Olive Boulevard Commercial Corridor and Residential Conservation Redevelopment Plan

Prepared for:
University City, MO

Submitted: April 4, 2018
Revised: May 15, 2018
Second Revision: May 29, 2018

St. Louis, Missouri
# Table of Contents

<table>
<thead>
<tr>
<th>SECTION/SUB-SECTION TITLE</th>
</tr>
</thead>
<tbody>
<tr>
<td>SECTION 1 INTRODUCTION...</td>
</tr>
<tr>
<td>CONCEPT OF TAX INCREMENT FINANCING</td>
</tr>
<tr>
<td>THE AREA</td>
</tr>
<tr>
<td>PLAN PURPOSE</td>
</tr>
</tbody>
</table>

| SECTION 2 BASIS FOR DESIGNATION OF REDEVELOPMENT AREA & SUMMARY OF THE REDEVELOPMENT PROPOSAL | 4 |
| BASIS FOR REDEVELOPMENT AREA DESIGNATION | 4 |
| BASIS FOR REDEVELOPMENT AREA DESIGNATION – “But For” | 4 |
| COMPLIANCE WITH THE COMPREHENSIVE PLAN | 5 |

| SECTION 3 ANALYSIS OF BLIGHTED AREA FACTORS | 6 |
| INTRODUCTION | 6 |
| EXISTING CONDITIONS | 7 |
| BLIGHTED AREA QUALIFICATIONS ANALYSIS | 7 |
| CONSERVATION AREA ANALYSIS | 11 |

| SECTION 4 REDEVELOPMENT PLAN PROGRAM OBJECTIVES | 15 |
| REDEVELOPMENT PROJECTS | 15 |
| GENERAL LAND USES TO APPLY | 16 |
| ESTIMATED REDEVELOPMENT PROJECT COSTS | 16 |
| ANTICIPATED SOURCES OF FUNDS TO PAY COSTS | 18 |
| ANTICIPATED TYPE AND TERM OF THE SOURCES OF FUNDS AND THE TYPES AND TERMS OF THE OBLIGATIONS TO BE ISSUED | 21 |
| EVIDENCE OF THE COMMITMENT TO FINANCE PROJECT COSTS AND DEVELOPERS AFFIDAVIT | 21 |
| EQUALIZED ASSESSED VALUATION | 22 |
| ESTIMATED DATES FOR COMPLETION OF THE REDEVELOPMENT PROJECT & RETIREMENT OF OBLIGATIONS | 22 |
| RELOCATION PLAN AND ASSISTANCE | 23 |
SECTION 5 FINDINGS ......................................................................................................................... 24

<table>
<thead>
<tr>
<th>ATTACHMENT</th>
<th>DESCRIPTIVE TITLE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>SUPPORTING EXHIBITS</td>
</tr>
<tr>
<td>2</td>
<td>BOUNDARY DESCRIPTION</td>
</tr>
<tr>
<td>3</td>
<td>COMMITMENT LETTER &amp; AFFIDAVIT</td>
</tr>
<tr>
<td>4</td>
<td>PHOTO APPENDIX</td>
</tr>
<tr>
<td>5</td>
<td>RELOCATION POLICY</td>
</tr>
</tbody>
</table>
SECTION 1
INTRODUCTION

CONCEPT OF TAX INCREMENT FINANCING

In pursuit of the redevelopment of a declining area or to induce the development of an area that has been deficient in growth and development, the State of Missouri provides various statutory tools that a municipality may utilize in order to facilitate private and public development and/or redevelopment. One such tool is tax increment financing (“TIF”), as provided for in the Real Property Tax Increment Allocation Redevelopment Act (R.S. MO. Sections 99.800 to 99.865, as amended) (the “TIF Act”). The TIF Act provides for approval of plans and projects for the redevelopment of designated “redevelopment areas.” In order to establish a redevelopment area, the municipality must make a finding that such area, on the whole, is one of the following types of areas as defined by the TIF Act:

- Blighted Area;
- Conservation Area; or
- Economic Development Area.

A redevelopment area cannot be established without the adoption of a “redevelopment plan,” which outlines the comprehensive program of redevelopment that will reduce or eliminate the conditions which cause the redevelopment area to qualify as one of the aforementioned areas.

Generally, TIF utilizes the incremental increase in tax revenues generated within the boundaries of the designated redevelopment area to assist in the financing of certain eligible costs of completing “redevelopment projects” in the implementation of the redevelopment plan. Bonds or other financial obligations can be issued to fund the redevelopment project costs, which are subsequently retired using the incremental revenue generated from the new development. Alternatively, a municipality may finance project costs on a “pay-as-you-go” basis, utilizing revenues as they are generated, to fund projects.

During the period in which TIF is in effect (up to 23 years from the date of adoption of the ordinance approving the redevelopment project, as provided by the TIF Act), all of the taxing districts that levy ad valorem real property taxes within the redevelopment area continue to receive all of the real property taxes that they had been receiving prior to the adoption of the TIF; such revenues are based upon the tax rate applied to the property assessment values in effect prior to the adoption of TIF. These taxing districts also receive one hundred percent (100%) of the new revenues generated by the Commercial Surcharge levied against commercial property and one hundred percent (100%) of new personal property tax revenues.
Local taxing districts which levy economic activity taxes (e.g. sales and utility taxes) continue to collect the amounts of these taxes that existed prior to the implementation of the TIF, and also collect fifty percent (50%) of the new economic activity taxes generated within the redevelopment area.

The TIF Act requires a municipality seeking to create a redevelopment area to establish a TIF Commission. The TIF Commission’s role is to review, consider and make recommendations to the County Commission regarding proposed redevelopment plans, redevelopment projects and redevelopment areas. Once the TIF Commission’s initial work is done, the terms of the members appointed by the school board and other taxing districts expire. Of the six members appointed by the County, two shall serve for two years, two for three years, and two for four years from the date of initial appointment. Thereafter, the members appointed by the County serve for terms of four years.

THE REDEVELOPMENT AREA

The Olive Boulevard Commercial Corridor and Residential Conservation Redevelopment Area (hereinafter referred to as the “Redevelopment Area” or “Area”) contains approximately 800 acres of land and encompasses a large portion, nearly the northern third, of the City of University City, Missouri (the “City”). The Area is bounded generally by I-170 on the west, the City limits to the north and east and Olive Boulevard (inclusive of commercial property on both the north and south sides of the road) on the south. The Redevelopment Area is further subdivided into three Redevelopment Project Areas (each an “RPA”). The boundaries of the Redevelopment Area and of each individual Redevelopment Project Area are shown on Exhibit A included in the Appendix and further described in the boundary description contained in Appendix. The Area consists of 5,323 parcels and public rights-of-way. An aerial photo of the Area is included in the appendix.

The Area includes: commercial uses, single-family residential uses, industrial uses, vacant parcels, and public parks. Existing land uses within the Area are shown on Exhibit B – Existing Land Use in Attachment One.

Redevelopment Project Area One (“RPA 1”), Redevelopment Project Area Two (“RPA 2”) and Redevelopment Project Area Three (“RPA 3”) are described in Exhibit A – Redevelopment Area Boundary, in the appendix, shows each RPA.

PLAN PURPOSE

The primary purpose of this Plan is to establish the process by which redevelopment within the Area and within each RPA can occur. This process will enable the City to carry out the comprehensive redevelopment envisioned by this Plan. Without the assistance provided through TIF, the Area is not likely to experience significant growth and development through investment by private enterprise.

In order to establish an Area and RPAs as described above, the overall Area and the RPAs must meet certain criteria set forth in the TIF Act. One of the purposes of this Plan is to document the qualifications of the Area with respect to designation under the terms and conditions of the TIF Act. In addition, this
document serves as the basis for establishing the general redevelopment program and TIF financing parameters that will financially assist the City and property owners/redevelopers in implementing the redevelopment program. This assistance is anticipated to facilitate the comprehensive and unified redevelopment of each RPA and to result in the construction of necessary public improvements, commercial development and residential improvements.
SECTION 2
BASIS FOR DESIGNATION OF THE REDEVELOPMENT AREA
& SUMMARY OF REDEVELOPMENT PROJECT

BASIS FOR REDEVELOPMENT AREA DESIGNATION

In order to establish a Redevelopment Area, the area in question must meet the definition of one of three types of areas under the TIF Act:

- Blighted Area;
- Conservation Area; or
- Economic development Area.

As determined by field investigations and analyses undertaken for this Plan, each RPA was found to exhibit the requirements necessary for designation under the TIF Act as a Redevelopment Area. RPA 1 and RPA 3 each were found to exhibit factors that support designation as a “blighted area” as defined by the TIF Act. RPA 2 was found to exhibit factors that support its designation as a “conservation area” as defined by the TIF Act. The analysis of existing conditions and evidence of the factors present in the Area are described in detail in Section 3 – Qualifications Analysis.

