

Introduced by: Council Present

AN ORDINANCE AMENDING CHAPTER 400, CREATING A NEW ARTICLE XIV, ECONOMIC DEVELOPMENT IMPROVEMENT AND REGULATIONS FOR THE MOW & OWN PROGRAM IN THE CITY OF BERKELEY MISSOURI

WHEREAS, the City of Berkeley is enabled through its charter to facilitate programs that create opportunities for land development and neighborhood stabilization. The Mow & Own Program will offer the opportunity for current home owner occupants to purchase vacant lots that are adjacent to their property. This will allow owner occupants to own lots that they maintain and keep in compliance with the City of Berkeley code and also, address the land reutilization and neighborhood stabilization recommendation of the comprehensive plan.

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

- Section 1.** There is hereby created a Mow & Own Program for the City of Berkeley to be administered through the City's Economic Development Office according to guidelines (EXHIBIT A) established by the Economic Development Sales Tax Commission on DATE. The program shall provide that successful applicants may be eligible to purchase vacant lots that are adjacent to their single-family homes.

- Section 2.** Applicants shall meet all requirements of the guidelines; and shall be reviewed through the Economic Development Office, and forwarded to the Economic Development Commission for referral to City Council for final approval. The Economic Development Coordinator shall submit completed applications (EXHIBIT B) to the City Council with its recommendations from the Economic Development Sales Tax Commission regarding purchaser eligibility and project compatibility. The City Council shall make the final decision approving or disapproving an application.

- Section 3.** An applicant whose application is approved shall enter into an agreement with the City by ordinance setting out the details of the purchase agreement.

- Section 4.** This Mow & Own Program shall provide that lot consolidation fees shall be waived.

- Section 5.** This Mow & Own Program guidelines, (EXHIBIT A), supersede any substandard lot reutilization program that may have been previously discussed.

- Section 6.** This Ordinance shall be in full force and effect from and after its passage and approval in the manner provided by law.

- Section 7.** That all ordinances and parts of ordinances in conflict herewith are hereby repealed from purposes of this ordinance only, and only to the extent of the conflict, which will be reflexed when codified.

1st Reading, this 21st day of October 2019

2nd Reading this _____ day of _____ 2019

3rd Reading, PASSED and APPROVED, this _____ **day of** _____ **2019**

ATTEST:

Theodore Hoskins, Mayor

Deanna L. Jones, City Clerk

Approved As To Form:
Donnell Smith, City Attorney

Final Roll Call:

Mayor Hoskins	Aye	___	Nay	___	Absent	___	Abstain	___
Councilwoman Hoskins	Aye	___	Nay	___	Absent	___	Abstain	___
Councilwoman Mitchell	Aye	___	Nay	___	Absent	___	Abstain	___
Councilwoman Williams	Aye	___	Nay	___	Absent	___	Abstain	___
Councilwoman-at-Large Greene	Aye	___	Nay	___	Absent	___	Abstain	___
Councilman Hindeleh	Aye	___	Nay	___	Absent	___	Abstain	___
Councilwoman Anthony	Aye	___	Nay	___	Absent	___	Abstain	___



REPORT TO CITY COUNCIL PUBLIC HEARING

TO: The Honorable Mayor and Members of the City Council

FROM: Kimberly Smith-Drake, Economic Development Coordinator

THRU: Debra Irvin, City Manager

DATE: October 4, 2019

SUBJECT: **Case No. ED19-04 - A request from the Economic Development Coordinator to approve an ordinance for adoption of the City of Berkeley Mow & Own Program.**

The Economic Development Sales Tax Commission has reviewed the subject item above and present the following as their findings:

BACKGROUND

The City of Berkeley is enabled through its charter to facilitate programs that create opportunities for land development and neighborhood stabilization. The Mow & Own Program will offer the opportunity for current home owner occupants to purchase the vacant lots that are located adjacent to their properties. These purchases will allow owner occupants to acquire and own lots that they maintain and keep in compliance with the City of Berkeley code.

JUSTIFICATION

This initiative is empowered through the Economic Development Sales Tax code, Section 145.110.A.3(b) which provides that the City is allowed to acquire land. This program will assist in removing nuisance lots where dumping and overgrowth is a consistent problem for neighbors. The program will be administered by the City's Economic Development Coordinator, with a referral from the Economic Development Commission to the City Council for final approval of projects and funds.

