

ORDINANCE #65978
Board Bill No. 157
Committee Substitute

AN ORDINANCE AFFIRMING ADOPTION OF A REDEVELOPMENT PLAN, REDEVELOPMENT AREA, REDEVELOPMENT PROJECT AREA ONE PROJECT (RPA1 PROJECT); AUTHORIZING THE EXECUTION OF A REDEVELOPMENT AGREEMENT BY AND BETWEEN THE CITY AND CITY HOSPITAL DEVELOPMENT, L.L.C.; PRESCRIBING THE FORM AND DETAILS OF SAID AGREEMENT; DESIGNATING CITY HOSPITAL DEVELOPMENT, L.L.C. AS DEVELOPER OF THE REDEVELOPMENT AREA; MAKING CERTAIN FINDINGS WITH RESPECT THERETO; AUTHORIZING OTHER RELATED ACTIONS IN CONNECTION WITH THE REDEVELOPMENT OF CERTAIN PROPERTY WITHIN THE REDEVELOPMENT AREA; 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, 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 affected by the Redevelopment Plan and the redevelopment project described therein; and

WHEREAS, pursuant to the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 through 99.865 of the Revised Statutes of Missouri (2000) (the "Act" or "TIF Act"), and after due consideration of the TIF Commission's recommendations, the Board of Aldermen of the City of St. Louis, Missouri adopted Ordinance No. _____ [Board Bill No. 156] on _____, 2003, which Ordinance (i) adopted and approved a redevelopment plan entitled the City Hospital TIF Redevelopment Plan (the "Redevelopment Plan"), (ii) designated the City Hospital TIF Redevelopment Area (as described in the Redevelopment Plan) as a "redevelopment area" as that term is defined in the TIF Act (the "Redevelopment Area"), (iii) adopted and approved the RPA1 Project described in the Redevelopment Plan, (iv) adopted tax increment allocation financing within the Redevelopment Area, (v) established the City of St. Louis, Missouri "City Hospital Special Allocation Fund," and (vi) made certain findings with respect thereto, all as set forth in such Ordinance and in accordance with the requirements of the Act; and

WHEREAS, the Redevelopment Plan proposes to completely redevelop the Redevelopment Area by providing for new construction where necessary, while also rehabilitating and renovating specific portions of the Area into retail and other commercial space, and residential uses (the "Redevelopment Project," or "TIF Project" as further set forth in the Redevelopment Plan); and

WHEREAS, the Redevelopment Area is of historical and cultural significance to the City; and

WHEREAS, pursuant to Ordinance No. _____ [Board Bill No. 156], the Board of Aldermen has determined that completion of the Redevelopment Project is of economic significance to the City, will serve to benefit the general welfare, qualifies for the use of tax increment allocation financing to alleviate the conditions that qualify it as a "redevelopment area" as provided in the TIF Act, and further, that redevelopment of the Redevelopment Area in accordance with the Redevelopment Plan is not financially feasible without the adoption of tax increment allocation financing and would not otherwise be completed; 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 Redevelopment Area qualifies for the use of tax increment allocation 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 enter into the Redevelopment Agreement

with City Hospital Development, L.L.C., as “Developer,” in order that Developer may complete the Redevelopment Project which will 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.

WHEREAS, pursuant to the provisions of the TIF Act, the City is authorized to enter into a redevelopment agreement with City Hospital Development, L.L.C., as “Developer,” setting forth the respective rights and obligations of the City and Developer with regard to the redevelopment of the Redevelopment Area (the “Redevelopment Agreement”); and

WHEREAS, the Board of Aldermen hereby determines that the terms of the Redevelopment Agreement attached as **Exhibit A** hereto and incorporated herein by reference are acceptable and that the execution, delivery and performance by the City and the Developer of their respective obligations under the Redevelopment Agreement are in the best interests of the City and the health, safety, morals and welfare of its residents, and in accord with the public purposes specified in the TIF Act and the Redevelopment Plan.

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 ratifies and confirms its approval of the Redevelopment Plan, Redevelopment Area, and RPA1 Project. The Board of Aldermen further finds and determines that it is necessary and desirable to enter into the Redevelopment Agreement with City Hospital Development, L.L.C., as Developer of the Redevelopment Area, in order to implement the RPA1 Project and to enable the Developer to carry out its proposal for development of the RPA1 Project.

Section Three. The Board of Aldermen finds and determines that the assistance of tax increment financing is necessary and desirable in order to implement the Redevelopment Project and to enable City Hospital Development, L.L.C., as “Developer,” to carry out its proposal for development of the Redevelopment Area and Redevelopment Project.

Section Four. The Board of Aldermen hereby approves, and the Mayor and Comptroller of the City are hereby authorized and directed to execute, on behalf of the City, the Redevelopment Agreement between the City and the Developer, and the City Register is hereby authorized and directed to attest to the Redevelopment Agreement and to affix the seal of the City thereto. The Redevelopment Agreement shall be in substantially the form attached hereto as Exhibit A, with such changes therein as shall be approved by the officers of the city executing the same and 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 Five. The Mayor and Comptroller of the City or their designated representatives are hereby authorized and directed to take any and all actions to execute and deliver for and on behalf of the City any and all additional certificates, documents, agreements or other instruments as may be necessary, desirable, convenient or proper in order to carry out the matters herein authorized or in the Redevelopment Agreement, including, but not limited to, a Note Purchase Agreement as defined in the Redevelopment Agreement.

Section Six. 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 Seven. 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 to 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.

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REDEVELOPMENT AGREEMENT

THIS REDEVELOPMENT AGREEMENT (this “Agreement”) is made and entered into as of this ____ day of _____, 2003, by and between the **CITY OF ST. LOUIS, MISSOURI** (the “City”), a city and political subdivision duly organized and existing under its charter and the Constitution and laws of the State of Missouri, and **CITY HOSPITAL DEVELOPMENT, L.L.C.** (the “Developer”), a limited liability company duly organized and existing under the laws of the State of Missouri. (All capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in Article I of this Agreement.)

RECITALS

A. Pursuant to Ordinance No. 62477, adopted and approved on December 20, 1991, the Board of Aldermen duly formed the Tax Increment Financing Commission of the City of St. Louis, Missouri (the “TIF Commission”), in accordance with the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 through 99.865 of the Revised Statutes of Missouri, (2000) (the “TIF Act”), and empowered the TIF Commission to transact business and exercise its powers as authorized by the TIF Act.

B. The City published a notice on _____, 2003 and _____, 2003, in the St. Louis Post-Dispatch, a newspaper of general circulation within the City, soliciting proposals for the redevelopment of the Redevelopment Area (as hereinafter defined), and made such requests for proposals available for potential developers of the Redevelopment Area.

C. Developer submitted its development proposal dated _____, 2003, (the “Redevelopment Proposal”), to the TIF Commission for redevelopment of the Redevelopment Area.

D. On June 4, 2003, following a public hearing held on June 4, 2003, in accordance with the TIF Act, the TIF Commission adopted a resolution approving the Redevelopment Plan titled “City Hospital TIF Redevelopment Plan,” dated April 18, 2003 (finalized May 19, 2003, amended June 13, 2003) (the “Redevelopment Plan”), the Redevelopment Project described in

the Redevelopment Plan (the "Redevelopment Project") and the Redevelopment Area, and recommending that the Board of Aldermen: (1) adopt tax increment financing with respect to the Redevelopment Area by passage of an ordinance complying with the terms of Section 99.845 of the Act; and (2) adopt an ordinance in the form required by the Act (a) approving the Redevelopment Plan, (b) approving and designating the Redevelopment Area as a "redevelopment area" as provided in the Act, (c) approving the Redevelopment Project, and (d) creating the City Hospital Special Allocation Fund.

E. On _____, 2003, after due consideration of the TIF Commission's recommendations, the Board of Aldermen adopted Ordinance No. _____ [Board Bill No. 156] designating the Redevelopment Area as a "redevelopment area" as provided in the TIF Act, approving the Redevelopment Plan, approving the Redevelopment Project Area One Project (RPA1 Project), adopting tax increment allocation financing within the Redevelopment Area and establishing the Special Allocation Fund.

F. On _____, 2003, the Board of Alderman adopted Ordinance No. _____ [Board Bill No. 157CS] affirming adoption of the Redevelopment Area, Redevelopment Plan and RPA1 Project, designating the Developer as developer of the Redevelopment Area, and authorizing the City to enter into this Agreement with Developer.

G. On _____, 2003, the Board of Alderman adopted Ordinance No. _____ [Board Bill No. 158CS] authorizing the issuance of TIF Notes as evidence of the City's obligation to pay certain Redevelopment Project Costs incurred in furtherance of the Redevelopment Plan and the RPA1 Project and pledging TIF Revenues to the payment of the TIF Notes.

H. The Board of Aldermen hereby determines that the acceptance of the Redevelopment Proposal and the fulfillment generally of this Agreement are in the best interests of the City, and the health, safety and welfare of its residents, and in accord with the public purposes specified in the Redevelopment Plan.

I. Pursuant to provisions of the TIF Act and Ordinance Nos. _____, _____ and _____ [Board Bill Nos. 156, 157 and 158], the City is authorized to enter into this Agreement, to issue TIF Notes as evidence of the City's obligation to pay certain Redevelopment Project Costs incurred in furtherance of the Redevelopment Plan and the RPA1 Project, and to pledge TIF Revenues to the payment of the TIF Notes.

AGREEMENT

Now, therefore, in consideration of the premises and promises contained herein and other good and valuable consideration, the adequacy and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I. DEFINITIONS

1.1 Definitions. As used in this Agreement, the following words and terms shall have the following meanings:

"Acquisition Costs" means all costs of acquiring a fee simple interest in the Property, including, but not limited to, the cost of land and improvements; brokerage commissions; costs of title commitments, reports or policies; surveys; engineering fees, environmental remediation, soil, hazardous waste and other site and property-related reports and expenses; appraisals; professional fees of any kind or nature, including, but not limited to, attorneys' fees, filing fees, recording fees, experts' fees; and all litigation costs, including, but not limited to, commissioners' awards, judgments, payments in settlement of litigation, and all associated court costs, fees and expenses.

"Act" or "TIF Act" means the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 through 99.865 of the Revised Statutes of Missouri (2000).

"Agreement" means this Redevelopment Agreement, as the same may be from time to time modified, amended or supplemented in writing by the parties hereto.

"Approved Investors" means (a) the Developer or a Related Entity, (b) an "accredited investor" under Rule 501(a) of Regulation D promulgated under the Securities Act of 1933, (c) a "qualified institutional buyer" under Rule 144A promulgated under the Securities Act of 1933, or (d) any general business corporation or enterprise with total assets in excess of \$50,000,000.

"Approving Ordinance" means Ordinance No. _____ [Board Bill No. 156] designating the Redevelopment Area, approving the Redevelopment Plan, approving the RPA1 Project, adopting tax increment allocation financing within the

Redevelopment Area, and establishing the Special Allocation Fund.

“Authorizing Ordinance” means Ordinance No. _____ [Board Bill No. 157CS] affirming approval and adoption of the Redevelopment Plan, RPA1 Project, and designation of the Redevelopment Area, designating Developer as the developer of the Redevelopment Area, and authorizing the City to enter into a Redevelopment Agreement with Developer.

“Available Revenues” means all TIF Revenues on deposit from time to time in the Special Allocation Fund excluding: (i) any amount paid under protest until the protest is withdrawn or resolved against the taxpayer, or (ii) any sum received by the City which is the subject of a suit or other claim communicated to the City which suit or claim challenges the collection of such sum.

“Board of Aldermen” means the Board of Aldermen of the City.

“Bond Counsel” means Armstrong Teasdale, LLP, St. Louis, Missouri, or an attorney at law or a firm of attorneys acceptable to the City of nationally recognized standing in matters pertaining to the tax-exempt nature of interest on obligations issued by states and their political subdivisions duly admitted to the practice of law before the highest court of any state of the United States of America or the District of Columbia.

“Bond Proceeds” means the gross cash proceeds from the sale of TIF Bonds before payment of Issuance Costs, together with any interest earned thereon.

“Certificate of Commencement of Construction” means a document substantially in the form of **Exhibit C**, attached hereto and incorporated by reference herein, delivered by Developer to the City in accordance with this Agreement and evidencing commencement of construction of the RPA1 Project.

“Certificate of Reimbursable Redevelopment Project Costs” means a document substantially in the form of **Exhibit D**, attached hereto and incorporated herein by reference, provided by the Developer to the City in accordance with this Agreement and evidencing Reimbursable Redevelopment Project Costs incurred by the Developer.

“Certificate of Substantial Completion” means a document substantially in the form of **Exhibit E**, attached hereto and incorporated herein by reference, issued by the Developer to the City in accordance with this Agreement and evidencing the Developer’s satisfaction of all obligations and covenants to construct the RPA1 Project in accordance with the Redevelopment Plan and this Agreement.