BASIS FOR REDEVELOPMENT AREA DESIGNATION - “BUT FOR”

In order to establish the Redevelopment Area, the Area must not on the whole have been subject to growth and development through investment by private enterprise, and the area would not reasonably be anticipated to be developed without the adoption of tax increment financing. Field investigations and analysis contained in Section 3, confirm that the Redevelopment Area on the whole has not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to be developed without the adoption of tax increment financing. Attached hereto in the Appendix are affidavits signed by the developers of each RPA attesting to the fact that the RPA 1 and RPA 3 are blighted areas and that RPA 2 is a conservation area and that the Redevelopment Area has not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to be developed without the adoption of tax increment financing.

Following are a number of factors that have led us to conclude that the Area likely will not be developed without the adoption of tax increment financing:

- The cost of site preparation;
- The cost of property acquisition and assembly;
The cost of construction of various buildings and site improvements;
- The cost of residential and commercial building rehab;
- The cost of removal of obsolete utilities; and
- The cost required to construct utilities and other public infrastructure capable of supporting redevelopment envisioned by this Plan.

COMPLIANCE WITH THE COMPREHENSIVE PLAN

University City staff updated the City's Comprehensive Plan (the “Comprehensive Plan”) in 2005. City Council adopted the Comprehensive Plan in accordance with the City Charter via voice vote on June 5, 2006 and later amended it on May 21, 2007. The Comprehensive Plan designates a number of areas within the City for “redevelopment;” maps out each “redevelopment area” and recommends preferred uses for each. Eleven of the 23 identified “redevelopment areas” lie within the Redevelopment Area.

This Plan also conforms with several goals and community priorities enumerated by the City in its Comprehensive Plan. Among the goals with which this Plan conforms are:

1. The management and improvement of commercial areas;
2. The preservation, maintenance, and improvement of residential neighborhoods;
3. The preservation, maintenance, and renewal of the housing stock; and,
4. Support housing development and programs that meet the economic and social needs of University City residents.

Accordingly, the implementation of this Plan would fulfill these redevelopment goals as voiced in the Comprehensive Plan.
SECTION 3
QUALIFICATIONS ANALYSIS

INTRODUCTION

This Section documents the conditions that were found to be present in the Area and contains the analysis of how such conditions cause RPA 1 and RPA 3 to be a “Blighted Area” according to Section 99.805 of the TIF Act and how such conditions cause RPA 2 to be a “Conservation Area.” The TIF Act defines a “Blighted Area” as follows:

“Blighted area”, an area which, by reason of the predominance of defective or inadequate street layout, unsanitary or unsafe conditions, deterioration of site improvements, improper subdivision or obsolete platting, or the existence of such conditions which endanger life or property by fire and other causes, or any combination of such factors, retards the provision of housing accommodations or constitutes an economic or social liability or a menace to the public health, safety, morals, or welfare in its present condition and use; (R.S. MO 99.805(1))

As such, blight conditions may be physical, such as “unsanitary or unsafe conditions,” “deterioration of site improvements” or “the existence of conditions which endanger life or property by fire and other causes,” or functional, such as “defective or inadequate street layout” or “improper subdivision or obsolete platting.”

The TIF Act defines a “Conservation Area” as follows:

“Conservation area”, any improved area within the boundaries of a redevelopment area located within the territorial limits of a municipality in which 50% or more of the structures in the area have an age of 35 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: dilapidations; obsolescence; deterioration; illegal use of individual structures; presence of structures below minimum codes 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. A conservation area shall meet at least three of the factors provided in this subdivision for projects for project approved on or after December 23, 1997; (R.S. MO 99.805(1))

This analysis is based upon on-site investigations of the Area conducted by PGAV in November 2017 and January 2018. Staff of the City also provided information used in this analysis. PGAV staff relied upon its extensive experience, knowledge of the real estate market, and professional expertise in the preparation of this analysis. Photographs illustrating representative blighting conditions were taken during the on-site
investigations and are displayed in Appendix 5. This report will not reflect changes in conditions or events that have occurred subsequent to the date of the on-site investigations or publication of this report.

EXISTING CONDITIONS

As indicated above, PGAV Planners conducted field investigations of observable conditions in the Area. During these field investigations, physical and functional conditions were observed.

BLIGHTED AREA QUALIFICATIONS ANALYSIS

The following paragraphs describe the various factors observed in RPA 1 and RPA 3 that meet the factors set forth in the “blighted area” definition in the TIF Act.

DEFECTIVE OR INADEQUATE STREET LAYOUT

For a site to be served by a proper and adequate street layout it should have an adequate internal network of streets to serve all businesses or residences within the Redevelopment Area. This street network should provide for vehicular access, public transit, pedestrians, bicyclists, persons with disabilities, service and delivery vehicles, as well as emergency vehicles and equipment. Proper planning for an intuitive flow of automobile traffic decreases the frequency and severity of accidents. In addition, a proper internal street layout allows for pedestrians to move about safely. The design of effective and adequate street layouts must account for both the automobile and the pedestrian and decrease the conflict points between each.

Summary of Findings Regarding Defective and Inadequate Street Layout:

During the site visit, PGAV Planners and Olsson Associates staff both drove and walked the Area and surroundings to determine if the street layout was defective or inadequate. Many of the streets and roadways throughout the Area suffer from a number of deficiencies. The following are the defective and inadequate street layout conditions observed:

- There are few pedestrian or bicycle facilities associated with the vast majority of roadways within the Area. Lack of provisions for pedestrian or bicycle movement is indicative of defective street layout that has not been adequately planned or laid out.
- While many of the intersections within RPA 1 and RPA 3 have pedestrian sidewalk ramps that conform to modern accessibility standards, large portions of sidewalks do not meet modern standards and challenge safe passage by pedestrians using wheelchairs and other pedestrians walking on foot.
Olive Boulevard Commercial Corridor & Residential Conservation Redevelopment Area
University City, Missouri

UNSANITARY AND UNSAFE CONDITIONS

Unsafe conditions are evidenced by (1) a lack of proper public infrastructure adequate for ensuring the public’s health and safety, presence of hazardous or (2) harmful substances or situations, and are contributed to by the deterioration of site improvements. During the site visit, a total of 11 parcels were found to have unsanitary or unsafe conditions.

Summary of Findings Regarding Unsanitary and Unsafe Conditions:

- Condemned, vacant homes.
- Lack of adequate pedestrian facilities to accommodate movement on foot or on wheels (bike or wheelchair)
- External storage of refuse and/or industrial materials.
- Tall grass or weeds, overflowing dumpsters, derelict or abandoned vehicles, graffiti and other conditions which violate the City’s nuisance ordinance and, by definition, are injurious to the health and safety of City residents.

DETERIORATION OF SITE IMPROVEMENTS

Deterioration may be evident in buildings with defects in the primary and secondary building components, where the defects cannot be cured in the course of normal maintenance. Primary building components include the foundation, exterior walls, floors, roofs, wiring, plumbing, etc. Secondary building components include the doors, windows, frames, fire escapes, gutters, downspouts, siding, fascia materials, etc. Deterioration may also be evident in buildings with sound primary and secondary components, due to such things as a lack of painting, loose or missing roof tiles, floor or ceiling plates, or holes and cracks over limited areas.

Summary of Findings Regarding Deterioration of Site Improvements:

During field investigation, many instances of deterioration to primary and secondary building components, as well as to utilities and paved surfaces (e.g., roadways and parking areas) were observed within the Area. A total of 176 parcels (approximately 60%) in RPA 1 and RPA 3 were found to contain deteriorated site improvements.

- Many roofing surfaces throughout RPA 1 and RPA 3 were observed to be in a state of deterioration
- Soffits and fascia materials on many buildings also exhibited signs of deterioration from neglect and water damage. In the worst cases, these materials were severely dilapidated and allowing further damage to the structure of the building.
- Exterior walls exhibited various signs of deterioration throughout the Area. Bricks and mortar showed signs of step-cracking, indicating structural deficiencies. Siding was severely deteriorated in many cases, or missing completely.
- Paved surfaces throughout the Area are deteriorated (as evidenced by alligator-cracking, which indicates deterioration of the pavement and its base).
IMPROPER SUBDIVISION OR OBSOLETE PLATTING

Improper subdivision can consist of the platting of a lot or lots with irregular shapes which renders construction of appropriate land uses difficult or impossible or renders the lot or lots in violation of the City’s subdivision code. Obsolete platting is where the shapes of lots or the arrangement or organization of lots is no longer suited for current, modern, land-use and development.

Summary of Findings Regarding Improper Subdivision or Obsolete Platting:

- In a review of the Area parcels, PGAV Planners found that 26 parcels in RPA 1 and RPA 3 suffer from improper subdivision or obsolete platting. These lots are landlocked (i.e., cut off from the road by other parcels), too small to be used or developed, split property needlessly (complicating property transfers and development), and configured poorly relative to their ability to be well utilized pursuant to their existing use and/or zoning designation.

