

**ORDINANCE #65977**  
**Board Bill No. 156**

**AN ORDINANCE DESIGNATING A PORTION OF THE CITY OF ST. LOUIS, MISSOURI, AS A REDEVELOPMENT AREA KNOWN AS THE CITY HOSPITAL REDEVELOPMENT AREA PURSUANT TO THE REAL PROPERTY TAX INCREMENT REDEVELOPMENT ACT; APPROVING A REDEVELOPMENT PLAN AND THE REDEVELOPMENT PROJECT AREA ONE PROJECT WITH RESPECT THERETO; ADOPTING TAX INCREMENT FINANCING WITHIN THE REDEVELOPMENT AREA; MAKING FINDINGS WITH RESPECT THERETO; ESTABLISHING THE CITY HOSPITAL SPECIAL ALLOCATION FUND; AUTHORIZING CERTAIN ACTIONS BY CITY OFFICIALS; AND CONTAINING A SEVERABILITY CLAUSE.**

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

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

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

**WHEREAS**, staff and consultants of the City and City Hospital Development, L.L.C. prepared a plan for redevelopment titled "City Hospital TIF Redevelopment Plan" dated April 18, 2003 (finalized May 19, 2003) (the "Redevelopment Plan"), for an area which is comprised of approximately sixty-seven (67) parcels of real property, which parcels are located within City Blocks 475, 1250, 1251, 1521, 822, 410, 820, 414, and 415 (the "Redevelopment Area" or "Area"). The Redevelopment Area encompasses the City Hospital Historic District, which district is listed on the National Register of Historic Places. The Redevelopment Area is more fully described in the Redevelopment Plan, attached hereto and incorporated herein as **Exhibit A**; and

**WHEREAS**, the Redevelopment Plan anticipates that the Redevelopment Area will contain three (3) "Redevelopment Project Areas" ("RPA"). Therefore, the Redevelopment Plan designates that portion of the Area which includes the City Hospital Administration building, and the area formerly known as the Darst-Webbe housing project, as Redevelopment Project Area 1 ("RPA1"). Further, the Redevelopment Plan designates the remaining portion of the former City Hospital Complex (as defined and further described in the National Register of Historic Places listing for the City Hospital Historic District) property as Redevelopment Project Area 2 ("RPA2"). Finally, the Redevelopment Plan designates the area bounded by the I-55/44 ramps to the West, Lafayette Avenue to the North and 14th Street to the Southwest as Redevelopment Project Area 3 ("RPA3"). A legal description of each RPA is included in the Redevelopment Plan; and

**WHEREAS**, the Redevelopment Plan proposes to completely redevelop the Area by providing for new construction where necessary, while also rehabilitating and renovating the remaining portion of the Area; and

**WHEREAS**, given the cultural and historic significance of such a large portion of the Area, particularly RPA1 and RPA2, the Redevelopment Plan proposes to renovate and rehabilitate the remaining seven historic buildings within the Area. Such work includes the complete renovation and rehabilitation of the Administration Building into residential use (the "RPA1 Project"); and

**WHEREAS**, in addition to the RPA1 Project, the Redevelopment Plan anticipates the renovation and rehabilitation (or new construction where required) of RPA2 and RPA3 to provide for a variety of mixed uses, as further in the Redevelopment Plan (the "RPA2 Project, and "RPA3 Project," respectively). Together, the RPA1 Project, RPA2 Project and RPA3 Project comprise the "Redevelopment Project" or "TIF Project" for purposes of the Redevelopment Plan; and

**WHEREAS**, on June 4, 2003, after all proper notice was given, the TIF Commission held a public hearing in conformance with the TIF Act and received comments from all interested persons and taxing districts relative to the Redevelopment Area, the Redevelopment Plan, and the Redevelopment Project; and

**WHEREAS**, on June 4, 2003, the TIF Commission found that completion of the Redevelopment Project would provide a substantial and significant public benefit through the creation of new jobs, the elimination of blight, the strengthening of the employment and economic base of the City, increased property and tax revenues, stabilization of the Redevelopment Area, and facilitation of economic stability for the City as a whole, and further found that without the assistance of tax increment financing in accordance with the TIF Act, the Redevelopment Project is not financially feasible and would not otherwise be completed; and

**WHEREAS**, on June 4, 2003, the TIF Commission voted to recommend that the Board of Aldermen adopt the Redevelopment Plan, and the Redevelopment Project, and designate the Redevelopment Area as a “redevelopment area” within the meaning of the TIF Act; and

**WHEREAS**, the City Hospital Historic District is of historical and cultural significance to the City, and to the Souldard neighborhood and surrounding neighborhoods in particular; and

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

**WHEREAS**, the City, by Ordinance No. 64831 pursuant to a blighting study and plan for the “Near Southside Redevelopment Area,” dated December, 1999, designated all of the Redevelopment Area as a blighted area and approved a redevelopment plan for the Near Southside Redevelopment Area pursuant to §§ 99.300-99.715 (Mo. Rev. Stat.). Ordinance No. 64831 made a finding of blight (as defined in § 99.320 Mo. Rev. Stat.) for the Redevelopment Area as whole, as well as additional surrounding properties as further noted in the Redevelopment Plan; and

**WHEREAS**, the Board of Aldermen has received the recommendations of the TIF Commission regarding the Redevelopment Area and the Redevelopment Plan and finds that it is desirable and in the best interests of the City to designate the Redevelopment Area as a “redevelopment area” as provided in the TIF Act, adopt the Redevelopment Plan, and adopt and approve the RPA1 Project in order to encourage and facilitate the redevelopment of the Redevelopment Area; and

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

**WHEREAS**, it is necessary and desirable and in the best interest of the City to adopt tax increment allocation financing within the Redevelopment Area and to establish a special allocation fund for the Redevelopment Area in order to provide for the promotion of the general welfare through redevelopment of the Redevelopment Area in accordance with the Redevelopment Plan which redevelopment includes, but is not limited to, assistance in the physical, economic, and social development of the City of St. Louis, providing for a stabilized population and plan for the optimal growth of the City of St. Louis, and in particular, downtown St. Louis, encouragement of a sense of community identity, safety and civic pride, preservation and restoration of properties of historical and architectural value and significance, elimination of physical and environmental blight, and the elimination of impediments to land disposition and development in the City of St. Louis.

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

**SECTION ONE.** The Board of Aldermen hereby adopts the foregoing recitals as findings.

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

A. The Redevelopment Area on the whole is a “blighted area”, as defined in Section 99.805(1) of the TIF Act, and 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. This finding includes, the Redevelopment Plan sets forth, and the Board of Aldermen hereby finds and adopts by reference: (i) a detailed description of the factors that qualify the Redevelopment Area as a “blighted area” and (ii) an affidavit, signed by the Developer and submitted with the Redevelopment Plan, attesting that the provisions of Section 99.810.1(1) of the TIF Act have been met, which description and affidavit are incorporated herein as if set forth herein.

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

C. In accordance with the TIF Act, the Redevelopment Plan states the estimated dates of completion of the RPA1 Project and retirement of the financial obligations issued to pay for certain redevelopment project costs, and these dates are twenty three (23) years or less from the date of approval of the RPA1 Project.

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

E. A cost-benefit analysis showing the economic impact of the Redevelopment Plan, and more specifically, the RPA1 Project, on each taxing district which is at least partially within the boundaries of the Redevelopment Area is on file with the TIF Commission and St. Louis Development Corporation, which cost-benefit analysis shows the impact on the economy if the project is not built and is built pursuant to the Redevelopment Plan.

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

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

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

**SECTION THREE.** The Redevelopment Area described in the Redevelopment Plan is hereby designated as a "redevelopment area" as defined in Section 99.805(11) of the TIF Act.

**SECTION FOUR.** The Redevelopment Plan as reviewed and recommended by the TIF Commission on June 4, 2003, including amendments thereto, if any, and the RPA1 Project described in the Redevelopment Plan are hereby adopted and approved. A copy of the Redevelopment Plan is attached hereto as **Exhibit A** and incorporated herein by reference.

**SECTION FIVE.** Tax increment allocation financing is hereby adopted within the Redevelopment Area. After the total equalized assessed valuation of the taxable real property in RPA1 exceeds the certified total initial equalized assessed valuation of the taxable real property in RPA1, the ad valorem taxes, and payments in lieu of taxes, if any, arising from the levies upon taxable real property in RPA1 by taxing districts and tax rates determined in the manner provided in Section 99.855.2 of the TIF Act each year after the effective date of this Ordinance until redevelopment costs have been paid shall be divided as follows:

A. That portion of taxes, penalties and interest levied upon each taxable lot, block, tract, or parcel of real property which is attributable to the initial equalized assessed value of each such taxable lot, block, tract, or parcel of real property in the area selected for the RPA1 Project shall be allocated to and, when collected, shall be paid by the City Collector to the respective affected taxing districts in the manner required by law in the absence of the adoption of tax increment allocation financing;

B. Payments in lieu of taxes attributable to the increase in the current equalized assessed valuation of each taxable lot, block, tract, or parcel of real property in the area selected for the RPA1 Project and any applicable penalty and interest over and above the initial equalized assessed value of each such unit of property in the area selected for the RPA1 Project shall be allocated to and, when collected, shall be paid to the City Treasurer, who shall deposit such payment in lieu of taxes into a special fund called the "City Hospital Special Allocation Fund" for the purpose of paying redevelopment costs and obligations incurred in the payment thereof. Payments in lieu of taxes which are due and owing shall constitute a lien against the real estate of the area selected for the RPA1 Project from which they are derived and shall be collected in the same manner as the real property tax, including the assessment of penalties and interest where applicable.

