

ORDINANCE #68631
Board Bill No. 331

An Ordinance authorizing the execution of a Cooperation Agreement between the City of St. Louis and GROUP360, Inc. and authorizing reimbursement to GROUP360, Inc. in accordance therewith; authorizing the execution of the First Amendment to Redevelopment Agreement between the City of St. Louis and 1227 Washington TIF, Inc.; prescribing the form and details of said agreements; making certain findings with respect thereto; authorizing other related actions in connection therewith; and containing a severability clause.

WHEREAS, the City of St. Louis (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, pursuant to Ordinance Nos. 68262, 68263, and 68264 the City designated a portion of the City a Redevelopment Area and approved the 1227 Washington TIF Redevelopment Plan (the “Redevelopment Plan”) and the Redevelopment Project, all as described therein, approving tax increment financing for that certain building located at 1223-1237 Washington Avenue in the City (the “Project Area”) to alleviate the conditions that qualify it as a “blighted area”, as defined in Section 99.805 of the Revised Statutes of Missouri (2000), since the Project Area has not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to be developed without the adoption of tax increment financing; and

WHEREAS, a TIF Redevelopment Agreement was subsequently executed by the City and 1227 Washington TIF, Inc., a Missouri corporation (the “Developer”), as authorized by and in accordance with Ordinance No. 68263, which TIF Redevelopment Agreement is dated as of June 8, 2009 (the “Redevelopment Agreement”); and

WHEREAS, GROUP360, Inc., a Missouri corporation (the “Company”), intends to consolidate the majority of its workforce into a portion of the Project Area, relocating a significant number of employees from outside of the City to the Project Area; and

WHEREAS, the Company would not relocate to the Project Area without assistance from the City, and the relocation of Company employees to the Project Area will benefit the Redevelopment Project, thereby alleviating the conditions that qualify it as a “blighted area”; and

WHEREAS, a minimum of \$500,000 will be spent by the Company or the Developer relating to equipment, tenant improvements, and relocation to the Redevelopment Project; and

WHEREAS, the City is agreeable to assisting the Company by reimbursing the Company up to \$500,000 pursuant to a Cooperation Agreement between the Company and the City (the “Cooperation Agreement”); and

WHEREAS, the Developer is amenable to amending the Redevelopment Agreement pursuant to that certain First Amendment to Redevelopment Agreement (the “First Amendment”) to have the City annually surplus from the Special Allocation Fund (as that term is defined in the Redevelopment Agreement) an amount equal to the amount of assistance given to the Company by the City; and

WHEREAS, it is hereby found and determined that it is necessary and desirable and in the best interest of the City to enter into the Cooperation Agreement with the Company, to enter into the First Amendment, and to surplus from the Special Allocation Fund certain funds in order to provide for the promotion of the general welfare through redevelopment of the Project Area in accordance with the Cooperation Agreement and the Redevelopment Agreement, as amended, 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, encouragement of a sense of community identity, safety and civic pride, the elimination of impediments to land disposition and development in the City of St. Louis, creation of sustainable jobs in a targeted industry, and provision of additional tax revenue to the City; and

WHEREAS, the Board of Alderman hereby determines that the terms of the Cooperation Agreement attached as Exhibit A hereto and incorporated herein by reference and the First Amendment attached as Exhibit B hereto and incorporated herein by reference are acceptable and the execution, delivery, and performance by the City and the Company of their respective obligations under the Cooperation Agreement and the First Amendment are in the best interests of the City and the health, safety, morals, and welfare of its residents.

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

SECTION ONE. The Board of Alderman finds and determines that, in order to promote the general welfare, as described above, it is necessary and desirable to enter into the Cooperation Agreement with the Company, which, subject to annual appropriation, pledges certain tax revenues for reimbursement to the Company in order to benefit the Redevelopment Project.

SECTION TWO. The Board of Alderman hereby approves, and the Mayor and Comptroller of the City are hereby authorized and directed to execute, on behalf of the City, the Cooperation Agreement by and between the City and the Company attached hereto as Exhibit A, and the City Register is hereby authorized and directed to attest to the Cooperation Agreement and to affix the seal of the City thereto. The Cooperation Agreement shall be in substantially the form attached, with such changes therein as shall be approved by said Mayor and Comptroller as may be consistent with the intent of this Ordinance and necessary and appropriate in order to carry out the matters herein authorized.