ECONOMIC LIABILITY

RPA 1 and RPA 3, by reason of both a predominance of each of, as well as a combination of, defective and inadequate street layout, unsanitary and unsafe conditions, deterioration of site improvements, improper subdivision and obsolete platting constitute an economic liability based on their current condition and use. The conditions described herein are a deterrent to future investment and development in the area. In its current condition and use, RPA 1 and RPA 3 constitute an economic liability.

The physical conditions of property within RPA 1 and RPA 3 have an adverse impact upon the assessed value of the residential and commercial properties within each RPA. Deferred maintenance, deteriorated rights-of-way, improper subdivision and obsolete platting frustrate the exchange value and the productive use of property within each RPA. The economic impact of the aforesaid physical and functional deficiencies that affect RPA 1 and RPA 3 is reflected in the assessed value of real estate in each RPA. The total equalized assessed value (EAV) of the real property in both RPA 1 and RPA 3 has steadily decreased since 2011 as properties have been reassessed. The total EAV across RPA 1 and RPA 3 declined approximately 9% from 2011 to 2017. During this same period, real property assessed value throughout St. Louis County increased nearly 10% (or approximately 1.6% on an average annual basis from 2011 through 2017).

MENACE TO THE PUBLIC HEALTH, SAFETY, MORALS OR WELFARE

RPA 1 and RPA 3, by reason of both a predominance of each of, as well as a combination of, defective and inadequate street layout, unsanitary and unsafe conditions, deterioration of site improvements, improper subdivision and obsolete platting constitutes a menace to the public health, safety, morals or welfare. The defective and inadequate street layout and the unsafe conditions detailed herein with respect to the roads impair safe vehicular traffic and access for emergency vehicles, constituting a menace to the public safety
and welfare. The defective and inadequate street layout conditions in the Area constitute a menace to public health and safety. As a result, the Area is a menace to public health, safety, morals and welfare in its current condition and use.

SUMMARY

Table 1 – Blight Analysis Summary, illustrates the blight factors observed in the Area.

<table>
<thead>
<tr>
<th></th>
<th>RPA 1</th>
<th>RPA 3</th>
<th>RPA 1 &amp; RPA3</th>
<th>% of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parcels</td>
<td>99</td>
<td>251</td>
<td>350</td>
<td></td>
</tr>
<tr>
<td><strong>Existing Conditions</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deteriorated Site Improvements</td>
<td>53</td>
<td>150</td>
<td>203</td>
<td>58%</td>
</tr>
<tr>
<td>Unsanitary and Unsafe Conditions</td>
<td>1</td>
<td>10</td>
<td>11</td>
<td>3%</td>
</tr>
<tr>
<td>Improper Subdivision and Obsolete Platting</td>
<td>8</td>
<td>17</td>
<td>25</td>
<td>7%</td>
</tr>
<tr>
<td>Defective or Inadequate Street Layout</td>
<td>6</td>
<td>0</td>
<td>6</td>
<td>2%</td>
</tr>
<tr>
<td><strong>Total Parcels Exhibiting One or More Factors</strong></td>
<td><strong>68</strong></td>
<td><strong>177</strong></td>
<td><strong>245</strong></td>
<td><strong>70%</strong></td>
</tr>
<tr>
<td><strong>Total Parcel Area</strong></td>
<td></td>
<td></td>
<td></td>
<td>68%</td>
</tr>
</tbody>
</table>

As Table 1, above, shows, 245 parcels, or approximately 70% of the parcels and 68% of the total parcel acreage is affected by one or more blighting factors. These figures indicate that RPA 1 and RPA 3 constitute a portion of the City which by reason of the predominance of: defective or inadequate street layout; unsanitary or unsafe conditions; deterioration of site improvements; improper subdivision or obsolete platting, or any combination of such factors, constitutes an economic liability or a menace to the public health, safety, morals, or welfare in its present condition and use. Pursuant to Section 523.274, R.S.Mo., our study concludes that a predominance of the area comprised by RPA 1 and RPA 3 is a “Blighted Area,” as defined by the TIF Act. These conditions are reflected in maps included as Exhibit C in the Appendix.
CONSERVATION AREA QUALIFICATIONS ANALYSIS

The following paragraphs describe the various factors observed in RPA 2 that meet the factors set forth in the “conservation area” definition in the TIF Act.

The existing conditions were identified and analyzed to determine if RPA 2 met the qualifying criteria established for a “Conservation Area.” Information gathered for this analysis was derived from several sources. Field investigations were conducted by the staff of PGAV in November 2017 and January 2018.

AGE

The first criterion that must be met to qualify as a “Conservation Area” is that fifty percent of the structures must be at least 35 years of age. Age indicates the existence of problems or limiting conditions resulting from normal and continuous use of structures and exposure to the elements over a period of many years. As a rule, older buildings typically exhibit more problems than buildings constructed in later years because of longer periods of active usage (wear and tear) and the impact of time, temperature, and moisture. Additionally, older buildings tend not to be ideally suited for modern-day space and development standards and typically do not meet current building codes. These typical and problematic conditions associated with “age” can be the initial indicators that other Conservation Area factors may be present in the Area.

Summary of Findings Regarding Age:

- Ninety-four percent (94%) of the structures in RPA 2 are 35 years of age or older, as indicated by St. Louis County records regarding the parcels and structures within RPA 2. Therefore, RPA 2 meets the threshold requirement for a Conservation Area in that 50% or more of the structures in the area exceed 35 years of age.

CONSERVATION AREA FACTORS

As indicated above, PGAV Staff conducted field investigations of observable conditions in RPA 2. During these field investigations, conditions were noted for individual buildings and sites located within the RPA 2.

RPA 2 includes 5,014 parcels of land. Fifty-two percent (52%) of the parcels exhibit one or more of the following conservation area factors: obsolescence, deterioration, excessive vacancy, deleterious land use or layout, and depreciation of physical maintenance.
Olive Boulevard Commercial Corridor & Residential Conservation Redevelopment Area  
University City, Missouri

OBsolescence

An obsolete building or improvement is one that is going out of use – not entirely disused, but gradually becoming so. Thus, obsolescence is the condition or process of falling into disuse. Obsolescence, as a factor, is based upon the documented presence and reasonable distribution of buildings and other site improvements evidencing such obsolescence. Examples include:

- **Functional Obsolescence:** Structures are typically built for specific uses or purposes and their design, location, height and space arrangement are each intended for a specific occupancy at a given time. Buildings are obsolete when they contain characteristics or deficiencies that limit the use and marketability of such buildings for their original intended use. The characteristics of functional obsolescence may include loss in value to a property resulting from an inherent deficiency existing from poor design or layout, improper orientation of a building on site, improper use (i.e., a current use inappropriate to the building’s original, intended use), etc. These characteristics detract from the overall usefulness or desirability of a property for its original, intended use. Obsolescence in such buildings is typically difficult and expensive to correct.

- **Economic Obsolescence:** Economic obsolescence is normally a result of adverse conditions that cause some degree of market rejection, and hence, depreciation in market values. Typically, buildings classified as dilapidated and buildings that contain vacant space are characterized by problem conditions that may not be economically curable, resulting in net rental losses and/or depreciation in market value.

- **Obsolete Platting:** Obsolete platting includes parcels of limited or narrow size and configuration or parcels of irregular size or shape that would be difficult to develop on a planned basis and in a manner compatible with contemporary standards and requirements. Plats that created inadequate right-of-way widths for streets, alleys and other public right-of-ways, or which omitted easements for public utilities, should also be considered obsolete.

- **Obsolete Site Improvements:** Site improvements, including sewer and water lines, public utility lines (gas, electric and telephone), roadways, parking areas, parking structures, sidewalks, curbs and gutters, lighting, etc., may also evidence obsolescence in terms of their relationship to contemporary development standards for such improvements. Factors of this type of obsolescence may include inadequate utility capacities, outdated designs, etc.
Olive Boulevard Commercial Corridor & Residential Conservation Redevelopment Area
University City, Missouri

Summary of Findings Regarding Obsolescence:

Obsolescence was observed to affect more than 50% of the parcels in RPA 2. Obsolete conditions were evidenced by instances of obsolete platting, and economically obsolete improvements.

- According to information gathered from the St. Louis County Assessor’s Office website, from 2011 through 2017, 2,627 of RPA 2’s more than 5,000 parcels declined in assessed valuation.
- The City’s zoning ordinance requires that residential lots be at least 8,000 square feet. A predominance of the residential lots within RPA 2 are between 4,000 square feet and 6,000 square feet in area indicating that these lots suffer from obsolete platting.

