

Summary
Board Bill Number 216
Primary Sponsor: Alderman Jesse Todd
January 8, 2021

Purpose	<ul style="list-style-type: none"> The purpose of the bills is to authorize and approve tax increment financing for the Kingsway Commercial Redevelopment Area
Proposed Action	<ul style="list-style-type: none"> <u>BB 214</u>: Designates portion of the City as Kingsway Commercial Redevelopment Area and adopts and approves TIF and Redevelopment Plan for the new construction, rehabilitation and renovation of mixed-use buildings containing office, retail, restaurant, institutional, arts/entertainment, medical and multi-family residential uses. <u>BB 215</u>: Authorizes the Redevelopment Agreement with Developer in order to implement the Project (being comprised of five Sub-Projects) and enables Developer to carry out the Redevelopment Plan. <u>BB 216</u>: Authorizes the financing of a portion of the redevelopment costs of the Project utilizing TIF and authorizing the issuance of revenue notes not to exceed \$6.9 million.
Main Components	<ul style="list-style-type: none"> The Developer Kingsway Development, LLC. The Project consists of parts of city blocks 3760, 3762-S, 3763-S, 3764-S, 3765-S, 3879-N, 4556 and 4575. Property consists of a combination of vacant land, vacant buildings, a church, several existing commercial uses ranging from an autobody repair facility to a liquor store, the LaunchCode training center and a multi-family residential facility. Project is within the proposed Kingsway Commercial Redevelopment Area. Project would be eligible for a TIF not to exceed \$6.9 million. Proposed Project consists of five Sub-Projects which include the renovation of approximately 28.34 acres and is currently comprised of fifty-five (55) parcels to be used for mixed-use buildings containing office, retail, restaurant, institutional, arts/entertainment, medical and multi-family residential uses. Total Project costs of approximately \$78.8 million.
Impact on the Community	<ul style="list-style-type: none"> Development of a prominent blighted area of the City. Attract commercial, office, hospitality and retail uses as well as market-rate rental apartments. Encourage density and 18-hour activity. Make the Redevelopment Area a safer, more vibrant area of the City.

BOARD BILL NUMBER 216 INTRODUCED BY: ALDERMAN JESSE TODD

1 An Ordinance recommended by the Board of Estimate and Apportionment authorizing and
2 directing the issuance and delivery of not to exceed \$6,900,000 plus issuance costs principal
3 amount of tax increment revenue notes (Kingsway Commercial Redevelopment Area Project)
4 Series 20___ -A/B, of The City of St. Louis, Missouri; prescribing the form and details of such
5 notes and the covenants and agreements made by the City to facilitate and protect the payment
6 thereof; prescribing other matters relating thereto, and containing a severability clause.

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

10 **WHEREAS**, the Real Property Tax Increment Allocation Redevelopment Act, Sections
11 99.800 through 99.865, Revised Statutes of Missouri, as amended (the “TIF Act”), authorizes the
12 City to undertake redevelopment projects within designated areas of the City; and

13 **WHEREAS**, staff and consultants of the City and Kingsway Development LLC, a
14 Missouri limited liability company, prepared a plan for redevelopment titled “Kingsway
15 Commercial Redevelopment Area TIF Redevelopment Plan” dated December 11, 2020
16 (“Redevelopment Plan”), for an area consisting of parts of city blocks 3760, 3762-S, 3763-S, 3764-
17 S, 3765-S, 3879-N, 4556 and 4575 (the “Redevelopment Area” or “Area”), which Redevelopment
18 Area is more fully described in the Redevelopment Plan, such legal description being attached
19 hereto and incorporated herein as **Exhibit A**; and

20 **WHEREAS**, on December 9, 2020, following a duly-noticed public hearing, the TIF
21 Commission the TIF Commission voted to recommend that the Board of Aldermen adopt an
22 ordinance in the form required by the TIF Act (i) adopting tax increment financing within the

1 Redevelopment Area, (ii) approving the Redevelopment Plan, (iii) approving and designating the
2 Redevelopment Area as a “redevelopment area” as provided in the TIF Act, (iv) approving the
3 Redevelopment Projects as described within the Redevelopment Plan, and (v) approving the
4 issuance of one or more tax increment financing revenue notes in the amount as specified in the
5 Redevelopment Plan; and

6 **WHEREAS**, on _____, 2021, after due consideration of the TIF Commission’s
7 recommendations and approval by the Board of Aldermen, the Mayor signed: (1) Ordinance No.
8 _____ (Board Bill No. ____), designating the Redevelopment Area as a “redevelopment area”
9 as provided in the TIF Act, approving the Redevelopment Plan, and approving the redevelopment
10 projects described in the Redevelopment Plan (the “Redevelopment Projects”), which consists of
11 the Sub-Projects (as hereinafter defined), adopting tax increment allocation financing within the
12 Redevelopment Area, and establishing the Kingsway Commercial TIF Special Allocation Fund;
13 and (2) Ordinance No. _____ (Board Bill No. ____), authorizing the City to enter into a
14 redevelopment agreement with Developer (as hereinafter defined); and

15 **WHEREAS**, pursuant to the Redevelopment Plan and Redevelopment Agreement, the
16 City proposes to finance a portion of the costs of the Redevelopment Projects by utilizing tax
17 increment allocation financing in accordance with the TIF Act; and

18 **WHEREAS**, the ___ may establish a community improvement district (the “CID”) in
19 accordance with Sections 67.1401 to 67.1571 of the Revised Statutes of Missouri, as amended (the
20 “CID Act”), whereby sales tax revenues generated by the CID will be used to pay certain costs
21 associated with the Redevelopment Project, including debt service on the below-defined TIF
22 Notes; and

1 **WHEREAS**, Section 67.1491.4 of the CID Act authorizes the City to issue obligations
2 secured by the CID’s sales tax revenues; and

3 **WHEREAS**, the City desires to issue, from time to time, its Tax Increment Revenue Notes
4 (Kingsway Commercial Redevelopment Area Project), 20__-A/B, (the “TIF Notes” or “Notes”),
5 to provide funds for the aforesaid purpose, said Notes being payable solely from certain proceeds
6 deposited into the Special Allocation Fund; and

7 **WHEREAS**, the City has determined that it is in the best interest of the City to sell the
8 Notes from time to time at a private sale, without advertisement, to the Original Purchaser (as
9 hereinafter defined) at a price equal to 100% of their face value; and

10 **WHEREAS**, it is hereby found and determined that it is necessary and advisable and in
11 the best interest of the City and of its inhabitants that the Notes be issued and secured in the form
12 and manner as hereinafter provided to carry out the Redevelopment Projects.

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

14 **SECTION ONE.** Any TIF Notes issued pursuant to this Ordinance shall conform to
15 the following terms and conditions.

16 **ARTICLE I.**

17 **DEFINITIONS**

18 **Section 1.1. Definitions of Words and Terms.** In addition to the words and terms
19 defined elsewhere in this ordinance (the “Ordinance”), the following capitalized words and terms,
20 as used in this Ordinance, shall have the following meanings:

21 “Approved Investors” means (a) the Developer or a Related Entity, (b) an “accredited
22 investor” under Rule 501(a) of Regulation D promulgated under the Securities Act of 1933, (c) a

1 “qualified institutional buyer” under Rule 144A promulgated under the Securities Act of 1933 or
2 (d) any general business company or enterprise with total assets in excess of \$50,000,000.

3 “Approving Ordinance” means Ordinance No. _____ (Board Bill No. ____), signed by
4 the Mayor on _____, 2021, designating the Redevelopment Area, approving the
5 Redevelopment Plan, approving the Redevelopment Projects, making certain findings with respect
6 thereto, adopting tax increment financing within the Redevelopment Area, establishing the Special
7 Allocation Fund, and authorizing certain related actions by City officials.

8 “Authorized Denominations” means an initial amount of \$100,000 or any integral multiple
9 of \$1,000 in excess thereof, except with respect to the TIF Note issued upon acceptance by the
10 City of the final Certificate of Reimbursable Redevelopment Project Costs for the Sub-Projects,
11 which TIF Note may be issued in any denomination, subject to the limitation on the aggregate
12 Principal Amount, subject to the limitation provided in Section 2.1 of this Ordinance.

13 “Authorizing Ordinance” means Ordinance No. _____ Board Bill No. ____, signed by
14 the Mayor on _____, 2021, affirming adoption of the Redevelopment Plan,
15 Redevelopment Area, and Redevelopment Projects, authorizing execution of a Redevelopment
16 Agreement for the construction of the Redevelopment Projects and making certain findings related
17 thereto.

18 “Available Revenues” means all monies on deposit from time to time (including
19 investment earnings thereon) in (a) the PILOTs Account, and (b) subject to annual appropriation,
20 the EATs Account that have been appropriated to the repayment of the TIF Notes, and (c) CID
21 Revenues, but excluding (i) any amount paid under protest until the protest is withdrawn or
22 resolved against the taxpayer or (ii) any sum received by the City which is the subject of a suit or
23 other claim communicated to the City which suit or claim challenges the collection of such sum.

