

1 **ORDINANCE DESIGNATING A PORTION OF THE CITY OF ST.**
2 **LOUIS, MISSOURI, AS A REDEVELOPMENT AREA KNOWN AS THE**
3 **LUDWIG LOFTS REDEVELOPMENT AREA PURSUANT TO THE**
4 **REAL PROPERTY TAX INCREMENT ALLOCATION**
5 **REDEVELOPMENT ACT; APPROVING A REDEVELOPMENT PLAN**
6 **AND A REDEVELOPMENT PROJECT WITH RESPECT THERETO;**
7 **ADOPTING TAX INCREMENT FINANCING WITHIN THE**
8 **REDEVELOPMENT AREA; MAKING FINDINGS WITH RESPECT**
9 **THERETO; ESTABLISHING THE LUDWIG LOFTS SPECIAL**
10 **ALLOCATION FUND; AUTHORIZING CERTAIN ACTIONS BY CITY**
11 **OFFICIALS; AND CONTAINING A SEVERABILITY CLAUSE.**

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

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

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

1 **WHEREAS**, staff and consultants of the City and Ludwig Partners, L.L.C., a Missouri
2 limited liability company (the “Developer”), prepared a plan for redevelopment titled “Ludwig
3 Lofts TIF Redevelopment Plan” as amended dated November 16, 2005 (the “Redevelopment
4 Plan”), for an area generally located at 1004-1006 Olive in downtown St. Louis (the
5 “Redevelopment Area” or “Area”), which Redevelopment Area is more fully described in the
6 Redevelopment Plan, attached hereto and incorporated herein as **Exhibit A**; and

7 **WHEREAS**, the Redevelopment Plan proposes to redevelop the Redevelopment Area by
8 acquiring the property within the Area, and rehabilitating and renovating the existing structures
9 therein into a mix of residential units and commercial space with other improvements, as set
10 forth in the Redevelopment Plan (the “Redevelopment Project,” or “TIF Project”); and

11 **WHEREAS**, on January 11, 2006 after all proper notice was given, the TIF Commission
12 held a public hearing in conformance with the TIF Act and received comments from all
13 interested persons and taxing districts relative to the Redevelopment Area, the Redevelopment
14 Plan, and the Redevelopment Project; and

15 **WHEREAS**, on January 11, 2006, the TIF Commission found that completion of the
16 Redevelopment Project would provide a substantial and significant public benefit through the
17 creation of new jobs, the elimination of blight, the strengthening of the employment and
18 economic base of the City, increased property values and tax revenues, stabilization of the
19 Redevelopment Area, and facilitation of economic stability for the City as a whole, and further
20 found that without the assistance of tax increment financing in accordance with the TIF Act, the
21 Redevelopment Project is not financially feasible and would not otherwise be completed; and

22 **WHEREAS**, on January 11, 2006, the TIF Commission voted to recommend that the
23 Board of Aldermen adopt an ordinance in the form required by the Act (i) adopting tax increment

1 financing within the Redevelopment Area, (ii) approving the Redevelopment Plan, (iii)
2 approving and designating the Redevelopment Area as a “redevelopment area” as provided in the
3 Act, (iv) approving the Redevelopment Project as described within the Redevelopment Plan, and
4 (v) approving the issuance of tax increment financing revenue notes; and

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

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

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

18 **WHEREAS**, it is necessary and desirable and in the best interest of the City to adopt tax
19 increment allocation financing within the Redevelopment Area and to establish a special
20 allocation fund for the Redevelopment Area in order to provide for the promotion of the general
21 welfare through redevelopment of the Redevelopment Area in accordance with the
22 Redevelopment Plan which redevelopment includes, but is not limited to, assistance in the
23 physical, economic, and social development of the City of St. Louis, providing for a stabilized

1 population and plan for the optimal growth of the City of St. Louis, preservation of historic
2 structures, encouragement of a sense of community identity, safety and civic pride, and the
3 elimination of impediments to land disposition and development in the City of St. Louis.

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

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

6 A. The Redevelopment Area on the whole is a “blighted area”, as defined in Section
7 99.805 of the TIF Act, and has not been subject to growth and development through investment
8 by private enterprise and would not reasonably be anticipated to be developed without the
9 adoption of tax increment financing. This finding includes, the Redevelopment Plan sets forth,
10 and the Board of Aldermen hereby finds and adopts by reference: (i) a detailed description of the
11 factors that qualify the Redevelopment Area as a “blighted area” and (ii) an affidavit, signed by
12 the Developer and submitted with the Redevelopment Plan, attesting that the provisions of
13 Section 99.810.1(1) of the TIF Act have been met, which description and affidavit are
14 incorporated herein as if set forth herein.