SECTION THREE. The Board of Alderman finds and determines that, in order to promote the general welfare, as described above, it is necessary and desirable to enter into the First Amendment with the Developer and, in accordance therewith, to surplus from the Special Allocation Fund an amount equal to the Surplus Amount (as that term is defined in the First Amendment).

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 First Amendment by and between the City and the Developer attached hereto as **Exhibit B**, and the City Register is hereby authorized and directed to attest to the First Amendment and to affix the seal of the City thereto. The First Amendment shall be in substantially the form attached, with such changes therein as shall be approved by said Mayor and Comptroller executing the same and as may be consistent with the intent of this Ordinance and necessary and appropriate 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 and appropriate in order to carry out the matters herein authorized, with no such further action of the Board of Aldermen necessary to authorize such action by the Mayor and the Comptroller or their designated representatives.

SECTION SIX. The Mayor and the Comptroller or their designated representatives, with the advice and concurrence of the City Counselor, are hereby further authorized and directed to make any changes to the documents, agreements and instruments approved and authorized by this Ordinance as may be consistent with the intent of this Ordinance and necessary and appropriate in order to carry out the matters herein authorized, with no such further action of the Board of Aldermen necessary to authorize such changes by the Mayor and the Comptroller or their designated representatives.

SECTION SEVEN. It is hereby declared to be the intention of the Board of Alderman 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 Alderman 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.

EXHIBIT A**Form of Cooperation Agreement****COOPERATION AGREEMENT**

THIS COOPERATION AGREEMENT (this "Cooperation Agreement") is entered into as of the ___ day of _____, 2010, 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 GROUP360, Inc., a Missouri corporation, whose address is 1307 Washington Avenue, Suite 200, St. Louis, Missouri 63103 (the "Company").

RECITALS

A. Pursuant to Ordinance Nos. 68262, 68263, and 68264 the City designated a portion of the City a TIF Redevelopment Area, approved the 1227 Washington TIF Redevelopment Plan, and approved tax increment financing for that certain building located at 1223-1237 Washington Avenue in the City of St. Louis, Missouri (the "Project Area"), which is being redeveloped (the "Redevelopment Project") in accordance with a TIF Redevelopment Agreement by and between 1227 Washington TIF, Inc. (the "Developer") and the City dated as of June 8, 2009, as amended (the "Redevelopment Agreement").

B. The Company intends to consolidate the majority of its workforce into a portion of the Project Area, relocating a significant number of employees from outside of the City to the Project Area.

C. A minimum of \$500,000 will be expended by the Company or the Developer relating to equipment, tenant improvements and relocation to the Redevelopment Project and 1219-1221 Washington Avenue.

D. The Company would not relocate to the Project Area without assistance from the City, which would adversely impact the viability of the Redevelopment Project.

E. The relocation of Company employees to the Project Area will benefit the Redevelopment Project, which will alleviate the conditions that qualify the Project Area as a "blighted area", as defined in Section 99.805 of the Revised Statutes of Missouri (2000), since the Project Area has not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to be developed without the adoption of tax increment financing.

F. On _____, 2010, the City adopted Ordinance No. _____ (the "Authorizing Ordinance"), which authorized the City to amend the Redevelopment Agreement to provide for the annual surplus of an amount equal to the Incremental Increase paid to the Company and enter into this Cooperation Agreement with the Company. The City is authorized to enter into this Cooperation Agreement pursuant to the provisions of Section 70.210 to 70.320 of the Revised Statutes of Missouri, as amended, and the Charter of the City.

G. This Cooperation Agreement promotes and protects the health, safety, morals, and welfare of the public through redevelopment of the Project Area in accordance with the Cooperation Agreement and the Redevelopment Agreement, which redevelopment includes assistance in the physical, economic, and social development of the City, providing for a stabilized population and plan for the optimal growth of the City, encouragement of a sense of community identity, safety and civic pride, the elimination of impediments to land disposition and development in the City, creation of sustainable jobs in a targeted industry, and provision of additional tax revenue to the City.