“City” means the City of St. Louis, Missouri, a city and political subdivision duly organized and existing under its charter and the Constitution and laws of the State of Missouri.

“Comptroller” means the Comptroller of the City.

“Construction Plans” means plans, drawings, specifications and related documents, and construction schedules for the construction of the Work, together with all supplements, amendments or corrections, submitted by the Developer and approved by the City in accordance with applicable law.

“Developer” means City Hospital Development, L.L.C., a limited liability company duly organized and existing under the laws of the State of Missouri, or its permitted successors or assigns in interest.

“Economic Activity Taxes” or “EATs” shall have the meaning ascribed to such term in Section 99.805(4) of the TIF Act.

“Governmental Approvals” means all plat approvals, re-zoning or other zoning changes, site plan approvals, conditional use permits, variances, building permits, or other subdivision, zoning, or similar approvals required for the implementation of the Redevelopment Project related to the Redevelopment Area and consistent with the Redevelopment Plan, and this Agreement.

“Issuance Costs” means all costs reasonably incurred by the City in furtherance of the issuance of TIF Obligations, including without limitation the fees and expenses of financial advisors and consultants, the City’s attorneys (including issuer’s counsel and Bond Counsel), the St. Louis Development Corporation’s administrative fees and expenses (including fees and costs of planning consultants), underwriters’ discounts and fees, the costs of printing any TIF Obligations and any official statements relating thereto, the costs of credit enhancement, if any, capitalized interest, debt service reserves and the fees of any rating agency rating any TIF Obligations.

“Maturity Date” means the date that is twenty three (23) years after the date of adoption of the Approving Ordinance.

“Note Ordinance” means Ordinance No. _____ adopted by the Board of Aldermen authorizing the TIF Note and TIF Obligations, any trust indenture relating thereto, and all related ordinances, resolutions and proceedings.

“Note Purchase Agreement” means an agreement between the Comptroller, Developer and the Note Purchaser setting forth the rights, duties and obligations of the parties thereto with respect to the issuance and sale of TIF Notes to a Note Purchaser, such Note Purchase Agreement to be in form and substance approved by the parties thereto, which approval shall not be unreasonably withheld, conditioned or delayed. Notwithstanding the foregoing or anything in this Agreement to the contrary, the purchase price to be paid by a Note Purchaser to the City for any TIF Note issued under this Agreement or the Note Ordinance shall be determined in the sole and absolute discretion of the Developer and the Note Purchaser.

“Note Purchaser” means the Original Purchaser.

“Original Purchaser” means the Developer, a Related Entity, any federal historic tax credit investor in the Redevelopment Project, any member, any partner or a majority shareholder of the Developer or a Related Entity of Developer, or an Approved Investor designated by the Developer as the Original Purchaser.

“Payments in Lieu of Taxes” or “PILOTS” shall have the meaning ascribed to such term in Section 99.805(10) of the TIF Act.

“Project Fund” means the Project Fund created in the Note Ordinance.

“Property” means the real property (including without limitation all options held by third parties, fee interests, leasehold interests, tenant in common interests and such other like or similar interests) in RPA1, as set forth in the Redevelopment Plan.

“Redevelopment Area” (or “Area”) means the real property described in **Exhibit A**, attached hereto and incorporated herein by reference.

“Redevelopment Plan” means the plan titled “City Hospital TIF Redevelopment Plan,” as approved by the City on _____, 2003 pursuant to the Approving Ordinance [Ordinance No. _____], as such plan may from time to time be amended in accordance with the TIF Act.

“Redevelopment Project” means the redevelopment project described in the Redevelopment Plan as approved by Ordinance No. _____ [Board Bill No. 156] on __, 2003, consisting of new construction and/or the rehabilitation and renovation of the structures located within the Redevelopment Area into commercial and/or residential uses.

“Redevelopment Project Costs” shall have the meaning ascribed to such term in Section 99.805(14) of the TIF Act.

“Redevelopment Proposal” means the document on file with the City and incorporated herein by reference, titled “City Hospital TIF Application,” submitted by the Developer to the TIF Commission and dated _____, 2003.

“Reimbursable Redevelopment Project Costs” means those Redevelopment Project Costs as described in **Exhibit B**, attached hereto and incorporated herein by reference, for which the Developer is eligible for reimbursement in accordance with this Agreement.

“Related Entity” means any party or entity related to the Developer by one of the relationships described in Section 267(b) of the Internal Revenue Code of 1986, as amended.

“Relocation Plan” means the relocation plan of the City for the Redevelopment Area as contained in the Redevelopment Plan, which relocation plan was adopted on December 20, 1991, pursuant to Ordinance No. 62481.

“RPA1” means that certain portion of the Redevelopment Area designated as redevelopment project area one in the Redevelopment Plan, and as is further shown and legally described in **Exhibit A**.

“RPA1 Project” means the redevelopment project are one project identified in the Redevelopment Plan, consisting of the rehabilitation and renovation of RPA1 into residential uses, as further set forth in the Redevelopment Plan, and as approved by

Ordinance No. ____ [Board Bill No. 156] on _____, 2003.

“Special Allocation Fund” means the City Hospital Special Allocation Fund, created by Ordinance No. _____ [Board Bill No. 158CS] in accordance with the TIF Act, and including the accounts and sub-accounts for the Redevelopment Project (and RPA1 Project), into which TIF Revenues are from time to time deposited in accordance with the TIF Act and this Agreement.

“TIF Act” means the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 through 99.865 of the Revised Statutes of Missouri (2000).

“TIF Bonds” means tax increment revenue bonds, if any, authorized and issued by the City in accordance with the TIF Act and this Agreement.

“TIF Commission” means the Tax Increment Financing Commission of the City of St. Louis, Missouri.

“TIF Notes” means tax increment revenue notes issued by the City pursuant to and subject to this Agreement and the Note Ordinance in substantially the form set forth in **Exhibit F**, to evidence the City’s limited obligation to repay Reimbursable Redevelopment Project Costs incurred by the Developer on behalf of the City in accordance with the TIF Act and this Agreement.

“TIF Obligations” means TIF Bonds, TIF Notes or other obligations, singly or in series, issued by the City pursuant to the TIF Act and in accordance with this Agreement.

“TIF Revenues” means: (1) payments in lieu of taxes (as that term is defined in Section 99.805(10) of the TIF Act) attributable to the increase in the current equalized assessed valuation of each taxable lot, block, tract, or parcel of real property located within RPA1 and above the initial equalized assessed value (as that term is used and described in Sections 99.845.1 and 99.855.1 of the TIF Act) of each such unit of property, as paid to the City Treasurer by the City Collector of Revenue during the term of the Redevelopment Plan and the RPA1 Project, and (2) fifty percent (50%) of the total additional revenues from taxes which are imposed by the City or other taxing districts (as that term is defined in Section 99.805(16) of the TIF Act) and which are generated by economic activities within the RPA1 over the amount of such taxes generated by economic activities within the RPA1 in the calendar year ending December 31, 2002 (subject to annual appropriation by the City as provided in the TIF Act), as defined and described in Sections 99.805(4) and 99.845 of the TIF Act, but excluding therefrom 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, as amended, taxes levied for the purpose of public transportation pursuant to Section 94.660 of the Revised Statutes of Missouri, as amended, and licenses, fees or special assessments other than payments in lieu of taxes and penalties and interest thereon, all as provided in Section 99.845 of the TIF Act.

“Trustee” means the trustee or fiscal agent for any issue of TIF Obligations.

“Work” means all work necessary to prepare the RPA1 to construct or cause the construction and completion of the RPA1 Project as specifically described in the Redevelopment Plan and this Agreement, including, but not limited to: (1) property acquisition; (2) professional services, including, but not limited to, architecture, engineering, surveying, financing, legal and planning and consulting; (3) demolition, site preparation and improvements, (4) construction, reconstruction or rehabilitation of the building(s) interior, the shell, the façade and the structural elements of the building; (5) construction, reconstruction, renovation and/or rehabilitation of related infrastructure and/or improvements, including without limitation surrounding roads, sidewalks and parking facilities; (6) installation of lighting, and landscaping; and (7) all other work described in the Redevelopment Plan and this Agreement, or reasonably necessary to effectuate the intent of this Agreement.

ARTICLE II. ACCEPTANCE OF PROPOSAL

2.1 Developer Designation. The City hereby selects the Developer to acquire the Property and to perform or cause the performance of the Work in accordance with the Redevelopment Plan, this Agreement and all Governmental Approvals. To the extent of any inconsistency among the foregoing, the parties agree that the Redevelopment Plan shall govern.

2.2 Developer to Advance Costs. The Developer agrees to advance all Redevelopment Project Costs as necessary to acquire the Property and to complete the Work, all subject to the Developer’s right to abandon the RPA1 Project and to terminate this Agreement as set forth in **Section 7.1** of this Agreement. Additionally, and not by way of limitation:

(i) the City hereby acknowledges payment by the Developer of a Five Thousand Dollar and no/100 (\$5,000) TIF Application Fee;

(ii) the City acknowledges that, prior to the execution of this Agreement, the Developer paid the lesser of: (i) the sum of Twelve Thousand Dollars and no/100 (\$12,000.00), or (ii) an amount equal to 0.3% of the maximum amount of TIF Obligations allowed to be issued by the City pursuant to Section 4.1 of this Agreement, which monies have been paid one half to the Comptroller and one half to the St. Louis Development Corporation to reimburse the Comptroller and the St. Louis Development Corporation for their administrative costs in reviewing the Redevelopment Plan and the Redevelopment Proposal;

(iii) the Developer shall, within ten (10) days after the date of execution of this Agreement, pay the lesser of: (i) the sum of Twelve Thousand Dollars and no/100 (\$12,000.00), or (ii) an amount equal to 0.3% of the maximum amount of TIF Obligations allowed to be issued by the City pursuant to Section 4.1 of this Agreement, which monies shall be paid one half to the Comptroller and one half to the St. Louis Development Corporation to reimburse the Comptroller and the St. Louis Development Corporation for their administrative costs in reviewing the Redevelopment Plan and the Redevelopment Proposal;

(iv) the Developer shall pay to the Comptroller an additional amount not to exceed Ten Thousand Dollars and no/100 (\$10,000.00) to reimburse the Comptroller for its actual legal expenses incurred in connection with the adoption of the Approving Ordinance and Authorizing Ordinance and the negotiation and execution of this Agreement. Such amount shall be paid within ten days of receipt from the Comptroller of a final itemized statement of all legal expenses incurred in connection with the adoption of the Approving Ordinance, Authorizing Ordinance and the negotiation and execution of this Agreement, which statement shall be submitted to Developer or Developer's legal counsel within thirty (30) days of the date of execution of this Agreement;

(v) the Developer shall pay to the Comptroller an additional amount to reimburse the Comptroller for its actual legal expenses incurred in connection with negotiation and execution of the Note Purchase Agreement, if any. Such amount shall be paid within ten days of receipt from the Comptroller of a final itemized statement of all legal expenses incurred in connection with the Note Purchase Agreement, if any, which statement shall be submitted to Developer or Developer's legal counsel within thirty (30) days of the date of execution of the Note Purchase Agreement, if any;

(vi) the Developer shall, concurrently with the initial issuance of the TIF Notes, pay to the City a flat fee of Fifteen Thousand Dollars and no/100 (\$15,000.00) for the City's Issuance Costs of such TIF Notes; and

(vii) any amounts advanced to the City shall represent Reimbursable Redevelopment Project Costs to be reimbursed exclusively from the proceeds of TIF Obligations as provided in and subject to **Articles IV and V** of this Agreement.

ARTICLE III CONSTRUCTION OF THE RPA1 PROJECT

3.1 Acquisition of Property. Developer represents that, as of the date of this Agreement, Developer is the fee owner of the Property. Any additional properties acquired by the Developer for completion of the Work shall be held in the name of the Developer and shall be subject to the terms, conditions and covenants contained herein and in the Redevelopment Plan immediately upon acquisition.

3.2 Condemnation. As of the date of this Agreement, it is not anticipated that the exercise of eminent domain will be necessary to acquire any portion of the Property.

3.3 Relocation. The Developer shall identify any Displaced Person (as defined in Ordinance No. 62481 of the City) that is entitled to relocation payments or relocation assistance under the Relocation Plan. The City shall, at the Developer's sole cost and expense, subject to reimbursement as a Reimbursable Redevelopment Project Cost in accordance with **Article IV** of this Agreement, coordinate such relocation payments and relocation assistance in accordance with the Relocation Plan.