DETERIORATION

Deterioration of site improvements refers to the physical and economic deterioration of the improvements of the Area. Physical deterioration refers to physical deficiencies, or disrepair in buildings, or site improvements requiring treatment or repair. Deterioration of buildings which is not easily correctable in the course of normal maintenance may also be evident in buildings, such as defects in secondary components such as doors, windows, porches, and fascia materials, etc., and defects in primary components, such as cracked or damaged foundations, frames, roofs, etc. Physical deterioration of site improvements could include: surface cracking or crumbling and potholes in parking areas, damaged signage, fences, retaining walls, utility poles, and dead or decaying landscaping.

Summary of Findings Regarding Deterioration:

Deterioration was observed throughout RPA 2. A predominance of the residential structures in RPA 2 show evidence of deterioration affecting doors, windows, roofs and roofing material, siding, soffits and fascia, and paved surfaces.

DEPRECIATION OF PHYSICAL MAINTENANCE

Depreciation of physical maintenance refers to an on-going lack of maintenance on Area buildings and site improvements and is similar in nature to deterioration, although to a lesser degree. Depreciation of physical maintenance refers to a deferral of normal maintenance such as doors, windows, porches, and fascia materials needing painting, roofs needing to be resurfaced, paved areas needing to be sealed, rusted fences, and overgrown weeds and vegetation.

Summary of Findings Regarding Depreciation of Physical Maintenance:

Depreciation of physical maintenance was observed to affect a predominance of buildings within RPA 2. Fifty-two percent (52%) of the structures in the RPA 2 are in need of repair to roofs, siding, soffits and fascia, doors, windows and roofing materials.
SUMMARY

RPA 2 meets the requirements for a Conservation Area with at least three qualification factors outlined in the Act present, and more than 50% of the structures in the Area are 35 years of age or older. Fifty-two percent (52%) of the parcels in RPA 2 exhibit one or more of the following conditions:

- Obsolescence;
- Deterioration; and
- Depreciation of physical maintenance.

The existing conditions of RPA 2 described within this Redevelopment Plan manifest a detriment to the public health, safety, morals and welfare. As described above, RPA 2 suffers from neglect and lack of investment. RPA 2, in its present condition, hampers the economic vitality and independence of the City by failing to generate tax revenue and discouraging reinvestment in, or maintenance of, the property within RPA 2. The physical condition, combined with overall economic obsolescence, diminishes RPA 2’s ability to generate property tax revenues up to its full potential, representing a detriment to the public welfare by frustrating the City’s ability to provide adequate services for City residents.

The presence of these conditions indicates that RPA 2 is not yet a blighted area but is detrimental to the public health, safety, morals, or welfare and may become a blighted area. As such, this analysis shows that RPA 2 meets the criteria for declaration as a Conservation Area within the requirements of the TIF Act.
SECTION 4

REDEVELOPMENT PLAN PROGRAM OBJECTIVES

This Redevelopment Plan sets forth below the general description of the program that the City proposes to undertake to accomplish the objectives for the Area:

The City’s primary objectives for this Redevelopment Plan are:

- To facilitate redevelopment of the Area;
- To cure the economic underutilization of the Area;
- To alleviate those conditions that cause RPA 1 and RPA 3 to be a “Blighted Area” and RPA 2 to be a “Conservation Area;” and
- To further the objectives of the City’s Comprehensive Plan.

The following objectives also form the basis for the Redevelopment Plan:

- To relocate, upgrade and/or refurbish utilities and other infrastructure facilities serving the Area;
- To enhance the tax base by inducing development of the Area to its highest and best use, to the benefit of taxing districts, and to encourage private investment in surrounding areas;
- To promote health, safety, order, convenience, prosperity, and the general welfare, as well as efficiency of economy in the process of development;
- To increase property values in the Area;
- To stimulate employment opportunities and increased demand for services in the Area; and
- To provide an implementation mechanism that will accelerate the achievement of these objectives and complement other community and economic development objectives and programs.

REDEVELOPMENT PROJECTS

The Redevelopment Projects are intended to alleviate those conditions that qualify RPA 1 and RPA 3 as a “Blighted Area” and RPA 2 as a “Conservation Area” and to facilitate the economic revitalization of the Area as a whole. This Redevelopment Plan envisions a redevelopment process implemented across three separate Redevelopment Project Areas (“RPA”) as described earlier in this Plan:

- RPA 1: Removal of existing buildings and the facilitation of commercial and residential development including: retail, restaurant, office, multi-family apartments, senior living apartments and a hotel.

- RPA 2: Redevelopment activities intended to promote residential conservation, including:
  - Residential property grant or loan program to fund various renovation and rehabilitation activities, including, without limitation:
    - improvements necessary to satisfy current building and safety code requirements;
façade rehabilitation;
- repair/replacement of roofs, floors, structural walls, and windows;
- repair/replacement of electrical, plumbing, heating, and cooling systems;
- installation of a sprinkler, fire or smoke alarm system; and
- parking lot paving and property landscaping.
- Completion of public improvements intended to encourage redevelopment of adjacent properties;
- Acquisition of vacant parcels and parcels with dilapidated structures in need of renovation or demolition and clearance; and
- Demolition, renovation and/or construction of new residential and neighborhood-level commercial buildings;
- RPA 3: Redevelopment activities intended to promote commercial development along Olive Boulevard, including, without limitation:
  - Commercial property grant or loan program to fund various renovation and rehabilitation activities, including, without limitation:
    - improvements necessary to satisfy current building and safety code requirements;
    - façade rehabilitation;
    - repair/replacement of roofs, floors, structural walls, and windows;
    - repair/replacement of electrical, plumbing, heating, and cooling systems;
    - installation of a sprinkler, fire or smoke alarm system; and
    - parking lot paving and property landscaping.
  - Completion of public improvements intended to encourage redevelopment of adjacent properties;
  - Acquisition of vacant parcels and parcels with dilapidated structures in need of renovation or demolition and clearance; and
  - Demolition, renovation and/or construction of new commercial buildings.

It is not the intent of this Redevelopment Plan to establish a minimum or maximum number of buildings or total square footage of buildings. Those details will be driven by market demand.

The RPA 1 Redevelopment Project will be developed by, U. City, L.L.C. (the “Developer”), an affiliate of the Novus Companies. The City will serve as master developer (“Master Developer”) for RPA 2 and RPA 3 and will oversee the implementation and administration of the residential and commercial programs in RPA 2 and RPA 3.

**GENERAL LAND USES TO APPLY**

The land uses to apply to RPA 1 are commercial retail land uses (including retail shops and restaurants), multi-family and hotel uses. The land uses to apply to RPA 2 are residential and commercial uses. The land uses to apply to RPA 3 are commercial land uses (including retail shops, restaurants, and office space)
and residential uses. This Plan is consistent with the City’s Comprehensive Plan, which provides the official policy guiding land use and development for the City.

ESTIMATED REDEVELOPMENT PROJECT COSTS

Estimated Redevelopment Project Costs for the Redevelopment Area include the cost of all of the following:

- The acquisition of land necessary for redevelopment;
- Building construction, demolition, and rehabilitation of various types which could occur;
- The costs associated with implementing and administering a rehabilitation and improvement program for commercial and residential property throughout the RPA 2 and RPA 3;
- The costs associated with conveying and administering grants and short-term loans associated with the aforedescribed commercial and residential property improvement programs;
- The cost of removing existing improvements and grading;
- The cost of required infrastructure improvements, such as street improvements, curb and sidewalk improvements, storm and sanitary improvements, sustainable and "green" infrastructure, and upgrading utilities;
- The miscellaneous costs associated with development, such as loan fees, construction loan interest, permit and inspection fees, appraisals, title insurance, surveying, soils engineering and compaction, architect/engineer fees, environmental testing and remediation, etc.;
- 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 municipality by written agreement accepts and approves such costs;
- All costs reasonably incurred by the City in furtherance of the issuance of bonds or other obligations including, but not limited to, the City’s attorneys fees and expenses (including City Attorney, special TIF counsel, Bond counsel, and disclosure counsel), the City’s administrative fees and expenses (including Planning Consultants and financial advisors), underwriters’ discounts and fees, trustee fees, the costs of printing any obligations and any official statements relating thereto, the costs of credit enhancement, if any, capitalized interest, debt service reserves and the fees of any rating agency rating any obligations, all accrued and anticipated interest on the obligations (the foregoing collectively referred to henceforth as “Financing Costs”);
- Any other planning, legal, and financial advisory costs associated with the preparation of this Plan and implementation of the Redevelopment Project, which have been and will be incurred in the future; and,
- The sum total of all other reasonable or necessary costs incurred or estimated to be incurred, and any such costs incidental to the Redevelopment Project.