**SECTION SIX.** In addition to the payments in lieu of taxes described in Section Five of this Ordinance, fifty percent of the total additional revenue from taxes, penalties and interest which are imposed by the City or other taxing districts, and which are generated by economic activities within the area of the RPA1 Project over the amount of such taxes generated by economic activities within the area of the RPA1 Project in the calendar year prior to the adoption of the RPA1 Project by ordinance, 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, taxes levied pursuant to Section 70.500 of the Revised Statutes of Missouri (2000), or taxes levied for the purpose of public transportation pursuant to Section 94.660 of the Revised Statutes of Missouri (2000), licenses, fees or special assessments other than payments in lieu of taxes and penalties and interest thereon, shall be allocated to, and paid by the collecting officer to the City Treasurer or other designated financial officer of the City, who shall deposit such funds in a separate

segregated account within the City Hospital Special Allocation Fund.

**SECTION SEVEN.** There is hereby created and ordered to be established within the treasury of the City a separate fund to be known as the "City Hospital Special Allocation Fund." To the extent permitted by law, the City hereby pledges funds in the City Hospital Special Allocation Fund for the payment of redevelopment project costs and obligations incurred in the payment thereof.

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

**SECTION NINE.** The City Register is hereby directed to submit a certified copy of this Ordinance to the City Assessor, who is directed to determine the total equalized assessed value of all taxable real property within RPA1 as of the date of this Ordinance, by adding together the most recently ascertained equalized assessed value of each taxable lot, block, tract or parcel of real property within RPA1, and shall certify such amount as the total initial equalized assessed value of the taxable real property within RPA1.

**SECTION TEN.** The Mayor and Comptroller of the City and all other officers, agents, representatives and employees of the City are hereby authorized to take any and all actions as may be deemed necessary, desirable, convenient or proper to carry out and comply with the intent of this Ordinance with regard to the implementation of the Redevelopment Plan and to execute and deliver for and on behalf of the City all certificates, instruments or other documents as may be necessary, desirable, convenient or proper to carry out the matters herein authorized.

**SECTION ELEVEN.** The Mayor and the Comptroller or their designated representatives are hereby further authorized and directed to make any changes to the documents and instruments approved and authorized by this Ordinance as may be consistent with the intent of this Ordinance and necessary, desirable, convenient or proper in order to carry out the matters herein authorized.

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

**EXHIBIT A**

**CITY HOSPITAL TIF REDEVELOPMENT PLAN**

CITY HOSPITAL  
TIF REDEVELOPMENT PLAN

Submitted to  
City of St. Louis  
Tax Increment Financing Commission  
April 18, 2003  
Finalized May 19, 2003  
Amended June 13, 2003

**CITY HOSPITAL**

**TIF REDEVELOPMENT PLAN**

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**CITY HOSPITAL  
TIF REDEVELOPMENT PLAN  
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**I. INTRODUCTION**

In accordance with Sections 99.800-99.865 of the Revised Statutes of Missouri (2000) (the “TIF Act”), the following is a Tax Increment Financing (“TIF”) Redevelopment Plan (the “Redevelopment Plan,” or “Plan”), prepared by the City of St. Louis (“City”), together with City Hospital Development, L.L.C., a Missouri limited liability company (the “Developer”), for new construction, renovation and rehabilitation of approximately eleven (11) acres of real property in the City, which property was formerly the site of City Hospital (the “Redevelopment Area,” or “Area”). A legal description and map of the Redevelopment Area is included as part of this Redevelopment Plan as **Appendix 1**.

The Redevelopment Area is comprised of approximately sixty-seven (67) parcels of real property, which parcels are located within City Blocks 475, 1250, 1251, 1252, 822, 410, 820, 414, and 415. A large majority of these parcels are owned by the Land Clearance for Redevelopment Authority for the City of St. Louis (the “LCRA”), the St. Louis Housing Authority, the Land Reutilization Authority for the City of St. Louis (the “LRA”), or by the City itself. Further, it is important to note that the

Redevelopment Area encompasses the City Hospital Historic District, which district is listed on the National Register of Historic Places (the "District"). The Area, therefore, is of cultural and historic significance to the City as a whole.

This Redevelopment Plan anticipates that the Redevelopment Area will contain three "Redevelopment Project Areas" ("RPA"). Therefore, this Redevelopment Plan designates that portion of the Area as depicted on **Appendix 1**, which portion includes the City Hospital Administration building and the area formerly known as the Darst-Webbe housing project as Redevelopment Project Area 1 ("RPA1"). Further, this Redevelopment Plan also designates the remaining portion of the former City Hospital Complex (as defined and further described in the National Register of Historic Places listing for the City Hospital Historic District (the "Listing")) property as Redevelopment Project Area 2 ("RPA2"). Finally, this Redevelopment Plan designates the area bounded by the I-55/44 ramps to the West, Lafayette Avenue to the North and 14th Street to the Southwest as Redevelopment Project Area 3 ("RPA3"). A legal description of each RPA is included in **Appendix 1**. A copy of the Listing is on file as part of Developer's application for TIF with the St. Louis Development Corporation.

This Redevelopment Plan proposes to completely redevelop the Area by providing for new construction where necessary, while also rehabilitating and renovating the remaining portion of the Area. Given the cultural and historic significance of such a large portion of the Area, particularly RPA1 and RPA2, the Developer and this Redevelopment Plan propose to renovate and rehabilitate the remaining seven of the historic buildings within the District, including the Administration Building (which renovation of the Administration Building is referred to as the "RPA1 Project"). The remaining buildings and remainder of RPA1 has already been, or will be, demolished and cleared by the City. As outlined later, the proposed use within RPA1 includes residential use. Thus, the RPA1 Project will remedy years of vacancy, vandalism, deterioration and degradation of the Area, while restoring cultural, architectural, and historically significance structures to their former glory.

In addition to the RPA1 Project, this Redevelopment Plan anticipates the renovation and rehabilitation (or new construction where required) of RPA2 and RPA3 to provide for a variety of mixed uses, as further outlined below (the "RPA2 Project, and "RPA3 Project," respectively). Completion of the RPA2 Project and RPA3 Project will serve to redefine the Area as whole, and ensure the Area's long-term social and economic success. Together, the RPA1 Project, RPA2 Project and RPA3 Project comprise the "Redevelopment Project" or "TIF Project" for purposes of this Redevelopment Plan. It is anticipated that the Redevelopment Project will serve as an incentive for residential growth in the Area, and will help serve as a catalyst not only for additional residential development in downtown St. Louis, but also for private investment, retail growth, and expansion of small businesses in the downtown area. Further, the Redevelopment Project will eliminate RPA1 and RPA2, both of which constitute a substantial and highly visible eyesore which has plagued the City since the complete vacancy of those portions of the Area in 1985.

## **II. OVERVIEW OF TAX INCREMENT FINANCING ("TIF")**

In order to promote the redevelopment of a declining area, or to induce new activity in an area that has been lacking in growth and development, the State of Missouri has provided statutory tools to counties and municipalities to assist private, and initiate public, investment. One such tool is the TIF Act.

The TIF Act allows cities and counties to (1) identify and designate redevelopment areas that qualify as Blighted Areas, Conservation Areas, or Economic Development Areas as each are defined in the TIF Act; (2) adopt a redevelopment plan that designates the redevelopment area and states the objectives to be attained and the program to be undertaken; (3) approve a redevelopment project(s) for implementation of the redevelopment plan; and (4) utilize the tools set forth in the TIF Act to assist in reducing or eliminating those conditions that cause the area to qualify as a redevelopment area. Generally, the TIF Act allows municipalities to foster economic and physical improvements in a redevelopment or project area and to enhance the tax base of all taxing districts that levy taxes in such area. Within redevelopment areas, municipalities may use the power of eminent domain to provide necessary property acquisition for the implementation of a redevelopment plan and redevelopment project.

The concept of tax increment financing is outlined as follows: implementation of a redevelopment project within the redevelopment area will produce increased real estate assessments attributable to the redevelopment within the area. The project then makes PILOTS on the increased assessed value of the improved property. The project also generates new EATS resulting from operations within the redevelopment or project area. The TIF Act authorizes the capture of certain PILOTS and EATS in the redevelopment or project area over and above such levels within that area in the year prior to the approval of the redevelopment project. New development is made possible within the redevelopment area through the municipality's use of incremental revenues to finance certain costs of developing or redeveloping the area.

The municipality segregates these incremental revenues into a special account, the "special allocation fund," during the period of time in which the incremental revenues are dedicated to the purposes identified in the redevelopment plan. The municipality

is further authorized to pledge additional net new revenues from the project to the purposes identified in the redevelopment plan. All taxing districts that levy taxes on property within the redevelopment or project area continue to receive tax revenues based upon property values which existed prior to the adoption of ordinances establishing the redevelopment or project area. Taxing districts also benefit from the increase in certain other taxes resulting from the increased economic activity in the redevelopment or project area. These taxes resulting from development of the redevelopment project are not deposited in the special allocation fund pursuant to the provisions of the TIF Act.

The TIF Act requires that, prior to establishing a redevelopment area or approving or amending TIF redevelopment plans and projects, a municipality must create a TIF Commission. A TIF Commission is comprised of six individuals appointed by the chief elected official of the municipality, with the consent of its governing body, and three individuals who are appointed by the other taxing districts within the proposed redevelopment area. Two of these three members are to represent the school district(s) that tax property within the proposed redevelopment area; the other member is appointed by all the remaining taxing districts. The TIF Commission's role is to review, consider, and make recommendations to the municipality's governing body concerning the adoption of redevelopment plans and redevelopment projects and the designation of redevelopment areas; and to exercise such other powers as are available to it under the TIF Act.