3.4 Developer to Construct the Work. The Developer shall commence or cause the commencement of the construction of the Work within one hundred eighty (180) days of the date of this Agreement, which Work shall be constructed in a good and

workmanlike manner in accordance with the terms of this Agreement and the Redevelopment Plan. The Developer shall complete or cause the completion of all of the Work not later than July 31, 2005 absent an event of Force Majeure. In the event of any delay caused by an event of Force Majeure as defined in **Section 7.5** of this Agreement, Developer shall be granted additional time to complete the Work up to and including December 31, 2006.

The Developer may enter into or cause to be entered into one or more construction contracts to complete the Work. Prior to the commencement of construction of any portion of the Work, the Developer shall obtain or shall require that any of its contractors obtain workers' compensation, comprehensive public liability and builder's risk insurance coverage in amounts customary in the industry for similar type projects. The Developer shall require that such insurance be maintained by any of its contractors for the duration of the construction of such portion of the Work. To the extent that laws pertaining to prevailing wage and hour apply to any portion of the Work, the City and the Developer agree to cooperate and take all actions necessary to apply for the wage and hour determinations and otherwise comply with such laws.

3.5 Governmental Approvals. The City and the St. Louis Development Corporation agree to employ reasonable and good faith efforts to cooperate with the Developer and to process, timely consider and respond to all applications for the Governmental Approvals as received, all in accordance with the applicable City ordinances and laws of the State of Missouri.

3.6 Construction Plans; Changes. The Construction Plans shall be prepared by a professional engineer or architect licensed to practice in the State of Missouri and the Construction Plans and all construction practices and procedures with respect to the Work shall be in conformity with all applicable state and local laws, ordinances and regulations. During the progress of the Work, the Developer may make such reasonable changes, including without limitation modification of the construction schedule, including, but not limited to, dates of commencement and completion, modification of the areas in which the Work is to be performed, relocation, expansion or deletion of items, revisions to the areas and scope of Work, and any and all such other changes as site conditions or orderly development may dictate or as may be necessary or desirable, in the sole determination of the Developer, to enhance the economic viability of the RPA1 Project and as may be in furtherance of the general objectives of the Redevelopment Plan; provided that (a) the Developer shall comply with all laws, regulations and ordinances of the City and (b) prior to any material changes, the Developer shall obtain the advance written consent of the Mayor or his designee, which consent shall not be unreasonably withheld or delayed. For purposes of this **Section 3.6**, "material changes" shall mean any change that could reasonably be expected to result in a decrease in the aggregate amount of TIF Revenues generated within the Redevelopment Area to an amount less than 90% of the aggregate amount of TIF Revenues as projected in the Redevelopment Plan.

3.7 Certificate of Commencement of Construction. Promptly after commencement of construction of the Work, the Developer shall furnish to the St. Louis Development Corporation, with a copy to the Comptroller, a Certificate of Commencement of Construction, which certificate shall be in substantially the same form as Exhibit C attached hereto and incorporated herein by reference. The Certificate of Commencement of Construction shall be deemed accepted by the St. Louis Development Corporation upon receipt of the same.

3.8 Certificate of Substantial Completion. Promptly after substantial completion of the Work, the Developer shall furnish to the City and the St. Louis Development Corporation a Certificate of Substantial Completion. The Mayor or his designee and the St. Louis Development Corporation shall, within thirty (30) days following delivery of the Certificate of Substantial Completion, carry out such inspections as it deems necessary to verify to its reasonable satisfaction the accuracy of the certifications contained in the Certificate of Substantial Completion. The Certificate of Substantial Completion shall be deemed accepted by City and the St. Louis Development Corporation unless, within thirty (30) days following delivery of the Certificate of Substantial Completion, the Mayor or his designee or the St. Louis Development Corporation furnishes the Developer with specific written objections to the status of the Work, describing such objections and the measures required to correct such objections in reasonable detail. In the case where the Mayor or his designee or the St. Louis Development Corporation, within thirty (30) days following delivery of the Certificate of Substantial Completion for the Developer with specific written objections to the status of the Work, the Developer shall have such amount of time as is reasonably necessary to address such objections and when addressed shall re-submit the Certificate of Substantial Completion to the Mayor or his designee or the St. Louis Development Corporation in accordance with this Section. Upon acceptance of the Certificate of Substantial Completion by the Mayor or his designee or the St. Louis Development Corporation, or upon the lapse of thirty (30) days after delivery thereof to the Mayor or his designee or the St. Louis Development Corporation without any written objections thereto, the Developer may record the Certificate of Substantial Completion with the City's Recorder of Deeds, and the same shall constitute evidence of the satisfaction of the Developer's agreements and covenants to perform all Work. The Certificate of Substantial Completion shall be in substantially the form attached as **Exhibit E**, attached hereto and incorporated by referenced herein.

**ARTICLE IV.
REIMBURSEMENT OF DEVELOPER COSTS**

4.1 City's Obligation to Reimburse Developer. The City agrees to reimburse Developer for the verified Reimbursable Redevelopment Project Costs in an amount not to exceed Four Million Dollars and no/100 (\$4,000,000.00) plus Issuance Costs. Subject to the terms of the Note Ordinance, the City agrees to issue TIF Obligations to the Note Purchaser to evidence the City's obligation to reimburse Developer for verified Reimbursable Redevelopment Project Costs in an amount not to exceed Four Million Dollars and no/100 (\$4,000,000.00) plus Issuance Costs and as provided in Article V of this Agreement.

4.2 Reimbursements Limited to Reimbursable Redevelopment Project Costs; Developer's Right to Substitute. Nothing in this Agreement shall obligate the City to reimburse the Developer for any cost that is not incurred pursuant to Section 99.820.1 of the TIF Act or that does not qualify as a "redevelopment project cost" under Section 99.805(14) of the TIF Act. The Developer shall provide to the City (a) itemized invoices, receipts or other information evidencing such costs; and (b) a Certificate of Reimbursable Redevelopment Project Costs constituting certification by the Developer that such cost is eligible for reimbursement under the TIF Act. Within thirty (30) days of the City's receipt from the Developer of a Certificate of Reimbursable Redevelopment Project Costs, the City shall review and act upon such Certificate of Reimbursable Redevelopment Project Costs. The parties agree that each of the categories of costs set forth in **Exhibit B**, attached hereto and incorporated herein by reference, shall constitute Reimbursable Redevelopment Project Costs which are eligible for reimbursement in accordance with the TIF Act and this Agreement. The Developer shall be entitled to reimbursement for Redevelopment Project Costs from any of the categories set forth in Exhibit B, up to the maximum aggregate amount established in **Section 4.1** of this Agreement; provided that the Developer shall be obligated to advance to the City the full amounts identified in **Section 2.2, clauses (i)-(v)**, of this Agreement. If the City determines that any cost identified as a Reimbursable Redevelopment Project Cost is not a "redevelopment project cost" under Section 99.805(14) of the TIF Act, the City shall so notify the Developer in writing within the 30-day period referenced in this **Section 4.2**, identifying the ineligible cost and the basis for determining the cost to be ineligible, whereupon the Developer shall have the right to identify and substitute other Redevelopment Project Costs as Reimbursable Redevelopment Project Costs with a supplemental application for payment. If the City fails to approve or disapprove any Certificate of Reimbursable Redevelopment Project Costs within thirty (30) days after receipt thereof, the Certificate of Reimbursable Redevelopment Project Costs shall be deemed approved, as further set forth in the Note Ordinance.

**ARTICLE V.
TIF OBLIGATIONS**

5.1 Conditions Precedent to the Issuance of TIF Notes. No TIF Notes shall be issued until such time as the City has received (i) a Certificate of Commencement of Construction; (ii) a Certificate of Reimbursable Redevelopment Project Costs in substantially the form of **Exhibit D**, attached hereto and incorporated herein by reference evidencing that Developer has paid or incurred Reimbursable Redevelopment Project Costs of at least \$600,000, of which at least \$400,000 shall be hard costs related to categories B through D on **Exhibit B** (but for which Developer may or may not be seeking reimbursement); (iii) payment of the City's Issuance Costs in connection with the TIF Note(s) pursuant to **Section 2.2, clause (v)**; (iv) an opinion of Bond Counsel regarding the taxable nature of the TIF Notes; and (v) such other documentation as the City shall reasonably require of Developer in order for the City to obtain an opinion of Bond Counsel as required by this **Section 5.1**.

5.2 Issuance of TIF Notes. Upon satisfaction of the conditions of **Section 2.2, clause (v)**, and **Section 5.1** of this Agreement, the City agrees to issue one or more TIF Notes as provided in the Note Ordinance to the Note Purchaser to reimburse the Developer for Reimbursable Redevelopment Project Costs up to the maximum amount established in **Section 4.1** of this Agreement, subject to the limitations of **Article IV** of this Agreement. The TIF Notes shall be in a form substantially similar to **Exhibit F**, attached hereto and incorporated herein by reference.

5.2.1 Terms. Each TIF Note shall bear interest at a fixed rate per annum equal to (i) seven and one-half percent (7.5%) if the interest on such TIF Note, in the opinion of Bond Counsel, is not exempt from Federal income taxation; or (ii) six percent (6%) if the interest on such TIF Note, in the opinion of Bond Counsel, is exempt from Federal income taxation. All TIF Notes shall have a stated maturity of the Maturity Date

5.2.2 Procedures for Issuance of TIF Notes. Except as otherwise provided in this Agreement, the City shall, within ten (10) days after acceptance by the City of the Certificate of Reimbursable Redevelopment Project Costs, issue the TIF Note or an endorsement to an existing TIF Note to the Note Purchaser evidencing an advance for the reimbursement of Reimbursable Redevelopment Project Costs ("*Construction Advance*"). In lieu of an endorsement to

an existing TIF Note, the City shall, upon written request by the Developer or pursuant to the Note Purchase Agreement, if any, issue additional TIF Notes in denominations of One Hundred Thousand Dollars (\$100,000) and in increments of One Thousand Dollars (\$1,000) in excess thereof, to evidence the City's obligation to pay such advances of Redevelopment Project Reimbursement Costs ("*Additional Notes*").

If the City accepts the Certificate of Reimbursable Redevelopment Project Costs within thirty (30) days after submission by the Developer, the resulting Construction Advance or Additional Notes shall be deemed to have been issued on the date that the City accepts the Certificate of Reimbursable Redevelopment Project Costs. If the City accepts the Certificate of Reimbursable Redevelopment Project Costs more than thirty (30) days after submission by Developer (or rejects it more than thirty (30) days after submission by Developer and provides the Developer the right to identify and substitute eligible Reimbursable Redevelopment Project Costs in accordance with **Section 4.2** of this Agreement), the resulting Construction Advance or Additional Notes shall be deemed to have been issued on the thirty-first (31st) day after submission of the Certificate of Reimbursable Redevelopment Project Costs by the Developer.

Notwithstanding anything contained in this Agreement to the contrary, the City shall be entitled to withhold from each endorsement of the principal amount of the TIF Notes an amount equal to ten percent (10%) of the maximum principal amount of each TIF Note allowable under this Agreement until such time as the Certificate of Substantial Completion has been accepted by the City and St. Louis Development Corporation in the manner provided in this Agreement.

Notwithstanding anything contained in this Agreement to the contrary, upon the acceptance by the City of a Certificate of Reimbursable Redevelopment Project Costs and the issuance by the City of a Construction Advance or Additional Notes as provided in **Section 5.2.2** of this Agreement, to extent the Note Purchaser is the Developer, a Related Entity, a federal historic tax credit investor in the Redevelopment Project, or a member, partner or majority shareholder of the Developer or a Related Entity, the Developer shall be deemed to have advanced funds necessary to purchase such TIF Notes and the City shall be deemed to have deposited such funds in the Project Fund and shall be deemed to have reimbursed the Developer in full for such costs from the amounts deemed to be on deposit in the Project Fund from time to time.

5.2.3 Issuance of TIF Notes Pursuant to Note Purchase Agreement. Upon submittal by Developer of a written request to the City for a Note Purchaser, pursuant to a Note Purchase Agreement to purchase the TIF Note(s) from the City when issued pursuant to **Section 5.2.2** for a purchase price equal to the face amount of such TIF Note being issued or such other lesser amount as agreed to between the Developer and the Note Purchaser as stated in the Note Purchase Agreement, the City shall issue the TIF Note(s) to the Note Purchaser in accordance with the Note Ordinance in a principal amount not to exceed the maximum amount as established in **Section 4.1** of this Agreement.

Upon approval of each Certificate of Reimbursable Redevelopment Project Costs submitted to the City by the Developer in accordance with **Section 5.2.2**, the Comptroller shall:

i) forward such approved Certificate of Reimbursable Redevelopment Project Costs to the Note Purchaser with directions to the Note Purchaser to remit to the City in accordance with the terms of the Note Purchase Agreement, the purchase price of the TIF Note to be issued by the City in the amount set forth in the approved Certificate of Reimbursable Redevelopment Project Costs with such discount as may be provided for in the Note Purchase Agreement; and

ii) upon receipt of the purchase price for such TIF Note from the Note Purchaser, immediately remit such purchase price to Developer to reimburse Developer for the approved Reimbursable Redevelopment Project Costs.