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

6 “Certificate of Commencement of Construction” means a document substantially in the
7 form of **Exhibit C** to the Redevelopment Agreement, delivered by the Developer to the City in
8 accordance with the Redevelopment Agreement and evidencing commencement of construction
9 of each Sub-Project.

10 “Certificate of Reimbursable Redevelopment Project Costs” means a document
11 substantially in the form of **Exhibit D** to the Redevelopment Agreement provided by the
12 Developer to the City in accordance with Redevelopment Agreement evidencing Reimbursable
13 Redevelopment Project Costs incurred by the Developer.

14 “Certificate of Substantial Completion” means a document substantially in the form of
15 **Exhibit E** to the Redevelopment Agreement, issued by the Developer to the City in accordance
16 with the Redevelopment Agreement upon completion of each Sub-Project and, upon the City’s
17 acceptance or deemed acceptance thereof, evidencing the Developer’s satisfaction of all
18 obligations and covenants to complete the particular Sub-Project in accordance with the
19 Redevelopment Plan and the Redevelopment Agreement.

20 “CID Act” means the Community Improvement District Act, Sections 67.1401 to 67.1571
21 of the Revised Statutes of Missouri, as amended.

22 “CID Revenues” means the revenues from the CID Sales Tax received by the City for
23 deposit into the CID Revenues Account pursuant to the Cooperation Agreement.

1 “CID Revenues Account” means the CID Revenues Account of the Special Allocation
2 Fund.

3 “CID Sales Tax” means an up to 1.0% community improvement district sales tax imposed
4 by the CID.

5 “City” means The City of St. Louis, Missouri, a body corporate and political subdivision
6 duly authorized and existing under its charter and the Constitution and laws of the State of
7 Missouri.

8 “Cooperation Agreement” means a Cooperation Agreement among the City, the District
9 and the Developer.

10 “Debt Service Fund” means the fund by that name created in Section 4.1 of this Ordinance.

11 “Debt Service Reserve Fund” means the fund by the name created in Section 4.1 of this
12 Ordinance.

13 “Debt Service Reserve Fund Requirement” means that amount as reasonably determined
14 by the underwriter or placement agent for the TIF Notes with the concurrence of the City’s Finance
15 Officer.

16 “Developer” means Kingsway Development, LLC, a limited liability company duly
17 organized and existing under the laws of the State of Missouri, or any affiliated entity or its
18 permitted successors or assigns in interest.

19 “Disclosure Counsel” means Armstrong Teasdale LLP, St. Louis, Missouri, and/or an
20 attorney at law or a firm of attorneys acceptable to the Finance Officer of nationally recognized
21 standing in matters pertaining to offerings of municipal securities duly admitted to the practice of
22 law before the highest court of any state of the United States of America or the District of
23 Columbia.

1 “Economic Activity Taxes” or “EATS” shall have the meaning ascribed to such term in
2 Section 99.805(4) of the TIF Act, excluding any taxes that, under Missouri law, are not subject to
3 tax increment financing.

4 “EATS Account” means the EATS Account of the Special Allocation Fund.

5 “Finance Officer” means the Comptroller of the City or her authorized agent.

6 “Issuance Costs” means all costs reasonably incurred by the City or Developer in
7 furtherance of the issuance of TIF Notes, including without limitation, the fees and expenses of
8 financial advisors and consultants, the City’s attorneys (including issuer’s counsel, Disclosure
9 Counsel, Bond Counsel and, at the City’s discretion, Developer’s counsel), the City’s
10 administrative fees and expenses (including fees and costs of its planning consultants and the St.
11 Louis Development Corporation), underwriters’ discounts and fees, if any, the costs of printing
12 any TIF Notes and any official statements relating thereto, the costs of credit enhancement, if any,
13 capitalized interest, debt service reserves and the fees of any rating agency rating any TIF Notes.

14 “Issuance Date” means the dated date of the TIF Notes

15 “Maturity Date” means _____, 2044 which is the date that is twenty-three (23) years after
16 the effective date of the Approving Ordinance.

17 “Ordinance” or “Note Ordinance” means this Ordinance as from time to time amended in
18 accordance with the terms hereof.

19 “Original Purchaser” means the Developer, a Related Entity, the Project Lender or a
20 Qualified Institutional Buyer; provided, however, that any such Related Entity or Project Lender
21 shall also qualify as an Approved Investor and shall be designated in writing by the Developer as
22 the Original Purchaser.

1 “Owner” or “Registered Owner” means, when used with respect to any TIF Note, the
2 person in whose name such TIF Note is registered.

3 “Payment Date” means, with respect to any TIF Note, each May 1 and November 1,
4 commencing on the first May 1 or November 1 that immediately succeeds the City’s issuance of
5 any TIF Obligations.

6 “Payments in Lieu of Taxes” or “PILOTS” shall have the meaning ascribed to such term
7 in Section 99.805(11) of the TIF Act, excluding any taxes that, under Missouri law, are not subject
8 to tax increment financing.

9 “PILOTS Account” means the PILOTS Account of the Special Allocation Fund.

10 “Project Fund” means the fund by that name created in Section 4.1 of this Ordinance.

11 “Project Lender” means a commercial bank, savings bank, savings and loan association,
12 credit union or other financial institution that has loaned funds to the Developer or a Related Entity
13 to be used for completion of the Redevelopment Projects and has secured such loan with a
14 mortgage or security interest in any Sub-Project.

15 “Qualified Institutional Buyer” means a “qualified institutional buyer” under Rule 144A
16 promulgated under the Securities Act of 1933.

17 “Redevelopment Agreement” or “Agreement” means that certain Redevelopment
18 Agreement dated as of _____, 2021, between the City and the Developer, as may
19 be amended from time to time.

20 “Redevelopment Area” means the real property legally described and set forth on **Exhibit**
21 **A**, attached hereto and incorporated herein by reference.

22 “Redevelopment Plan” means the plan titled “Kingsway Commercial Redevelopment Area
23 TIF Redevelopment Plan” dated December 11, 2020, and as approved by the City pursuant to the

1 Approving Ordinance, as such plan may from time to time be amended in accordance with the TIF
2 Act.

3 “Redevelopment Projects” or “Kingsway Commercial Redevelopment Area Projects”
4 means the redevelopment projects as identified by the Redevelopment Plan and Redevelopment
5 Agreement.

6 “Register” or “Note Register” means the books for registration, transfer and exchange of
7 the TIF Notes kept at the office of the Finance Officer.

8 “Reimbursable Redevelopment Project Costs” means those Redevelopment Project Costs
9 for which the Developer is eligible for reimbursement in accordance with the TIF Act, the CID
10 Act, the Redevelopment Agreement and the Cooperation Agreement.

11 “Related Entity” means any party or entity related to the Developer by one of the
12 relationships described in Section 267(b), Section 707(b)(1)(A) or Section 707(b)(1)(B) of the
13 Internal Revenue Code of 1986, as amended.

14 “Revenue Fund” means the fund by that name created in Section 4.1 of this Ordinance.

15 “Series A Account” means the account by that name created in Section 4.1 of this
16 Ordinance.

17 “Series A Note(s)” means the [Taxable][Tax-Exempt] Tax Increment Revenue Note
18 (Kingsway Commercial Redevelopment Project), Series 20___-A, issued pursuant to this
19 Ordinance in an aggregate amount not to exceed \$6,900,000 plus Issuance Costs, in substantially
20 the form set forth in **Exhibit B**, attached hereto and incorporated herein by reference.

21 “Series B Account” means the account by that name created in Section 4.1 of this
22 Ordinance.

1 “Series B Note” means the [Taxable][Tax-Exempt] Tax Increment Revenue Note
2 (Kingsway Commercial Redevelopment Project), Series 20____-B, issued pursuant to the Note
3 Ordinance in an aggregate amount not to exceed \$6,900,000 plus Issuance Costs, less the aggregate
4 outstanding principal amount of the Series A Notes, in substantially the form set forth in **Exhibit**
5 **B**, attached hereto and incorporated herein by reference.

6 “Special Allocation Fund” means the City of St. Louis, Missouri, Kingsway Commercial
7 TIF Special Allocation Fund created by Ordinance No. _____ Board Bill No. ____ effective on
8 _____, 2021 and including the accounts for the Kingsway Commercial Redevelopment
9 Area Project into which TIF Revenues are from time to time deposited in accordance with the TIF
10 Act and this Ordinance, including a PILOTS Account and an EATS Account.

11 “Sub-Project” or “Sub-Projects” means Sub-Project 1, Sub-Project 2, Sub-Project 3, Sub-
12 Project 4 and/or Sub-Project 5, collectively or individually, as the context implies.

13 “Sub-Project 1” means the development of a community arts center and art gallery space
14 located at 4915 Delmar Boulevard in the City.

15 “Sub-Project 1 Work” means all work necessary to complete or cause the completion of
16 Sub-Project 1, including but not limited to: (1) property acquisition, (2) site preparation and
17 environmental remediation, (3) demolition, (4) construction, reconstruction, renovation and/or
18 rehabilitation of structures and related infrastructure and/or public improvements, including
19 without limitation surrounding roads, sidewalks, sewer, water, electrical, parking and other
20 utilities, (5) professional services, including, but not limited to, architecture, engineering,
21 surveying, financing, legal, planning and consulting; and (6) all other work described in the
22 Redevelopment Proposal, the Redevelopment Plan and this Agreement, or reasonably necessary
23 to effectuate the intent of this Agreement and complete Sub-Project 1.

