (i) adopting tax increment  
20 financing within the Redevelopment Area, (ii) approving the Redevelopment Plan, (iii)  
21 approving and designating the Redevelopment Area as a “redevelopment area” as provided in the  
22 Act, (iv) approving the Redevelopment Project described in the Redevelopment Plan, and (v)

1 approving the issuance of one or more tax increment financing revenue notes in the amount as  
2 specified in the Redevelopment Plan; and

3 **WHEREAS**, the Developer has demonstrated that the Redevelopment Project would not  
4 reasonably be anticipated to be developed without the adoption of tax increment financing and,  
5 therefore, redevelopment of the Redevelopment Area in accordance with the Redevelopment  
6 Plan is not feasible and would not otherwise be completed; and

7 **WHEREAS**, the Board of Aldermen has received the recommendations of the TIF  
8 Commission regarding the Redevelopment Area and the Redevelopment Plan and finds that it is  
9 desirable and in the best interests of the City to designate the Redevelopment Area as a  
10 “redevelopment area” as provided in the TIF Act and to approve the Redevelopment Plan and the  
11 Redevelopment Project in order to encourage and facilitate the redevelopment of the  
12 Redevelopment Area; and

13 **WHEREAS**, the Redevelopment Area qualifies for the use of tax increment financing to  
14 alleviate the conditions that qualify it as a “blighted area” as provided in the TIF Act and as set  
15 forth herein; and

16 **WHEREAS**, the property constituting the Redevelopment Area is underutilized and  
17 vacant, thus discouraging investment, and the Redevelopment Area represents a social and  
18 economic liability to the City; and

19 **WHEREAS**, it is necessary and desirable and in the best interest of the City to approve  
20 the Redevelopment Project to allow the rehabilitation of the Redevelopment Area into  
21 commercial use; and

22 **WHEREAS**, it is necessary and desirable and in the best interest of the City to adopt tax  
23 increment allocation financing within the Redevelopment Area and to establish a special

1 allocation fund for the Redevelopment Area in order to provide for the promotion of the general  
2 welfare through redevelopment of the Redevelopment Area in accordance with the  
3 Redevelopment Plan, which redevelopment includes, but is not limited to, assistance in the  
4 physical, economic, and social development of the City of St. Louis, providing for a stabilized  
5 population and plan for the optimal growth of the City of St. Louis, encouragement of a sense of  
6 community identity, safety and civic pride, and the elimination of impediments to land  
7 disposition and development in the City of St. Louis.

8 **BE IT ORDAINED BY THE CITY OF ST. LOUIS AS FOLLOWS:**

9 **SECTION ONE.** The Board of Aldermen hereby makes the following findings:

10 A. The Redevelopment Area on the whole is a “blighted area”, as defined in Section  
11 99.805 of the TIF Act, and has not been subject to growth and development through investment  
12 by private enterprise and would not reasonably be anticipated to be developed without the  
13 adoption of tax increment financing. This finding includes, the Redevelopment Plan sets forth,  
14 and the Board of Aldermen hereby finds and adopts by reference: (i) a detailed description of the  
15 factors that qualify the Redevelopment Area as a “blighted area” and (ii) an affidavit, signed by  
16 the Developer and submitted with the Redevelopment Plan, attesting that the provisions of  
17 Section 99.810.1(1) of the TIF Act have been met, which description and affidavit are  
18 incorporated herein as if set forth herein.

19 B. The Redevelopment Plan conforms to the comprehensive plan for the  
20 development of the City as a whole.

21 C. In accordance with the TIF Act, the Redevelopment Plan states the estimated  
22 dates of completion of the Redevelopment Project and retirement of the financial obligations  
23 issued to pay for certain redevelopment project costs and these dates are twenty three (23) years

1 or less from the effective date of this ordinance approving the Redevelopment Project.

2 D. A plan has been developed for relocation assistance for businesses and residences  
3 as set forth in Ordinance No. 62481 adopted December 20, 1991.