Notwithstanding anything to the contrary herein, where the purchase price paid by the Note Purchaser for the TIF Note(s) is less than the face amount of the TIF Note(s), no interest shall accrue and no payment shall be made on the difference between the face amount of the TIF Note(s) and the purchase price of the TIF Notes(s) until such time as (i) Developer has submitted a Certificate(s) of Reimbursable Redevelopment Project Costs equal to the face amount of the TIF Note(s); and (ii) Developer has submitted its Certificate of Substantial Completion in accordance with this Agreement.

5.2.4 Special Mandatory Redemption of TIF Notes. All TIF Notes are subject to special mandatory redemption by the City, in whole at any time or in part on each March 1 and September 1 occurring after the acceptance by the City of the Certificate of Substantial Completion at a redemption price equal to 100% of the principal amount being redeemed, together with the accrued interest thereon to the date fixed for redemption.

5.3 Alternative Issuance of TIF Notes. City's Obligations Limited to Special Allocation Fund, Bond Proceeds and TIF Note Proceeds. Notwithstanding any other term or provision of this Agreement, TIF Notes issued by the City to a Note Purchaser pursuant to **Sections 5.2.2** or **5.2.3** are payable only from the Special Allocation Fund and from Bond Proceeds, if any, and from no other source. Notwithstanding any other term or provision of this Agreement, the City's obligation under **Section 4.1** of this Agreement to reimburse Developer for Reimbursable Redevelopment Project Costs are payable only from the proceeds of TIF Obligations issued by the City and from no other source.

5.4 Optional Issuance of TIF Bonds. The City may, in its sole and absolute discretion, issue, or cause to be issued, TIF Bonds at any time in an amount sufficient to refund all or a portion of the outstanding TIF Notes.

5.5 Mandatory Issuance of TIF Bonds. Upon receipt of a written request by Developer and upon the City's underwriter's recommendation in favor of issuing TIF Bonds and recommendation of the principal amount thereof based on the criteria set forth below, the City shall immediately proceed to issue, or cause to be issued, TIF Bonds as described in this Section. The aggregate gross cash proceeds from the sale of the TIF Bonds before payment of Issuance Costs, together with any interest accrued thereon ("Bond Proceeds") of such TIF Bonds will be finally determined by the City after receiving the underwriter's recommendation based on the criteria set forth below. The City shall not be obligated to issue or cause to be issued such TIF Bonds unless the underwriter determines that all of the following criteria are satisfied as of the date of issuance of such bonds, unless such criteria are waived by the City's underwriter. Developer shall not have any liability for any costs associated with the issuance of TIF Bonds but shall bear its own costs and expenses, including any attorneys' fees and expenses, which Developer may incur in complying with this Section.

5.5.1 Criteria for Issuance of TIF Bonds. The underwriter's recommendation for issuance of TIF Bonds and the principal amount thereof shall be based on the following criteria:

(i) Confirmation that there are sufficient executed leases and/or satisfactory lease commitments or sale contracts in place to generate revenues sufficient to pay debt service on the TIF Bonds, based on the average rent or sales price and/or sales for such tenants or owners;

(ii) Acceptance by the City of the Certificate of Substantial Completion;

(iii) Review of projections of TIF Revenues available for debt service as proposed by an independent qualified consultant. Such projections must show that (A) if all available TIF Revenues were to be applied to the immediate repayment of the TIF Bonds, the TIF Bonds would reasonably be anticipated to be retired within twenty-three years from the date of adoption of the Approving Ordinance, and (B) based on a maturity date twenty-three years from the date of adoption of the RPA1 Project by the Approving Ordinance, the TIF Bonds are reasonably likely to achieve debt service coverage ratio reasonably acceptable to the City's underwriter;

(iv) Developer must have obtained a Certificate of Occupancy for the residential portion, if any, of the RPA1 Project;

(v) Developer's documentation of the stabilization of the RPA1 Project for a minimum period of two years as evidenced in a report to the City prepared by a qualified independent consultant to be paid for by the City, which report also sets forth TIF revenue projections for the RPA1 Project in connection with the issuance of the TIF Bonds; and

(vi) The net average annual debt service on the TIF Bonds (taking into account the principal portion of the TIF Bonds that are issued to establish a reserve fund and to pay Issuance Costs, and including any reserve fund earnings) will be lower than the average annual debt service on the outstanding TIF Notes, unless the Developer voluntarily elects to defer or forgive principal of and/or interest on the TIF Notes in an amount necessary to make the net average annual debt service on the TIF Bonds lower than the net average annual debt service on the outstanding TIF Notes.

5.5.2 Application of TIF Bond Proceeds. Proceeds of any TIF Bonds shall be applied:

(i) To the payment of costs relating to the issuance of the TIF Bonds;

- (ii) To the payment of outstanding principal of and interest on the TIF Notes to be refunded;
- (iii) To the payment of capitalized interest on the TIF Bonds; and
- (iv) To the establishment of a debt service reserve fund for the TIF Bonds in a reasonable amount of the principal amount of TIF Bonds to be issued, as to be determined by the City's underwriter.

5.6 Cooperation in the Issuance of TIF Obligations Bonds. Developer covenants to cooperate and take all reasonable actions necessary to assist the City and its Bond Counsel, underwriters and financial advisors in the preparation of offering statements, private placement memorandum or other disclosure documents and all other documents necessary to market and sell the TIF Obligations, including disclosure of tenants of the RPA1 and the non-financial terms of the leases between Developer and such tenants. Developer will not be required to disclose to the general public or any investor any proprietary or confidential information, including financial information, pertaining to Developer, but upon the execution of a confidentiality agreement acceptable to Developer, Developer will provide such information to the City's financial advisors, underwriters and their counsel to enable such parties to satisfy their due diligence obligations. Developer shall make such compliance obligation a covenant running with the land, enforceable as if any subsequent transferee thereof were originally a party to and bound by this Agreement.

5.7 City to Select Underwriter and Financial Advisor; Term and Interest Rate. The City shall have the right to select the designated underwriter (and such financial advisors and consultants as the underwriter and the City deem necessary for the issuance of the TIF Bonds) and underwriter's counsel. The final maturity of the TIF Bonds shall not exceed the maximum term permissible under the TIF Act. The TIF Bonds shall bear interest at such rates as set forth in **Section 5.7** herein, shall be subject to redemption and shall have such terms as the City shall determine in its sole discretion.

ARTICLE VI. SPECIAL ALLOCATION FUND; COLLECTION AND USE OF TIF REVENUES

6.1 Creation of Special Allocation Fund. The City agrees to cause its Comptroller or other financial officer to maintain the Special Allocation Fund, including a "PILOTs Account" and an "EATs Account," and such further accounts or sub-accounts as are required by this Agreement or as the Comptroller may deem appropriate in connection with the administration of the Special Allocation Fund pursuant to this Agreement. Subject to the requirements of the TIF Act and, with respect to Economic Activity Taxes, subject to annual appropriation by the Board of Aldermen, the City will promptly upon receipt thereof deposit all Payments in Lieu of Taxes into the PILOTs Account and all Economic Activity Taxes into the EATs Account.

6.2 Certification of Base for PILOTS and EATS.

6.2.1 Upon the reasonable written request of the City, Developer shall use its best efforts to provide or cause to be provided to the Comptroller or its authorized representative any documents necessary for the City to calculate the base for PILOTs and EATs including, but not limited to: (i) the address and locator number of all parcels of real property located within the Redevelopment Area; and (ii) the federal and state tax identification numbers of each "seller" (as that term is defined in Section 144.010(11) of the Missouri Revised Statutes, as amended) located in the Redevelopment Area in the calendar year ending December 31, 2002.

6.2.2 Within ninety (90) days after adoption of the Approving Ordinance by the Board of Aldermen, the City shall provide to the Developer: (i) a true, correct and complete copy of the City Assessor's calculation of the total initial equalized assessed valuation of the taxable real property within the Redevelopment Area based upon the most recently ascertained equalized assessed value of each taxable lot, block, tract, or parcel of real property within the Redevelopment Area; and (ii) a certification of the amount of revenue from taxes, penalties and interest which are imposed by the City and other taxing districts and which are generated by economic activities within the Redevelopment Area for the calendar year ending December 31, 2002, but excluding those 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, taxes levied for the purpose of public transportation, or licenses, fees or special assessments identified as excluded in Section 99.845.3 of the TIF Act.

6.3 Application of Available Revenues. The City hereby agrees for the term of this Agreement to apply the Available Revenues and any taxes, fees or assessments subsequently enacted and imposed in substitution therefor and allocable to the Special

Allocation Fund under the TIF Act or this Agreement to the repayment of TIF Obligations issued under **Article V** of this Agreement as provided in the Note Ordinance and this Agreement. As long as any TIF Notes are outstanding, Available Revenues shall be applied to such payment each March 1 and September 1 (each, a "Payment Date") occurring after acceptance by the City of the Certificate of Substantial Completion (either by the City Comptroller or other financial officer or, at the option of the City, by the Trustee on behalf of the City), first from the EATS Account and then from the PILOTS Account as follows:

- (i) to the Comptroller of the City and the St. Louis Development Corporation, an amount sufficient to pay all or any portion of the fees and expenses incurred by the Comptroller of the City and the St. Louis Development Corporation but not to exceed the lesser of Sixteen Thousand Dollars and no/100 (\$16,000.00) or 0.4% of the Notes outstanding on January 1 of each calendar year, plus any accumulated deficiency from previous years, unless the City has incurred costs pursuant to **Section 7.15** of this Agreement that have not otherwise been reimbursed to the City through the issuance of TIF Notes purchased by the Developer;
- (ii) an amount sufficient to pay all or any portion of the past due interest owing as a result of prior deficiencies of moneys to pay interest due on any TIF Notes on each Payment Date;
- (iii) an amount sufficient to pay all or any portion of the accrued interest becoming due and payable on any TIF Notes on each Payment Date;
- (iv) an amount sufficient to pay the principal of any TIF Notes that are subject to redemption pursuant to the Note Ordinance on each Payment Date;
- (v) all other remaining money in the Special Allocation Fund shall annually be declared as surplus and distributed in the manner provided in the TIF Act.

Upon the payment in full of the principal of and interest on all TIF Notes (or provision has been made for the payment thereof as specified in the Note Ordinance), payment in full of the fees and expenses of the Comptroller and the St. Louis Development Corporation, and payment in full of any other amounts required to be paid under the TIF Note Ordinance, all amounts remaining on deposit in the Revenue Fund shall be declared as surplus and distributed in the manner provided in the Act.

If monies available in Special Allocation Fund are insufficient to reimburse the City or the Developer as provided above on any Payment Date, then the unpaid portion shall be carried forward to the next Payment Date, with interest thereon.

The City agrees that the officer of the City at any time charged with the responsibility of formulating budget proposals will be directed to include in the budget proposal submitted to the Board of Aldermen, for each fiscal year that TIF Obligations are outstanding, a request for an appropriation of all Available Revenues on deposit in the Special Allocation Fund for application to the payment of the principal of (including, but not limited to, payment of a premium, if any) and interest on the TIF Obligations.

6.4 Cooperation in Determining TIF Revenues. The City and the Developer agree to cooperate and take all reasonable actions necessary to cause the TIF Revenues to be paid into the Special Allocation Fund, including, but not limited to, the City's enforcement and collection of all such payments through all reasonable and ordinary legal means of enforcement. The Developer (or its successor(s) in interest as an owner or owner(s) of the affected portion(s) of the Property) shall require each "seller" (as that term is defined in Section 144.010(11) of the Missouri Revised Statutes, as amended) located on the Property to provide to the Comptroller of the City the following information:

6.4.1 Each "seller's" federal and state tax identification numbers.

6.4.2 Within thirty (30) days of the end of each calendar quarter, copies of a completed Tax Increment Financing District Quarterly Information Form for each "seller's" business located within the Redevelopment Area along with:

(a) copies of all sales tax returns filed with the Missouri Department of Revenue (on Form 53-S.F. Missouri Department of Revenue or such successor form) with respect to the sales taxes originating from businesses located within the Redevelopment Area for such quarter. In the event that a "seller" has multiple business operations within the City, such "seller" shall file separate sales tax returns for the sales taxes originating from the business located within the Redevelopment Area.

(b) copies of all earnings tax returns filed with the City (on Business Return Form 234

or such successor form) with respect to earnings taxes originating from the business located within the Redevelopment Area for such quarter. In the event that a business has multiple operations within the City, such business shall file separate earnings tax returns for the earnings taxes originating from the business located within the Redevelopment Area.