1 “Sub-Project 2” means the development of approximately 16,000 commercial, retail,
2 restaurant and office space at 4731 Delmar Boulevard in the City.

3 “Sub-Project 2 Work” means all work necessary to complete or cause the completion of
4 Sub-Project 2, including but not limited to: (1) property acquisition, (2) site preparation and
5 environmental remediation, (3) demolition, (4) construction, reconstruction, renovation and/or
6 rehabilitation of structures and related infrastructure and/or public improvements, including
7 without limitation surrounding roads, sidewalks, sewer, water, electrical, parking and other
8 utilities, (5) professional services, including, but not limited to, architecture, engineering,
9 surveying, financing, legal, planning and consulting; and (6) all other work described in the
10 Redevelopment Proposal, the Redevelopment Plan and this Agreement, or reasonably necessary
11 to effectuate the intent of this Agreement and complete Sub-Project 2.

12 “Sub-Project 3” means the development of approximately 10,500 square feet of performing
13 arts, event venue and restaurant space at 4731 Delmar Boulevard in the City.

14 “Sub-Project 3 Work” means all work necessary to complete or cause the completion of
15 Sub-Project 3, including but not limited to: (1) property acquisition, (2) site preparation and
16 environmental remediation, (3) demolition, (4) construction, reconstruction, renovation and/or
17 rehabilitation of structures and related infrastructure and/or public improvements, including
18 without limitation surrounding roads, sidewalks, sewer, water, electrical, parking and other
19 utilities, (5) professional services, including, but not limited to, architecture, engineering,
20 surveying, financing, legal, planning and consulting; and (6) all other work described in the
21 Redevelopment Proposal, the Redevelopment Plan and this Agreement, or reasonably necessary
22 to effectuate the intent of this Agreement and complete Sub-Project 3.

1 “Sub-Project 4” means the development of approximately 156 residential apartments,
2 10,300 square feet of commercial space and an approximately 325 structured parking spaces at
3 4800 Delmar Boulevard in the City.

4 “Sub-Project 4 Work” means all work necessary to complete or cause the completion of
5 Sub-Project 4, including but not limited to: (1) property acquisition, (2) site preparation and
6 environmental remediation, (3) demolition, (4) construction, reconstruction, renovation and/or
7 rehabilitation of structures and related infrastructure and/or public improvements, including
8 without limitation surrounding roads, sidewalks, sewer, water, electrical, parking and other
9 utilities, (5) professional services, including, but not limited to, architecture, engineering,
10 surveying, financing, legal, planning and consulting; and (6) all other work described in the
11 Redevelopment Proposal, the Redevelopment Plan and this Agreement, or reasonably necessary
12 to effectuate the intent of this Agreement and complete Sub-Project 4.

13 “Sub-Project 5” means the development of approximately 60,000 square feet of medical
14 office space at 709 Taylor Avenue in the City.

15 “Sub-Project 5 Work” means all work necessary to complete or cause the completion of
16 Sub-Project 5, including but not limited to: (1) property acquisition, (2) site preparation and
17 environmental remediation, (3) demolition, (4) construction, reconstruction, renovation and/or
18 rehabilitation of structures and related infrastructure and/or public improvements, including
19 without limitation surrounding roads, sidewalks, sewer, water, electrical, parking and other
20 utilities, (5) professional services, including, but not limited to, architecture, engineering,
21 surveying, financing, legal, planning and consulting; and (6) all other work described in the
22 Redevelopment Proposal, the Redevelopment Plan and this Agreement, or reasonably necessary
23 to effectuate the intent of this Agreement and complete Sub-Project 5.

1 “Taxable TIF Notes” means any TIF Note, the interest on which (in the opinion of Bond
2 Counsel), is not exempt from federal income taxation.

3 “Tax-Exempt TIF Notes” means any TIF Note, the interest on which (in the opinion of
4 Bond Counsel), is exempt from federal income taxation

5 “TIF Act” means the Real Property Tax Increment Allocation Redevelopment Act,
6 Sections 99.800 through 99.865 of the Revised Statutes of Missouri, as amended.

7 “TIF Notes” means one or more series of not to exceed \$6,900,000 plus Issuance Costs
8 Tax Increment Revenue Notes (Kingsway Commercial Redevelopment Area Project), Series
9 20__-A/B issued by the City pursuant to and subject to the Redevelopment Agreement and this
10 Ordinance in substantially the form set forth in **Exhibit B**, attached hereto and incorporated herein
11 by reference.

12 “TIF Revenues” means: (1) PILOTs and (2) subject to annual appropriation by the City,
13 fifty percent (50%) of EATs.

14 **Section 1.2. Rules of Construction.** For all purposes of this Ordinance, except as
15 otherwise expressly provided or unless the context otherwise requires:

16 Words of masculine gender shall be deemed and construed to include correlative words of
17 the feminine and neuter genders.

18 Words importing the singular number shall include the plural and vice versa and words
19 importing person shall include firms, associations and limited liability companies, including public
20 bodies. The headings and captions herein are not a part of this document.

21 Terms used in an accounting context and not otherwise defined shall have the meaning
22 ascribed to them by generally accepted accounting principles.

1 Whenever an item or items are listed after the word “including,” such listing is not intended
2 to be an exhaustive listing that excludes items not listed.

3 **ARTICLE II.**

4 **AUTHORIZATION OF TIF NOTES**

5 **Section 2.1. Authorization of TIF Notes.** There are hereby authorized and directed to
6 be issued by the City to the Original Purchaser one or more series of the TIF Notes in an aggregate
7 principal amount not to exceed \$6,900,000 plus Issuance Costs. The TIF Notes shall be in
8 substantially the form of **Exhibit B**, attached hereto and incorporated herein by reference.

9 **Section 2.2. Description of TIF Notes.**

10 (a) Title of TIF Notes. There may be issued one series of one or more Series
11 A Notes in an aggregate principal amount not to exceed \$6,900,000 plus Issuance Costs authorized
12 hereunder and one series of one or more Series B Notes in an aggregate principal amount not to
13 exceed \$6,900,000 plus Issuance Costs less the aggregate principal amount of Series A Notes. The
14 Series A Notes shall be designated “[Taxable]/[Tax-Exempt] Tax Increment Revenue Notes
15 (Kingsway Commercial Redevelopment Area Project), Series 20__-A”. The Series B Notes shall
16 be designated “[Taxable]/[Tax-Exempt] Tax Increment Revenue Notes (Kingsway Commercial
17 Redevelopment Area Project), Series 20__-B”. The TIF Notes may have such further appropriate
18 particular designations added to or incorporated in such title for the TIF Notes of any particular
19 series as the City may determine.

20 (b) Form of TIF Notes. The TIF Notes shall be substantially in the form set
21 forth in **Exhibit B**, attached hereto and incorporated herein by reference, with such appropriate
22 variations, omissions and insertions as are permitted or required by this Ordinance, and may have
23 endorsed thereon such legends or text as may be necessary or appropriate to conform to any

1 applicable rules and regulations of any governmental authority or any usage or requirement of law
2 with respect thereto.

3 (c) Terms of TIF Notes. The TIF Notes shall mature (subject to redemption
4 and payment prior to maturity as provided in Article III hereof), on the date that is twenty-three
5 (23) years after the effective date of the Approving Ordinance, which is _____ ,
6 2044. Each TIF Note shall bear interest at a fixed rate per annum determined on the date that is
7 not less than ten (10) and not more than sixty (60) business days prior to the scheduled closing
8 date for issuance of the TIF Notes (the “Pricing Date”) based on the municipal yield curve for
9 general obligation bonds (the “MMD”) compiled by Municipal Market Data Line ® (or its
10 successors) and published by Thomson Financial, an operating unit of The Thomson Corporation
11 (or its successors) using the MMD yield published as of the Issuance Date for general obligation
12 bonds rated “AAA” that mature in the same year as the TIF Notes, (i) plus four percent (4%) if the
13 interest on such TIF Note, in the opinion of Bond Counsel, is not exempt from Federal income
14 taxation (the “Taxable Rate”), or (ii) plus two percent (2%) if the interest on such TIF Note, in the
15 opinion of Bond Counsel, is exempt from Federal income taxation (the “Tax Exempt Rate”);
16 provided, in no event shall the interest rate on the TIF Notes exceed ten percent (10%) per annum.
17 All TIF Notes shall have a stated maturity of the Maturity Date. Interest shall be computed on the
18 basis of a 360-day year of twelve 30-day months. The TIF Notes shall bear interest from their
19 registration date or from the most recent Payment Date to which interest has been paid or duly
20 provided for.

21 (d) Denominations. The TIF Notes shall be issuable as fully registered TIF
22 Notes in Authorized Denominations.

1 (e) Numbering. Unless the City directs otherwise, each series of TIF Notes
2 shall be numbered from R-1 upward.