AGREEMENT

NOW, THEREFORE, in consideration of the premises and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Definitions. For the purposes of this Cooperation Agreement the following terms shall have the following meanings:
 - (a) "Base Earnings and Payroll Tax Revenue" means the amount of Earnings Tax Revenue and Payroll Tax Revenue paid by the Company to the City from its operations at 1307 Washington Avenue in calendar year 2009, increasing two percent (2%) annually commencing in 2010, which amount for calendar year 2009 is \$_____.
 - (b) "Earnings Tax Revenue" means the revenue from the tax imposed by the City on salaries, wages, commissions, and other compensation, currently codified in Sections 5.22.010 to 5.22.140, R.C. City of St. Louis, and any similar successor tax or taxes, on the quarterly earning tax report, Form W-10, filed with the Collector's office.
 - (c) "Payroll Tax Revenue" means the revenue from the tax imposed by the City on every person who, in connection with his business engages, hires, employs, or contracts with one or more individuals as an employee, to perform work or render services in whole or part within the City, currently codified in Sections 5.23.010 to 5.23.140 R.C. City of St. Louis, and any similar successor tax or taxes, on the quarterly payroll tax report, Form P-10, filed with the Collector's office.

(i) "Project Costs" means the costs and expenses incurred by the Company or the Developer in connection with the purchase of equipment and completion of tenant improvements in the Project Area and 1219-1221 Washington Avenue, including but not limited to the costs of designing, improving, fixturing, equipping and otherwise readying the improvements in the Project Area and 1219-1221 Washington Avenue for use and occupancy by the Company and its affiliates and their respective employees, and moving and relocation expenses, which amount shall equal a minimum of \$500,000.

(d) "Incremental Increase" means the combined amount of Earnings Tax Revenue and Payroll Tax Revenue attributable to employees of the Company or its affiliates employed and physically located in the City within the Project Area and at 1219-1221 Washington Avenue, for the applicable calendar year in excess of the Base Earnings and Payroll Tax Revenue. For the purpose of computing the Incremental Increase semi-annually, one half of the Base Earnings and Payroll Tax Revenue shall be allocated to each of the Semi-Annual Calculation Periods, and in the event that the first and/or the last Semi-Annual Calculation Period consists of less than six (6) full calendar months, then the one half of the Base Earnings and Payroll Tax Revenue used to compute the Incremental Increase for such Semi-Annual Calculation Period shall be prorated based upon the ratio that the number of calendar days in such Semi-Annual Calculation Period occurring within the Term bears to one hundred eighty (180).

(e) "Reimbursement Period Commencement Date" means January 1, 2011.

(f) "Semi-Annual Calculation Period" means each six (6) month period during the Term commencing on January 1 and ending on June 30, and commencing on July 1 and ending on December 31.

(g) "Term" means the period beginning on the date of this Cooperation Agreement and ending on the date that is the earlier of (i) December 31, 2020, (ii) the date on which the Company has been reimbursed Five Hundred Thousand and 00/100 Dollars (\$500,000.00) (the "Reimbursement Limit"), or (iii) Company moves from the Project Area.

2. Creation of Earnings and Payroll Tax Reimbursement Account. There is hereby established an account of the Company to be held by the City, designated and named the "Earnings and Payroll Tax Reimbursement Account – GROUP360, Inc., St. Louis Missouri" (the "Earnings and Payroll Tax Reimbursement Account") into which there shall be deposited an amount equal to fifty percent (50%) of the Incremental Increase in accord with Section 3. The Earnings and Payroll Tax Reimbursement Account shall be under the custody and control of the City, subject however, to the provisions of this Cooperation Agreement and the Authorizing Ordinance.

3. Reimbursement to Company.

(a) The City agrees, subject to annual appropriation, to reimburse the Company, an amount equal to fifty percent (50%) of the Incremental Increase generated during the Term, in accordance with the terms and provisions of this Cooperation Agreement.

(b) Within thirty (30) days after the end of each Semi-Annual Calculation Period during the Term, the Company shall deliver to the City written certification stating the Earnings Tax Revenue and the Payroll Tax Revenue paid by the Company and its affiliates during such Semi-Annual Calculation Period attributable to employees of the Company or its affiliates employed and physically located in the City (with reasonable supporting documentation), and the Incremental Increase with respect to such Semi-Annual Calculation Period, in form and content attached as Exhibit A (each a "Periodic Calculation Certificate").