4 E. A cost-benefit analysis showing the economic impact of the Redevelopment Plan  
5 on each taxing district which is at least partially within the boundaries of the Redevelopment  
6 Area is on file with the St. Louis Development Corporation, which cost-benefit analysis shows  
7 the impact on the economy if the Redevelopment Project is not built, and if the Redevelopment  
8 Project is built pursuant to the Redevelopment Plan as well as a fiscal impact study on every  
9 affected political subdivision and sufficient information for the TIF Commission to evaluate  
10 whether the Redevelopment Project is financially feasible.

11 F. Redevelopment of the Redevelopment Area in accordance with the  
12 Redevelopment Plan is not financially feasible without the assistance of tax increment financing  
13 and would not otherwise be completed.

14 G. The Redevelopment Plan does not include the initial development or  
15 redevelopment of any “gambling establishment” as that term is defined in Section 99.805(6) of  
16 the TIF Act.

17 H. The Redevelopment Area includes only those parcels of real property and  
18 improvements thereon directly and substantially benefited by the proposed Redevelopment  
19 Project.

20 **SECTION TWO.** The Redevelopment Area described in the Redevelopment Plan is  
21 hereby designated as a “redevelopment area” as defined in Section 99.805 of the TIF Act.

22 **SECTION THREE.** The Redevelopment Plan dated December 12, 2014 as reviewed  
23 and recommended by the TIF Commission on January 7, 2015, including amendments thereto, if

1 any, and the Redevelopment Project described in the Redevelopment Plan are hereby adopted  
2 and approved. A copy of the Redevelopment Plan is attached hereto as **Exhibit A** and  
3 incorporated herein by reference.

4 **SECTION FOUR.** There is hereby created and ordered to be established within the  
5 treasury of the City a separate fund to be known as the “Union Station Phase 2 Special  
6 Allocation Fund.” To the extent permitted by law and except as otherwise provided in the  
7 Redevelopment Plan, the City hereby pledges funds in the Union Station Phase 2 Special  
8 Allocation Fund for the payment of redevelopment project costs and obligations incurred in the  
9 payment thereof.

10 **SECTION FIVE.** Tax increment allocation financing is hereby adopted within the  
11 Redevelopment Area. After the total equalized assessed valuation of the taxable real property in  
12 the Redevelopment Area exceeds the certified total initial equalized assessed valuation of the  
13 taxable real property in the Redevelopment Area, the ad valorem taxes, and payments in lieu of  
14 taxes, if any, arising from the levies upon taxable real property in the Redevelopment Area by  
15 taxing districts and tax rates determined in the manner provided in Section 99.855.2 of the TIF  
16 Act each year after the effective date of this Ordinance until redevelopment costs have been paid  
17 shall be divided as follows:

18 A. That portion of taxes, penalties and interest levied upon each taxable lot, block,  
19 tract, or parcel of real property which is attributable to the initial equalized assessed value of  
20 each such taxable lot, block, tract, or parcel of real property in the area selected for the  
21 Redevelopment Project shall be allocated to and, when collected, shall be paid by the City  
22 Collector to the respective affected taxing districts in the manner required by law in the absence  
23 of the adoption of tax increment allocation financing;

1           B.       Payments in lieu of taxes attributable to the increase in the current equalized  
2 assessed valuation of each taxable lot, block, tract, or parcel of real property in the area selected  
3 for the Redevelopment Project and any applicable penalty and interest over and above the initial  
4 equalized assessed value of each such unit of property in the area selected for the Redevelopment  
5 Project shall be allocated to and, when collected, shall be paid to the City Treasurer, who shall  
6 deposit such payments in lieu of taxes into the Union Station Phase 2 Special Allocation Fund  
7 for the purpose of paying redevelopment costs and obligations incurred in the payment thereof.  
8 Payments in lieu of taxes which are due and owing shall constitute a lien against the real estate of  
9 the Redevelopment Project from which they are derived and shall be collected in the same  
10 manner as the real property tax, including the assessment of penalties and interest where  
11 applicable.