3 (f) Dating. The TIF Notes shall be dated as provided in Section 2.7, as
4 evidenced by the Finance Officer's signature on Schedule A to each TIF Note.

5 (g) Evidence of Principal Payments. The payment of principal of the TIF Notes
6 on each Payment Date shall be noted on the TIF Notes on Schedule A thereto. The original
7 Schedule A to the TIF Note shall be held by the Finance Officer in trust, unless otherwise directed
8 in writing by the Owners thereof. If such Schedule A is held by the Finance Officer, the Finance
9 Officer shall, on each Payment Date, send a revised copy of Schedule A via facsimile to the Owner.
10 Absent manifest error, the amounts shown on Schedule A held by the Finance Officer shall be
11 conclusive evidence of the principal amount paid on the TIF Notes.

12 (h) Sale of TIF Notes. When TIF Notes have been executed and authenticated
13 as required by this Ordinance, the Finance Officer shall hold the TIF Notes in trust or, if directed
14 in writing by the Owners thereof, deliver the TIF Notes to or upon the order of the Owners thereof,
15 as provided in paragraph (g) above, but only upon payment to the City of a purchase price equal
16 to one hundred percent (100%) of the face amount of the TIF Notes, which payment shall be
17 deemed to have occurred under the circumstances described in Section 4.5 of this Ordinance.

18 **Section 2.3. Finance Officer to Serve as Paying Agent and Registrar.** The Finance
19 Officer or the authorized representative thereof is hereby designated as the paying agent ("Paying
20 Agent") for the payment of principal of and interest on the TIF Notes and the bond registrar with
21 respect to the registration, transfer and exchange of the TIF Notes and for allocating and holding
22 funds as provided herein.

1 **Section 2.4. Security for TIF Notes.** The Series A Notes shall be equally and ratably
2 secured by Available Revenues. The Series B Notes shall be equally and ratably secured by the
3 Available Revenues on a subordinate basis to the Series A Notes. The TIF Notes shall be special,
4 limited obligations of the City payable solely from and secured as to the payment of principal and
5 interest by a pledge of the Available Revenues. The taxing powers of the City, and the CID, if
6 created, are not pledged to the payment of the TIF Notes either as to principal or interest. The TIF
7 Notes shall not be or constitute a general obligation of the City or the CID, if created, nor shall
8 they constitute an indebtedness of the City or the CID, if created, within the meaning of any
9 constitutional, statutory or charter provision, limitation or restriction. TIF Notes may be issued in
10 two series, with one series subordinate to TIF Notes of the other series issued hereunder (the
11 “Subordinate Notes”), such that no payment of principal or interest on any such Subordinate Notes
12 may be made while any TIF Notes are outstanding. THE OBLIGATIONS OF THE CITY WITH
13 RESPECT TO THE TIF NOTES SHALL TERMINATE ON THE FIRST TO OCCUR OF THE
14 FULL PAYMENT AND DISCHARGE OF THE TIF NOTES OR THE MATURITY DATE
15 (WHETHER OR NOT THE PRINCIPAL AMOUNT OR INTEREST HAS BEEN PAID IN
16 FULL).

17 **Section 2.5. Method and Place of Payment of TIF Notes.** The principal of and interest
18 on the TIF Notes shall be payable in any coin or currency which, on the respective dates of payment
19 thereof, is legal tender for the payment of debts due the United States of America. Payment shall
20 be made by the Finance Officer as provided in this Note Ordinance and as set forth in **Exhibit B.**
21 Principal and interest shall be payable by check or draft at the office of the Finance Officer or by
22 wire transfer to the person in whose name such TIF Note is registered on the Register on each
23 Payment Date.

1 **Section 2.6. Registration, Transfer and Assignment.** So long as the TIF Notes remain
2 outstanding, the City shall cause to be kept at the office of the Finance Officer books for the
3 registration, transfer and exchange of the TIF Notes as herein provided. The TIF Notes when
4 issued shall be registered in the name of the Original Purchaser thereof on the Register.

5 The TIF Notes and beneficial interest therein may only be purchased by an Original
6 Purchaser and transferred or assigned to the Developer, a Related Entity, a Qualified Institutional
7 Buyer or Project Lender upon the execution by each proposed purchaser, transferee or assignee of
8 a letter in substantially the form of **Exhibit C**, attached hereto and incorporated herein by
9 reference, stating that such Original Purchaser, transferee or assignee (i) is an Approved Investor
10 and (ii) has sufficient knowledge and experience in business and financial matters in general, and
11 investments such as the TIF Notes in particular, to enable the Original Purchaser, transferee or
12 assignee to evaluate the risks involved in an investment in the TIF Notes. The TIF Notes may be
13 transferred and exchanged only upon the records of the City. Upon surrender of a TIF Note to the
14 Finance Officer, the Finance Officer shall transfer or exchange the TIF Notes for a new TIF Note
15 or TIF Notes, which shall be (i) in the form of fully registered Notes without coupons in minimum
16 denominations of One Thousand Dollars (\$1,000), except with respect to the TIF Notes issued
17 upon acceptance by the City of the final Certificate of Reimbursable Redevelopment Project Costs,
18 which TIF Notes may be issued in any denomination, subject to the limitation on the aggregate
19 principal amount, and (ii) of the same Maturity Date and in the same aggregate principal amount
20 outstanding as the TIF Note which was presented for transfer or exchange. The TIF Notes
21 presented for transfer or exchange shall be accompanied by a written instrument or instruments of
22 transfer or authorization for exchange, in a form and with guarantee of signature satisfactory to the
23 Finance Officer, duly executed by the Owner thereof or by the Owner's duly authorized agent.

1 Upon any transfer, exchange or assignment as provided in this Section, the transferor shall
2 reimburse the City for all of the reasonable out-of-pocket costs incurred by the City in connection
3 with the administration of such transfer, exchange or assignment.

4 **Section 2.7. Execution, Authentication and Delivery of the TIF Notes.** Each of the
5 TIF Notes, including any TIF Notes issued in exchange or as substitution for the TIF Notes initially
6 delivered, shall be signed by the manual or facsimile signature of the Mayor and the Finance
7 Officer of the City, attested by the manual or facsimile signature of the City Register, and shall
8 have the official seal of the City affixed thereto or imprinted thereon. If any officer whose
9 signature appears on any TIF Note ceases to be such officer before the delivery of such TIF Note,
10 such signature shall nevertheless be valid and sufficient for all purposes, the same as if such person
11 had remained in office until delivery. Any TIF Note may be signed by such persons who at the
12 actual time of the execution of such TIF Note are the proper officers to sign such TIF Note although
13 at the date of such TIF Note such persons may not have been such officers.

14 The Mayor, Finance Officer and City Register are hereby authorized and directed to
15 prepare and execute the TIF Notes as hereinbefore specified, and when duly executed, to deliver
16 the TIF Notes to the Finance Officer for authentication.

17 The TIF Notes shall have endorsed thereon a certificate of authentication substantially in
18 the form set forth in Schedule A of **Exhibit B** hereto, which shall be manually executed by an
19 authorized signatory of the Finance Officer, but it shall not be necessary that the same signatory
20 sign the certificate of authentication on all of the TIF Notes that may be issued hereunder at any
21 one time. No TIF Note shall be entitled to any security or benefit under this Ordinance or be valid
22 or obligatory for any purpose until the certificate of authentication has been duly executed by the

1 Finance Officer. Such executed certificate of authentication upon any TIF Note shall be conclusive
2 evidence that such TIF Note has been duly authenticated and delivered under this Ordinance.

3 The TIF Notes shall be initially executed and authenticated by the City upon the last to
4 occur of the following: (i) acceptance or deemed acceptance of the Certificate of Substantial
5 Completion; (ii) approval of a Certificate of Reimbursable Redevelopment Project Costs; (iii)
6 receipt of an opinion of Bond Counsel regarding the taxable nature of the TIF Notes; (iv) the full
7 payment of all advances required to be paid under Section 2.2 of the Redevelopment Agreement;
8 (v) receipt of such other documentation as the City shall reasonably require of Developer and any
9 Original Purchaser, in order for the City to obtain an opinion of Bond Counsel as required by
10 Section 5.1 of the Redevelopment Agreement; (vi) the completion of Section 4.3 of the
11 Redevelopment Agreement; (vii) confirmation that the Developer and its Related Entities have no
12 delinquent real estate taxes owed to the City; and (viii) the determination of the size of the TIF
13 Notes.