REQUEST

It is requested by the Economic Development Sales Tax Commission that an ordinance be adopted to create the City of Berkeley Mow & Own Program by the City Council.

IMPACT ON BUDGET

There is minimal impact on the Economic Development Sales Tax Commission Budget from the recommended action. The program will allow the City to purchase properties at administrative cost from St. Louis County. Approval of the program will provide an opportunity for owner occupants to own land that will be a productive source of tax revenue for the City of Berkeley

and will relieve the City of lots where vagrancy, overgrowth and dumping are a consistent nuisance and a drain of City resources.

SUPPORTING DOCUMENTS

- Ordinance 3854 Economic Development Sales Tax
- Draft Ordinance
- Exhibit A - Mow & Own Program Application & Instruction Packet

OPTIONS OF THE COUNCIL

1. –Recommend approval of the applicant’s request.
2. –Recommend denial of the applicant’s request.

PUBLIC NOTICE AND COMMENT

Public Hearing notification is applicable. Upon recommendation by the Economic Development Sales Tax Commission on October 1, 2019 to City Council, a public hearing shall be published, posted and scheduled for October 21, 2019.

Respectfully Submitted,

Kimberly Smith-Drake



CITY OF BERKELEY MOW & OWN PROGRAM

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CITY OF BERKELEY

MOW & OWN PROGRAM

The City of Berkeley is enabled through its charter to facilitate programs that create opportunities for land development and neighborhood stabilization. The Mow & Own Program will offer the opportunity for current home owner occupants to purchase the vacant lots that are located adjacent to their properties. These purchases will allow owner occupants to acquire and own lots that they maintain and keep in compliance with City of Berkeley code.

This program will assist in removing nuisance lots where dumping and overgrowth is a consistent problem for neighbors. This program will also provide an opportunity for owner occupants to own land that will be a productive source of tax revenue for the City of Berkeley. These lots can be used for purposes such as community gardens and private lot consolidations.

Increased neighborhood beautification and maintenance will support the objectives of the comprehensive plan to redevelop and stabilize residential neighborhoods.

Program Eligibility:

Applicants:

- All applicants must be owner/occupants of homes directly adjacent to the lot being purchased for a minimum of three years
- Applicants must not have any liens or tax arrears with the City of Berkeley or St. Louis County
- Applicants must propose desired usage of the lot
- Applicants must provide proof of funds and income to purchase and maintain the lot

Eligible Lots:

- Eligible lots shall be those deemed unsuitable for development based on Section 405.120 Residential Lot Design Standards.
- The lot must not be contiguous to any other vacant lots owned by the City of Berkeley
- The lot must be vacant and unimproved real property

Owner Responsibility:

- The new owner must keep the property free of overgrown grass in compliance with the City Ordinance to maintain grass at no higher than seven inches
- The new owner must keep property free of debris, and trash.
- The new owner must pay and keep current the real estate taxes assessed on the lot.
- The new owner must agree to not sell the lot independently of the property that is currently owned/occupied unless approved by City Council.



CITY OF BERKELEY - MOW & OWN APPLICATION

Date: _____

Name (First, MI, Last) (Suffix):

Applicant 1: _____

Applicant 2: _____

Home Address (Street, City, State, Zip):

Length of time at this address:

Phone Numbers:

Home: _____ **Cell:** _____

Email Address:

Are any taxes owed on the Applicants current property? Yes_____ No_____

Address of Lot to Purchase:

Reason/Purpose for Lot Purchase:

If the (City Council and Economic Development Commission) agree to transfer this lot to the Applicant, I as the Applicant agree to maintain the lot free and clear of trash, debris, excess vegetation and to regularly mow the grass and keep below seven inches in height. I, the Applicant understand that I must pay all real estate taxes that are assessed on the lot, in addition to all real estate taxes assessed on the current property that I own in the City of Berkeley.

I, the Applicant understand that if City Council and Economic Development Commission approve this application, I will receive a deed to the property with a maintenance lien allowing the property to be reacquired by the City of Berkeley should I fail to maintain the lot. After two (2) years, if there are no findings of violation from the City's Public Works Department and no complaints, the City of Berkeley will remove the maintenance lien and I will own the property.