### III. FINDING THAT REDEVELOPMENT AREA IS A BLIGHTED AREA

The City, by Ordinance No. 64831, pursuant to a blighting study and plan for the "Near Southside Redevelopment Area," dated December, 1999, designated all of the Redevelopment Area as a blighted area and approved a redevelopment plan for the Near Southside Redevelopment Area pursuant to §§ 99.300-99.715 (Mo. Rev. Stat.). Ordinance No. 64831 made a finding of blight (as defined in § 99.320 Mo. Rev. Stat.) for the Redevelopment Area as whole, as well as additional surrounding properties. Specifically, Ordinance No. 64831 states, in relevant part:

The properties within the Area are mostly in poor to fair condition . . . and are characterized by substantial vacant properties as well as deficiencies in site layout and infrastructure. The existence of deteriorated property constitutes both an economic liability to the City and presents a hazard to the health and well-being of its citizens. These conditions, therefore, qualify the Area as blighted within the meaning of Section 99.300 et seq. of the Revised Statutes of Missouri (the Land Clearance for Redevelopment Authority Law).

City Ordinance No. 64831 § A.5.

Pursuant to Ordinance No. 64831 § A.2, "fair condition" means (1) property that is generally structurally sound but suffers from inadequate maintenance and upkeep, or (2) vacant unimproved property that is under-utilized. "Poor condition" is defined as: "(1) buildings that are structurally unsound and/or substantially deteriorated, requiring major improvements such as new roofs, windows, systems, etc., in order to be used productively, or (2) property without buildings which is poorly maintained, has crumbling pavement, and/or is used for open storage." City Ordinance No. 64831 § A.2.

Despite the incentives available through the above-referenced plans, the Redevelopment Area remains blighted, unoccupied and underutilized.

As defined in the TIF Act, a "blighted area" is:

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 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.

The Redevelopment Area is a blighted area as defined above based upon the City's finding and the fact that it exhibits the factors enumerated above, which are further discussed as follows:

- i. Unsanitary or Unsafe Conditions. Evidence of unsanitary or unsafe conditions within the Area as a whole is cited in Ordinance No. 64831. Further, with regard to RPA1 and RPA2, as stated in the Listing:

The Buildings appear to be in good structural condition but are subject to the predictable deterioration of disuse and neglect. The complex was abandoned in 1985. Imperfect security has left the buildings easily accessible and signs of vandalism-both looting and arbitrary destruction-are ubiquitous. In some areas, this vandalism has accelerated the natural deterioration of structures, especially where windows have been broken or removed and where other exterior materials (such as cladding for the cupolas and dormers) have been stripped. Wooden elements at the rooflines of the hipped-roof buildings have also deteriorated. While the buildings all appear to be quite solidly constructed and are good candidates for renovation, there is very little left in the way of salvageable interior features or finishes. (Listing, Section 7, Page 5).

As previously noted, the City has demolished all but seven of the original structures within what was formerly known as the City Hospital Complex. Several key buildings remain, however, and with regard to these remaining structures, evidence of unsanitary, unsafe, and deteriorated conditions are noted throughout the Listing. For example, with regard to the Administration Building, the "original stone gates have been removed, and the front court is now filled with weeds." (Listing, Section 7, Page 5). Further, "all of the first story openings are boarded; upper story windows are largely broken out [and] the original stone steps have been removed." (Listing, Section 7, Page 5). Finally, the Listing states:

Marble facing [on the front entrance] has been removed by vandals although some of it is still on the floor. Interior condition is generally poor, water leakage has caused significant damage, and vandals have stolen or destroyed any removable features, including sections of iron stairs which are broken and/or completely missing. The cladding for the cupola and dormers have been removed, leaving the structure exposed, and a stone balustrade . . . has been removed. Portions of the slate roof are missing, and many upper story windows are broken or missing. (Listing, Section 7, Page 5).

Such conditions of the Administration Building are typical of RPA1 and RPA2 as well as the Area as a whole. Vacant since 1985, much of RPA1 and all of RPA2 have suffered from severe neglect, looting and vandalism. With respect to RPA3, the few remaining structures either have been condemned by the City for health and safety reasons or have multiple code violations.

- ii. Deterioration of Site Improvements. In general, deterioration refers to any physical deficiencies or disrepair in buildings or site improvements requiring treatment or repair. Deterioration may be evident in basically sound buildings containing minor defects, such as a lack of painting, loose or missing roof tiles, floor or ceiling panels, or holes and cracks over limited areas. Deterioration which is not easily curable, however, and which cannot be accomplished in the course of normal maintenance includes buildings with defects in the primary and secondary building components. 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, fascia materials, etc. Deterioration of streets and alleys includes evidence of pot holes, cracks, depressions, overgrowth, and poor drainage. Deterioration of sidewalks is evidenced by settled areas, cracks, gravel sections, overgrowth, or depressed curb areas.

As demonstrated by the physical condition of the Redevelopment Area, the Redevelopment Area suffers from severe deterioration of both primary and secondary building components. The deterioration of the buildings in the Redevelopment Area is substantial. As stated above, the buildings in RPA1 and RPA2 have been vandalized and stripped, and the resulting condition of the buildings has accelerated the natural deterioration of the structures. These deficiencies cannot be corrected through normal maintenance but require either replacement, renovation or rebuilding. The few remaining structures in RPA3 either have been condemned by the City for health and safety reasons or have multiple code violations. The Area suffers from deferred maintenance and vandalism of windows, doors, exterior walls and related decorative facade material, stairwells, roof areas, fascias and other interior elements.

- iii. Existence of Conditions which Endanger Life or Property by Fire or Other Causes. Endangerment by fire or other causes is typically due to the presence of structures below minimum code standards. Such code standards include building, housing, property maintenance, fire or other governmental codes applicable to the property. The principal purpose of such codes is to require buildings to be constructed and maintained so that they will have the capability to support the type of occupancy, and necessary fire and similar hazard protection, or to establish the minimum standards essential for safe and sanitary habitation.
- Due to the deterioration of site improvements and excessive vacancy of the Redevelopment Area, the Area suffers from endangerment by fire or other causes. Indeed, the Area lacks contemporary fire safety, sanitation, and other safety and security measures. Further, RPA1 contains a now vacant lot which was formerly the location of the Darst-Webbe housing project. Also, RPA3 contains two (2) condemned properties, four (4) properties where the structures have recently been demolished and three (3) properties with a total of twenty-three code violations among them. The lack of maintenance and unsafe conditions evident in the Redevelopment Area is a hazard to both real property and personal safety.
- iv. Economic and Social Liability. The Area in its current condition is a liability to the general welfare and economic independence of the City. The appearance and state of the Redevelopment Area erodes, if not completely discourages, new investment and development. Additionally, the condition of the Redevelopment Area discourages private investment and retards economic growth in the surrounding areas.
- v. Menace to the Public Health, Safety, Morals or Welfare. As discussed above, the Redevelopment Area exhibits many factors which constitute a menace to the public health, safety, morals, or welfare in its present condition and use. The deteriorating, unsanitary, and unsafe site conditions as illustrated above represent a menace to the public health and safety, and the economic liability of the deteriorated, vacant, or obsolete structures discussed above represents a menace to the public welfare.

The above factors, whether considered alone or as combined, constitute an economic and social liability, and constitute a menace to the public health, safety, and welfare. As long as such conditions are present in the Redevelopment Area, there will be little or no incentive for private investment and development to benefit the Area. Such disuse of property as is evidenced by the current condition of the Area retards redevelopment, lowers the morale of citizens, encourages abuse and social harm, and furthers the social stigma which currently plagues that and other areas of the City of St. Louis.

In determining if the proposed Redevelopment Area meets the eligibility requirements for TIF per the TIF Act, a number of sources of information were utilized. These include, but are not limited to, the following:

- a. Exterior survey of the condition and use of buildings within the Redevelopment Area;
- b. Analysis of existing uses and their relationships;
- c. Analysis of building and street design and layout;
- d. Review of previously approved blighting studies;
- e. National Historic Register Listing; and
- f. Review of code violations.

#### **IV. Redevelopment Plan INCLUDING NECESSARY FINDINGS**

##### 1. Description of the Redevelopment Area

A legal description and map of the Redevelopment Area is included herein as **Appendix 1**.

##### 2. Redevelopment Plan Objectives

The City of St. Louis has established the following objectives for the City Hospital TIF Redevelopment Plan. These objectives are consistent with those purposes outlined in the TIF Act:

- To enhance the public health, safety, and welfare of the community by improving the infrastructure, curing blighting conditions, and encouraging other public improvements necessary for insuring the Area's stability and existing and future redevelopment consistent with this Redevelopment Plan;

- Increase the level and perception of safety and revitalization in the Area which will in turn encourage an influx of new businesses and residents to the City;
- To upgrade and refurbish utilities, and other infrastructure facilities serving the Redevelopment Area;
- Provide for the renovation and rehabilitation of structures and other elements of historical and cultural significance to the City in keeping with the standards and requirements as set forth by the Cultural Resources Office, thereby reestablishing such structures to their former glory;
- To enhance the tax base by inducing development of the Redevelopment Area to its highest and best use, benefit taxing districts and encourage private investment in surrounding areas;
- To promote the health, safety, order, convenience, prosperity and the general welfare, as well as efficiency and economy in the process of development;
- Increase property values of the Area;
- To provide development/business opportunities in the Redevelopment Area and surrounding areas;
- To stimulate construction and permanent employment opportunities and increased demand for services for the Area; and
- To serve as a catalyst for new residential development in the City.