14 Upon the Developer's satisfaction of the foregoing conditions and upon approval of each
15 Certificate of Reimbursable Redevelopment Project Costs, the Finance Officer shall either: (i) at
16 the request of the City upon instructions of the Developer, endorse an outstanding TIF Note on
17 Schedule A thereto to evidence an increase in the aggregate principal amount equal to such
18 Reimbursable Redevelopment Project Costs, or (ii) at the request of the City upon instructions of
19 the Developer issue a new TIF Note in a principal amount equal to such Reimbursable
20 Redevelopment Project Costs, or any combination thereof. Each date of endorsement of each such
21 TIF Note shall be the date of acceptance by the City of each Certificate of Reimbursable
22 Redevelopment Project Costs except that the initial endorsement of each TIF Note shall be dated
23 the Issuance Date of such TIF Note. Thereupon, pursuant to Section 2.2(h), the TIF Notes shall

1 either be held or delivered to or upon the order of the party submitting the Certificate of
2 Reimbursable Redevelopment Project Costs relating to such Notes. Upon acceptance by the City
3 of such a Certificate of Reimbursable Redevelopment Project Costs in accordance with the
4 Redevelopment Agreement and upon execution and authentication of the TIF Notes as required
5 by this Ordinance, the Developer shall be deemed to have advanced funds to the City in an amount
6 equal to the purchase price of the TIF Notes, which shall be one hundred percent (100%) of the
7 face amount of the TIF Notes, and, upon the issuance of an endorsement of the TIF Notes as
8 provided in the preceding paragraph, the City shall be deemed to have reimbursed the Developer
9 in full for such Reimbursable Redevelopment Project Costs.

10 **Section 2.8. Mutilated, Lost and Stolen TIF Notes.** If any mutilated TIF Note is
11 surrendered to the Finance Officer or the Finance Officer receives evidence to his/her satisfaction
12 of the destruction, loss or theft of any TIF Note and there is delivered to the Finance Officer such
13 security or indemnity as may be required by it to save the City and the Finance Officer harmless,
14 then, in the absence of notice to the Finance Officer that such TIF Note has been acquired by a
15 bona fide purchaser, the City shall execute and the Finance Officer shall register and deliver, in
16 exchange for or in lieu of any such mutilated, destroyed, lost or stolen TIF Note, a new TIF Note
17 with the same Maturity Date and of like tenor and principal amount. Upon the issuance of any
18 new TIF Note under this Section, the City and the Finance Officer may require the payment by the
19 Owner of a sum sufficient to cover any tax or other governmental charge that may be imposed in
20 relation thereto and any other expenses connected therewith. If any such mutilated, destroyed, lost
21 or stolen TIF Note has become or is about to become due and payable, the Finance Officer may,
22 in its discretion, pay such TIF Note instead of issuing a new TIF Note.

1 Finance Officer on behalf of the City by mailing a copy of an official redemption notice by first
2 class mail, postage prepaid, at least thirty (30) days (five days if all of the Notes are owned by the
3 Developer) and not more than sixty (60) days prior to the date fixed for redemption, to each
4 Registered Owner of the Notes to be redeemed at the address shown on the Note Register.

5 All official notices of optional redemption shall be dated and shall contain the following
6 information: (a) the redemption date; (b) the redemption price; (c) if less than all outstanding Notes
7 are to be redeemed, the identification number and maturity date(s) (and, in the case of partial
8 redemption of any Notes, the respective principal amounts) of the Notes to be redeemed; (d) a
9 statement that on the redemption date the redemption price will become due and payable upon
10 each Note or portion thereof called for redemption and that interest thereon shall cease to accrue
11 from and after the redemption date; and (e) the place where such Notes are to be surrendered for
12 payment of the redemption price, which shall be the office of the Finance Officer. The failure of
13 any Registered Owner to receive notice given as heretofore provided or an immaterial defect
14 therein shall not invalidate any redemption.

15 **Section 3.2. Special Mandatory Redemption.** All TIF Notes are subject to special
16 mandatory redemption by the City on each Payment Date, at a redemption price equal to 100% of
17 the principal amount being redeemed, together with accrued interest thereon to the date fixed for
18 redemption, which amount of principal being redeemed shall be an amount equal to Available
19 Revenues then on deposit in the applicable account of the Special Allocation Fund and which will
20 not be required for the payment of interest on such Payment Date.

21 In the event of a special mandatory redemption of any Notes with a Registered Owner other
22 than Developer or a Related Entity, unless waived by such Registered Owner of Notes to be
23 redeemed, official notice of any redemption shall be given by the Finance Officer on behalf of the

1 City by mailing a copy of an official redemption notice by first class mail, postage prepaid, at least
2 thirty (30) days and not more than sixty (60) days prior to the date fixed for redemption, to each
3 Registered Owner other than the Developer or a Related Entity of the Notes to be redeemed at the
4 address shown on the Note Register.

5 **Section 3.3. Selection of Notes to be Redeemed.** TIF Notes shall be redeemed only in
6 Authorized Denominations. When less than all of the outstanding TIF Notes are to be redeemed
7 and paid prior to maturity, such TIF Notes or portions of TIF Notes from within the same Series
8 to be redeemed shall be selected in Authorized Denominations by the Finance Officer in such
9 equitable manner as it may determine. In the case of a partial redemption of TIF Notes from within
10 the same Series when TIF Notes of denominations greater than the minimum Authorized
11 Denomination are then outstanding, then for all purposes in connection with such redemption each
12 Authorized Denomination unit of face value shall be treated as though it was a separate TIF Note
13 of the denomination of the minimum Authorized Denomination.

14 **Section 3.4. Notice and Effect of Call for Redemption.** In the event of any optional or
15 special mandatory redemption of the Notes, unless waived by any Registered Owner of Notes to
16 be redeemed, official notice of any redemption shall be given by the Finance Officer on behalf of
17 the City by mailing a copy of an official redemption notice by first class mail to each Registered
18 Owner of the Notes to be redeemed at the address shown on the Note Register.

19 All official notices of redemption shall be dated and shall contain the following
20 information:

- 21 (a) the redemption date;
- 22 (b) the redemption price;

1 (c) if less than all outstanding Notes are to be redeemed, the identification (and,
2 in the case of partial redemption of any Notes, the respective principal amounts) of the Notes to
3 be redeemed;

4 (d) a statement that on the redemption date the redemption price will become
5 due and payable upon each Note or portion thereof called for redemption and that interest thereon
6 shall cease to accrue from and after the redemption date; and

7 (e) the place where such Notes are to be surrendered for payment of the
8 redemption price, which shall be the office of the Finance Officer.

9 The failure of any Registered Owner to receive notice given as heretofore provided or an
10 immaterial defect therein shall not invalidate any redemption. All Notes that have been redeemed
11 shall be cancelled and destroyed by the Finance Officer as provided herein and shall not be
12 reissued.

13 **ARTICLE IV.**

14 **FUNDS AND REVENUES**

15 **Section 4.1. Creation of Funds and Accounts.** There are hereby created or ratified and
16 ordered to be established in the treasury of the City the Special Allocation Fund into which all TIF
17 Revenues and CID Revenues shall be deposited, and within it the following separate funds and
18 accounts:

- 19 (a) PILOTS Account;
- 20 (b) an EATS Account;
- 21 (c) a CID Revenues Account;
- 22 (d) a Revenue Fund and, within it, (i) a PILOTS Account; and (ii) an EATS
23 Account, and (iii) a CID Revenues Account, into which all Available Revenues shall be deposited;

- 1 (e) a Debt Service Fund, and, within it, (i) a Series A Account; and (ii) a Series
- 2 B Account;
- 3 (f) a Debt Service Reserve Fund, if established on the Issuance Date; and
- 4 (g) a Project Fund.

5 **Section 4.2. Administration of Funds and Accounts.** The Special Allocation Fund and
6 the funds and accounts established therein shall be maintained in the treasury of the City and
7 administered by the City solely for the purposes and in the manner as provided in the TIF Act, this
8 Ordinance, the Approving Ordinance, and the Authorizing Ordinance so long as any TIF Notes
9 remain outstanding hereunder.

10 **Section 4.3. Revenue Fund.**

- 11 (a) On or before the date that is five (5) days prior to each Payment Date while
- 12 the TIF Notes remain outstanding, the City shall transfer and deposit:
 - 13 (i) Those Available Revenues attributable to PILOTS into the PILOTS
 - 14 Account of the Revenue Fund;
 - 15 (ii) Those Available Revenues attributable to EATS into the EATS
 - 16 Account of the Revenue Fund; and
 - 17 (iii) Those Available Revenues attributable to CID Revenues into the
 - 18 CID Revenues Account of the Revenue Fund.
- 19 (b) Available Revenues in the Revenue Fund shall be applied, first from the
- 20 CID Revenues Account, second from the EATS Account, and third from the PILOTS Account for
- 21 the purposes and in the amounts as follows:

1 *First*, to payment of arbitrage rebate, if any, owed with respect to the TIF Notes under
2 Section 148 of the Internal Revenue Code of 1986, as amended, including any costs of calculating
3 arbitrage rebate;

4 *Second*, to the Finance Officer of the City and the St. Louis Development Corporation
5 (which monies shall be paid one half to the Finance Officer and one half to the St. Louis
6 Development Corporation), 0.2% of the Notes outstanding on each Payment Date, plus any
7 accumulated deficiency from previous years, plus an amount sufficient to pay all or any portion of
8 the fees and expenses incurred by the City pursuant to Section 7.16 of the Agreement that have
9 not otherwise been reimbursed to the City through the issuance of TIF Notes;

10 *Third*, to the Finance Officer and the St. Louis Development Corporation, the extraordinary
11 fees and expenses incurred by the City or the St. Louis Development Corporation relating to the
12 Redevelopment Plan, the Redevelopment Agreement and all TIF Notes, including but not limited
13 to (i) any costs not paid by the Developer pursuant to Section 4.1 of the Redevelopment Agreement
14 and (ii) the costs of responding to any audit, questionnaire, or other request for information from
15 the Internal Revenue Service regarding any TIF Notes;