Signature of Applicant(s)

For Administrative Use Only:

Received by Name and Date

Economic Development Coordinator\Date

Finance Director\Date

ARTICLE IV
Economic Development Sales Tax, Commission and Trust Fund

Section 145.100. Economic Development Sales Tax. [Ord. No. 3854 §1, 9-21-2009; Ord. No. 3873 §1, 12-7-2009]

Pursuant to the provisions of Section 67.1305, RSMo., Supp. 2005, a sales tax of one half of one percent (0.5%) is imposed for economic development purposes on all retail sales made in the City on and after January 1, 2010, which are subject to sales tax under Chapter 144, RSMo.

Section 145.110. Economic Development Sales Tax Fund. [Ord. No. 3873 §1, 12-7-2009]

- A. All revenue generated by the tax referenced in this Article shall be deposited in a special trust fund and shall be used solely for purposes permitted by law, which, as of the date of adoption of this Section, are as follows:
1. No revenue generated by the tax referenced in this Article shall be used for any retail development project, except for the redevelopment of downtown areas and historic districts.
 2. Not more than twenty-five percent (25%) of the revenue generated shall be used annually for administrative purposes, including staff and facility costs.
 3. At least twenty percent (20%) of the revenue generated shall be used solely for projects directly related to long-term economic development preparation including, but not limited to, the following:
 - a. Acquisition of land;
 - b. Installation of infrastructure for industrial or business parks;
 - c. Improvement of water and wastewater treatment capacity;
 - d. Extension of streets;
 - e. Public facilities directly related to economic development and job creation; and
 - f. Providing matching dollars for State or Federal grants relating to such long-term projects.
 4. The remaining revenue generated may be used for, but shall not be limited to, the following:

Section
145.110

Section
145.120

- a. Marketing;
- b. Providing grants and loans to companies for job training, equipment acquisition, site development and infrastructures;
- c. Training programs to prepare workers for advanced technologies and high skill jobs;
- d. Legal and accounting expenses directly associated with the economic development planning and preparation process; and
- e. Developing value-added and export opportunities for Missouri agricultural products.

**Section 145.120. Economic Development Sales Tax
Commission. [Ord. No. 3873 §1, 12-7-2009]**

- A. There is hereby established an Economic Development Sales Tax Commission to consist of five (5) members to be appointed as follows:
 1. One (1) member shall be appointed by the school districts included within any economic development plan or area funded by the sales tax referenced in this Article in any manner agreed upon by the affected districts;
 2. Three (3) members shall be appointed by the Mayor with the consent of the majority of the City Council; and
 3. One (1) member shall be appointed by the St. Louis County Council.
- B. Of the members initially appointed, there shall be designated by the City Council to serve for terms of two (2) years and the remaining members shall be designated to serve for a term of four (4) years from the date of such initial appointments. Thereafter, the members appointed shall serve for a term of four (4) years, except that all vacancies shall be filled for unexpired terms in the same manner as were the original appointments.
- C. The Commission shall receive no compensation or operating budget.
- D. The Commission, subject to approval of the City Council, shall consider economic development plans, economic development projects or designations of an economic development area and shall hold public hearings and provide notice of any such

Section
145.120

Section
145.130

hearings. The Commission shall vote on all proposed economic development plans, economic development projects or designations of an economic development area and amendments thereto within thirty (30) days following completion of the hearing on any such plan, project or designation and shall make recommendations to the City Council within ninety (90) days of the hearing concerning the adoption of or amendment to economic development plans, economic development projects or designations of an economic development area. The City Council shall have the final determination on use and expenditure of any funds received from the tax referenced in this Article.

- E. The Commission may consider and recommend using funds received from the tax referenced in this Article for plans, projects or area designations outside the boundaries of the City if and only if:
 - 1. The City or the State receives significant economic benefit from the plan, project or area designation; and
 - 2. The Commission establishes an agreement with the Governing Bodies of all Cities and Counties in which the plan, project or area designation is located detailing the authority and responsibilities of each Governing Body with regard to the plan, project or area designation.
- F. The Commission and the City Council shall report at least annually to the City Council or County Council on the use of and on the progress of any plan, project or designation adopted under this Article and shall make such report available to the public.

Section 145.130. Special Taxing Districts. [Ord. No. 3873 §1, 12-7-2009]

Notwithstanding any other provision of law to the contrary, the economic development sales tax when imposed within a special taxing district, including, but not limited to, a tax increment financing district, neighborhood improvement district or community improvement district, shall be excluded from the calculation of revenues available to such districts and no revenues from the economic development sales tax shall be used for the purposes of any such district unless recommended by the Economic Development Tax Commission and approved by the City Council.