(c) Within sixty (60) days after the last day of each Semi-Annual Calculation Period during the Term, the City shall cause amount equal to fifty percent (50%) of the Incremental Increase to be deposited into the Earnings and Payroll Tax Reimbursement Account and disbursed to the Company. In the event that the amount of any disbursement is less than the amount stated to be due in the Periodic Calculation Certificate for the applicable Semi-Annual Calculation Period, the City shall provide with such disbursement an explanation of the discrepancy.

4. Annual Appropriation.

(a) The City's obligation to appropriate the Incremental Increase for deposit into the Earnings and Payroll Tax Reimbursement Account and to appropriate the funds on deposit from time to time in the Earnings and Payroll Tax Reimbursement Account shall not be construed to be a debt of the City within the meaning of Article VI, Section 26(a)

of the Missouri Constitution or any other applicable constitutional or statutory limitations, nor shall anything contained herein constitute a pledge of the general credit, tax revenues, funds or moneys of the City. With regard to the obligation to pay the Incremental Increase, the parties believe that this is a current expense of the City in each applicable fiscal year.

(b) During the term of this Cooperation Agreement, the City covenants and agrees that with respect to each fiscal year of the City, the Budget Director or other designated representative at any time charged with the responsibility of formulating budget proposals will be directed to include in the budget proposal submitted to the City a request for an appropriation equal to fifty percent (50%) of the Incremental Increase received in such fiscal year for deposit into the Earnings and Payroll Tax Reimbursement Account.

(c) The City is obligated only to make the payments set forth in this Cooperation Agreement as may lawfully be made from funds budgeted and appropriated or otherwise legally available to make the required payments during each respective fiscal year.

(d) The obligations of the City to make the payments hereunder constitute a current expense of the City, are from year to year and do not constitute a mandatory payment obligation of the City in any fiscal year beyond the then current fiscal year of the City in which such appropriation has been made. The City's obligation hereunder shall not in any way be construed to be a debt of the City in contravention of any applicable constitutional or statutory limitation or requirement concerning the creation of indebtedness by the City, nor shall anything contained herein constitute a pledge of the general credit, tax revenues, funds or money of the City.

(e) The City reasonably believes that legally available funds in an amount sufficient to fully repay the obligations undertaken herein can be obtained. Notwithstanding the foregoing, the decision whether or not to budget or appropriate funds for any subsequent fiscal year is solely within the discretion of the then current governing body of the City.

5. Development. Upon occupancy within the Project Area and 1219-1221 Washington Avenue, the Company shall deliver to the City a written certification stating the amount of the Project Costs expended or incurred by the Company or the Developer, in form and content attached as Exhibit B.

6. Non-Appropriation. In the event that the City adopts a budget for a fiscal year, which budget does not include an appropriation equal to fifty percent (50%) of the Incremental Increase to be received in such fiscal year for deposit into the Earning and Payroll Tax Reimbursement Account, the same shall constitute an "Event of Non-appropriation." Should an Event of Non-appropriation occur, the City shall immediately notify in writing the following entities of the Event of Non-appropriation: (i) each nationally recognized municipal securities repository, and (ii) each nationally recognized rating agency which then maintains a rating on any of the City's bonds, notes or other securities. In the event that the City fails to give notice in accordance with the provisions of this section within thirty (30) days following the occurrence of an Event of Non-appropriation, then Company shall have the right, in addition to all other remedies available at law or in equity, to give such notice on the City's behalf.

7. Notice. Any notice, demand or other communication required by this Cooperation Agreement to be given to either party hereto to the other shall be in writing and shall be sufficiently given or delivered if sent by United States first class certified mail, return receipt requested, postage prepaid, or via a nationally recognized overnight delivery service that provides a receipt for delivery, addressed as follows:

If to Company: GROUP360, Inc.
1307 Washington Ave.
Suite 200
St. Louis, MO 63103

with a copy to: Tom Bearden
Bearden, Breckenridge & Gidlow, LLC
7701 Forsyth Boulevard, Suite 375
St. Louis, MO 63105

If to the City: City of St. Louis, Missouri
Office of the Mayor
1200 Market Street

Room 200 City Hall
St. Louis, MO 63103

With a copy to: City of St. Louis, Missouri
Office of the Comptroller
1200 Market Street
Room 212 City Hall
St. Louis, MO 63103

Either party shall have the right to change its respective address for notices by a written notice to that effect.

8. Choice of Law. This Cooperation Agreement shall be construed and enforced in accordance with the laws of the State of Missouri.