16 *Fourth*, to the Series A Account of the Debt Service Fund, an amount sufficient to pay all
17 or any portion of the past due interest owing as a result of prior deficiencies of moneys to pay
18 interest due on any Series A Notes on each Payment Date;

19 *Fifth*, to the Series A Account of the Debt Service Fund, an amount sufficient to pay all or
20 any portion of the accrued interest becoming due and payable on any Series A Notes on each
21 Payment Date;

22 *Sixth*, to the Series A Account of the Debt Service Fund, an amount sufficient to pay the
23 interest on the Series A Notes on the next succeeding Payment Date;

1 *Seventh*, for transfer to the Debt Service Reserve Fund, if established, such amount as may
2 be required to restore any deficiency in the Debt Service Reserve Fund if the amount on deposit in
3 the Debt Service Reserve Fund is less than the Debt Service Reserve Requirement;

4 *Eighth*, to the Series A Account of the Debt Service Fund, an amount sufficient to pay the
5 principal of any Series A Notes that are subject to redemption pursuant to the Note Ordinance on
6 each Payment Date;

7 *Ninth*, if no Series A Notes are outstanding, to the Series B Account of the Debt Service
8 Fund, an amount sufficient to pay all or any portion of the past due interest owing as a result of
9 prior deficiencies of moneys to pay interest due on the Series B Note on each Payment Date;

10 *Tenth*, if no Series A Notes are outstanding, to the Series B Account of the Debt Service
11 Fund, an amount sufficient to pay all or any portion of the accrued interest becoming due and
12 payable on any Series B Note on each Payment Date;

13 *Eleventh*, if no Series A Notes are outstanding, to the Series B Account of the Debt Service
14 Fund, an amount sufficient to pay the interest on the Series B Notes on the next succeeding
15 Payment Date;

16 *Twelfth*, if no Series A Notes are outstanding, to the Series B Account of the Debt Service
17 Fund, an amount sufficient to pay the principal of any Series B Note that is subject to redemption
18 pursuant to this Note Ordinance on each Payment Date; and

19 *Thirteenth*, all other remaining money in the PILOTS Account and the EATS Account of
20 the Special Allocation Fund shall annually be declared as surplus and distributed in the manner
21 provided in the TIF Act, as applicable, and all other remaining money in the CID Revenues
22 Account shall be paid to the CID for use in accordance with the CID Act.

1 (c) If monies available in the Special Allocation Fund are insufficient to
2 reimburse the City as provided above on any Payment Date, then the unpaid portion shall be carried
3 forward to the next Payment Date, with interest thereon at the same rate as the Series A Notes.

4 (d) Notwithstanding anything to the contrary contained herein:

5 (i) TIF Revenues(including any moneys attributable to the portion of
6 the CID Sales Tax that qualifies as EATs and is deposited into the EATs
7 Account) may not be used to pay more than 85.2% of the total debt service
8 payments made on the TIF Notes; and

9 (ii) CID Revenues (not including any moneys attributable to the portion
10 of the CID Sales Tax that qualifies as EATs and is deposited into the EATs
11 Account may not be used to pay more than the ratio of the Reimbursable
12 Redevelopment Project Costs eligible to be paid from CID Revenues
13 pursuant to the CID Act, as certified by the CID in accordance with the
14 Cooperation Agreement, to total Reimbursable Project Costs.

15 (e) Upon the payment in full of the principal of and interest on all TIF Notes
16 (or provision has been made for the payment thereof as specified in the Note Ordinance), payment
17 in full of the fees and expenses of the Finance Officer and the St. Louis Development Corporation,
18 and payment in full of any other amounts required to be paid under this Ordinance, all amounts (i)
19 remaining on deposit in the Revenue Fund shall be declared as surplus and distributed in the
20 manner provided in the TIF Act and (ii) remaining on deposit in the CID Revenues Account of the
21 Revenue Fund shall be paid to the CID for use in accordance with the CID Act.

22 **Section 4.4. Debt Service Fund.**

1 (a) All amounts paid and credited to the Debt Service Fund shall be expended
2 solely for (i) the payment of the principal of and interest on the TIF Notes as the same mature and
3 become due or upon the redemption thereof, said TIF Notes all being subject to special mandatory
4 redemption thereof, or (ii) to purchase Notes for cancellation prior to maturity.

5 (b) The City hereby authorizes and directs the Finance Officer to withdraw
6 sufficient moneys from the Debt Service Fund to pay the principal of and interest on the TIF Notes
7 as the same become due and payable, and to make said moneys so withdrawn available for the
8 purpose of paying said principal of and interest on the TIF Notes.

9 (c) After payment in full of the principal of and interest on the TIF Notes (or
10 provision has been made for the payment thereof as specified in this Ordinance), payment of the
11 fees and expenses of the Finance Officer, and payment of any other amounts required to be paid
12 under this Ordinance, all amounts remaining in the Debt Service Fund (i) attributable to TIF
13 Revenues shall be declared as surplus and distributed in the manner provided in the TIF Act and
14 (ii) Attributable to CID Revenues shall be paid to the CID for use in accordance with the CID Act.

15 **Section 4.5. Project Fund.** Upon acceptance by the City of a Certificate of
16 Reimbursable Redevelopment Project Costs and the issuance or endorsement of a TIF Note
17 pursuant to Section 2.7 of this Ordinance, the Developer shall be deemed to have advanced funds
18 necessary to purchase such TIF Note and the City shall be deemed to have deposited such funds
19 in the Project Fund and shall be deemed to have reimbursed the Developer or paid for in full for
20 such costs from the amounts deemed to be on deposit in the Project Fund.

21 **Section 4.6. Debt Service Reserve Fund.** Except as herein otherwise provided, funds
22 on deposit in the Debt Service Reserve Fund shall be used and applied by the Finance Officer
23 solely to prevent a default in the event moneys on deposit in the Debt Service Fund shall be

1 insufficient to pay the principal of and interest on the Series A Notes as the same become due. The
2 Finance Officer may disburse and expend moneys from the Debt Service Reserve Fund whether
3 or not the amount therein equals the Debt Service Reserve Fund Requirement. Moneys on deposit
4 in the Debt Service Reserve Fund may be used to pay Series A Notes called for redemption or to
5 purchase Series A Notes in the open market, prior to the Maturity Date, provided all Notes at the
6 time outstanding are called for redemption or purchased and sufficient funds are available
7 therefore. Moneys on deposit in the Debt Service Reserve Fund shall be used to pay and retire the
8 Series A Notes last becoming due, unless such Notes and all interest thereon are otherwise paid.

9 So long as the sum on deposit in the Debt Service Reserve Fund shall aggregate an amount
10 equal to the Debt Service Reserve Fund Requirement, investment earnings on funds on deposit in
11 the Debt Service Reserve Fund shall be deposited into the Series A Account of the Debt Service
12 Fund; provided, however, that if no Series A Notes are then outstanding, such investment earnings
13 shall be deposited into the Series B Account of the Debt Service Fund. If the sum on deposit in
14 the Debt Service Reserve Fund shall be less than the Debt Service Reserve Fund Requirement,
15 investment earnings on funds in the Debt Service Reserve Fund shall remain therein and be applied
16 to reducing such deficiency.

17 So long as the sum on deposit in the Debt Service Reserve Fund shall aggregate an amount
18 equal to the Debt Service Reserve Fund Requirement on each Payment Date, no further deposits
19 to said Debt Service Reserve Fund shall be required. Investments and moneys in the Debt Service
20 Reserve Fund shall be valued at the market value thereof, exclusive of accrued interest, by the
21 Finance Officer on and the amount on deposit therein determined accordingly.

22 Notwithstanding any other provision of this Ordinance to the contrary, to the extent that
23 any principal or interest on the TIF Obligations remain unpaid on the Maturity Date, any amounts

1 remaining on deposit in the Debt Service Reserve Fund shall be used to retire pay and retire any
2 such unpaid TIF Obligations.

3 After payment in full of the principal of, premium, if any, and interest on the Notes (or
4 provision has been made for the payment thereof as specified in the Ordinance), the fees, charges
5 and expenses of the Finance Officer and any Paying Agent and any other amounts required to be
6 paid under the Ordinance or any other instrument entered into with respect to the Notes, all
7 amounts remaining in the Debt Service Reserve Fund shall be paid to the City.

8 **Section 4.7. Nonpresentment of Notes.** If any TIF Note is not presented for payment
9 when the principal thereof becomes due at stated maturity or prior redemption date, if funds
10 sufficient to pay such TIF Note have been made available to the Finance Officer, all liability of
11 the City to the Registered Owner thereof for the payment of such TIF Note shall forthwith cease,
12 determine and be completely discharged, and thereupon it shall be the duty of the Finance Officer
13 to hold such funds, without liability for interest thereon, for the benefit of the Registered Owner
14 of such TIF Note, who shall thereafter be restricted exclusively to such funds for any claim of
15 whatever nature on his part under this Ordinance or on, or with respect to, said TIF Note. If any
16 TIF Note is not presented for payment within five (5) years following the date when such TIF Note
17 becomes due at maturity, the Finance Officer shall repay to the City the funds theretofore held by
18 it for payment of such TIF Note, and such TIF Note shall, subject to the defense of any applicable
19 statute of limitation, thereafter be an unsecured, special limited obligation of the City, and the
20 Registered Owner thereof shall be entitled to look only to the City for payment, and then only to
21 the extent of the amount so repaid to it by the Finance Officer, and the City shall not be liable for
22 any interest thereon and shall not be regarded as a Finance Officer of such money.