(c) copies of all earnings tax withholding reports filed with the City (on Form W-10 or such successor form) with respect to earnings tax withholdings originating from the business located within the Redevelopment Area for such quarter. In the event that a business has multiple operations within the City, such business shall file separate earnings tax withholding reports for the earnings tax withholdings originating from the business located within the Redevelopment Area.

(d) Within thirty (30) days of receipt, copies of monthly invoices received for utility services provided to the property on which the business within Redevelopment Area is located, including without limitation electric, water, natural gas, and telephone services, for such quarter.

The Developer (or its successor(s) in interest as an owner or owner(s) of any portion(s) of the Property) shall also request any purchaser or transferee of real property and any lessee or other user of real property located within the Redevelopment Area to designate sales subject to sales taxes pursuant to Chapter 144 of the Revised Statutes of Missouri, as amended, to be reported as originating from the Redevelopment Area to the fullest extent permitted by law (including reasonable efforts to negotiate for the inclusion of a clause so providing in the leases of the Property). The Developer shall satisfy this requirement by including the obligations set forth in this Section within any deed conveying a portion of the property to or any lease entered into with any "seller."

6.5 Obligation to Report TIF Revenues. The Developer shall cause any purchaser or transferee of real property located within the Property, and any lessee or other user of real property located within the Property required to pay TIF Revenues, shall use all reasonable efforts to timely fulfill such obligations as are required by **Section 6.4** of this Agreement. So long as any of the TIF Obligations are outstanding, the Developer shall cause such obligations to be covenants running with the land, which covenants shall be enforceable as if such purchaser, transferee, lessee or other user of such real property were originally a party to and bound by this Agreement.

6.6 Notice to City of Transfer. The Developer agrees to notify the City in writing of any sale, transfer or other disposition of the Property or any interest therein as permitted by **Section 7.3.2** of this Agreement within ninety (90) days after the date of said sale, transfer or other disposition. Said notice shall specify the name and address of the person so acquiring any or all of the Property or any interest therein and shall identify the Property to be sold, transferred or otherwise disposed, whether by voluntary transfer or otherwise.

ARTICLE VII GENERAL PROVISIONS

7.1 Developer's Right of Termination. At any time prior to the delivery of the Certificate of Substantial Completion, the Developer may, by giving written notice to the City, abandon the RPA1 Project and terminate this Agreement and the Developer's obligations hereunder if the Developer determines, in its sole discretion, that the RPA1 Project is no longer economically feasible. Upon such termination, the City shall have no obligation to reimburse the Developer for any amounts advanced under this Agreement or costs otherwise incurred or paid by Developer and any TIF Note issued in connection with the Redevelopment Project pursuant to this Agreement shall be deemed null, void and canceled.

7.2 City's Right of Termination. The City may terminate this Agreement if the Developer fails to submit its Certificate of Substantial Completion, acceptable to the City, in accordance with **Section 3.7** of this Agreement and the schedule set forth in **Section 3.4** of this Agreement. Upon termination of this Agreement for any reason, the City shall have no further obligation to reimburse the Developer for any amounts advanced under this Agreement or costs otherwise incurred or paid by Developer and any TIF Note issued in connection with the RPA1 Project pursuant to this Agreement shall be deemed null, void and canceled.

7.3 Successors and Assigns.

7.3.1 Binding Effect. This Agreement shall be binding on and shall inure to the benefit of the parties named herein and their respective heirs, administrators, executors, personal representatives, successors and assigns.

7.3.2 Assignment or Sale. Without limiting the generality of the foregoing, all or any part of the Property or any interest therein may be sold, transferred, encumbered, leased, or otherwise disposed of at any time, and the rights of the Developer named herein or any successors in interest under this Agreement or any part hereof may be assigned at any time before, during or after redevelopment of the RPA1 Project, whereupon the party disposing of its interest in the Property or assigning its interest under this Agreement shall be thereafter released from further obligation under this Agreement (although any such Property so disposed of or to which such interest pertains shall remain subject to the terms and conditions of this Agreement), provided, however, that until substantial completion of the RPA1 Project, the fee title to the Property shall not be sold, transferred or otherwise disposed of and the rights, duties and obligations of the Developer under this Agreement shall not be assigned in whole or in part without the prior written approval of the City, which approval shall not be unreasonably withheld or delayed upon a reasonable demonstration by the Developer of the proposed transferee's or assignee's experience and financial capability to undertake and complete such portions of the Work and perform the Developer's obligations under this Agreement, all in accordance with this Agreement. Notwithstanding anything herein to the contrary, the City hereby approves, and no prior consent shall be required in connection with: (a) the right of the Developer to encumber or collaterally assign its interest in the Property or any portion thereof or its rights, duties and obligations under this Agreement, to secure loans, advances or extensions of credit to finance or from time to time refinance all or any part of the Redevelopment Project Costs, or the right of the holder of any such encumbrance or transferee of any such collateral assignment (or trustee or agent on its behalf) to transfer such interest by foreclosure or transfer in lieu of foreclosure under such encumbrance or collateral assignment; (b) the right of Developer to assign the Developer's rights, duties and obligations under this Agreement to any party related to the Developer by one of the relationships described in Section 267(b) of the United States Internal Revenue Code of 1986, as amended; provided that in each such event (i) the Developer named herein (City Hospital Development, L.L.C.) shall remain liable hereunder for the substantial completion of the RPA1 Project and shall be released from such liability hereunder only upon substantial completion of the RPA1 Project and (ii) the Developer provides to the City fifteen (15) days' advance written notice of the proposed assignment or transfer.

7.3.3 Assignment or Sale to Exempt Organization. Prior to any sale, transfer or other disposition of all or any portion of the Property or any interest therein to an organization exempt from payment of ad valorem property taxes, such organization shall be required to agree not to apply for an exemption from payment of such property taxes for a period ending on the earlier of the date that all TIF Obligations are paid in full or twenty-three (23) years from the date that the Approving Ordinance was adopted by the City. The Developer shall make this requirement a covenant running with the land, enforceable for such period as if such purchaser or other transferee or possessor thereof were originally a party to and bound by this Agreement.

7.4 Remedies. Except as otherwise provided in this Agreement and subject to the Developer's and the City's respective rights of termination, in the event of any default in or breach of any term or conditions of this Agreement by either party, or any successor, the defaulting or breaching party (or successor) shall, upon written notice from the other party specifying such default or breach, proceed immediately to cure or remedy such default or breach, and shall, in any event, within thirty (30) days after receipt of notice, cure or remedy such default or breach. In the event that the defaulting or breaching party (or successor) diligently and in good faith commences to cure or remedy such default or breach but is unable to cure or remedy such default or breach within thirty (30) days after receipt of notice, the defaulting or breaching party (or successor) shall, prior to the end of such thirty (30) days, provide notice to the other party that it has in good faith commenced to cure or remedy such default or breach, whereupon the defaulting or breaching party (or successor) shall have an additional thirty (30) days to cure or remedy such default or breach. In case such cure or remedy is not taken or not diligently pursued, or the default or breach shall not be cured or remedied prior to the end of the additional thirty (30) day period, the aggrieved party may institute such proceedings as may be necessary or desirable in its opinion to cure and remedy such default or breach, including without limitation proceedings to compel specific performance by the defaulting or breaching party.

7.5 Force Majeure. Neither the City nor the Developer nor any successor in interest shall be considered in breach or default of their respective obligations under this Agreement, and times for performance of obligations hereunder shall be extended (but with respect to the times for performance set out in **Section 3.4** of this Agreement, only to the extent provided therein and established thereunder) in the event of any delay caused by force majeure, including without limitation damage or destruction by fire or casualty; strike; lockout; civil disorder; war; restrictive government regulations; lack of issuance of any permits and/or legal authorization by the governmental entity necessary for the Developer to proceed with construction of the Work or any portion thereof; shortage or delay in shipment of material or fuel; acts of God; unusually adverse weather or wet soil conditions; or other like causes beyond the parties' reasonable control, including without limitation any litigation, court order or judgment resulting from any litigation affecting the validity of the Redevelopment Plan, the RPA1 Project or the TIF Obligations or this Agreement; provided that such event of force majeure shall not be deemed to exist as to any matter initiated or sustained by the Developer in bad faith, and

further provided that the Developer notifies the City in writing within thirty (30) days of the commencement of such claimed event of force majeure.

7.6 Notices. All notices, demands, consents, approvals and other communications required by this Agreement to be given by either party hereunder shall be in writing and shall be hand delivered or sent by United States first class mail, postage prepaid, addressed to the appropriate party at its address set forth below, or at such other address as such party shall have last designated by notice to the other. Notices, demands, consents, approvals, and other communications shall be deemed given when delivered or three days after mailing; provided, however, that if any such notice or other communication shall also be sent by telecopy or fax machine, such notice shall be deemed given at the time and on the date of machine transmittal if the sending party receives a written send verification on its machines and forwards a copy thereof with its mailed or courier delivered notice or communication.

In the case of the Developer, to:
City Hospital Development, L.L.C.
1915 Park Avenue
St. Louis, MO 63104
Attention: Chris Goodson
Facsimile: (314) 241-0843

With a copy to:

Husch & Eppenberger, LLC
1232 Washington, Suite 200B
St. Louis, Missouri 63103
Attention: David Richardson
Facsimile: 314-480-1505

In the case of the City, to:

City of St. Louis
Office of the Mayor
City Hall
1200 Market Street, Room 200
St. Louis, Missouri 63103
Attention: Barbara Geisman, Executive Director for Development
Facsimile: 314-622-3440

And

City of St. Louis
Office of the Comptroller
City Hall
1200 Market Street, Room 212
St. Louis, Missouri 63103
Attention: Ivy Neyland-Pinkston, Deputy Comptroller
Facsimile: 314-588-0550

With a copy to:

St. Louis Development Corporation
1015 Locust Street, Suite 1200
St. Louis, Missouri 63101
Attention: Dale Ruthsatz
Facsimile: 314-231-2341

And

Armstrong Teasdale LLP

One Metropolitan Square, Suite 2600
St. Louis, Missouri 63102
Attention: James E. Mello
Facsimile: 314-621-5065

In the case of the St. Louis Development Corporation, to:

St. Louis Development Corporation
1015 Locust Street, Suite 1200
St. Louis, Missouri 63101
Attention: Dale Ruthsatz
Facsimile: 314-231-2341

7.7 Conflict of Interest. No member of the Board of Aldermen, the TIF Commission, or any branch of the City's government who has any power of review or approval of any of the Developer's undertakings, or of the City's contracting for goods or services for the Redevelopment Area, shall participate in any decisions relating thereto which affect that member's personal interests or the interests of any corporation or partnership in which that member is directly or indirectly interested. Any person having such interest shall immediately, upon knowledge of such possible conflict, disclose, in writing, to the Board of Aldermen the nature of such interest and seek a determination by the Board of Aldermen with respect to such interest and, in the meantime, shall not participate in any actions or discussions relating to the activities herein proscribed.

7.8 Damage or Destruction of RPA1 Project. In the event of total destruction or damage to the RPA1 Project by fire or other casualty, during construction or thereafter during the term of this Agreement so long as any TIF Notes are outstanding, the Developer shall determine and advise the City in writing within one year of such destruction or damage whether to restore, reconstruct and repair any such destruction or damage so that the RPA1 Project will be completed or rebuilt in accordance with the Redevelopment Plan and this Agreement. Should the Developer determine not to restore, reconstruct and repair, all unaccrued liability of the City for any payments of principal or interest on the TIF Notes shall immediately terminate and the Developer shall promptly surrender the TIF Notes to the City for cancellation. In the event of such total destruction or damage during the term of this Agreement and after any TIF Bonds are issued, the Developer shall, at the City's option after consultation with the Developer, tender to the City that portion of the insurance proceeds from any fire or casualty insurance policy in an amount equal to the outstanding principal amount of the TIF Bonds, plus accrued interest thereon.

7.9 Inspection. The City may conduct such periodic inspections of the Work as may be generally provided in the building code of the City. In addition, the Developer shall allow other authorized representatives of the City reasonable access to the Work site from time to time upon advance notice prior to the completion of the Work for inspection thereof. The Developer shall not unreasonably deny the City and its officers, employees, agents and independent contractors the right to inspect, upon request, all architectural, engineering, demolition, construction and other contracts and documents pertaining to the construction of the Work as the City determines is reasonable and necessary to verify the Developer's compliance with the terms of this Agreement.

7.10 Choice of Law. This Agreement shall be taken and deemed to have been fully executed, made by the parties in, and governed by the laws of State of Missouri for all purposes and intents.