3. Redevelopment Project

As previously mentioned, this Redevelopment Plan designates three separate redevelopment project areas within the Redevelopment Area as a whole (RPA1, RPA2, and RPA3). The purpose of this is to allow for three separate projects within the Area (RPA1 Project, RPA2 Project, and RPA3 Project). Such designation provides more flexibility as the market for various land uses dictates change or adjustments in uses. Together, the RPA1 Project, RPA2 Project, and RPA3 Project constitute the Redevelopment Project and incorporate and will satisfy the goals, objectives, and other criteria as set forth in this Redevelopment Plan.

RPA1 Project:

- Residential Use      Redevelopment of the Administration Building (1515 Lafayette Avenue) into approximately 100 residential units, including substantial site work, landscaping, and construction of surface parking.

RPA2 Project:

- Residential Use      Construction of mixed income single family and multi-family residential space.

RPA3 Project:

- Mixed Use              Construction of mixed use buildings to provide office, retail and/or residential space.

It should be noted that at this time the detailed concept for the RPA2 Project and RPA3 Project is less well developed than that for the RPA1 Project. The Developer and City have begun to determine the proposed uses, design, parking and prospective tenants for a mixed use development within RPA2 and RPA3. Such plans are still in the development stage and will be finalized when the Developer is ready to submit a specific proposal to the City. Therefore, a separate, more detailed RPA2 Project proposal and RPA3 Project proposal will be submitted by the Developer to the City for approval after adoption by the City of this Redevelopment Plan. Any such submission will be subject to the requirements of the TIF Act, and may or may not necessarily require amendment of this Redevelopment Plan.

The Redevelopment Project is generalized (a) to leave room for design creativity and accommodations as needed, and (b) so the Developer can respond to prospective tenants' needs and market conditions as completion of the Redevelopment Project progresses. Redevelopment of this unique type and magnitude must take into consideration the varied needs of a mix of a commercial and residential tenants with specific space needs and requirements including the provision of adequate parking and access for the

disabled.

This Redevelopment Plan and Project follows approximately seventeen years of vacancy, vandalism, neglect, deterioration, and degradation of the Area, including the looting of significant architectural elements of structures within the Area. Given that a large majority of parcels within the Area are currently owned by the City or one of its agencies, clearly the Area, in its present state, is a severe economic liability of the City's. It is expected that completion of the Redevelopment Project will serve to eliminate blight in the Area, and will serve to stabilize the Area by helping to improve the perception of safety, economic growth and stability, investment, and residential development in the Area.

The total estimated Redevelopment Project Costs for the RPA1 Project equal approximately twenty-four million dollars, and are further outlined in **Appendix 2**. Such costs are estimated based on the knowledge of the Redevelopment Project at this time and that the actual redevelopment cost items for implementing the RPA1 Project may vary depending on market conditions and other factors. The total estimated Redevelopment Project Costs for the RPA2 Project equal approximately twenty-five million dollars, and the total estimated Redevelopment Project Costs for the RPA3 Project equal approximately twenty-five million dollars. The approximate costs for the RPA2 Project and RPA3 Project are estimated based on the limited knowledge of such projects at this time and that the actual redevelopment cost items for implementing such projects will vary depending on market conditions and other factors, as determined by the Developer.

4. General Land Uses to Apply

Existing land uses within the area include: residential, split-use, vacant land and commercial uses. There is a substantial amount of vacant land and structures in the Area. The Area currently contains zoning districts ranging from single-family to light industrial. The proposed land uses for the Redevelopment as a whole include residential, commercial and other mixed uses. It is anticipated that rezoning of portions of the Area may be required for implementation of this Redevelopment Plan.

5. Redevelopment Schedule and Estimated Dates of Completion

It is estimated that implementation of the RPA1 Project will be completed within three (3) years from the date of execution of a redevelopment agreement for completion of such project as contemplated by this Redevelopment Plan. Completion of the RPA2 Project will occur within approximately three-six (3-6) years from the date of approval of a redevelopment agreement for completion of such project as contemplated by this Redevelopment Plan (or other time frame as set forth in such redevelopment agreement and in accordance with the ICA). Completion of the RPA3 Project will occur within approximately three-six (3-6) years from the date of approval of a redevelopment agreement for completion of such project as contemplated by this Redevelopment Plan (or other time frame as set forth in such redevelopment agreement and in accordance with the ICA). The estimated date for retirement of obligations incurred to finance the Redevelopment Project shall not be more than twenty-three (23) years from approval of the RPA1 Project, RPA2 Project and RPA3 Project, respectively. Included herein as **Appendix 3** is the anticipated Redevelopment Program Schedule for the TIF Project.

6. Most Recent Equalized Assessed Value of Parcels within the Redevelopment Area

A list of the current (2003) Equalized Assessed Values of all taxable property in the Redevelopment Area is attached as **Appendix 4**. These values are established and will be confirmed by the Assessor of the City of St. Louis. The total assessed value of taxable property in the Redevelopment Area subject to PILOTS is currently \$56,560.00. The total assessed value of taxable property in the RPA1 subject to PILOTS is currently \$0.00. The total assessed value of taxable property in the RPA2 subject to PILOTS is currently \$8,700.00. The total assessed value of taxable property in the RPA3 subject to PILOTS is currently \$47,860.00.

7. Estimated Equalized Assessed Value After Redevelopment

The total estimated Equalized Assessed value of all taxable property subject to PILOTS in RPA1 after completion of the RPA1 Project is approximately \$3,129,505.00, as set forth in greater detail in **Appendix 4**. The total estimated Equalized Assessed Value of all taxable property subject to PILOTS in RPA2 after completion of the RPA2 Project is approximately \$4,275,000.00, subject to further determination by the City upon further development of project plans and specifications for the RPA2 Project. The total estimated Equalized Assessed Value of all taxable property subject to PILOTS in RPA3 after completion of the RPA3 Project is approximately \$5,737,500.00, subject to further determination by the City upon further development of project plans and specifications for the RPA3 Project.

8. Acquisition

As listed on **Appendix 4** attached incorporated herein, a large majority of the parcels necessary for completion of the Redevelopment Area are owned by the LCRA, LRA, City, or one of the City's agencies. The Developer, however, pursuant to an intergovernmental cooperation and development assistance agreement (the "ICA") with such owners, is the owner of under contract of all parcels within RPA1 and RPA2. With respect to RPA3, multiple private and public parties currently own such parcels. Such parcels, including any other additional parcels required for completion of the Redevelopment Project will be acquired by the City or one of its agencies and sold to the Developer at fair market value pursuant to the ICA.

9. Conforms with the Comprehensive Plan of the City

The proposed land uses, zoning, and proposed redevelopment plans are appropriate and consistent with local objectives as defined by the General Plan of the City of St. Louis which includes the "Comprehensive City Plan" (1947), the "St. Louis Development Program" (1973), and the "Economic Development Strategy" (1978). Further this Redevelopment Plan is consistent with the Near Southside Redevelopment Area Plan, approved by the City per Ordinance No. 64831.

10. Plan for Relocation Assistance

With respect to the Redevelopment Project, relocation of residents or businesses is not anticipated to be necessary within the Redevelopment Area. To the extent relocation would be necessary, this Redevelopment Plan adopts the City of St. Louis Relocation Policy (Ordinance No. 62481) as the relocation policy for this Redevelopment Plan.

11. Cost Benefit Analysis

A cost benefit analysis showing a net benefit to each taxing district impacted by this Redevelopment Plan and the RPA1 Project is on file with the St. Louis Development Corporation and City TIF Commission.

If the TIF Redevelopment Project is completed, then each of the taxing districts will continue to receive all of the tax revenues currently received from the Redevelopment Area. Additionally, they will benefit from the additional property taxes and economic activity taxes which will be paid and not contributed to the TIF. The TIF Act allows for the collection of only 50% of the EATS for payment of project costs. The other 50% are distributed to the appropriate taxing authorities. EATS also exist which are not applied to the TIF Projects as provided in the TIF Act. For example, the MetroLink portion of the local sales tax, the State Blind Pension levy and the Commercial Surcharge are all excluded from the TIF.

12. Does Not Include Gambling Establishment

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

13. Reports to DED

As required by the Statute, the City shall report to the Missouri Department of Economic Development by the last day of February each year, the name, phone number, and primary line of business of any business which locates within the Redevelopment Area.

**V. FINANCING PLAN**1. Eligible Redevelopment Project Costs

The TIF Act provides for the use of tax increment revenues generated by a designated redevelopment area to pay all reasonable or necessary costs incurred, estimated to be incurred, or incidental to a redevelopment plan or redevelopment project within a TIF redevelopment area ("Redevelopment Project Costs"). A municipality may pledge all or any part of the funds in and to be deposited in the special allocation fund (as defined by the TIF Act) established for a redevelopment project area to the payment of redevelopment project costs and obligations within the redevelopment area, including the retention of funds for the payment of future redevelopment project costs.