1 **ARTICLE V.**

2 **REMEDIES**

3 **Section 5.1. Remedies.** The provisions of this Ordinance, including the covenants and
4 agreements herein contained, shall constitute a contract between the City and the Owner. The
5 Owner shall have the right:

6 (a) by mandamus or other suit, action or proceedings at law or in equity to
7 enforce the rights of the Owner against the City and its officers, agents and employees, and to
8 require and compel duties and obligations required by the provisions of this Ordinance or by the
9 constitution and laws of the State of Missouri;

10 (b) by suit, action or other proceedings in equity or at law to require the City,
11 its officers, agents and employees to account as if they were the trustees of an express trust; and

12 (c) by suit, action or other proceedings in equity or at law to enjoin any acts or
13 things which may be unlawful or in violation of the rights of the Owner.

14 **Section 5.2. Limitation on Rights of Owner.** The Owner secured hereby shall not have
15 any right in any manner whatever by its action to affect, disturb or prejudice the security granted
16 and provided for herein, or to enforce any right hereunder, except in the manner herein provided.

17 **Section 5.3. Remedies Cumulative.** No remedy conferred herein upon the Owner is
18 intended to be exclusive of any other remedy, but each such remedy shall be cumulative and in
19 addition to every other remedy and may be exercised without exhausting and without regard to
20 any other remedy conferred herein. No waiver of any default or breach of duty or contract by the
21 Owner shall extend to or affect any subsequent default or breach of duty or contract or shall impair
22 any rights or remedies thereon. No delay or omission of the Owner to exercise any right or power
23 accruing upon any default shall impair any such right or power or shall be construed to be a waiver

1 of any such default or acquiescence therein. Every substantive right and every remedy conferred
2 upon the Owner by this Ordinance may be enforced and exercised from time to time and as often
3 as may be deemed expedient. If any suit, action or proceedings taken by the Owner on account of
4 any default or to enforce any right or exercise any remedy has been discontinued or abandoned for
5 any reason, or has been determined adversely to the Owner, then, and in every such case, the City
6 and the Owner shall be restored to their former positions and rights hereunder, respectively, and
7 all rights, remedies, powers and duties of the Owner shall continue as if no such suit, action or
8 other proceedings had been brought or taken.

9 **ARTICLE VI.**

10 **DEPOSIT AND INVESTMENT OF MONEYS**

11 **Section 6.1. Deposits of Moneys.** All moneys deposited with or paid to the Finance
12 Officer for the account of the various funds established under this Ordinance shall be held by the
13 Finance Officer in trust and shall be applied only in accordance with this Ordinance. The Finance
14 Officer shall not be under any liability for interest on any moneys received hereunder except as
15 otherwise provided herein.

16 **Section 6.2. Investment of Moneys.** Moneys held in any fund or account referred to in
17 this Ordinance shall be invested by the City as set forth in Section 95.530 Revised Statutes of
18 Missouri, as amended. All earnings on any investments held in any fund shall accrue to and
19 become a part of such fund or account, except the Debt Service Reserve Fund as provided in
20 Section 4.6 herein.

21 **ARTICLE VII.**

22 **MISCELLANEOUS PROVISIONS**

1 **Section 7.1. Covenant to Request Appropriations.** The City agrees that it shall
2 comply with its Charter, Article XVI, Section 3 for each fiscal year of the City that the TIF Notes
3 are outstanding, and the responsible City official(s) shall request an appropriation of all moneys
4 on deposit in the Special Allocation Fund for transfer to the Finance Officer for deposit at the times
5 and in the manner provided in Section 4.3 of this Ordinance.

6 **Section 7.2. Tax Matters.** Neither the City nor the Developer shall use or permit the
7 use of any proceeds of the Tax-Exempt TIF Note to acquire any securities or obligations, and shall
8 not take or permit to be taken any other action or actions, which would cause the Tax-Exempt TIF
9 Note to be an “arbitrage bond” within the meaning of Section 148(a) of the Code, or “federally
10 guaranteed” within the meaning of Section 149(b) of the Code. The City (to the extent within its
11 power or discretion) and the Developer shall not use or permit the use of any proceeds of the Tax-
12 Exempt TIF Note, and shall not take or permit to be taken any other action or actions, which would
13 result in the Tax-Exempt TIF Note being treated as other than an obligation described in Section
14 103(a) of the Code. The City (to the extent within its power or discretion) and the Developer shall
15 not use any portion of the proceeds of the Tax-Exempt TIF Note, including any investment income
16 earned on such proceeds, in any manner that would cause the Tax-Exempt TIF Note to be a “private
17 activity bond” within the meaning of Section 141(a) of the Code. The officers of the City,
18 including the Mayor, the Finance Officer and the City Register, shall be, and they hereby are,
19 authorized and directed to execute all documents and take such actions as they may deem necessary
20 or advisable in order to carry out and perform the purposes of this Section.

21 **Section 7.3. Payments Due on Saturdays, Sundays and Holidays.** In any case where
22 the Payment Date is a Saturday, a Sunday or a legal holiday or other day that is not a business day
23 in the City, then payment of principal or interest need not be made on such date but may be made

1 on the next succeeding business day with the same force and effect as if made on the Payment
2 Date, and no interest shall accrue for the period after such date.

3 **Section 7.4. Notices, Consents and Other Instruments.** Any notice, consent, request,
4 direction, approval, objection or other instrument required by this Ordinance to be signed and
5 executed by the Owner of the TIF Notes may be in any number of concurrent writings of similar
6 tenor and may be signed or executed by such Owner in person or by agent appointed in writing.
7 Proof of the execution of any such instrument or of the writing appointing any such agent and of
8 the ownership of the TIF Note, if made in the following manner, shall be sufficient for any of the
9 purposes of the Ordinance, and shall be conclusive in favor of the City with regard to any action
10 taken, suffered or omitted under any such instrument, namely:

11 (a) The fact and date of the execution by any person of any such instrument
12 may be proved by a certificate of any officer in any jurisdiction who by law has power to take
13 acknowledgments within such jurisdiction that the person signing such instrument acknowledged
14 before such officer the execution thereof, or by affidavit of any witness to such execution.

15 (b) The fact of ownership of the TIF Note, the amount or amounts and other
16 identification of the TIF Note, and the date of holding the same shall be proved by the registration
17 books of the City.

18 **Section 7.5. Execution of Documents; Further Authority.** The City is hereby
19 authorized to enter into and the Mayor and the Finance Officer of the City are hereby authorized
20 and directed to execute and deliver, for and on behalf of and as the act and deed of the City, the
21 TIF Notes and such other documents, certificates and instruments as may be necessary or desirable
22 to carry out and comply with the intent of this Ordinance. The officers of the City, including
23 without limitation the Mayor, the Finance Officer and the Register, are hereby authorized and

1 directed to execute, and the City Register is hereby authorized and directed where appropriate to
2 attest, all certificates, documents or other instruments, and take such actions as they may deem
3 necessary or advisable in order to carry out and perform the purposes of this Ordinance and to
4 make ministerial alterations, changes or additions in the foregoing agreements, statements,
5 instrument and other documents herein approved, authorized and confirmed which they determine
6 to be in the City's best interest, and the execution or taking of such action shall be conclusive
7 evidence of such determination.

8 **Section 7.6. Severability.** If any section or other part of this Ordinance, whether large
9 or small, is for any reason held invalid, the invalidity thereof shall not affect the validity of the
10 other provisions of this Ordinance.