9. Entire Agreement; Amendment. This Cooperation Agreement constitutes the entire agreement between the parties and there are no other agreements or representations other than those contained in this Cooperation Agreement. This Cooperation Agreement may not be amended, modified or waived orally, but only by a writing signed by the party against whom enforcement of such amendment, modification or waiver is sought.

10. Invalid Provisions. If any one or more of the provisions of this Cooperation Agreement, or the applicability of any such provision to a specific situation, shall be held invalid or unenforceable by final non-appealable order of a court of competent jurisdiction, such provision shall be judicially modified to the minimum extent necessary to make it or its application valid and enforceable, and the validity and enforceability of all other provisions of this Cooperation Agreement and all other applications of any such provision shall not be affected thereby; provided, however, that if, in the Company's sole judgment, the invalidity or unenforceability of such provision, or the terms of such provision as modified in accordance with this section, materially diminish the likelihood that the Company will be reimbursed up to the Reimbursement Limit, the Company shall have the right to terminate this Cooperation Agreement and be relieved of any further obligations hereunder.

11. Binding Effect. This Cooperation Agreement shall be binding upon and inure to the benefit of the parties, and their respective successors and assigns.

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

[Remainder of Page Intentionally Left Blank.]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their respective officers or officials.

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 A. Hageman, City Counselor

GROUP360, INC.

By: _____
Name: _____
Title: _____

EXHIBIT A

CERTIFICATION OF INCREMENTAL INCREASE

TO: City of St. Louis, Missouri ("City")
Attention: _____

Re: GROUP360, Inc. ("Company")

Terms not otherwise defined herein shall have the meaning ascribed to such terms in the Cooperation Agreement dated _____, 2010 (the "Contract") between the City and the Company. In connection with the Contract, the undersigned hereby states and certifies that:

13. This Certificate is provided with respect to the Semi-Annual Calculation Period commencing on _____ 1, 20_ and ending on _____, 20_.

14. The Payroll Tax Revenue paid by the Company and its affiliates during such Semi- Annual Calculation Period attributable to employees of the Company or its affiliates employed and physically located in the City was _____ Dollars (\$_____).

15. The Earnings Tax Revenue paid by the Company and its affiliates during such Semi- Annual Calculation Period attributable to employees of the Company or its affiliates employed and physically located in the City is deemed to be _____ Dollars (\$_____).

16. The Incremental Increase with respect to such Semi-Annual Calculation Period was _____ Dollars (\$_____).

17. Supporting documentation of the Payroll Tax Revenue paid by the Company and its affiliates during such Semi-Annual Calculation Period attributable to employees of the Company or its affiliates employed and physically located in the City is attached.

Dated this _____ day of _____, 20 _____.

GROUP360, INC.

By: _____
Name: _____
Title: _____

EXHIBIT B

CERTIFICATION OF PROJECT COSTS

TO: City of St. Louis, Missouri ("City")
Attention: _____

Re: GROUP360, Inc. ("Company")

Terms not otherwise defined herein shall have the meaning ascribed to such terms in the Cooperation Agreement dated _____, 2010 (the "Contract") between the City and the Company. In connection with the Contract, the undersigned hereby states and certifies that:

1. In connection with occupying its space in the Project Area and 1219-1221 Washington, the [Company]/[Developer] incurred Project Costs in the aggregate amount of _____ Dollars (\$_____).

2. These Project Costs have been paid by the [Company]/[Developer].

Dated this _____ day of _____, 20 _____.

GROUP360, INC.

By: _____

Name: _____

Title: _____

EXHIBIT B

Form of FIRST AMENDMENT TO REDEVELOPMENT Agreement

FIRST AMENDMENT TO REDEVELOPMENT AGREEMENT

This First Amendment to Redevelopment Agreement (the “**Amendment**”) is made this __ day of _____, 2010 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 **1227 Washington TIF, Inc.**, a Missouri corporation (the “**Developer**”).