The estimated Redevelopment Project Costs to be incurred in connection with the RPA1 Project are approximately \$24 million, as set forth in **Appendix 2**. More specifically, the TIF Act allows the City and/or its designated developer(s) to incur

redevelopment costs associated with implementation of an approved Redevelopment Plan and approved Redevelopment Project. These costs include all reasonable or necessary costs incurred, and any costs incidental to a Redevelopment Project. Thus, this Redevelopment Plan anticipates that a portion of the sources of funds used to pay the Project Costs will come from the TIF revenues, which, in accordance with the TIF Act, may include but are not limited to:

- Cost of studies, surveys, plans and specifications;
- Professional service costs including, but not limited to, architectural, engineering, legal marketing, financial, planning or special services;
- Property assembly costs including, but not limited to, acquisition of land and other property real or personal or rights, or interests therein;
- Costs of sitework, including site preparation, demolition, excavation, grading, and removal of debris;
- Costs of rehabilitation, reconstruction, or repair or remodeling of existing buildings and fixtures;
- Costs of construction of public works or improvements;
- Financing costs including, but not limited to, all necessary and incidental expenses related to the issuance of obligations, and which may include the payment of interest on any obligations issued under the provisions of this Redevelopment Plan 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; and
- 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 City, by written agreement, accepts and approves such costs.

The costs as shown on **Appendix 2** represent the total approximate cost of the RPA1 Project regardless of the source of funding. This table does not include custom tenant finishes over and above Developer supplied finishes, which are unknown at this time. Typical plan implementation and financing costs are based on the experience of the Developer. It should be noted that these costs are estimated based on the knowledge of the RPA1 Project at this time and that the actual redevelopment cost items for implementing the Redevelopment Plan and the Redevelopment Project may vary from these estimates.

It is not the intent of **Appendix 2** or this Redevelopment Plan to restrict the City or the Developer to the cost amounts or cost items as outlined. During the life of the Redevelopment Area, Plan and Project, other costs may be incurred or adjustments may be made within and among the line items specified in **Appendix 2**, if necessary and reasonable to accomplish the program objectives of the Redevelopment Plan.

## 2. Anticipated Sources of Funds to Pay Redevelopment Project Costs

There are four principal sources of funds to pay the costs of implementation of the Redevelopment Plan and the Redevelopment Project previously described. These sources are:

- State Historic Tax Credits;
- Private Financing;
- Owner Equity;
- Funds available through the issuance of TIF notes, bonds, loans, certificates or other certificates of indebtedness (herein collectively referred to herein as "TIF Note or other financial obligations").

## 3. TIF Note Funding

This Redevelopment Plan proposes that the City initially authorize and issue a Tax Increment Financing Note ("TIF Note") in an amount equal to Four Million Dollars and no/100 (\$ 4,000,000.00) plus issuance costs. The TIF Note will fund a portion of the Project Costs associated with completion of the RPA1 Project. The costs associated for completion of the RPA2 Project and RPA3 Project, respectively, will be evaluated and determined at a later date when the Developer and City have more fully developed the

plans for and are ready to move forward with, such projects. At such time, Developer may request that the City initially authorize and issue an additional TIF Note or Notes in an amount to be determined by the City to fund a portion of the costs associated with completion of the RPA2 Project and RPA3 Project.

Upon receipt by the City of a written request of Developer, together with evidence that the Developer has met certain criteria as agreed upon by the City and Developer (as set forth in a Redevelopment Agreement to be entered into by and between the City and Developer for the particular RPA), the City, or one of its agencies, shall immediately proceed to issue tax increment financing bonds (“TIF Bonds”) to repay the TIF Note. The TIF Bonds issued shall be reimbursed from the revenue stream of PILOTS and EATS generated within the particular RPA over a twenty-three year period. Fifty percent of Economic Activity Taxes, as defined in the TIF Act, generated within the designated Redevelopment Area will be allocated to retire the TIF Note and/or TIF Bonds. Payments in lieu of real estate taxes within the particular RPA (“PILOTS”) will also be allocated to retire the TIF Note and/or TIF Bonds.

Other financing aspects of the Redevelopment Project are discussed in more detail in Section V.

It is the City’s intent to pay for the principal and interest on the TIF Note, TIF Bonds, or other financial obligations, in any year, with money legally available for such purpose within the City’s Special Allocation Fund. In addition, the TIF Notes, TIF Bonds, or other obligations may be privately placed.

The City’s Special Allocation Fund will contain at least two accounts:

1. The “PILOTS Account” which will contain all payments in lieu of taxes derived from all taxable, lots, blocks, tracts, and parcels of real property (or any interest therein) within the Redevelopment Area as such property is described in **Appendix 1** to the Redevelopment Plan; and
2. The “Economic Activity Taxes (“EATS”) Account” which will contain fifty percent (50%) of the total funds from taxes imposed by the City which are generated by the operations and activities within the Redevelopment Area as such property is described in **Appendix 1** to the Redevelopment Plan, excluding licenses, fees or special assessments, and excluding personal property taxes and payments to the PILOTS Account.

Funds on deposit in the PILOTS Account will be pledged to the payment of the Redevelopment Project Costs. Funds on deposit in the EATS Account will be subject to annual appropriation by the City for payment of the Redevelopment Project Costs. Such payment obligations shall not constitute debts or liabilities of the City, the State of Missouri, or any political subdivision thereof within the meaning of any constitutional or statutory debt limitation or restriction and neither the City nor the State of Missouri shall be liable thereon except from the PILOTS Account, and, to the extent appropriated by the City on an annual basis, from funds derived from other taxes deposited into the Special Allocation Fund.

4. Evidence of Commitment to Finance Project Costs

**Appendix 7** contains a preliminary commitment letter provided by U.S. Bank, which bank has made a preliminary review of the development proposal and has expressed an interest to finance the Project Costs associated with the Project.

**APPENDIX 1**

**CITY HOSPITAL TIF REDEVELOPMENT PLAN**

**LEGAL DESCRIPTION AND MAP OF THE REDEVELOPMENT AREA, INCLUDING DEPICTION OF SEPARATE REDEVELOPMENT PROJECT AREAS (“RPA”) WITHIN THE REDEVELOPMENT AREA**

**RPA1:**

The RPA1 contains the following parcels, together with all intervening streets and alleys. (the final survey shall govern the RPA1 Project Area.)

<u>ADDRESS</u>	<u>OWNER</u>	<u>PARCEL NUMBER</u>
1029 S. Tucker Blvd.	St. Louis Housing Authority	04750001300
1240 Chouteau Avenue	St. Louis Housing Authority	04750000450
1314 Park Avenue	City of St. Louis	08220000300
1400 Grattan Street	LRA	12510000100
1400 Dillon Street	LRA	12500000210
1410 Dillon Street	LRA	12500000110
1410R Dillon Street	LRA	12500000310
1415 S. 14th Street	City of St. Louis	08220000100
1515 Lafayette Avenue (partial)	LRA	12520000100

**RPA2:**

The RPA2 contains the following parcels, together with all intervening streets and alleys. (the final survey shall govern the RPA2 Project Area.)

<u>ADDRESS</u>	<u>OWNER</u>	<u>PARCEL NUMBER</u>
1419 Carroll Street	Thermal Resources c/o LRA	12500000410
1515 Lafayette Avenue (partial)	LRA	12520000100

**RPA3:**

The RPA3 contains the following parcels, together with all intervening streets and alleys. (the final survey shall govern the RPA3 Project Area.)

<u>ADDRESS</u>	<u>OWNER</u>	<u>PARCEL NUMBER</u>	<u>ASSESSED VALUE</u>
1720 South 14th Street	City of St. Louis	04140000300	380
1724 South 14th Street	LRA	04140000200	300
1726 South 14th Street	City of St. Louis	04140000100	630
1300 Lafayette Avenue	LRA	04140000400	6,200
1510 Lafayette Avenue	Foundation for Preservation of Health, Inc.	08200501500	700
1518 Lafayette Avenue	LRA	08200501050	290
1518 Lafayette Avenue	LCRA	08200501100	230
1817 South 14th Street	LCRA	08200001700	230
1811 South 14th Street	Betty Puzzo	08200001400	490
1809R South 14th Street	LCRA	08200000900	290
1809 South 14th Street	LCRA	08200001300	400
1801 South 14th Street	James and Carol Meng	08200000700	3,330
1500 Lafayette Avenue	Foundation for Preservation of Health, Inc.	08200501600	3,000
1512 Lafayette Avenue	LCRA	08200501400	230
1514 Lafayette Avenue	LCRA	08200501300	230
1516 Lafayette Avenue	LCRA	08200501200	230
1520H Lafayette Avenue	LCRA	08200500850	60
1522 Lafayette Avenue	Marilyn Veal	08200500800	1,960
1526 Lafayette Avenue	Clayton Investment Corp.	08200500700	2,050
1528 Lafayette Avenue	Eione Reese	08200500600	3,120
1530 Lafayette Avenue	El Forastero, Inc.	08200500506	1,900
1530 Lafayette Avenue	El Forastero, Inc.	08200500507	3,200
1538 Lafayette Avenue	Gene Bollinger	08200500400	5,590

