AMENDED

INTRODUCED BY: Councilmember Bwayne Smotherson **DATE:** May 28, 2019

BILL NO. 9371 **ORDINANCE NO. 7105**

AN ORDINANCE APPROVING A REDEVELOPMENT PROJECT FOR REDEVELOPMENT PROJECT AREA 1 OF THE OLIVE BOULEVARD COMMERCIAL CORRIDOR AND RESIDENTIAL CONSERVATION REDEVELOPMENT AREA; ADOPTING TAX INCREMENT FINANCING WITH RESPECT THERETO; AND AUTHORIZING CERTAIN ACTIONS BY CITY OFFICIALS.

WHEREAS, the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 to 99.865 of the Revised Statutes of Missouri, as amended (the "Act"), authorizes municipalities to approve redevelopment projects pursuant to the Act; and

WHEREAS, the City of University City, Missouri (the "City") duly created the Tax Increment Financing Commission of the City of University City, Missouri (the "TIF Commission") pursuant to the Act; and

WHEREAS, the Act authorizes the TIF Commission to hold hearings with respect to proposed redevelopment areas, plans and projects and to make recommendations thereon to the City Council; and

WHEREAS, the TIF Commission reviewed a plan for redevelopment known as the Olive Boulevard Commercial Corridor and Residential Conservation Redevelopment Plan (the "Redevelopment Plan"), for the redevelopment of approximately 800 acres generally bounded by I-170 on the west, the University City city limits on the north and east, and Olive Boulevard on the south (but also including commercial property on both the south and north sides of Olive Boulevard and residential property south of Olive Boulevard on Briscoe Place and Mayflower Court) (as further described in the Redevelopment Plan, the "Redevelopment Area"); and

WHEREAS, the Redevelopment Plan divides the Redevelopment Area into three redevelopment project areas (each, an "RPA"); and

WHEREAS, the Redevelopment Plan envisions that "RPA 1" will be redeveloped for a mix of uses, including retail, restaurant, office, multi-family apartments, senior living apartments and hotel uses (as further described in the Redevelopment Plan, the "RPA 1 Redevelopment Project"); and

WHEREAS, after all proper notice was given, the TIF Commission held a public hearing in conformance with the Act on May 23, 2018, June 6, 2018, June 22, 2018 and August 23, 2018, and received comments from all interested persons and taxing districts wishing to be heard relative, among other things, to (1) the Redevelopment Plan, (2) the designation of the Redevelopment Area, and (3) the approval of the RPA 1 Redevelopment Project; and

WHEREAS, after the conclusion of the public hearing, the TIF Commission passed a resolution on August 23, 2018 recommending, among other matters, that the City Council approve the Redevelopment Plan, approve the designation of the Redevelopment Area, approve the RPA 1 Redevelopment Project and adopt tax increment financing within RPA 1; and

WHEREAS, after conclusion of the public hearing and receipt of the TIF Commission's recommendation, the Redevelopment Plan was amended to update and clarify various sections of the Redevelopment Plan and notice of such amendments was provided in accordance with the Act; and

WHEREAS, the amendments to the Redevelopment Plan did not affect the maximum tax increment financing assistance under the Redevelopment Plan, substantially affect the proposed land uses described in the Redevelopment Plan, or substantially change the nature of the redevelopment projects described in the Redevelopment Plan, and accordingly, may be approved under the Act without further involvement of the TIF Commission; and

WHEREAS, on June 10, 2019, the City Council adopted Ordinance No. 7105, which approved the Redevelopment Plan, as amended, and designated the Redevelopment Area as a "redevelopment area" under the Act;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF UNIVERSITY CITY, MISSOURI, AS FOLLOWS:

Section 1. The RPA 1 Redevelopment Project is hereby adopted and approved. The City Council finds that the area selected for the RPA 1 Redevelopment Project includes only those parcels of real property and improvements thereon directly and substantially benefited by the proposed RPA 1 Redevelopment Project.