RECITALS

A. The City is a party to that certain Redevelopment Agreement (the “**Agreement**”) dated as of June 8, 2009, by and between the City and Developer, for redevelopment of a portion of the City of St. Louis designated as the 1225 Washington Redevelopment Area in accordance with that certain 1225 Washington TIF Redevelopment Plan and as approved and authorized by the City of St. Louis, Missouri pursuant to Ordinance No. 68264; and

B. All capitalized terms not defined herein shall have the meaning ascribed to such terms in the Agreement; and

C. The City has entered into a Cooperation Agreement with GROUP360, Inc. (the “**Company**”), whereby the City intends to reimburse the Company up to \$500,000 from the Incremental Increase in Earnings Tax Revenue and Payroll Tax Revenue (as such terms are defined in the Cooperation Agreement); and

D. As a result of entering into the Cooperation Agreement, the City must surplus from the Special Allocation Fund an amount equal to the Earnings Tax Revenue and Payroll Tax Revenue paid by Company in excess of the Base Earnings and Payroll Tax Revenue (as that term is defined in the Cooperation Agreement) multiplied by fifty percent (50%).

AGREEMENT

NOW, THEREFORE, in consideration of the above premises and of the mutual promises and covenants set forth herein, the parties hereby agree as follows:

1. The following defined terms shall be inserted in Section 1.1 in alphabetical order:

“*Cooperation Agreement*” shall mean that certain Cooperation Agreement between the City and GROUP360, Inc., dated as of _____, 2010.

“*Surplus Amount*” shall mean an amount of EATS equal to the Earnings Tax Revenue and the Payroll Tax Revenue attributable to employees of the Company (as those terms are defined in the Cooperation Agreement) or its affiliates employed and physically located in the City within the Redevelopment Area and at 1219-1221 Washington Avenue in excess of the Base Earnings and Payroll Tax Revenue (as that term is defined in the Cooperation Agreement) multiplied by fifty percent (50%).

2. Section 6.7 shall be inserted as follows:

6.7 Surplus. Subject to the terms of this Section 6.7, the City and Developer hereby agree that notwithstanding anything contained in this Agreement or the Note Ordinance to the contrary, there shall be surplused at least annually an amount of EATS equal to the Earnings Tax Revenue and the Payroll Tax Revenue attributable to employees of the Company or its affiliates employed and physically located in the City within the Redevelopment Area and at 1219-1221 Washington Avenue in excess of the Base Earnings and Payroll Tax Revenue multiplied by fifty percent (50%). Pursuant to Sections 99.820.1(12) and 99.835.1 of the Act, the City hereby declares annually as surplus from the Special Allocation Fund the Surplus Amount. The surplus declaration shall terminate upon the earlier to occur of the following: (i) the City has surplused from the Special Allocation Fund an amount equal to \$500,000; (ii) December 31, 2020, (iii) the Company vacates its space within the Redevelopment Area and at 1219-1221 Washington Avenue; or (iv) the Cooperation Agreement is terminated.

3. Section 6.8 shall be inserted as follows:

6.8 Cooperation Agreement. The City shall not amend the Cooperation Agreement without the written consent of Developer, which consent shall not be unreasonably withheld, conditioned, or delayed and provided, however, that such amendment does not increase the amount of reimbursement, extend the term of the Cooperation Agreement, or apply to additional property within the City.

4. This Amendment shall be construed and enforced in accordance with the laws of the State of Missouri and shall be binding upon and shall inure to the benefit of the successors and assigns of the parties hereto.

5. Except as hereby amended, all other terms and conditions of the Agreement shall remain the same and in full force and effect.

6. No provision of this Amendment may be amended or modified, except by an instrument in writing signed by the parties.

7. Unless otherwise defined herein, any capitalized terms in this Amendment shall have the meanings provided in the Agreement.

8. This Amendment may be executed in multiple counterparts.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the parties have executed this Agreement effective as of 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

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

On this ____ day of _____, 2010, before me appeared Francis G. 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 City 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 _____, 2010, 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 City and State aforesaid, the day and year first above written.

Notary Public

[SEAL]

My Commission Expires:

“DEVELOPER”

1227 Washington TIF, Inc., a Missouri corporation

By: _____
Name: _____
Title: _____

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

I HEREBY CERTIFY, that on this ____ day of _____, 2010, before me, the undersigned Notary Public of said State, personally appeared _____, who acknowledged himself to be a _____ of 1227 Washington TIF, Inc., a Missouri corporation, and that he is authorized to sign the instrument on behalf of said corporation, and acknowledged to me that he executed the within instrument as said corporation’s free act and deed.

WITNESS my hand and Notarial Seal.

Notary Public

[SEAL]

My Commission Expires:

Approved: March 29, 2010