<u>ADDRESS</u>	<u>OWNER</u>	<u>PARCEL NUMBER</u>	<u>ASSESSED VALUE</u>
1542 Lafayette Avenue	Gene Bollinger	08200500300	2,600
1552 Lafayette Avenue	LRA	08200500200	590
1554 Lafayette Avenue	Raymond and Selma Leisure	08200500100	3,570
1715 South 14th Street	Edward and Bessie Spengemann	08200501700	380
1717 South 14th Street	Edward and Bessie Spengemann	08200501800	360
1719 South 14th Street	Charles Pinter, Sr.	08200501900	360
1803R South 14th Street	David Duncan	08200001000	2,360
1805 South 14th Street	LCRA	08200001100	190
1807R South 14th Street	LCRA	08200000800	440
1807 South 14th Street	LCRA	08200001200	170
1813 South 14th Street	LCRA	08200001500	270
1815 South 14th Street	LCRA	08200001600	230
1819 South 14th Street	LCRA	08200001800	320
1509 Picker	LCRA	08200502000	320
1511 Picker	LCRA	08200502100	320
1515 Picker	LCRA	08200502200	320
1517 Picker	Cathy Fitzgerald	08200502300	800
1523 Picker	LCRA	08200502400	270
1525 Picker	LCRA	08200502500	230
1527 Picker	LCRA	08200502600	400
1601 Picker	LCRA	08200502700	250
1603 Picker	LCRA	08200502800	230
1605 Picker	LCRA	08200502900	190
1607 Picker	Cathy Fitzgerald	08200503000	190
1516 Picker	Linda Wilson	08200000400	2,740
1516R Picker	LCRA	08200000500	650
1520 Picker	LCRA	08200000300	1,800
1600 Picker	Kattie and Phillip Wrather, et al.	08200400050	5,620

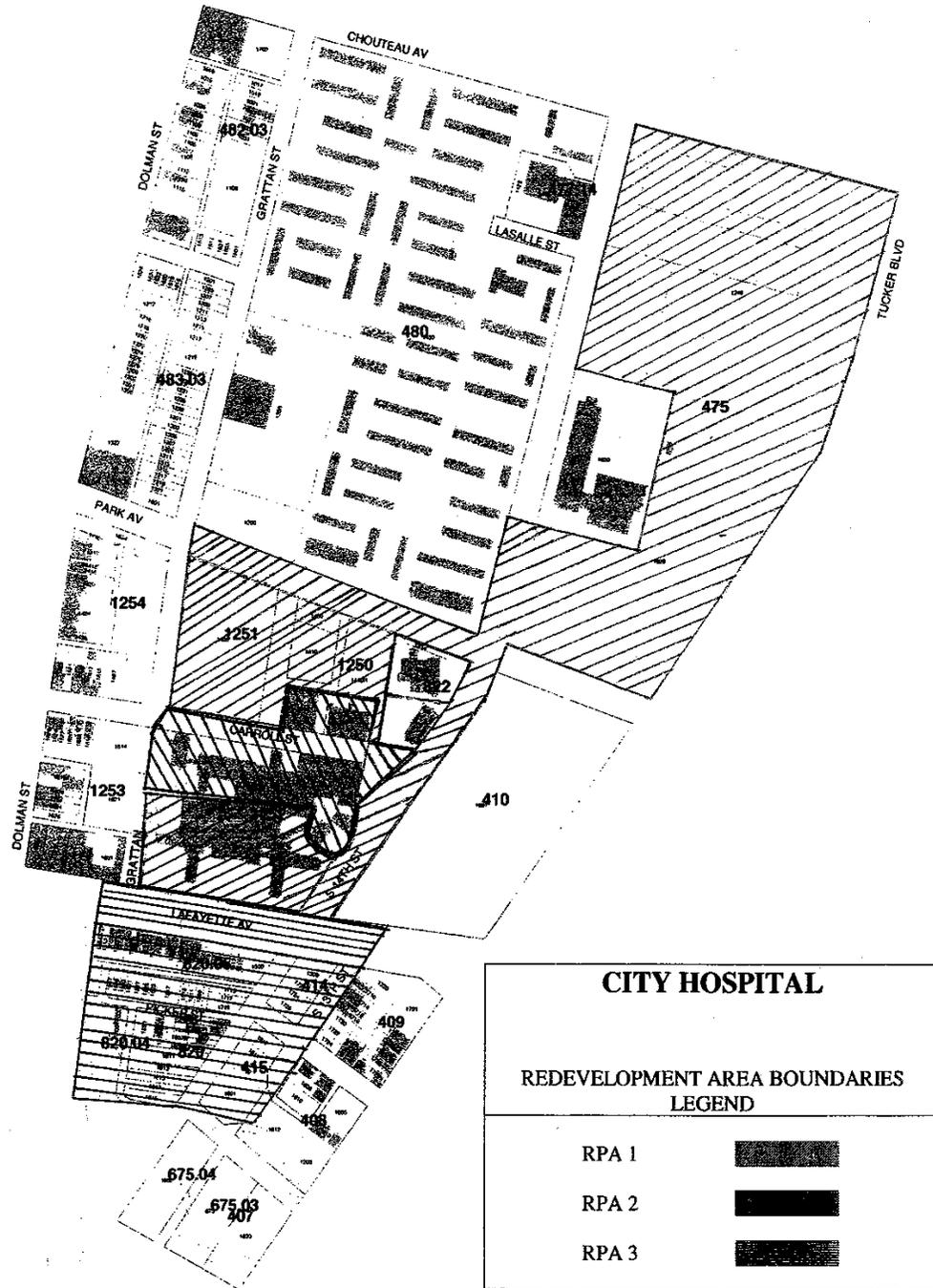
## APPENDIX 2

**CITY HOSPITAL TIF REDEVELOPMENT PLAN  
ESTIMATED REDEVELOPMENT PROJECT COSTS  
AND ANTICIPATED USES OF FUNDS**

<b>Acquisition</b>		\$50,000
<b>Prof. Fees and Soft Costs</b>		
Architectural Fee & Supervision	\$436,050	
Engineering	\$145,350	
Property Survey/Condo Plat	\$10,000	
Property Appraisal	\$7,500	
Enviornmental Report	\$2,500	
Real Estate/Organiz/Condo Dec. Fees & Cost	\$25,000	
Legal Fees	\$25,000	
Tax Credit Fee	\$2,000	
Developer Fee	<u>\$2,796,164</u>	
		\$3,449,564
<b>Interim/Financing Costs</b>		
Construction Period Insurnace	\$30,000	
Construction Period Interest	\$990,000	
Construction Loan Fee	\$200,000	
Const. Lender & Tax Credit Purchaser Legal	\$15,000	
Construction Period Real Estate Taxes	\$5,000	
TIF Related Expenses & Fees	\$54,000	
Title, Recording & Disbursing	\$150,000	
Accounting/Cost Cert/Tax Opinion	\$12,500	
Temporary Utilities	<u>\$7,500</u>	
		\$1,464,000
<b>Marketing Costs</b>		
Advertising/Promotions	\$18,000	
Leasing Literature	\$5,000	
Signage	\$10,000	
Commission @ 7% Residential	\$1,094,560	
Miscellaneous	\$5,000	
Display Costs - Furnishings	<u>\$10,000</u>	
		\$1,142,560
<b>Construction Costs</b>		
General Sitework	\$200,000	
Hard Costs @ 95/sf	\$14,535,000	
Contractor Over, General Req. and Pro	<u>\$1,473,500</u>	
		\$16,208,500
<b>Project Contingency</b>		\$1,453,500
<b>Total Uses:</b>		<b>\$23,768,124</b>

See attached Exhibit

65977



APPENDIX 3

CITY HOSPITAL TIF REDEVELOPMENT PLAN  
REDEVELOPMENT PROGRAM SCHEDULE

City Hospital TIF Redevelopment Plan RPA1 Project Proposed Schedule	Date	March					April				May				June				July				
		2	9	16	23	30	6	13	20	27	4	11	18	25	1	8	15	22	29	6	13	20	27
<b>Notice of formation of proposed TIF District to taxing districts and school districts to appoint members to TIF Commission</b> <small>(RSMo. § 99.80.2(7))</small>	03/13/03																						
<b>Advertise RFP for TIF Redevelopment Projects</b>	03/13/03																						
<b>City TIF Review Committee Meets</b> <small>Sets TIF Commission agenda</small>	03/19/03																						
<b>TIF Commission Meeting to review proposal and approve Resolution 00-TIF-XX which sets a time and place for Public Hearing</b>	04/16/03																						
<b>Submit Redevelopment Plan to TIF Commission</b> <small>(at least 45 days prior to public hearing)</small>	04/18/03																						
<b>Mailing of Notice to TIF Commission Public Hearing to Taxing Districts</b> <small>(not less than 45 days prior to hearing) (RSMo. § 99.830.3)</small>	04/18/03																						
<b>First Publication of Notice of TIF Commission Public Hearing</b> <small>(not more than 30 days prior to hearing) (RSMo. § 99.830.1)</small>	05/10/03																						
<b>Second Publication of Notice of TIF Commission Public Hearing</b> <small>(not more than 10 days prior to public hearing) (RSMo. § 99.830.1)</small>	05/25/03																						
<b>Written Notice to Property Owners</b> <small>(not less than 10 days prior to public hearing) (RSMo. § 99.830.3)</small>	05/23/03																						
<b>Public Hearing by TIF Commission</b> <small>(RSMo. § 99.825)</small>	06/04/03																						
<b>TIF Commission Recommendation to Board of Aldermen</b> <small>(within 90 days of TIF Public Hearing) (RSMo. § 99.820.3)</small>	06/04/03																						
<b>TIF Ordinances Introduced adopting plan, approving project, establishing district, establishing special allocation fund, approving redevelopment agreement and authorizing Issuance of TIF Notes</b> <small>(no sooner than 14 days after and not more than 90 days after the hearing) (RSMo. § 99.820.1(1))</small>	06/20/03																						
<b>HUDZ Committee Hearing on TIF Ordinances</b>	06/25/03																						
<b>Second Reading of TIF Ordinances</b>	06/27/03																						
<b>Perfection of Board Bill(s)</b>	07/11/03																						
<b>Third Reading and Final Passage of TIF Ordinances</b>	07/11/03																						
<b>Mayor Signs Bills</b>	07/15/03																						
<b>Construction Complete</b>	12/31/05																						