The TIF Act allows the City and/or any entity designated by the City to incur redevelopment costs associated with implementation of an approved Redevelopment Plan and approved Redevelopment Project. These costs include all reasonable or necessary costs directly incurred, and any costs incidental to the Redevelopment Project, as further defined in the TIF Act as follows:
“Redevelopment project costs” include the sum total of all reasonable or necessary costs incurred or estimated to be incurred, and any such costs incidental to a redevelopment plan or redevelopment project, as applicable. Such costs include, but are not limited to, the following:

(a) Costs of studies, surveys, plans, and specifications;
(b) Professional service costs, including, but not limited to, architectural, engineering, legal, marketing, financial, planning or special services. Except the reasonable costs incurred by the commission established in section 99.820 for the administration of sections 99.800 to 99.865, such costs shall be allowed only as an initial expense which, to be recoverable, shall be included in the costs of a redevelopment plan or project;
(c) Property assembly costs, including, but not limited to, acquisition of land and other property, real or personal, or rights or interests therein, demolition of buildings, and the clearing and grading of land;
(d) Costs of rehabilitation, reconstruction, or repair or remodeling of existing buildings and fixtures;
(e) Initial costs for an economic development area;
(f) Costs of construction of public works or improvements;
(g) Financing costs, including, but not limited to, all necessary and incidental expenses related to the issuance of obligations, and which may include payment of interest on any obligations issued pursuant to sections 99.800 to 99.865 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;
(h) 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 municipality by written agreement accepts and approves such costs;
(i) Relocation costs to the extent that a municipality determines that relocation costs shall be paid or are required to be paid by federal or state law; and
(j) Payments in lieu of taxes.

Table 2 – Estimated Redevelopment Project Costs identifies the overall estimated costs of implementing the Redevelopment Project, as described above.
ANTICIPATED SOURCES OF FUNDS TO PAY COSTS

It is anticipated that multiple sources of funds will be used to pay the costs related to the implementation of this Redevelopment Plan and Redevelopment Project as described herein.

These sources include, but are not limited to, the following:

- Funds available through TIF revenues or the issuance of tax increment financing bonds, short and long-term notes, loans, or other obligations (herein collectively referred to as “TIF Bonds or other financial obligations”);
- Missouri Housing Development Commission funding;
- State and Federal Historic Tax Credits;
- Brownfield Tax Credits;
- Community improvement district revenues; and
- Capital or equity that is available to the Developer and its co-development partners through cash reserves, financing sources, and investment partners.

This Plan provides for certain costs to be paid with TIF revenues or through the issuance of TIF Bonds or other financial obligations (issued by the City, and/or another issuer acceptable to the City) to finance all or a portion of the demolition, rehabilitation, infrastructure and utility reconstruction, and other Redevelopment Project costs as listed in Table 3 – Anticipated Redevelopment Project Costs and Financing Sources, on the following page.

---

<table>
<thead>
<tr>
<th>Redevelopment Plan &amp; Project Cost Items</th>
<th>RPA1</th>
<th>RPA2</th>
<th>RPA 3</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building Construction (Demolition, site preparation, paving, landscaping, grading, etc.)</td>
<td>$95,000,000</td>
<td>$</td>
<td>$2,000,000</td>
<td>$97,000,000</td>
</tr>
<tr>
<td>Residential and Commercial Improvement Programs (Rehabilitation, acquisition, construction, landscaping, neighborhood improvements, etc.)</td>
<td>$13,800,000</td>
<td>$5,040,000</td>
<td>$18,840,000</td>
<td></td>
</tr>
<tr>
<td>Land Acquisition &amp; Relocation (Developer cost of acquisition of property and relocation of existing businesses.)</td>
<td>$76,200,000</td>
<td>$</td>
<td>$</td>
<td>$76,200,000</td>
</tr>
<tr>
<td>Soft Costs (Includes project overhead, architecture, engineering, surveying, legal, planning, consulting, bond issuance costs and financing fees, and builder’s risk insurance.)</td>
<td>$18,300,000</td>
<td>$</td>
<td>$</td>
<td>$18,300,000</td>
</tr>
</tbody>
</table>

Total Anticipated Redevelopment Plan and Project Costs: $189,500,000 $13,800,000 $5,040,000 $190,400,000
At any time during the course of Redevelopment Project implementation, the City may issue TIF Bonds or other financial obligations that would be sold to the public or privately placed. It is not the intent of this Plan to restrict the City or Developer to the use of TIF Bonds or other financial obligations to finance only those cost amounts or cost items as specifically enumerated in Table 2, except as limited below. However, such cost amounts and cost items shall be restricted as specified in Section 99.805(15) of the TIF Act.

The cost items to be paid for by TIF revenues or to be financed by TIF Bonds or other financial obligations may vary from those outlined in Table 2. However, the total of such costs reimbursed to the Developer from TIF shall not exceed $70.5 million, provided, however that if the City elects to finance or refinance with TIF Bonds or other financial obligations, the principal amount of the TIF Bonds or other financial obligations may exceed $70.5 million (or $55 million if the CID is not created) to the extent required to establish a reserve fund, to pay costs of issuance, to pay capitalized and accrued interest, and to pay other eligible Financing Costs.

The primary sources of revenue to retire TIF Bonds or other financial obligations will be those provided for in the TIF Act. As stated in the TIF Act, these sources are:

“...those estimated revenues from real property in the area selected for a redevelopment project, which revenues according to the redevelopment project or plan are to be used for a private use, which taxing districts would have received had a municipality not adopted tax increment allocation financing, and which would result from levies made after the time of the adoption of tax increment allocation financing during the time the current equalized value of real property in the area selected for the redevelopment project exceeds the total initial equalized value of real property in such area until the designation is terminated pursuant to subsection 2 of section 99.850.” (R.S. MO 99.805(11))

This source is anticipated to generate incremental revenue resulting from increased EAV following redevelopment of the Area.

The second source of revenue is generated by incremental economic activity taxes (“EATs”):
“... the total additional revenue from taxes which are imposed by a municipality and other taxing districts, and which are generated by economic activities within a redevelopment area over the amount of such taxes generated by economic activities within such redevelopment area in the calendar year prior to the adoption of the ordinance designating such a redevelopment area, 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, licenses, fees or special assessments. For redevelopment projects or redevelopment plans approved after December 23, 1997, if a retail establishment relocates within one year from one facility to another facility within the same county and the governing body of the municipality finds that the relocation is a direct beneficiary of tax increment financing, then for purposes of this definition, the economic activity taxes generated by the retail establishment shall equal the total additional revenues from economic activity taxes which are imposed by a municipality or other taxing district over the amount of economic activity taxes generated by the retail establishment in the calendar year prior to its relocation to the redevelopment area.” (R.S. MO 99.805(4))

This source is anticipated to generate incremental revenue from sales taxes levied by the City and other local taxing jurisdictions following redevelopment of the Area.

The City may elect, but is not obligated, to use other sources of revenue to finance these costs; or alternatively, the City may make advances from funds available. These advances would be reimbursed, with interest, as and when there are sufficient monies in the Special Allocation Fund. TIF Bonds or other financial obligations issued for the Redevelopment Project may be marketed through a program developed by the City's financial advisor or a bond underwriter, or they may be privately placed.

ANTICIPATED TYPE AND TERM OF THE SOURCES OF FUNDS AND THE TYPES AND TERMS OF THE OBLIGATIONS TO BE ISSUED

It is projected that TIF Bonds or other financial obligations associated with the RPA 1 Redevelopment Project will retire within 21 years of the opening of the major retailer, but in no event shall the TIF Bonds or other financial obligations have a term of greater than 23 years from the date of the City’s adoption of the ordinance approving the RPA 1 Redevelopment Project as required by the TIF Act. Likewise, all TIF Bonds or other financial obligations associated with RPA 2 and RPA 3 will be retired no later than 23 years from the date of the respective orders approving these Redevelopment Projects. The TIF Bonds or other financial obligations will be issued only to finance eligible costs as specified in Section 99.805(15) of the TIF Act, including the funding of a debt service reserve fund, capitalized and accrued interest, and any costs of issuing the TIF Bonds or other financial obligations. It is the City’s intent to pay for the principal and interest on these TIF Bonds or other financial obligations solely with money legally available for such purpose within the City’s Special Allocation Fund. No general revenues of the City will be used to reimburse eligible Project costs or to repay any TIF Bonds or other financial obligations. The Developer will use other public and private financing sources (including assistance provided by a community improvement district), in addition to the TIF Bonds or other financial obligations, to finance the
Redevelopment Project and the terms of that financing will be governed by legal requirements and the financial markets.

As required by the Act, this Plan contains estimated Redevelopment Project Costs, the anticipated sources of funds to pay for Redevelopment Project Costs, the anticipated type and term of the sources of funds to pay Redevelopment Project Costs, and the general land uses that apply to the Redevelopment Area. This Plan with respect to RPA 1 will be implemented through an agreement between the City and the Developer. This agreement will contain provisions that are in greater detail than as set forth in this Plan and that expand upon the anticipated sources and uses of funds to implement this Plan. Nothing in any agreement will be deemed an amendment of this Plan.