Section 2. Tax increment allocation financing is hereby adopted within RPA 1 (as legally described in the Redevelopment Plan).

Section 3. After the total equalized assessed valuation of the taxable real property in RPA 1 exceeds the certified total initial equalized assessed value of all taxable real property in RPA 1, as determined in accordance with the Act, the ad valorem taxes and payments in lieu of taxes, if any, arising from the levies upon taxable real property in RPA 1 by taxing districts and tax rates determined in the manner provided in subsection 2 of Section 99.855 of the Act each year after the effective date of this Ordinance until the payment in full of all redevelopment project costs shall be divided as follows:

(1) That portion of taxes, penalties and interest 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 RPA 1 shall be allocated to and, when collected, shall be paid by the County Collector to the respective affected taxing districts in the manner required by law in the absence of the adoption of tax increment allocation financing; and

(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 RPA 1 and any applicable penalty and interest over and above the initial equalized assessed value of each such unit of property in RPA 1 shall be allocated to and, when collected, shall be paid to the City's Finance Director, who shall deposit such payments in lieu of taxes into a special fund called the "RPA 1 – Olive Boulevard Commercial Corridor and Residential Conservation Redevelopment Area Special Allocation Fund" (the "RPA 1 Special Allocation Fund") of the City 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 RPA 1 from which they are derived and shall be collected in the same manner as the real property tax, including the assessment of penalties and interest where applicable.

Section 4. In addition, fifty percent (50%) of the total additional revenue from taxes, penalties and interest which are imposed by the City or other taxing districts, and which are generated by economic activities within RPA 1, over the amount of such taxes, penalties and interest in the calendar year prior to the adoption of this Ordinance, while tax increment financing remains in effect, but excluding 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, licenses, fees or special assessments other than payments in lieu of taxes and any penalty and interest thereon, taxes levied pursuant to Section 94.660 of the Revised Statutes of Missouri, as amended, for the purpose of public transportation and any other tax or fee excluded by law, shall be allocated to and paid by the collecting officer to the City's Finance Director, who shall deposit such funds into a separate segregated account within the RPA 1 Special Allocation Fund.

Section 5. The RPA 1 Special Allocation Fund is hereby established. The RPA 1 Special Allocation Fund shall have a "PILOTs Account," an "EATs Account" and such other accounts and subaccounts as may be necessary or desirable for the administration of the Redevelopment Plan. All moneys deposited in the RPA 1 Special Allocation Fund shall be applied in such manner consistent with the Redevelopment Plan as determined by the City Council.

Section 6. The City Clerk is hereby directed to submit a certified copy of this Ordinance to the County Assessor, who is directed to determine the total equalized assessed value of all taxable real property within RPA 1 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 RPA 1, and shall certify such amount as the total initial equalized assessed value of the taxable real property within RPA 1. The City Clerk is further directed to submit a certified copy of this Ordinance to the County Collector, and the City Finance Director is directed to certify to the County Collector the amount of taxes derived from economic activities within RPA 1 in the calendar year prior to the adoption of this Ordinance, as prescribed in **Section 4** hereof.

Section 7. The sections of this Ordinance shall be severable. If any section of this Ordinance is found by a court of competent jurisdiction to be invalid, the remaining sections shall remain valid, unless the court finds that: (a) the valid sections are so essential to and inseparably connected with and dependent upon the void section that it cannot be presumed that the City Council has or would have enacted the valid sections without the void ones; and (b) the valid sections, standing alone, are incomplete and are incapable of being executed in accordance with the legislative intent.

Section 8. This Ordinance shall be in full force and effect from and after its passage and approval.

PASSED and ADOPTED THIS 10th DAY OF JUNE, 2019.

(Seal)

Terry Crow, MAYOR

ATTEST:

CITY CLERK

CERTIFIED TO BE CORRECT AS TO FORM:

CITY ATTORNEY