12           **SECTION SIX.** In addition to the payments in lieu of taxes described in Section Five of  
13 this Ordinance, if any, fifty percent (50%) of the total additional revenue from taxes, penalties  
14 and interest which are imposed by the City or other taxing districts, and which are generated by  
15 economic activities within the area of the Redevelopment Project over the amount of such taxes  
16 generated by economic activities within the area of the Redevelopment Project in the calendar  
17 year prior to the adoption of the Redevelopment Project by ordinance, while tax increment  
18 financing remains in effect, but excluding personal property taxes, taxes imposed on sales or  
19 charges for sleeping rooms paid by transient guests of hotels and motels, taxes levied pursuant to  
20 Section 70.500 of the Revised Statutes of Missouri (2000) as amended, or taxes levied for the  
21 purpose of public transportation pursuant to Section 94.660 of the Revised Statutes of Missouri  
22 (2000) as amended, licenses, fees or special assessments other than payments in lieu of taxes and  
23 penalties and interest thereon, shall be allocated to, and paid by the collecting officer to the City

1 Treasurer or other designated financial officer of the City, who shall deposit such funds in a  
2 separate segregated account within the Union Station Phase 2 Special Allocation Fund.

3 **SECTION SEVEN.** The Comptroller of the City is hereby authorized to enter into  
4 agreements or contracts with other taxing districts as necessary to ensure the allocation and  
5 collection of the taxes and payments in lieu of taxes described in Sections Five and Six of this  
6 Ordinance and the deposit of the said taxes or payments in lieu of taxes into the Union Station  
7 Phase 2 Special Allocation Fund for the payment of redevelopment project costs and obligations  
8 incurred in the payment thereof, all in accordance with the TIF Act.

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

16 **SECTION NINE.** The Mayor and Comptroller of the City or their designated  
17 representatives are hereby authorized and directed to take any and all actions as may be  
18 necessary and appropriate in order to carry out the matters herein authorized, with no such  
19 further action of the Board of Aldermen necessary to authorize such action by the Mayor and the  
20 Comptroller or their designated representatives.

21 **SECTION TEN.** The Mayor and the Comptroller or their designated representatives,  
22 with the advice and concurrence of the City Counselor and after approval by the Board of  
23 Estimate and Apportionment, are hereby further authorized and directed to make any changes to

1 the documents, agreements and instruments approved and authorized by this Ordinance as may  
2 be consistent with the intent of this Ordinance and necessary and appropriate in order to carry out  
3 the matters herein authorized, with no such further action of the Board of Aldermen necessary to  
4 authorize such changes by the Mayor and the Comptroller or their designated representatives.

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

14 **SECTION TWELVE.** After adoption of this Ordinance by the Board of Aldermen, this  
15 Ordinance shall become effective on the 30th day after its approval by the Mayor or adoption  
16 over his veto; *provided that* if, within ninety (90) days after the effective date of an ordinance  
17 authorizing the City to enter into a redevelopment agreement pertaining to the Redevelopment  
18 Project, the Developer or its affiliate or designee, has not (i) executed such redevelopment  
19 agreement and (ii) paid all fees due to the City in accordance with the terms of the  
20 redevelopment agreement, the provisions of this Ordinance shall be deemed null and void and of  
21 no effect and all rights conferred by this Ordinance on Developer, shall terminate, *provided*  
22 *further*, however, that prior to any such termination the Developer may seek an extension of time

- 1 in which to execute the Redevelopment Agreement, which extension may be granted in the sole
- 2 discretion of the Board of Estimate and Apportionment of the City of St. Louis.

**EXHIBIT A**

**UNION STATION PHASE 2 TIF REDEVELOPMENT PLAN**