EVIDENCE OF THE COMMITMENT TO FINANCE PROJECT COSTS AND DEVELOPER’S AFFIDAVIT

Appendix 3 contains a letter provided by the Developer of RPA 1 and the City as Master Developer of RPA 2 and RPA 3 regarding a commitment to finance project costs.
Olive Boulevard Commercial Corridor & Residential Conservation Redevelopment Area
University City, Missouri

EQUALIZED ASSESSED VALUATION

In accordance with the TIF Act, the most recent equalized assessed valuation (“EAV”) and an estimate of the EAV after redevelopment must be compiled for the Area and shown in this Plan. This data is provided in Table 4 – Estimated Equalized Assessed Valuation (EAV) Before and After Development. Table 4 shows the estimate of the EAV after redevelopment pursuant to the Redevelopment Project as previously described.

The “Most Recent EAV Amount” for the Area was obtained by PGAV Planners from the St. Louis County Assessor in December 2017. The “Most Recent EAV Amount” represents the total value, for each taxable parcel of land located wholly within the Area, on which property taxes are currently paid. Each affected taxing district which levies an ad valorem property tax within the Area will continue to receive tax payments based on the “Most Recent EAV Amount” as described in detail in the Cost-Benefit Analysis submitted along with this document.

The “Total Estimated EAV After Redevelopment” represents an estimate of the St. Louis County Assessor’s future assessment of the Project once all components are complete for taxation purposes.

The “Total Estimated Incremental Value” represents the estimated new taxable value over and above the “Most Recent EAV Amount.” The incremental property taxes or PILOTs will be paid based on the actual incremental value.

ESTIMATED DATES FOR COMPLETION OF THE REDEVELOPMENT PROJECTS & RETIREMENT OF OBLIGATIONS

The TIF Act requires each redevelopment project to be adopted within 10 years after the approval of the Redevelopment Plan. The complete implementation of this Redevelopment Plan and the retirement of all obligations incurred to finance Redevelopment Project Costs is estimated to occur no later than 23 years from the date of adoption of the ordinance approving each Redevelopment Project, as required by the TIF Act.

TABLE 4
ESTIMATED EQUALIZED ASSESSED VALUATION (EAV)
BEFORE AND AFTER REDEVELOPMENT
Olive Boulevard Commercial Corridor & Residential Conservation Redevelopment Area
University City, Missouri

<table>
<thead>
<tr>
<th>Redevelopment Project Area 1</th>
<th>Assessment Item</th>
<th>Estimated EAV ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total EAV After Redevelopment</td>
<td>$ 27,406,240</td>
<td></td>
</tr>
<tr>
<td>Most Recent EAV Amount</td>
<td>$ 6,527,970</td>
<td></td>
</tr>
<tr>
<td>Total Estimated Incremental Values</td>
<td>$ 20,878,270</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Redevelopment Project Area 2</th>
<th>Assessment Item</th>
<th>Estimated EAV ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total EAV After Redevelopment</td>
<td>$ 99,000,000</td>
<td></td>
</tr>
<tr>
<td>Most Recent EAV Amount</td>
<td>$ 86,209,507</td>
<td></td>
</tr>
<tr>
<td>Total Estimated Incremental Values</td>
<td>$ 12,790,493</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Redevelopment Project Area 3</th>
<th>Assessment Item</th>
<th>Estimated EAV ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total EAV After Redevelopment</td>
<td>29,000,000</td>
<td></td>
</tr>
<tr>
<td>Most Recent EAV Amount</td>
<td>23,220,520</td>
<td></td>
</tr>
<tr>
<td>Total Estimated Incremental Values</td>
<td>5,779,480</td>
<td></td>
</tr>
</tbody>
</table>
RELOCATION PLAN AND ASSISTANCE

Section 99.810.1(4) of the TIF Act requires that a relocation plan be developed for the assistance of every resident and/or business which is displaced in conjunction with the implementation of the Redevelopment Plan and each Redevelopment Projects. A policy for relocation assistance for businesses and residences is included in this Plan. A copy of the relocation assistance plan is provided in Appendix 6.
SECTION 5
FINDINGS

Section 99.810 of the TIF Act requires that the City make various findings before the adoption of this Redevelopment Plan. The foregoing sections of this report provide supporting data for the findings.

A BLIGHTED AREA; BUT FOR

The Redevelopment Area on the whole qualifies for designation as a redevelopment area as RPA 1 and RPA 3 comprise a blighted area and RPA 2 is a conservation area. The Redevelopment Area has not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to be developed without the adoption of tax increment financing. As documented in Section 3 of this Plan, RPA 1 and RPA 3 meet the requirements for designation as a “Blighted Area” and RPA 2 meets the requirements for designation as a “Conservation Area.” Documentation and analysis of the “but for” requirement is contained in Section 2 of this Plan.

CONFORMANCE WITH THE COMPREHENSIVE PLAN

As described on page 5 of this document, this Redevelopment Plan conforms to the Comprehensive Plan.

ESTIMATED DATES OF COMPLETION

The estimated date for completion of the Redevelopment Project and retirement of obligations to finance said Project does not exceed a period of more than 23 years from the date of anticipated adoption of the Ordinance that will approve the Redevelopment Project. The Ordinance approving the Redevelopment Project will be adopted within 10 years from the date of adoption of the Ordinance approving this Plan.

RELOCATION ASSISTANCE

A copy of the City’s relocation assistance plan is provided in the Appendix which applies to redevelopment projects pursued under the TIF Act.

Thus, this Plan complies with Section 99.810(4) of the TIF Act which requires that a relocation plan be developed for the assistance of businesses and residences.

COST-BENEFIT ANALYSIS

A Cost-Benefit analysis (the “CBA”) showing the economic impact of the implementation of redevelopment projects within each Redevelopment Project Area on each taxing district which is at least partially within the boundaries of the Area has been prepared. The analysis shows the impact on the economy if each Redevelopment Project is not built, and is built pursuant to the Plan under consideration. The CBA includes a fiscal impact study on every affected political subdivision, including the State of Missouri, as well as sufficient information for the TIF Commission to evaluate whether each Redevelopment Project as proposed is financially feasible.
GAMBLING ESTABLISHMENTS

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

DEPARTMENT OF ECONOMIC DEVELOPMENT REPORT

By the last day of February of each year, the TIF Commission shall report to the Director of Economic Development the name, address, phone number and primary line of business of any business that relocates to the Area.
APPENDIX
ATTACHMENT 1 – SUPPORTING EXHIBITS
EXHIBIT A – BOUNDARY MAP
Exhibit A
Overall TIF Boundary and Redevelopment Project Area Boundaries
Redevelopment Project Area
University City, Missouri
EXHIBIT B – LAND USE MAPS
Exhibit
Existing Land Use Redevelopment Project Area 1

Redevelopment Project Area
University City, Missouri
Exhibit
Existing Land Use Redevelopment Project Area 2 (East)

Redevelopment Project Area
University City, Missouri
Exhibit
Existing Land Use Redevelopment Project Area 2 (Central)

Redevelopment Project Area
University City, Missouri
Exhibit
Existing Land Use Redevelopment Project Area 3 (Central)

Redevelopment Project Area
University City, Missouri

Legend
Existing Land Use
- Single-Family
- Two-Family
- Multi-Family
- Mobile Home
- Mixed-Use
- Medical Office
- Financial Institutions
- Professional Office
- Restaurant / Bar
- Retail
- Service
- Automotive Dealership
- Automotive Parts
- Automotive Service
- Mixed Commercial Uses
- Light Industrial
- Heavy Industrial
- Public Parking
- Public / Semi-Public
- Vacant / Undeveloped Lot
- Utility
- Park / Recreation
- Common Ground
- Parcels in Other RPA's

Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroGRID, IGN, and the GIS User Community

Exhibit
Existing Land Use Redevelopment Project Area 3 (Central)

Redevelopment Project Area
University City, Missouri

Legend
Existing Land Use
- Single-Family
- Two-Family
- Multi-Family
- Mobile Home
- Mixed-Use
- Medical Office
- Financial Institutions
- Professional Office
- Restaurant / Bar
- Retail
- Service
- Automotive Dealership
- Automotive Parts
- Automotive Service
- Mixed Commercial Uses
- Light Industrial
- Heavy Industrial
- Public Parking
- Public / Semi-Public
- Vacant / Undeveloped Lot
- Utility
- Park / Recreation
- Common Ground
- Parcels in Other RPA's

Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroGRID, IGN, and the GIS User Community
Exhibit
Existing Land Use Redevelopment Project Area 3 (West)
Redevelopment Project Area
University City, Missouri
Exhibit
Existing Land Use Redevelopment Project Area 3 (East)