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

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

21 D. A plan has been developed for relocation assistance for businesses and residences
22 in Ordinance No. 62481 adopted December 20, 1991.

1 E. A cost-benefit analysis showing the economic impact of the Redevelopment Plan
2 on each taxing district which is at least partially within the boundaries of the Redevelopment
3 Area is on file with the St. Louis Development Corporation, which cost-benefit analysis shows
4 the impact on the economy if the Redevelopment Project is not built, and is built pursuant to the
5 Redevelopment Plan.

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

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

12 H. The Redevelopment Area includes only those parcels of real property and
13 improvements thereon directly and substantially benefited by the proposed Redevelopment
14 Project.

15 **SECTION TWO.** The Redevelopment Area described in the Redevelopment Plan is
16 hereby designated as a “redevelopment area” as defined in Section 99.805(11) of the TIF Act.

17 **SECTION THREE.** The Redevelopment Plan as reviewed and recommended by the
18 TIF Commission on January 11, 2006, including amendments thereto, if any, and the
19 Redevelopment Project described in the Redevelopment Plan are hereby adopted and approved.
20 A copy of the Redevelopment Plan is attached hereto as **Exhibit A** and incorporated herein by
21 reference.

22 **SECTION FOUR.** There is hereby created and ordered to be established within the
23 treasury of the City a separate fund to be known as the “Ludwig Lofts Special Allocation Fund.”

1 To the extent permitted by law and except as otherwise provided in the Redevelopment Plan, the
2 City hereby pledges funds in the Ludwig Lofts Special Allocation Fund for the payment of
3 redevelopment project costs and obligations incurred in the payment thereof.

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

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

18 B. Payments in lieu of taxes attributable to the increase in the current equalized
19 assessed valuation of each taxable lot, block, tract, or parcel of real property in the area selected
20 for the Redevelopment Project and any applicable penalty and interest over and above the initial
21 equalized assessed value of each such unit of property in the area selected for the Redevelopment
22 Project shall be allocated to and, when collected, shall be paid to the City Treasurer, who shall
23 deposit such payment in lieu of taxes into the Ludwig Lofts Special Allocation Fund for the

1 purpose of paying redevelopment costs and obligations incurred in the payment thereof.
2 Payments in lieu of taxes which are due and owing shall constitute a lien against the real estate of
3 the Redevelopment Project from which they are derived and shall be collected in the same
4 manner as the real property tax, including the assessment of penalties and interest where
5 applicable.

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

20 **SECTION SEVEN.** The Comptroller of the City is hereby authorized to enter into
21 agreements or contracts with other taxing districts as is necessary to ensure the allocation and
22 collection of the taxes and payments in lieu of taxes described in Sections Five and Six of this
23 Ordinance and the deposit of the said taxes or payments in lieu of taxes into the Ludwig Lofts

1 Special Allocation Fund for the payment of redevelopment project costs and obligations incurred
2 in the payment thereof, all in accordance with the TIF Act.

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

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

15 **SECTION TEN.** The Mayor and the Comptroller or their designated representatives,
16 with the advice and concurrence of the City Counselor and after approval by the Board of
17 Estimate and Apportionment, are hereby further authorized and directed to make any changes to
18 the documents, agreements and instruments approved and authorized by this Ordinance as may
19 be consistent with the intent of this Ordinance and necessary and appropriate in order to carry out
20 the matters herein authorized, with no such further action of the Board of Aldermen necessary to
21 authorize such changes by the Mayor and the Comptroller or their designated representatives.

22 **SECTION ELEVEN.** It is hereby declared to be the intention of the Board of Aldermen
23 that each and every part, section and subsection of this Ordinance shall be separate and severable

1 from each and every other part, section and subsection hereof and that the Board of Aldermen
2 intends to adopt each said part, section and subsection separately and independently of any other
3 part, section and subsection. In the event that any part, section or subsection of this Ordinance
4 shall be determined to be or to have been unlawful or unconstitutional, the remaining parts,
5 sections and subsections shall be and remain in full force and effect, unless the court making
6 such finding shall determine that the valid portions standing alone are incomplete and are
7 incapable of being executed in accord with the legislative intent.

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

EXHIBIT A

LUDWIG LOFTS TIF REDEVELOPMENT PLAN