7.11 Entire Agreement; Amendment. The parties agree that this Agreement constitutes the entire agreement between the parties and that no other agreements or representations other than those contained in this Agreement have been made by the parties. This Agreement shall be amended only in writing and effective when signed by the authorized agents of the parties.

7.12 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall constitute one and the same instrument.

7.13 Severability. In the event any term or provision of this Agreement is held to be unenforceable by a court of competent jurisdiction, the remainder shall continue in full force and effect, to the extent the remainder can be given effect without the invalid provision.

7.14 Representatives Not Personally Liable. No elected or appointed official, agent, employee or representative of the City shall be personally liable to the Developer in the event of any default or breach by any party under this Agreement, or for any amount which may become due to any party or on any obligations under the terms of this Agreement.

7.15 Actions Contesting the Validity and Enforceability of the Redevelopment Plan. During such time as the Developer is the registered owner of the TIF Notes, in the event a third party brings an action against the City or the City's officials, agents, attorneys, employees or representatives contesting the validity or legality of the Redevelopment Area, the Redevelopment Plan, the TIF Obligations, or the ordinance approving this Agreement, Developer may, at its option, join the City in defense of such claim or action. The parties expressly agree that, so long as no conflicts of interest exist between them with regard to the handling of such litigation, the same attorney or attorneys may simultaneously represent the City and the Developer in any such proceeding. The Developer shall be responsible for all reasonable and necessary costs and expenses incurred by the City and by the Developer in connection with the defense of such claim or action, provided that if the City does not approve a settlement or compromise which the Developer would agree to, the Developer shall not be responsible for any costs or expenses incurred thereafter in the defense of such claim or action. All cost of any such defense, whether incurred by the City or the Developer shall be deemed to be Reimbursable Redevelopment Project Costs and reimbursable from any amounts in the Special Allocation Fund, subject to **Article IV** of this Agreement.

7.16 Release and Indemnification. The indemnifications and covenants contained in this Section shall survive termination or expiration of this Agreement.

(i) The City and its governing body members, officers, agents, attorneys, employees and independent contractors shall not be liable to the Developer for damages or otherwise in the event that all or any part of the TIF Act, or any ordinance adopted in connection with either the TIF Act, this Agreement or the Redevelopment Plan, is declared invalid or unconstitutional in whole or in part by the final (as to which all rights of appeal have expired or have been exhausted) judgment of any court of competent jurisdiction, and by reason thereof either the City is prevented from performing any of the covenants and agreements herein or the Developer is prevented from enjoying the rights and privileges hereof.

(ii) The Developer releases from and covenants and agrees that the City and its governing body members, officers, agents, attorneys, employees and independent contractors shall not be liable for, and agrees to indemnify and hold harmless the City, its governing body members, officers, agents, attorneys, employees and independent contractors against any and all claims, demands, liabilities and costs, including reasonable attorneys' fees, costs and expenses, arising from damage or injury, actual or claimed (excluding consequential and punitive damages), to persons or property occurring or allegedly occurring as a result of any negligent or malicious acts or omissions of the Developer, its governing body members, officers, agents, attorneys, employees and independent contractors, in connection with its or their activities conducted pursuant to this Agreement.

(iii) The City and its governing body members, officers, agents, attorneys, employees and independent contractors shall not be liable for any damage or injury to the persons or property of the Developer or its officers, agents, employees, independent contractors or any other persons who may be about the Property or the Work except for matters arising out of the gross negligence or willful misconduct of the City and its governing body members, officers, agents, attorneys, employees and independent contractors.

(iv) All covenants, stipulations, promises, agreements and obligations of the City contained herein shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the City and not of any of its governing body members, officers, agents, attorneys, employees or independent contractors in their individual capacities.

(v) No governing body members, officers, agents, attorneys, employees or independent contractors of the City shall be personally liable to the Developer (i) in the event of a default or breach by any party under this Agreement or (ii) for any amount or any TIF Obligations which may become due to any party under the terms of this Agreement.

(vi) The Developer releases from and covenants and agrees that the City, its governing body members, officers, agents, attorneys, employees and independent contractors shall not be liable for, and agrees to indemnify and hold the City, its governing body members, officers, agents, attorneys, employees and independent contractors, harmless from and against any and all third party suits, interest, claims and cost of reasonable attorneys fees incurred by any of them, resulting from, arising out of, or in any way connected with: (i) the enforcement of this Agreement, the validity of the TIF Obligations or the enforcement or validity of any other agreement or obligation made in connection therewith and their approvals (excluding opinions of counsel and of the City's financial advisors whenever such claim is based on such party's own negligence); (ii) the negligence or willful misconduct of the Developer or its officers, agents, employees or independent contractors in connection with the design, management, development, redevelopment and construction of the Work, or (iii) the compliance by the Developer with all applicable state, federal and local environmental laws, regulations

and ordinances as applicable to the Property, to the extent such condition existed prior to the acquisition thereof by the Developer. The foregoing release and indemnification shall not apply in the case of such liability arising directly out of the negligence or malicious acts or omissions of the City or its governing body members, officers, agents, attorneys, employees and independent contractors in connection with its or their activities conducted pursuant to this Agreement or which arises out of matters undertaken by the City following termination of this Agreement as to the RPA1 Project or any particular portion thereof.

7.17 Survival. Notwithstanding the expiration or termination or breach of this Agreement by either party, the agreements contained in **Section 2.2, clauses (iii)-(iv), Article VI, Sections 7.10, 7.11, 7.12, 7.13, 7.14, 7.15, 7.16, 7.17 and Article VIII** of this Agreement shall, except as otherwise expressly set forth herein, survive such early expiration or early termination of this Agreement by either party.

7.18 Maintenance of the Property. The Developer shall remain in compliance with all provisions of the City's ordinances relating to maintenance and appearance of the Property during the construction of the RPA1 Project or any portion thereof. Upon substantial completion of the RPA1 Project and so long as any TIF Obligations are outstanding, the Developer or its successor(s) in interest, as owner or owners of the affected portion(s) of the Property, shall, during the remainder of the term of this Agreement (but subject to any delay caused by an event of force majeure as provided in **Section 7.5** of this Agreement), maintain or cause to be maintained the buildings and improvements within the Redevelopment Area which it owns in a good state of repair and attractiveness and in conformity with applicable state and local laws, ordinances and regulations. If there are separately-owned or ground leased parcels of real estate on the Property during the term of this Agreement, each owner or lessee as a successor in interest to the Developer shall maintain or cause to be maintained the buildings and improvements on its parcel in a good state of repair and attractiveness and in conformity with applicable state and local laws, ordinances and regulations, and shall maintain or cause to be maintained reasonable casualty and liability insurance with respect to the same in accordance with **Section 7.8** of this Agreement.

7.19 Non-Discrimination. The Developer agrees that, during the term of this Agreement and as an independent covenant running with the land, there shall be no discrimination upon the basis of race, creed, color, national origin, sex, age, marital status or physical handicap in the sale, lease, rental, occupancy or use of any of the facilities under its control within the Redevelopment Area or any portion thereof and said covenant may be enforced by the City or the United States of America or any of their respective agencies. The Developer further agrees that a provision containing the covenants of this paragraph shall be included in all agreements pertaining to the lease or conveyance or transfer (by any means) of all or a portion of the RPA1 Project and any of the facilities under its control in the Redevelopment Area. Except as provided in this Section, the Developer shall have no obligation to enforce the covenants made by any transferee or lessee, tenant, occupant or user of any of the facilities within the Redevelopment Area.

7.20 Fair Employment. Without limiting any of the foregoing, the Developer voluntarily agrees to observe the Equal Opportunity and Nondiscrimination Guidelines set forth as **Exhibit G**, attached hereto and incorporated herein by reference. By execution of this Agreement, the Developer certifies and agrees that it is under no contractual or other disability that would materially impair its ability to observe the Guidelines set forth as **Exhibit G**, attached hereto and incorporated herein by reference.

ARTICLE VIII. REPRESENTATIONS OF THE PARTIES

8.1 Representations of the City. The City hereby represents and warrants that it has full constitutional and lawful right, power and authority, under current applicable law, to execute and deliver and perform the terms and obligations of this Agreement, including without limitation the right, power and authority to issue and sell the TIF Obligations, and all of the foregoing have been or will be, upon adoption of ordinances authorizing the issuance of the TIF Obligations, duly and validly authorized and approved by all necessary City proceedings, findings and actions. Accordingly, this Agreement constitutes the legal, valid and binding obligation of the City, enforceable in accordance with its terms.

8.2 Representations of the Developer. The Developer hereby represents and warrants it has full power to execute and deliver and perform the terms and obligations of this Agreement and all of the foregoing has been duly and validly authorized by all necessary corporate proceedings. This Agreement constitutes the legal, valid and binding obligation of the Developer, enforceable in accordance with its terms.

[The remainder of this page intentionally left blank]

IN WITNESS WHEREOF, the City and the Developer have caused this Agreement to be executed in their respective

names and the City has caused its seal to be affixed thereto, and attested as to the date first above written.

“CITY”:

CITY OF ST. LOUIS, MISSOURI

By: _____
Francis G. Slay, Mayor

By: _____
Darlene Green, Comptroller

(SEAL)

Attest:

Parrie May, City Register

Approved as to Form:

Patricia Hageman, City Counselor

“DEVELOPER”:

CITY HOSPITAL DEVELOPMENT, L.L.C.,
a Missouri limited liability company

By: _____
Name: _____
Title: _____

STATE OF MISSOURI)
) SS
CITY OF ST. LOUIS)

On this _____ day of _____, 2003, before me appeared Francis Slay, to me personally known, who, being by me duly sworn, did say that he is the Mayor of the CITY OF ST. LOUIS, MISSOURI, a political subdivision of the State of Missouri, and that the seal affixed to the foregoing instrument is the seal of said City, and said instrument was signed and sealed in behalf of said City by authority of its Board of Aldermen, and said individual acknowledged said instrument to be the free act and deed of said City.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal in the County and State aforesaid, the day and year first above written.

Notary Public

(SEAL)

My Commission Expires:

STATE OF MISSOURI)
) SS
CITY OF ST. LOUIS)

On this _____ day of _____, 2003, before me appeared Darlene Green, to me personally known, who, being by me duly sworn, did say that she is the Comptroller of the CITY OF ST. LOUIS, MISSOURI, a political

subdivision of the State of Missouri, and that the seal affixed to the foregoing instrument is the seal of said City, and said instrument was signed and sealed in behalf of said City by authority of its Board of Aldermen, and said individual acknowledged said instrument to be the free act and deed of said City.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal in the County and State aforesaid, the day and year first above written.

Notary Public

(SEAL)

My Commission Expires:

STATE OF MISSOURI)
) SS
_____ OF)

On this _____ day of _____, 2003, before me appeared _____, to me personally known, who, being by me duly sworn, did say that he is the _____ of CITY HOSPITAL DEVELOPMENT, L.L.C., a Missouri limited liability company, and that he/she is authorized to sign the instrument on behalf of said limited liability company, and acknowledged to me that he/she executed the within instrument as said limited liability company's free act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal in the County and State aforesaid, the day and year first above written.

Notary Public

(SEAL)

My Commission Expires:

EXHIBIT A
Legal Descriptions of the Redevelopment Area and RPA1

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	1250000410
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
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

EXHIBIT B
Reimbursable Redevelopment Project Costs

The Redevelopment Project Costs falling within the categories outlined below constitute Reimbursable Redevelopment Project Costs under this Agreement, provided that such costs shall not exceed the aggregate amount of \$4,000,000 plus Issuance Costs as provided in this Agreement and provided further, that notwithstanding anything contained in this Agreement to the contrary, no cost under category A below shall constitute a Reimbursable Redevelopment Project Cost unless and until such time as an equal amount of hard costs related to categories B through D have been incurred by the Developer (but for which Developer may or may not be seeking reimbursement).

- A. Acquisition Costs (as defined in Section 1.1 of this Agreement).
- B. Demolition Costs (includes, but is not limited to, demolition of existing buildings and structures or parts thereof).
- C. Site Preparation and Improvements Costs (includes, but is not limited to, landscaping, street and sidewalk improvements, utility work, and resetting of curbs).
- D. Building Construction, Rehabilitation and/or Reconstruction Costs (includes, but is not limited to, construction costs associated with the Redevelopment Project excluding any commercial tenant finish costs).
- E. Environmental Testing, Remediation and/or Abatement Costs (includes, but is not limited to, the testing for and removal and disposal of toxic or hazardous substances or materials).
- F. Financing Costs (includes, but is not limited to, loan fees, disbursing fees, construction monitoring and inspection fees, tax credit investor fees, lender's legal fees, loan appraisals, flood certificates, and any and all other costs incurred by the Developer in connection with obtaining financing for and a tax credit investor in the Redevelopment Project).
- G. Professional Service Costs (includes, but is not limited to, architectural, engineering, legal, marketing, financial, planning, or special services).
- H. TIF Costs & Issuance Costs incurred by the Developer pursuant to **Section 2.2(i) – 2.2.(v)** of this Agreement.