Redevelopment Project Area
University City, Missouri
EXHIBIT C – EXISTING CONDITIONS
Legend
- Parcel Contains One or More Factors
- Parcels Contain No Factors
- Parcels in Other RPA’s

Exhibit
Existing Conditions Redevelopment Project Area 1

Redevelopment Project Area
University City, Missouri
Exhibit
Existing Conditions Redevelopment Project Area 3 (West)

Redevelopment Project Area
University City, Missouri
Exhibit
Existing Conditions Redevelopment Project Area 3 (West)

Redevelopment Project Area
University City, Missouri
ATTACHMENT 2 – BOUNDARY DESCRIPTION
BOUNDARY DESCRIPTION

The Olive Boulevard Commercial Corridor and Residential Conservation Redevelopment Area includes all property listed in Attachment 1 to the Appendix and all intervening rights-of-way.
ATTACHMENT 3 – COMMITMENT LETTER & AFFIDAVIT
DEVELOPER'S AFFIDAVIT

STATE OF MISSOURI  )
COUNTY OF ST. LOUIS   ) SS

AFFIDAVIT

The undersigned swears, affirms and certifies the following to be true to induce the approval of tax increment financing for Redevelopment Project Area 1 of the Olive Boulevard Commercial Corridor and Residential Conservation Redevelopment Plan Redevelopment Area (the “Redevelopment Area”):

1. The provisions of Section 99.810.1(1) of the Revised Statutes of Missouri, as amended, have been met; and

2. To the best of my knowledge, based upon the information available to me, Redevelopment Project Area 1 of the Redevelopment Area is a “blighted area” as defined in Section 99.805 of the Revised Statutes of Missouri, as amended, has not been subject to growth and development through investment by private enterprise, and would not reasonably be anticipated to be developed without the adoption of tax increment financing; and

3. The undersigned would not construct the project set out in its proposal to the City of University City with respect to Redevelopment Project Area 1 without tax increment financing.

U CITY, L.L.C.

By: Jonathan Browne
Name: Jonathan Browne
Title: Authorized Representative

Subscribed and sworn to before me this 30th day of March, 2018.

Notary Public

My commission expires on: 11-24-2019
To: University City TIF Commission
From: Gregory Rose, City Manager
Date: May 4, 2018
Re: Redevelopment Project Areas 2 and 3

The Olive Boulevard Commercial Corridor and Residential Conservation Redevelopment Plan contemplates that tax increment financing will be used primarily to assist in the renovation and rehabilitation of residential and commercial property and the improvement of public infrastructure within Redevelopment Project Area 2 and Redevelopment Project Area 3.

Redevelopment Project Area 2 includes approximately 5,014 separate parcels of land and Redevelopment Project Area 3 includes approximately 251 separate parcels of land. Due to the number of parcels involved, redevelopment of these areas by a single private developer is not feasible (and, regardless, not desired). However, the City is willing to serve as the master developer of these areas for the purposes of (a) administering residential and commercial revitalization incentive programs available to property owners within Redevelopment Project Area 2 and Redevelopment Project Area 3, (b) completing public infrastructure improvements and (3) undertaking other redevelopment initiatives that the City Council determines will benefit the residential and commercial property in Redevelopment Project Areas 2 and 3.

As part of the revitalization incentive programs, the City will provide grants and loans to property owners that undertake eligible improvements to properties within Redevelopment Project Area 2 and Redevelopment Project Area 3, including, without limitation:

- improvements necessary to satisfy current building and safety code requirements;
- façade rehabilitation;
- repair/replacement of roofs, floors, structural walls, and windows;
- repair/replacement of electrical, plumbing, heating, and cooling systems;
- installation of a sprinkler, fire or smoke alarm system; and
- parking lot paving and property landscaping.

Additionally, for some larger commercial projects, the commercial revitalization incentive program could fund other costs permitted by the TIF Act, including (a) the costs of studies, surveys, plans and specifications, (b) professional service costs, including, but not limited to, architectural, engineering, legal, marketing, financial, planning and other services, (c) property assembly costs, (d) additional building renovation and rehabilitation costs and (e) costs of constructing public works or improvements.
Separate from the revitalization incentive programs, the City may also use tax increment financing revenues to (a) provide incentives to displaced residents and businesses to relocate within Redevelopment Project Areas 2 and 3, (b) fund targeted public improvements intended to encourage redevelopment of adjacent properties (including, without limitation, streetscape and other infrastructure improvements, park development and construction of community facilities), (c) incentivize private and public redevelopment activities, including demolition, renovation and/or construction of buildings, and (d) acquire vacant parcels and/or parcels with dilapidated structures and construct new structures thereon.

If tax increment financing is made available, as contemplated by the Plan, the City is committed to using tax increment financing revenues to implement the revitalization incentive programs, fund targeted public infrastructure improvements and otherwise encourage redevelopment of Redevelopment Project Area 2 and Redevelopment Project Area 3, as described above. The City has reviewed the Cost-Benefit Analysis prepared in conjunction with the Plan and believes there will be adequate tax increment financing revenues for these purposes. Accordingly, the City believes it will be financially feasible to undertake the redevelopment of Redevelopment Project Area 2 and Redevelopment Project Area 3, as described above.

The City will continue to explore alternative financing methods, including various grants, to offset the use of tax increment financing. However, given the size of Redevelopment Project Area 2 and Redevelopment Project Area 3 and the revitalization needs of these areas, tax increment financing will be necessary to fully fund these endeavors.

* * *

- 2 -
May 7, 2018

Jonathan Browne  
20 Allen Avenue, Suite 400  
Webster Groves, Mo. 63119  

RE: University City I-170 & Olive Development  

Dear Jon:

We have reviewed and considered your proposed redevelopment of the I-170 / Olive Redevelopment Area within the City of University City, Mo.

If the City of University City, Missouri provides tax increment financing and authorizes utilization of such special districts as a Community Improvement District and/or Transportation Develop District, and all other development issues are satisfactorily addressed, U. City, LLC has the financial ability to proceed with the development. Given these governmental approvals, we are committed to participating in the financing of this redevelopment project, provided that such loan commitment for financing is contingent upon final loan committee approval and would be supported by loan documentation typical of a transaction of this size and nature.

We have previous experience working with other municipalities in developments involving tax increment financing and look forward to working with the City of University City.

If you have any questions regarding this letter, please contact me at (952) 356-0083.

Thank you for including us on your development team.

Sincerely,

NorthMarq Capital, LLC

Paul W. Cairns  
Sr. Vice President  
Managing Director  
National Multifamily Freddie Mac Seller/Servicer
DEVELOPER’S AFFIDAVIT
REDEVELOPMENT PROJECT AREAS 2 & 3

STATE OF MISSOURI  )
COUNTY OF ST. LOUIS ) SS

AFFIDAVIT

The undersigned swears, affirms and certifies the following to be true to induce the approval of tax increment financing for Redevelopment Project Area 2 and Redevelopment Project Area 3 of the Olive Boulevard Commercial Corridor and Residential Conservation Redevelopment Plan Redevelopment Area (the “Redevelopment Area”):

1. I am the City Manager of the City of University City, Missouri (the “City”) and am authorized to attest to the matters set forth herein.

2. The provisions of Section 99.810.1(1) of the Revised Statutes of Missouri, as amended, have been met.

3. To the best of my knowledge, based upon the information available to me, (a) Redevelopment Project Area 2 is a “conservation area” as defined in Section 99.805 of the Revised Statutes of Missouri, as amended, (b) Redevelopment Project Area 3 of the Redevelopment Area is a “blighted area” as defined in Section 99.805 of the Revised Statutes of Missouri, as amended, (c) neither Redevelopment Project Area 2 nor Redevelopment Project Area 3 have been subject to growth and development through investment by private enterprise, and (d) Redevelopment Project Area 2 and Redevelopment Project Area 3 would not reasonably be anticipated to be developed without the adoption of tax increment financing.

4. The City will not undertake the proposed redevelopment projects for Redevelopment Project Area 2 and Redevelopment Project Area 3 without tax increment financing.

CITY OF UNIVERSITY, MISSOURI

By: ____________________________
Name: Gregory Rose
Title: City Manager

Subscribed and sworn to before me this 17 day of April, 2018.

MARK A. SPYKERMAN
Notary Public

My commission expires on: _____________________
ATTACHMENT 4 – PHOTO APPENDIX
A single-family home that exhibits deterioration. This home has been condemned.

Deteriorated pavement.

Deteriorated paved surfaces.
This commercial building shows signs of deterioration affecting siding material and foundation.

Deteriorated, vacant commercial restaurant building.

Deteriorated multi-family building.

Deteriorated sidewalk.
ATTACHMENT 5 – RELOCATION POLICY
AN ORDINANCE ESTABLISHING A RELOCATION PLAN AND POLICY IN ACCORDANCE WITH CHAPTER 523 OF THE REVISED STATUTES OF MISSOURI.