**APPENDIX 4**

CITY HOSPITAL TIF REDEVELOPMENT PLAN  
 EQUALIZED ASSESSED VALUE (2003) OF ALL PARCELS  
 WITHIN THE REDEVELOPMENT AREA

**Properties Necessary for RPA1**

<b>ADDRESS</b>	<b>OWNER</b>	<b>PARCEL NUMBER</b>	<b>ASSESSED VALUE</b>	<b>TAXABLE VALUE</b>
1029 S. Tucker Blvd.	St. Louis Housing Authority	4750001300	\$1,028,680	\$0
1240 Choteau Avenue	St. Louis Housing Authority	4750000450	\$11,400	\$0
1314 Park Avenue	City of St. Louis	8220000300	\$200	\$0
1400 Grattan Street	LRA	12510000100	\$0	\$0
1400 Dillion Street	LRA	12500000210	\$1,200	\$0
1410 Dillion Street	LRA	12500000110	\$4,000	\$0
1410R Dillion Street	LRA	12500000310	\$9,200	\$0
1415 S. 14 <sup>th</sup> Street	City of St. Louis	8220000100	\$7,000	\$0
1515 Lafayette Avenue (partial)	LRA	12520000100	\$96,900	\$0
		<b>TOTAL</b>	<b>\$1,158,620</b>	<b>\$0</b>

**Properties Necessary for RPA2**

<b>ADDRESS</b>	<b>OWNER</b>	<b>PARCEL NUMBER</b>	<b>ASSESSED VALUE</b>	<b>TAXABLE VALUE</b>
1419 Carroll Street	Thermal Resources c/o LRA	12500000410	\$8,700	\$8,700
1515 Lafayette Avenue (partial)	LRA	12520000100	\$96,900	\$0
		<b>TOTAL</b>	<b>\$105,600</b>	<b>\$8,700</b>

**Properties Necessary for RPA3**

<b>ADDRESS</b>	<b>OWNER</b>	<b>PARCEL NUMBER</b>	<b>ASSESSED VALUE</b>	<b>TAXABLE VALUE</b>
1720 South 14th Street	City of St. Louis	4140000300	\$440	\$0
1724 South 14th Street	LRA	4140000200	\$360	\$0
1726 South 14th Street	City of St. Louis	4140000100	\$720	\$0
1300 Lafayette Avenue	LRA	4140000400	\$6,500	\$0
1510 Lafayette Avenue	Foundation for Preservation of Health, Inc.	8200501500	\$700	\$700
1518 Lafayette Avenue	LRA	8200501050	\$340	\$0
1518 Lafayette Avenue	LCRA	8200501100	\$270	\$0
1817 South 14th Street	LCRA	8200001700	\$270	\$0
1811 South 14th Street	Betty Puzzo	8200001400	\$570	\$570

1809R South 14th Street	LCRA	8200000900	\$320	\$0
1809 South 14th Street	LCRA	8200001300	\$480	\$0
1801 South 14th Street	James and Carol Meng	8200000700	\$3,310	\$3,310
1500 Lafayette Avenue	Foundation for Preservation of Health, Inc.	8200501600	\$3,000	\$3,000
1512 Lafayette Avenue	LCRA	8200501400	\$270	\$0
1514 Lafayette Avenue	LCRA	8200501300	\$270	\$0
1516 Lafayette Avenue	LCRA	8200501200	\$270	\$0
1520H Lafayette Avenue	LCRA	8200500850	\$80	\$0
1522 Lafayette Avenue	Marilyn Veal	8200500800	\$2,200	\$2,200
1526 Lafayette Avenue	Clayton Investment Corp.	8200500700	\$3,400	\$3,400
1528 Lafayette Avenue	Eione Reese	8200500600	\$3,550	\$3,550
1530 Lafayette Avenue	El Forastero, Inc.	8200500506	\$1,900	\$1,900
1530 Lafayette Avenue	El Forastero, Inc.	8200500507	\$3,200	\$3,200
1538 Lafayette Avenue	Gene Bollinger	8200500400	\$4,580	\$4,580
1542 Lafayette Avenue	Gene Bollinger	8200500300	\$2,200	\$2,200
1552 Lafayette Avenue	LRA	8200500200	\$340	\$340
1554 Lafayette Avenue	Raymond and Selma Leisure	8000500100	\$2,190	\$2,190
1715 South 14th Street	Edward and Bessie Spengemann	8200501700	\$440	\$440
1717 South 14th Street	Edward and Bessie Spengemann	8200501800	\$420	\$420
1719 South 14th Street	Charles Pinter, Sr.	8200501900	\$420	\$420
1801 South 14th Street	James and Carol Meng	8200000700	\$3,310	\$3,310
1803R South 14th Street	David Duncan	8200001000	\$2,470	\$2,470
1805 South 14th Street	LCRA	8200001100	\$210	\$0
1807R South 14th Street	LCRA	8200000800	\$490	\$0
1807 South 14th Street	LCRA	8200001200	\$210	\$0
1809R South 14th Street	LCRA	8200000900	\$320	\$0
1809 South 14th Street	LCRA	8200001300	\$480	\$0
1811 South 14th Street	Betty Puzzo	8200001400	\$570	\$570
1813 South 14th Street	LCRA	8200001500	\$320	\$0
1815 South 14th Street	LCRA	8200001600	\$270	\$0
1817 South 14th Street	LCRA	8200001700	\$270	\$0
1819 South 14th Street	LCRA	8200001800	\$380	\$0
1509 Picker	LCRA	8200502000	\$380	\$0
1511 Picker	LCRA	8200502100	\$380	\$0
1515 Picker	LCRA	8200502200	\$380	\$0
1517 Picker	Cathy Fitzgerald	8200502300	\$910	\$910
1523 Picker	LCRA	8200502400	\$320	\$0
1525 Picker	LCRA	8200502500	\$270	\$0
1527 Picker	LCRA	8200502600	\$460	\$0
1601 Picker	LCRA	8200502700	\$290	\$0
1603 Picker	LCRA	8200502800	\$270	\$0
1605 Picker	LCRA	8200502900	\$230	\$0
1607 Picker	Cathy Fitzgerald	8200503000	\$230	\$230
1516 Picker	Linda Wilson	8200000400	\$2,190	\$2,190
1516R Picker	LCRA	8200000500	\$740	\$0
1520 Picker	LCRA	8200000300	\$2,200	\$0
1600 Picker	Kattie and Phillip Wrather, et al.	8200400050	\$5,760	\$5,760
		<b>TOTAL</b>	<b>\$67,320</b>	<b>\$47,860</b>

APPENDIX 5

CITY HOSPITAL TIF REDEVELOPMENT PLAN  
PROJECTED TIF REVENUES FROM THE RPA1 PROJECT

Year	Assessed Value	Real Estate taxes	PILOT	Utility Costs	Utility Tax	Utility Tax Increment	Payroll	Payroll & City Earnings Tax	Payroll & City Earnings Tax Increment	Construction Material Sales	TIF local Retail Sales Tax	Local Retail Sales Tax Increment	Total Tax Increments
Base	0	0	0	0	0	0	0	0	0	0	0	0	0
2003	\$0	\$0	\$0	\$3,000	\$210	\$105	\$2,461,275	\$36,919	\$18,460	\$4,052,125	\$100,290	\$50,145	\$68,710
2004	\$309,852	\$22,408	\$22,408	\$100,100	\$7,007	\$3,504	\$2,461,275	\$36,919	\$18,460	\$4,052,125	\$100,290	\$50,145	\$94,516
2005	\$1,859,112	\$134,445	\$134,445	\$298,310	\$20,882	\$10,441	\$30,000	\$450	\$225	\$0	\$0	\$0	\$145,111
2006	\$3,129,505	\$226,316	\$226,316	\$404,176	\$28,292	\$14,146	\$31,500	\$473	\$236	\$0	\$0	\$0	\$240,699
2007	\$3,379,866	\$244,422	\$244,422	\$424,384	\$29,707	\$14,853	\$33,075	\$496	\$248	\$0	\$0	\$0	\$259,523
2008	\$3,379,866	\$244,422	\$244,422	\$445,603	\$31,192	\$15,596	\$34,729	\$521	\$260	\$0	\$0	\$0	\$260,278
2009	\$3,650,255	\$263,975	\$263,975	\$467,884	\$32,752	\$16,376	\$36,465	\$547	\$273	\$0	\$0	\$0	\$280,625
2010	\$3,650,255	\$263,975	\$263,975	\$491,278	\$34,389	\$17,195	\$38,288	\$574	\$287	\$0	\$0	\$0	\$281,457
2011	\$3,942,275	\$285,094	\$285,094	\$515,842	\$36,109	\$18,054	\$40,203	\$603	\$302	\$0	\$0	\$0	\$303,450
2012	\$3,942,275	\$285,094	\$285,094	\$541,634	\$37,914	\$18,957	\$42,213	\$633	\$317	\$0	\$0	\$0	\$304,367
2013	\$6,436,389	\$465,460	\$465,460	\$568,716	\$39,810	\$19,905	\$44,324	\$665	\$332	\$0	\$0	\$0	\$485,698
2014	\$6,436,389	\$465,460	\$465,460	\$597,151	\$41,801	\$20,900	\$46,540	\$698	\$349	\$0	\$0	\$0	\$486,710
2015	\$6,907,725	\$499,546	\$499,546	\$627,009	\$43,891	\$21,945	\$48,867	\$733	\$367	\$0	\$0	\$0	\$521,858
2016	\$6,907,725	\$499,546	\$499,546	\$658,359	\$46,085	\$23,043	\$51,310	\$770	\$385	\$0	\$0	\$0	\$522,973
2017	\$7,414,154	\$536,169	\$536,169	\$691,277	\$48,389	\$24,195	\$53,876	\$808	\$404	\$0	\$0	\$0	\$561,998
2018	\$7,414,154	\$536,169	\$536,169	\$725,841	\$50,809	\$25,404	\$56,569	\$849	\$424	\$0	\$0	\$0	\$561,998
2019	\$7,958,326	\$575,522	\$575,522	\$762,133	\$53,349	\$26,675	\$59,398	\$891	\$445	\$0	\$0	\$0	\$602,642
2020	\$7,958,326	\$575,522	\$575,522	\$800,240	\$56,017	\$28,008	\$62,368	\$936	\$468	\$0	\$0	\$0	\$603,998
2021	\$8,543,094	\$617,811	\$617,811	\$840,252	\$58,818	\$29,409	\$65,486	\$982	\$491	\$0	\$0	\$0	\$647,711
2022	\$8,543,094	\$617,811	\$617,811	\$882,264	\$61,759	\$30,879	\$68,761	\$1,031	\$516	\$0	\$0	\$0	\$649,206
2023	\$9,171,530	\$663,258	\$663,258	\$926,378	\$64,846	\$32,423	\$72,199	\$1,083	\$541	\$0	\$0	\$0	\$696,222
2024	\$9,171,530	\$663,258	\$663,258	\$972,697	\$68,089	\$34,044	\$75,809	\$1,137	\$569	\$0	\$0	\$0	\$697,870
2025	\$9,846,939	\$712,101	\$712,101	\$1,021,331	\$71,493	\$35,747	\$79,599	\$1,194	\$597	\$0	\$0	\$0	\$748,445
2026	\$9,846,939	\$712,101	\$712,101	\$1,072,398	\$75,068	\$37,667	\$83,579	\$1,254	\$633	\$0	\$0	\$0	\$775,131
<b>TOTAL</b>	<b>\$139,799,575</b>	<b>\$10,109,885</b>	<b>\$9,753,835</b>	<b>\$14,838,257</b>	<b>\$1,038,678</b>	<b>\$500,571</b>	<b>\$6,077,708</b>	<b>\$91,166</b>	<b>\$45,269</b>	<b>\$8,104,250</b>	<b>\$200,580</b>	<b>\$100,290</b>	<b>\$10,399,966</b>