EXHIBIT C
Form of Certificate of Commencement of Construction

DELIVERED BY
CITY HOSPITAL DEVELOPMENT, L.L.C.

The undersigned, City Hospital Development, L.L.C. (the "Developer"), pursuant to that certain Redevelopment Agreement dated as of _____, 2003, between the City of St. Louis, Missouri (the "City") and Developer (the "Agreement") hereby certifies to the City as follows:

- 1. All property within the RPA1 for the RPA1 Project necessary for the RPA1 Project (as legally described on Appendix A attached hereto and by this reference incorporated herein and made a part hereof), has been acquired by Developer in

accordance with the Agreement.

2. Developer has entered into an agreement with a contractor or contractors to construct the RPA1 Project.

3. Developer has obtained all necessary financing to complete the RPA1 Project.

4. This Certificate of Commencement of Construction is being issued by Developer to the City in accordance with the Agreement to evidence Developer’s satisfaction of all obligations and covenants with respect to commencement of construction of the RPA1 Project.

Terms not otherwise defined herein shall have the meaning ascribed to such terms in the Agreement.

IN WITNESS WHEREOF, the undersigned has hereunto set his/her hand this day of _____, ____.

By: _____
Name: _____
It’s: _____

EXHIBIT D
Form of Certificate of
Reimbursable Redevelopment Project Costs

TO:
City of St. Louis
Office of Comptroller
1200 Market Street, Room 212
St. Louis, Missouri 63103
Attention: Ivy Neyland-Pinkston, Deputy Comptroller

Re: City of St. Louis, Missouri, City Hospital
TIF Redevelopment Project Area One Project (RPA1 Project)

Terms not otherwise defined herein shall have the meaning ascribed to such terms in the Redevelopment Agreement dated as of _____, 2003 (the “Agreement”), between the City and City Hospital Development, L.L.C., a Missouri limited liability company (the “Developer”). In connection with said Agreement, the undersigned hereby states and certifies that:

1. Each item listed on **Schedule 1** hereto is a Reimbursable Redevelopment Project Cost and was incurred in connection with the construction of the RPA1 Project.

2. These Reimbursable Redevelopment Project Costs have been have been paid by the Developer and are reimbursable under the Note Ordinance and the Agreement.

3. Each item listed on **Schedule 1** has not previously been paid or reimbursed from money derived from the Special Allocation Fund or any money derived from any project fund established pursuant to the Note Ordinance, and no part thereof has been included in any other certificate previously filed with the City.

4. There has not been filed with or served upon the Developer any notice of any lien, right of lien or attachment upon or claim affecting the right of any person, firm or corporation to receive payment of the amounts stated in this request, except to the extent any such lien is being contested in good faith.

5. All necessary permits and approvals required for the portion of the Work for which this certificate relates have been issued and are in full force and effect.

6. All Work for which payment or reimbursement is requested has been performed in a good and workmanlike manner and in accordance with the Redevelopment Plan and the Agreement.

7. If any cost item to be reimbursed under this Certificate is deemed not to constitute a "redevelopment project cost" within the meaning of the TIF Act and the Agreement, the Developer shall have the right to substitute other eligible Reimbursable Redevelopment Project Costs for payment hereunder.

8. The costs to be reimbursed under this Certificate constitute advances qualified for Tax-Exempt TIF Notes:

Yes: _____ No: _____

9. The Developer is not in default or breach of any material term or condition of the Agreement beyond the applicable cure period, if any.

10. With respect to the initial Certificate of Reimbursable Redevelopment Project Costs only, at least \$600,000 in Reimbursable Redevelopment Project Costs have been paid or incurred, of which at least \$400,000 consist of hard costs related to categories B through D.

Dated this _____ day of _____, _____.

CITY HOSPITAL DEVELOPMENT, L.L.C.

By: _____
Name: _____
Title: _____

Approved for Payment this _____ day of _____, 20__.

ST. LOUIS DEVELOPMENT CORPORATION

By: _____
Name: _____
Title: _____

Approved for Payment this _____ day of _____, 20__.

CITY OF ST. LOUIS, MISSOURI

By: _____
Name: _____
Title: _____

Schedule 1

The Developer has incurred the following Reimbursable Redevelopment Project Costs:

Payee Amount Description of Reimbursable Redevelopment Project Costs:

**EXHIBIT E
Form of Certificate of Substantial Completion
CERTIFICATE OF SUBSTANTIAL COMPLETION**

The undersigned, CITY HOSPITAL DEVELOPMENT, L.L.C., a Missouri limited liability company (the "Developer"), pursuant to that certain Redevelopment Agreement dated as of _____, 2003, between the City of St. Louis, Missouri (the "City"), and the Developer (the "Agreement"), hereby certifies to the City as follows:

1. That as of _____, _____, the construction of the RPA1 Project (as that term is defined in the Agreement) has been substantially completed in accordance with the Agreement.

- 2. That the Work has been substantially completed or funded pursuant to Exhibit B to the Agreement.
- 3. The Work has been performed in a workmanlike manner and substantially in accordance with the Construction Plans (as those terms are defined in the Agreement).
- 4. This Certificate of Substantial Completion is accompanied by the project architect’s or owner representative’s certificate of substantial completion on AIA Form G-704 (or the substantial equivalent thereof), a copy of which is attached hereto as **Appendix A** and incorporated herein by reference, certifying that the RPA1 Project has been substantially completed in accordance with the Agreement.
- 5. Lien waivers for applicable portions of the Work in excess of Five Thousand Dollars (\$5,000) have been obtained.
- 6. This Certificate of Substantial Completion is being issued by the Developer to the St. Louis Development Corporation and the City in accordance with the Agreement to evidence the Developer’s satisfaction of all material obligations and covenants with respect to the RPA1 Project.
- 7. The acceptance (below) or the failure of the St. Louis Development Corporation and the Mayor or his designee to object in writing to this Certificate within thirty (30) days of the date of delivery of this Certificate to the St. Louis Development Corporation and the City (which written objection, if any, must be delivered to the Developer prior to the end of such thirty (30) days) shall evidence the satisfaction of the Developer’s agreements and covenants to perform the Work.

Upon such acceptance by the St. Louis Development Corporation and the Mayor or his designee, the Developer may record this Certificate in the office of the City’s Recorder of Deeds. This Certificate is given without prejudice to any rights against third parties which exist as of the date hereof or which may subsequently come into being. Terms not otherwise defined herein shall have the meaning ascribed to such terms in the Agreement.

IN WITNESS WHEREOF, the undersigned has hereunto set his/her hand this ____ day of _____, ____.

CITY HOSPITAL DEVELOPMENT, L.L.C.

By: _____
 Name: _____
 Title: _____

ACCEPTED:

ST. LOUIS DEVELOPMENT CORPORATION

By: _____
 Name: _____
 Title: _____

CITY OF ST. LOUIS, MISSOURI

By: _____
 Name: _____
 Title: _____

(Insert Notary Form(s) and Legal Description)

EXHIBIT F
FORM OF TIF NOTE

THIS TIF NOTE OR ANY PORTION HEREOF MAY BE TRANSFERRED, ASSIGNED OR NEGOTIATED ONLY TO "APPROVED INVESTORS," AS DEFINED HEREIN, AND IN ACCORDANCE WITH THE PROVISIONS HEREOF.

UNITED STATES OF AMERICA
STATE OF MISSOURI

Registered
No. R-__

Registered
Not to Exceed \$4,000,000
plus Issuance Costs
(See Schedule A attached)

CITY OF ST. LOUIS, MISSOURI

[TAXABLE][TAX-EXEMPT] TAX INCREMENT REVENUE NOTE
(City Hospital TIF RPA1 Project)
SERIES 2003

Rate of Interest: Maturity Date: Dated Date: CUSIP Number:
[7%][6%] _____, 2026 _____ None

REGISTERED OWNER: _____

PRINCIPAL AMOUNT: See SCHEDULE A attached hereto.

The CITY OF ST. LOUIS, MISSOURI, a body corporate and a political subdivision duly organized and validly existing under its charter and the Constitution and laws of the State of Missouri (the "City"), for value received, hereby promises to pay to the Registered Owner shown above, or registered assigns, the Principal Amount shown from time to time on Schedule A attached hereto on the Maturity Date shown above unless called for redemption prior to the Maturity Date, and to pay interest thereon from the effective date of registration shown from time to time on Schedule A attached hereto or from the most recent Payment Date to which interest has been paid or duly provided for, at the Rate of Interest shown above computed on the basis of a 360-day year of twelve 30-day months. Interest and principal shall be payable each March 1 and September 1 (each, a "Payment Date"), commencing on the first March 1 or September 1 following the acceptance of the Certificate of Substantial Completion in accordance with the Redevelopment Agreement between the City and City Hospital Development, L.L.C., (the "Developer"), dated as of _____, 2003 (the "Redevelopment Agreement"), until the TIF Notes are paid in full. The TIF Notes shall bear interest from their registration date or from the most recent Payment Date to which interest has been paid or duly provided for. Interest that accrues but remains unpaid on any Payment Date shall be compounded semi-annually.

Except as otherwise provided herein, the capitalized terms herein shall have the meanings as provided in Ordinance No. _____ [Board Bill No. 158CS] adopted by the Board of Aldermen on _____, 2003 (the "Note Ordinance"), or if not therein, then the Redevelopment Agreement.

THE OBLIGATIONS OF THE CITY WITH RESPECT TO THIS TIF NOTE TERMINATE TWENTY-THREE YEARS FROM THE DATE OF APPROVAL BY THE BOARD OF ALDERMEN OF THE APPROVING ORDINANCE APPROVING THE RPA1 PROJECT, WHETHER OR NOT THE PRINCIPAL AMOUNT OR INTEREST HEREON HAS BEEN PAID IN FULL. REFERENCE IS MADE TO THE NOTE ORDINANCE FOR A COMPLETE DESCRIPTION OF THE CITY'S OBLIGATIONS HEREUNDER.

Subject to the preceding paragraph, the principal of and interest on this TIF Note shall be paid at maturity or upon earlier redemption as provided in Article III of the Note Ordinance to the person in whose name this TIF Note is registered at the maturity or redemption date hereof, upon presentation and surrender of this TIF Note at the payment office of the Finance Officer of the City or her authorized agent (the "Finance Officer"). The principal of and interest on the TIF Notes shall be payable in any coin or

currency of the United States of America which, at the respective dates of payment thereof, is legal tender for the payment of debts due the United States of America. The principal of or interest on this TIF Note shall be payable by check or draft at the office of the Finance Officer to the person in whose name this TIF Note is registered on the Register on each Payment Date. Except as otherwise provided in Section 208 of the Note Ordinance with respect to mutilated, destroyed, lost or stolen TIF Notes, no principal on the TIF Notes is payable unless the Owner thereof has surrendered such TIF Notes at the office of the Finance Officer.

This TIF Note is one of an authorized series of fully registered Notes of the City designated "City of St. Louis, Missouri, [Taxable][Tax-Exempt] Tax Increment Revenue Notes (City Hospital TIF RPA1 Project), Series 2003," issued in an aggregate principal amount of not to exceed \$4,000,000 plus Issuance Costs (the "Notes" or "TIF Notes"). The TIF Notes are being issued for the purpose of paying a portion of the Redevelopment Project Costs in connection with the Redevelopment Plan, under the authority of and in full compliance with the Constitution and laws of the State of Missouri, including particularly the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 to 99.865, of the Revised Statutes of Missouri (2000) (the "Act"), and pursuant to the Note Ordinance.

The TIF Notes and the interest thereon shall be special, limited obligations of the City payable solely from and secured as to the payment of principal and interest, by the Available Revenues and other moneys pledged thereto and held by the Finance Officer as provided herein. "Available Revenues" means all TIF Revenues on deposit from time to time in the Special Allocation Fund, excluding (i) any amount paid under protest until the protest is withdrawn or resolved against the taxpayer or (ii) any sum received by the City which is the subject of a suit or other claim communicated to the City which suit or claim challenges the collection of such sum.

The monies on deposit in the PILOTs Account of the Revenue Fund of the Special Allocation Fund are those payments in lieu of taxes (as defined in Sections 99.805(10) and 99.845 of the Act) attributable to the increase in the current equalized assessed valuation of each taxable lot, block, tract or parcel of real property in the Redevelopment Area (as described in Exhibit A to the Note Ordinance) and any applicable penalty and interest over and above the initial equalized assessed value (as provided for by Section 99.855 of the Act) of such unit of property in the Redevelopment Area, as allocated and paid to the City's Treasurer by the City's Collector of Revenue who shall deposit such PILOTs into the Special Allocation Fund while tax increment financing remains in effect.