WHEREAS, the City wishes to adopt a relocation policy (which shall serve as a relocation assistance plan for plans, projects and areas designated for redevelopment pursuant to Chapters 99, 100 and 353, RSMo.) (the "Relocation Policy"), in accordance with the requirements of Sections 523.200 to 523.215 RSMo., as amended (the "Relocation Act"), it being understood that this Relocation Policy establishes the minimum benefits to be provided to displaced persons and businesses, and that the City Council may, upon approval of specific redevelopment projects, provide for additional benefits for displaced persons and businesses.

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

SECTION ONE. The relocation policy, as set forth in this section, is hereby established, adopted and approved as the relocation policy of the City in accordance with the Relocation Act:

RELOCATION POLICY

CITY OF UNIVERSITY CITY, MISSOURI

1. As used herein, the following terms shall mean:

"Business", any lawful activity that is conducted:

(a) Primarily for the purchase, sale or use of personal or real property or for the manufacture, processing or marketing of products or commodities;

(b) Primarily for the sale of services to the public; or

(c) On a not-for-profit basis by any organization that has obtained an exemption from the payment of federal income taxes as provided in Section 501(c)(3) of Title 26, U.S.C., as amended, and veterans organizations;

"Decent, safe and sanitary dwelling", a dwelling which meets applicable housing and occupancy codes. The dwelling shall:

(a) Be structurally sound, weathertight and in good repair;

(b) Contain a safe electrical wiring system;

(c) Contain an adequate heating system;
(d) Be adequate in size with respect to the number of rooms needed to accommodate the displaced person; and

(e) For a handicapped person, be free of any barriers which would preclude reasonable ingress, egress or use of the dwelling;

"Displaced person", any person that moves from the real property or moves his personal property from the real property permanently and voluntarily as a direct result of the acquisition, rehabilitation or demolition of, or the written notice of intent to acquire such real property, in whole or in part, for a public purpose;

"Handicapped person", any person who is deaf, legally blind or orthopedically disabled to the extent that acquisition of another residence presents a greater burden than other persons would encounter or to the extent that modifications to the replacement residence would be necessary;

"Initiation of negotiations", the delivery of the initial written offer of just compensation by the acquiring entity, to the owner of the real property, to purchase such real property for the project, or the notice to the person that he will be displaced by rehabilitation or demolition;

"Person", any individual, family, partnership, corporation, or association that has a legal right to occupy the property, including but not limited to month-to-month tenants;

"Urban redevelopment corporation", a corporation organized pursuant to Chapter 353, RSMo., as further defined in Section 353.020 RSMo.

2. Every urban redevelopment corporation acquiring property within a redevelopment area shall submit a relocation plan as part of the redevelopment plan. The relocation plan shall comply with all applicable provisions of this Relocation Policy.

3. Unless the property acquisition under the operation of Chapter 99 RSMo., Chapter 100 RSMo., or Chapter 353 RSMo., is subject to federal relocation standards or subsection 1 of Section 523.205 RSMo., the relocation plan shall provide for the following:

(a) Payments to all eligible displaced persons who occupied the property to be acquired for not less than 90 days prior to the initiation of negotiations who are required to vacate the premises;

(b) A program for identifying special needs of displaced persons with specific consideration given to income, age, size of family, nature of business, availability of suitable replacement facilities and vacancy rates of affordable facilities;

(c) A program for providing proper and timely notice to all displaced persons, including a general description of their potential rights and benefits if they are displaced, their eligibility for relocation assistance, and the nature of that assistance. The notices required for compliance with this section are as follows:
(i) A general information notice that shall be issued at the approval and selection of a designated redeveloper and shall inform residential and nonresidential owners and occupants of a potential project, including the potential acquisition of the property; and

(ii) A notice of relocation eligibility that shall be issued as soon as feasible after the execution of the redevelopment agreement and shall inform residential and nonresidential occupants within the project area who will be displaced of their relocation assistance and nature of that assistance, including 90 days' advance notice of the date the occupants must vacate;

(d) A program for referrals of displaced persons with provisions for a minimum of three decent, safe and sanitary housing referrals for residential persons or suitable referral sites for displaced businesses, a minimum of 90 days' notice of referral sites for all displaced persons prior to the date such displaced persons are required to vacate the premises, and arrangements for transportation to inspect referral sites; and

(e) Every displaced person shall be given a 90-day notice to vacate, prior to the date such displaced person is required to vacate the premises.

4. All displaced residential persons eligible for payments shall be provided with relocation payments based upon one of the following, at the option of the person:

(a) A $1,000 fixed moving expense payment; or

(b) Actual reasonable costs of relocation including, but not limited to, actual moving costs, utility deposits, key deposits, storage of personal property up to one month, utility transfer and connection fees and other initial rehousing deposits including first and last month's rent and security deposit. Such costs of relocation shall not include the cost of a replacement property or any capital improvements thereto.

5. All displaced businesses eligible for payments shall be provided with relocation payments based upon the following, at the option of the business:

(a) A $3,000 fixed moving expense payment and up to an additional $10,000 for reestablishment expenses. Reestablishment expenses are limited to costs incurred for physical improvements to the replacement property to accommodate the particular business at issue; or

(b) Actual costs of moving including costs for packing, crating, disconnection, dismantling, reassembling and installing all personal equipment and costs for relettering similar signs and similar replacement stationery, and up to an additional $10,000 for reestablishment expenses. Reestablishment expenses are limited to actual costs incurred for physical improvements to the replacement property to accommodate the particular business at issue.
6. If a displaced person demonstrates the need for an advance relocation payment, in order to avoid or reduce a hardship, the developer or the City shall issue the payment subject to such safeguards as are appropriate to ensure that the objective of the payment is accomplished. Payment for a satisfactory claim shall be made within 30 days following receipt of sufficient documentation to support the claim. All claims for relocation payment shall be filed with the displacing agency within six months after:

(a) For tenants, the date of displacement;

(b) For owners, the date of displacement or the final payment for the acquisition of the real property, whichever is later.

7. Any displaced person, who is also the owner of the premises, may waive relocation payments as part of the negotiations for acquisition of the interest held by such person. Such waiver shall be in writing, shall disclose the person's knowledge of the provisions of this Relocation Policy and his entitlement to payment and shall be filed with the acquiring public agency. However, any such waiver shall not include a waiver of any notice provisions of this Relocation Policy, and a displaced person shall remain entitled to all of the provisions regarding programs which are contained in subparagraphs (b) and (c) of Paragraph 3 above.

8. All persons eligible for relocation benefits shall be notified in writing of the availability of such relocation payments and assistance, with such notice to be given concurrently with the notice of referral sites as required in subparagraph (c) of Paragraph 3 above.

9. Any urban redevelopment corporation, its assigns or transferees, which have been provided any assistance under the operation of Chapter 99 RSMo., Chapter 100 RSMo., Chapter 353 RSMo., or Chapter 523 RSMo., with land acquisition by the City, shall be required to make a report to the City Council or appropriate public agency which shall include, but not be limited to, the addresses of all occupied residential buildings and structures within the redevelopment area and the names and addresses of persons displaced by the redeveloper and specific relocation benefits provided to each person, as well as a sample notice provided to each person.

10. An urban redevelopment corporation which fails to comply with the relocation requirements provided in this Relocation Policy shall not be eligible for tax abatement as provided for in Chapter 353 RSMo.

11. The requirements set out herein shall be considered minimum standards. In reviewing any proposed relocation plan under the operation of Chapter 99 RSMo., Chapter 100 RSMo., or Chapter 353 RSMo., the City Council or public agency shall determine the adequacy of the proposal and may require additional elements to be provided.

12. Relocation assistance shall not be provided to any person who purposely resides or locates his business in a redevelopment area solely for the purpose of obtaining relocation benefits.
SECTION TWO. The Relocation Policy shall apply to any plan, project, or area for redevelopment under the operation of Chapter 99, Chapter 100, or Chapter 353, RSMo., as amended, which is hereafter filed for approval, approved, or amended, and any other land acquisition by the City through condemnation proceedings initiated after December 31, 2006.

SECTION THREE. 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 of this Ordinance are valid, unless the court finds the valid sections of this Ordinance are so essential and inseparably connected with and dependent upon the void section that it cannot be presumed that the City Council would have enacted the valid sections without the invalid ones, or unless the court finds that the valid sections standing alone are incomplete and are incapable of being executed in accordance with the legislative intent.

SECTION FOUR. This Ordinance shall take effect and be in full force from and after its passage by the City Council and approval by the Mayor.

PASSED this 31st day of August, 2009

[Signature]
Mayor

ATTEST:

[Signature]
City Clerk

CERTIFIED TO BE CORRECT AS TO FORM:

[Signature]
City Attorney