**Net Present Value of Increment @ 7.5 % = \$4,051,211**

- Condos**
1. Projections assume 10 units sold and occupied by 1/1/04; 60 units sold and occupied by 1/1/05; and 101 units sold and occupied by 1/1/06
  2. Base Assessed Value and estimated Assessed Value for 2004-06 based on discussions with City Assessor's Office assuming 90% of \$150 per sq. ft sales price; Assessed Value increases 6% per reassessment period after full occupancy.
  3. Real Estate Taxes computed with 2002 tax rate of \$7.2317 per \$100 of Assessed Value annually after full occupancy.
  4. Base utility tax computed on average utility bills for 2001; 2004-06 utility tax computed on average utility bill of \$200 per month per unit, multiply by average utility tax rate of 7%; utility costs increase by 5% annually after full occupancy.
  5. 2003 increment based on 6 months; 2026 increment based on 6 months

- Near South**
1. Projections assume 79 units sold and occupied by 6/1/04
  2. Base Assessed Value and estimated Assessed Value for 2004 based on discussions with City Assessor's Office assuming 90% of \$144,000 sales price for 79 units all with 10 years of tax abatement commencing in 2003 and ending 12/31/2012; Assessed Value increases 6% per reassessment after full occupancy.
  3. Real Estate Taxes computed with 2002 tax rate of \$7.2317 per \$100 of Assessed Value annually after full occupancy.
  4. Base utility tax computed on average utility bills for 2002; 2004 utility tax computed on average utility bill of \$150 per month per unit occupied, multiplied by average utility tax rate of 7%; utility costs increase by 5% annually after full occupancy.
  5. 2003 increment based on 6 months; 2026 increment based on 6 months.

APPENDIX 6

CITY HOSPITAL TIF REDEVELOPMENT PLAN  
DEVELOPER AFFIDAVIT

STATE OF MISSOURI     )  
  )  
CITY OF ST. LOUIS     )

AFFIDAVIT

I, the undersigned, am over the age of 18 years and have personal knowledge of matters stated herein.

The undersigned swears, affirms, and certifies the following to be true to induce the approval of Tax Increment Financing for the Redevelopment Area described in the City Hospital Complex Tax Increment Financing Redevelopment Plan, dated \_\_\_\_\_, 2003 (the "Redevelopment Plan").

1. I am a duly authorized representative of City Hospital Development, L.L.C. (the "Developer"), and am authorized by the Developer to attest to the matters set forth herein.

2. I am familiar with the Redevelopment Area described in the Redevelopment Plan. In my opinion, based on the factors set forth in the Redevelopment Plan, the Redevelopment Area, on the whole, qualifies as a "blighted area" as defined in Section 99.805(1) of the Missouri Revised Statutes (2000), and 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.

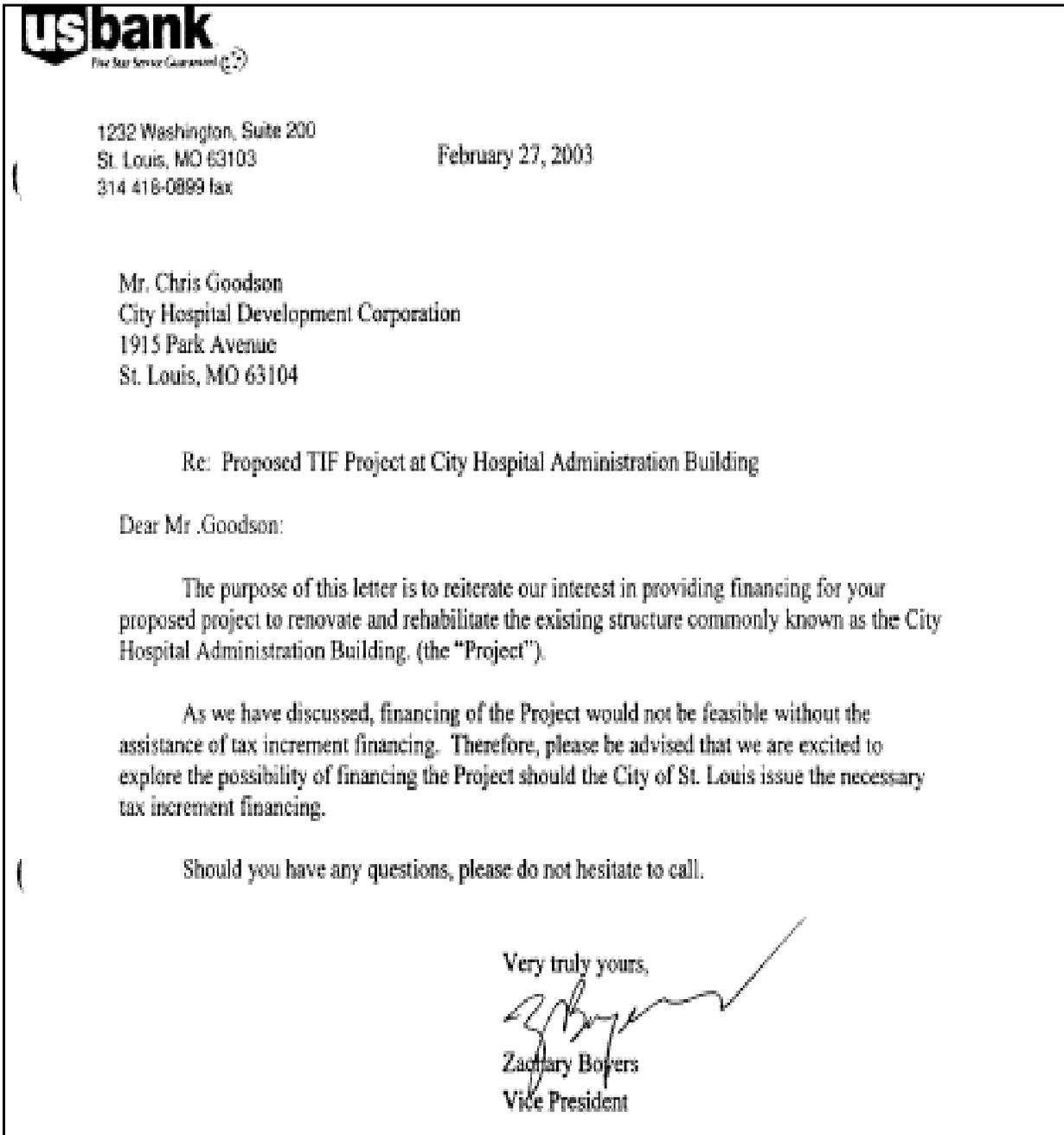
And Further Affiant Sayeth Not.

CITY HOSPITAL DEVELOPMENT, L.L.C.

By:   
Name: Chris Goodson  
Its: Managing Member

APPENDIX 7

CITY HOSPITAL TIF REDEVELOPMENT PLAN  
EVIDENCE OF COMMITMENT TO FINANCE  
REDEVELOPMENT PROJECT COSTS



Approved: July 23, 2003