The monies on deposit in the EATs Account of the Revenue Fund of the Special Allocation Fund are those amounts equal to fifty percent (50%) of the total additional revenues from taxes, penalties and interest which are imposed by the City or other taxing district (as that term is defined in Section 99.805(16) of the Act) and which are generated by economic activities within the Redevelopment Area over the amount of such taxes generated by economic activities within the Redevelopment Area in the calendar year ending December 31, 2002 (subject to annual appropriation by the City as provided in the Act), while tax increment financing remains in effect, but excluding personal property taxes, taxes imposed on sales or charges for sleeping rooms paid by transient guests of hotels and motels, licenses, fees or special assessments other than payments in lieu of taxes and penalties and interest thereon, taxes levied pursuant to Section 70.500 of the Revised Statutes of Missouri (2000), and taxes levied for the purpose of public transportation pursuant to Section 94.660 of the Revised Statutes of Missouri (2000) all in accordance with Section 99.845.3 of the Act, as may be amended from time to time.

All TIF Notes shall be equally and ratably secured by Available Revenues. The TIF Notes shall be special, limited obligations of the City payable solely from and secured as to the payment of principal and interest by a pledge of the Available Revenues. The taxing power of the City is not pledged to the payment of the TIF Notes either as to principal or interest. The TIF Notes shall not be or constitute a general obligation of the City, nor shall they constitute an indebtedness of the City within the meaning of any constitutional, statutory or charter provision, limitation or restriction. THE OBLIGATIONS OF THE CITY WITH RESPECT TO THE TIF NOTES SHALL TERMINATE ON THE FIRST TO OCCUR OF THE FULL PAYMENT AND DISCHARGE OF THE TIF NOTES OR THE MATURITY DATE (WHETHER OR NOT THE PRINCIPAL AMOUNT OR INTEREST HAS BEEN PAID IN FULL).

Available Revenues shall be applied, first from the EATs Account and then from the PILOTs Account, to payments on this TIF Note as follows:

First, to the Finance Officer of the City and the St. Louis Development Corporation, an amount sufficient to pay the fees and expenses incurred by the Finance Officer of the City and the St. Louis Development Corporation as provided for in the Redevelopment Agreement but not to exceed, in the aggregate, the lesser of Sixteen Thousand Dollars and no/100 (\$16,000) or 0.4% of the Notes outstanding on January 1 of each calendar year, plus any accumulated deficiency from previous years, unless the City has incurred costs pursuant to Section 7.15 of the Redevelopment Agreement that have not otherwise been reimbursed to the City

through the issuance of TIF Notes purchased by the Developer;

Second, to the Debt Service Fund, an amount sufficient to pay all or any portion of past due interest owing as a result of prior deficiencies of moneys to pay interest due any TIF Notes on each Payment Date;

Third, to the Debt Service Fund, an amount sufficient to pay all or any portion of the accrued interest becoming due and payable on any TIF Notes on such Payment Date;

Fourth, to the Debt Service Fund, an amount sufficient to pay the principal of any TIF Notes that are subject to redemption pursuant to Section 302 of the Note Ordinance;

Fifth, to the City all other remaining money to be declared as surplus and distributed in the manner provided in the Act, subject to Section 403(c) of the Note Ordinance.

Upon the payment in full of the principal of and interest on the TIF Notes (or provision has been made for the payment thereof as specified in the Note Ordinance), payment in full of the fees and expenses of the Finance Officer and the St. Louis Development Corporation, and payment in full of any other amounts required to be paid under the Note Ordinance, all amounts remaining on deposit in the Revenue Fund and the Debt Service Fund shall be declared as surplus and distributed in the manner provided in the Act.

The City covenants that the officer of the City at any time charged with the responsibility of formulating budget proposals will be directed to include in the budget proposal submitted to the Board of Aldermen of the City for each fiscal year that the TIF Notes are outstanding a request for an appropriation of all moneys on deposit in the Special Allocation Fund for transfer to the Finance Officer for deposit at the times and in the manner provided in Section 403 of the Note Ordinance.

NOTWITHSTANDING ANY PROVISION HEREIN OR IN THE NOTE ORDINANCE TO THE CONTRARY, THE TIF NOTES ARE SUBJECT TO CANCELLATION AND DISCHARGE BY THE CITY IN WHOLE OR IN PART WITHOUT PENALTY UNDER THE CONDITIONS SET FORTH IN SECTIONS 7.1 AND 7.2 OF THE REDEVELOPMENT AGREEMENT.

The TIF Notes are subject to optional redemption by the City in whole at any time or in part on any Payment Date at a redemption price of 100% of the principal amount of the TIF Note to be redeemed, plus accrued interest thereon to the date fixed for redemption.

The TIF Notes are subject to special mandatory redemption by the City on each Payment Date, at a redemption price equal to 100% of the principal amount being redeemed, together with accrued interest thereon to the date fixed for redemption, in an amount equal to Available Revenues on deposit in the applicable accounts of the Special Allocation Fund and which are not required for the payment of accrued interest on such Payment Date.

The TIF Notes or portions of Notes to be redeemed shall become due and payable on the redemption date, at the redemption price therein specified, and from and after the redemption date (unless the City defaults in the payment of the redemption price) such TIF Notes or portion of TIF Notes shall cease to bear interest. Upon surrender of such TIF Notes for redemption in accordance with such notice, the redemption price of such TIF Notes shall be paid by the Finance Officer. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any TIF Note, there shall be prepared for the Registered Owner a new TIF Note or Notes of the same maturity in the amount of the unpaid principal as provided herein. All TIF Notes that have been redeemed shall be cancelled and destroyed by the Finance Officer as provided herein and shall not be reissued.

TIF Notes shall be redeemed only in the principal amount of One Thousand Dollars (\$1,000) or any integral multiple thereof. When less than all of the outstanding TIF Notes are to be redeemed and paid prior to maturity, such TIF Notes shall be selected by the Finance Officer in One Thousand Dollar (\$1,000) units of face value in such equitable manner as the Finance Officer may determine.

The TIF Notes are issuable in the form of fully registered Notes without coupons in minimum denominations of One Hundred Thousand Dollars (\$100,000) or any integral multiple \$1,000 in excess thereof, except with respect to the Notes issued upon acceptance by the City of the final Certificate of Reimbursable Redevelopment Project Costs, which Notes may be issued in any denomination, subject to the limitation on the aggregate Principal Amount.

This TIF Note may be transferred or exchanged as provided in the Note Ordinance only upon the Register, upon surrender of this TIF Note together with a written instrument of transfer satisfactory to the Finance Officer duly executed by the Registered Owner or the Registered Owner’s duly authorized agent.

THE OWNER HEREOF EXPRESSLY AGREES, BY SUCH OWNER’S ACCEPTANCE HEREOF, THAT THE RIGHT TO PURCHASE, TRANSFER, ASSIGN OR NEGOTIATE THIS TIF NOTE SHALL BE LIMITED TO PURCHASE, TRANSFER, ASSIGNMENT OR NEGOTIATION TO APPROVED INVESTORS AND UPON THE EXECUTION BY THE PROPOSED PURCHASER OR TRANSFEREE OF AN INVESTMENT LETTER IN SUBSTANTIALLY THE FORM OF EXHIBIT C TO THE NOTE ORDINANCE, SIGNED BY THE PROPOSED PURCHASER OR TRANSFEREE, SHOWING THAT THE PROPOSED PURCHASER OR TRANSFEREE IS AN APPROVED INVESTOR. “Approved Investor” means (a) the Developer or any party or entity related to the Developer by one of the relationships described in Section 267(b) of the Internal Revenue Code of 1986, as amended, (b) an “accredited investor” under Rule 501(a) of Regulation D promulgated under the Securities Act of 1933, (c) a “qualified institutional buyer” under Rule 144A promulgated under the Securities Act of 1933 or (d) any general business corporation or enterprise with total assets in excess of \$50,000,000.

Subject to the limitations of the preceding paragraph, upon surrender thereof at the office of the Finance Officer, the Finance Officer shall transfer or exchange any TIF Note for a new TIF Note of the same maturity and in the same principal amount as the Outstanding principal amount of the TIF Note that was presented for transfer or exchange. Any TIF Note presented for transfer or exchange shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in a form and with guarantee of signature satisfactory to the Finance Officer, duly executed by the Registered Owner thereof or by the Registered Owner’s duly authorized agent.

This TIF Note shall not be valid or binding on the City or be entitled to any security or benefit under the Indenture until the Certificate of Authentication hereon has been executed by the Finance Officer.

IT IS HEREBY CERTIFIED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of the TIF Notes have existed, happened and been performed in due time, form and manner as required by law.

(The remainder of this page is intentionally left blank.)

IN WITNESS WHEREOF, the CITY OF ST. LOUIS, MISSOURI has executed this TIF Note by causing it to be signed by the manual or facsimile signature of its Mayor, Finance Officer and Treasurer and attested by the manual or facsimile signature of its City Register, and its official seal to be affixed or imprinted hereon, and this TIF Note to be dated as of the effective date of registration as shown on Schedule A attached hereto.

CITY OF ST. LOUIS, MISSOURI

By: _____
Mayor

By: _____
Finance Officer

By: _____
Treasurer

Attest:

(Seal)

City Register

Approved as to Form:

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

(Print or Type Name, Address and Social Security Number or other Taxpayer Identification Number of Transferee)

the within TIF Note and all rights thereunder, and hereby irrevocably constitutes and appoints _____ agent to transfer the within Note on the books kept by the Finance Officer for the registration thereof, with full power of substitution in the premises.

Dated: _____.

NOTICE: The signature to this assignment must correspond with the name of the Registered Owner as it appears on the face of the within Note in every particular.

Signature Guaranteed By:

(Name of Eligible Guarantor Institution)

By: _____
Title: _____

NOTICE: Signature(s) must be guaranteed by an eligible guarantor institution as defined by SEC Rule 17Ad-15 (17 CFR 240.17Ad-15).

SCHEDULE A
CERTIFICATE OF AUTHENTICATION

This TIF Note is one of the Series 2003 TIF Notes described in the within-mentioned Note Ordinance.

<u>Date⁽¹⁾</u>	<u>Additions to Principal Amount⁽²⁾</u>	<u>Principal Amount Paid</u>	<u>Outstanding Principal Amount</u>	<u>Authorized Signatory of Finance Officer</u>
_____	\$ _____	\$ _____	\$ _____	

(1) Date of approval of each Certificate of Reimbursable Redevelopment Project Costs, as provided in Section 5.2 of the Redevelopment Agreement (which constitutes Date of Authentication with respect to such portion of the Note) or Payment Date.

(2) Limited to denominations of \$100,000 or any \$1,000 increment in excess thereof, except with respect to an advance pursuant to the final Certificate of Reimbursable Redevelopment Project Costs, which may be in any denomination, subject to the limitation on the aggregate principal amount provided for in the Note Ordinance.

EXHIBIT G
Equal Opportunity and Nondiscrimination Guidelines

In any contract for Work in connection with the RPA1 Project related to any of the Property, the Developer (which term shall include the Developer, any transferees, lessees, designees, successors and assigns thereof, including without limitation any entity related to the Developer by one of the relationships described in Section 267(b) of the United States Internal Revenue Code of 1986, as amended), its contractors and subcontractors shall comply with all federal, state and local laws, ordinances or regulations governing equal opportunity and nondiscrimination (the "Laws"). Moreover, the Developer shall contractually require its contractors and subcontractors to comply with the Laws.

The Developer and its contractors or subcontractors shall not contract with any party known to have been found in violation of the Laws.

The Developer agrees for itself and its contractors and subcontractors that there shall be covenants to ensure that there shall be no discrimination on the part of the Developer or its contractors and subcontractors upon the basis of race, color, creed, national origin, sex, marital status, age, sexual orientation or physical handicap in the sale, lease, rental, use or occupancy of any of the Property or any improvements constructed or to be constructed on the Property or any part thereof. Such covenants shall run with the land and shall be enforceable by the St. Louis Development Corporation, the City and the United States of America, as their interest may appear in the RPA1 Project.

The Developer shall make good faith efforts to observe Executive Order #28 dated July 24, 1997, relating to minority and women-owned business participation in City contracts.

The parties agree that the provisions of City Ordinance #60275, codified at Chapter 3.90 of the Revised Ordinances of the City of St. Louis, Missouri (the "First Source Jobs Policy"), do not specifically apply to the Developer as a potential recipient of TIF Notes, TIF Bonds and/or TIF Revenues. Nonetheless, the Developer voluntarily agrees to make good faith efforts to observe the provisions of the First Source Jobs Policy related to the negotiation of an employment agreement with the St. Louis Agency on Training and Employment.

Approved: July 23, 2003