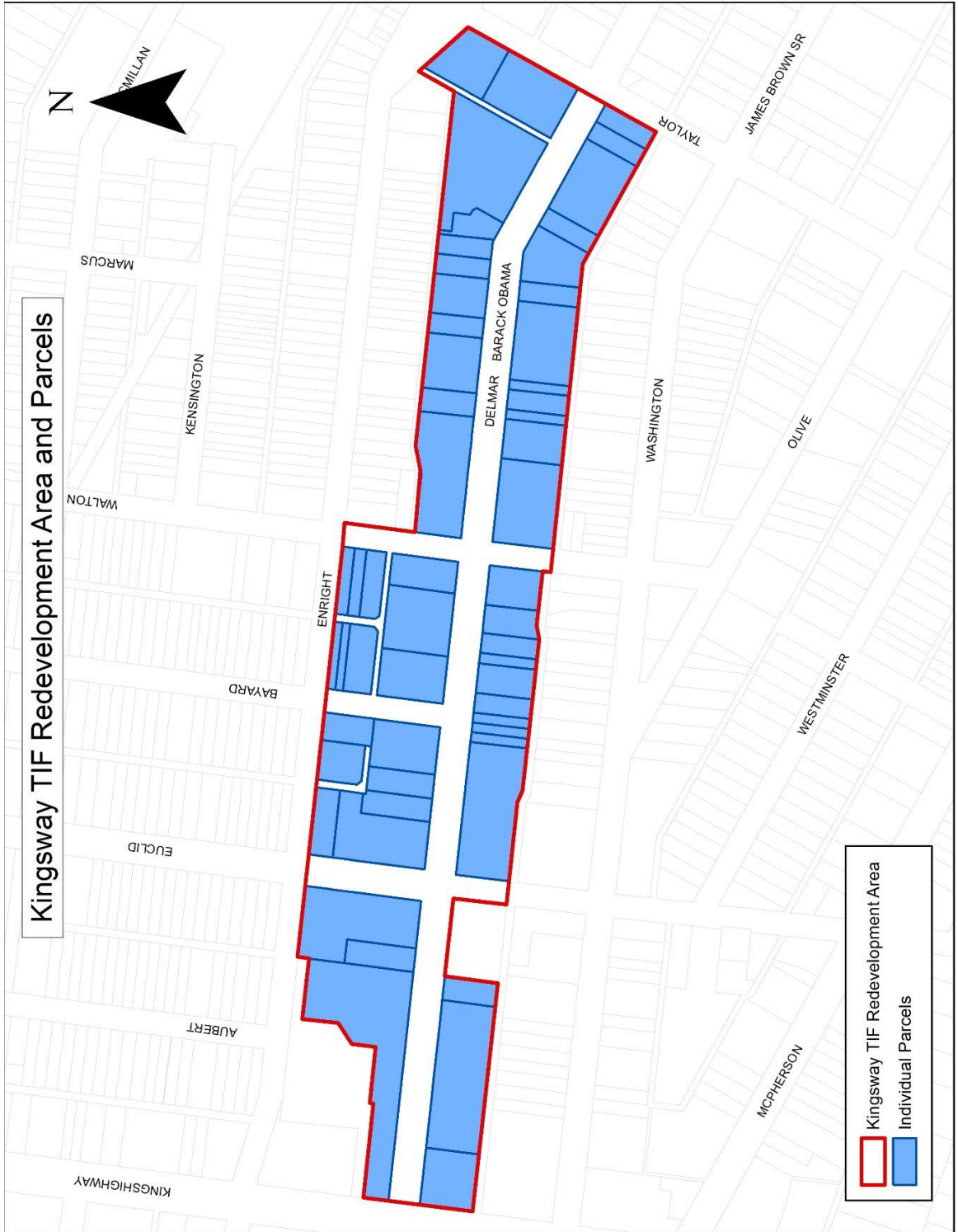
11 **Section 7.7. Governing Law.** This Ordinance shall be governed exclusively by and
12 constructed in accordance with the applicable internal laws of the State of Missouri without
13 reference to its conflict of law principles.

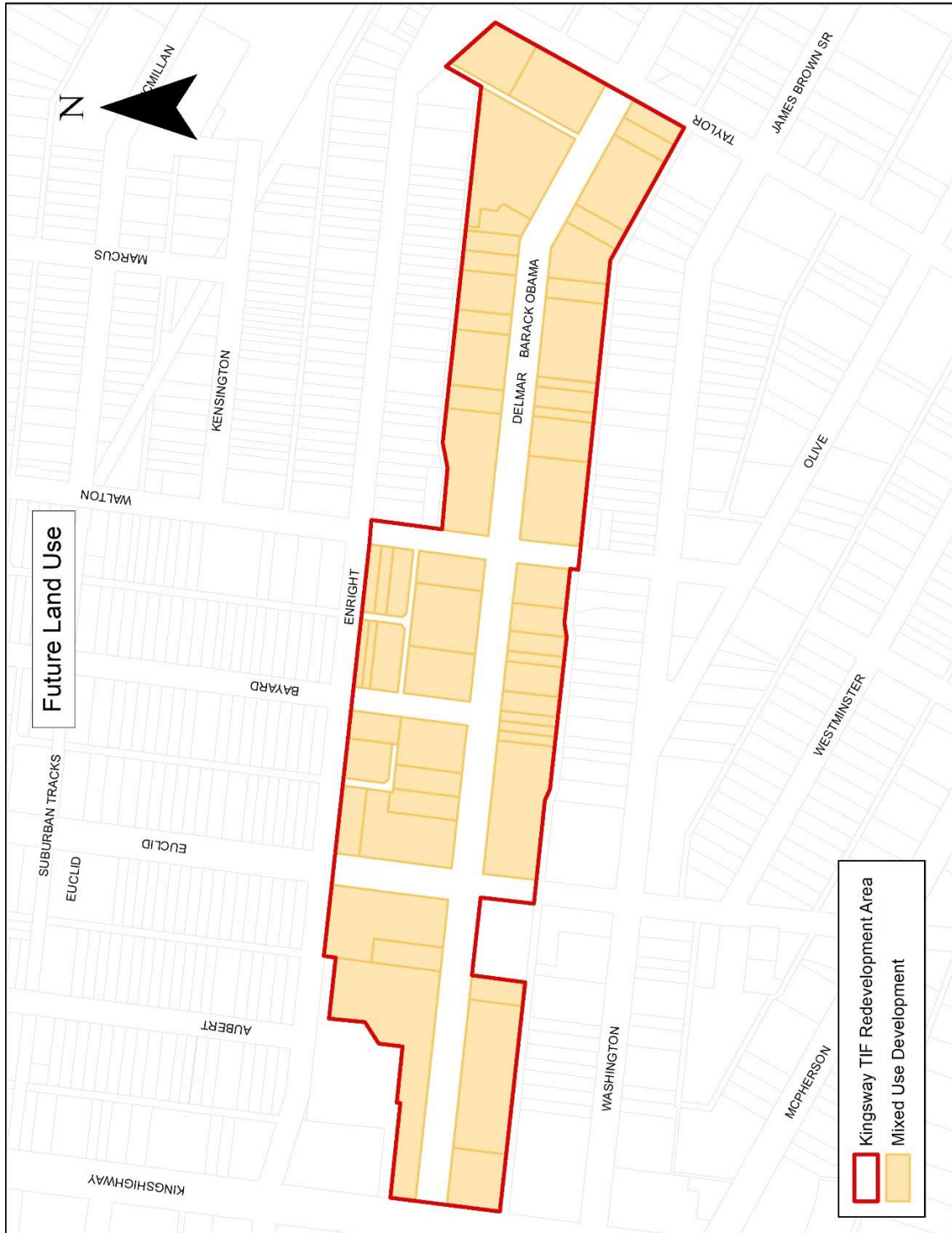
14 **Section 7.8. Private Sale.** The Board of Aldermen of the City hereby declares that it is
15 in the City's best interest to sell the TIF Notes at private sale because a public sale of the TIF Notes
16 would cause additional expense to the City and because the condition of the current financial
17 markets makes such a public sale not feasible or the best course of action for the City.

18 **Section 7.9. Termination.** After adoption of this Ordinance by the Board of Aldermen,
19 this Ordinance shall become effective on the 30th day after its approval by the Mayor or adoption
20 over his veto; provided that if, within ninety (90) days after the effective date of the Ordinance,
21 the Developer has not (i) executed the Redevelopment Agreement and (ii) paid all fees then due
22 to the City and the St. Louis Development Corporation in accordance with the terms of the
23 Redevelopment Agreement, the provisions of this Ordinance shall be deemed null and void and of

1 no effect and all rights conferred by this Ordinance on the Developer shall terminate and be of no
2 further force or effect, provided further, however, that prior to any such termination, the Developer
3 may seek an extension of time in which to execute the Redevelopment Agreement from the Board
4 of Estimate and Apportionment, which extension may be granted in the sole discretion of the Board
5 of Estimate and Apportionment.

EXHIBIT A Redevelopment Area Boundary Map





Legal Description of Kingsway Commercial Redevelopment Area

AN AREA BEING PARTS OF CITY BLOCK 3760, 3762-S,3763-S, 3764-S, 3765-S, 3879-N, 4556 AND 4575 OF THE CITY OF ST. LOUIS, MISSOURI. SAID AREA BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE EAST RIGHT-OF-WAY OF KINGSHIGHWAY BLVD AND THE NORTH RIGHT-OF-WAY OF AN ALLEY IN CITY BLOCK 3879-N; THENCE ALONG SAID EAST RIGHT OF WAY NORTH 07 DEGREES 19 MINUTES 22 SECONDS EAST, A DISTANCE OF 296.24 FEET; THENCE LEAVING SAID EAST RIGHT-OF-WAY SOUTH 84 DEGREES 22 MINUTES 48 SECONDS EAST, A DISTANCE OF 360.07 FEET; THENCE NORTH 51 DEGREES 11 MINUTES 30 SECONDS EAST, A DISTANCE OF 95.88 FEET; THENCE NORTH 06 DEGREES 07 MINUTES 13 SECONDS EAST, A DISTANCE OF 147.55 FEET TO A POINT ON THE SOUTH RIGHT-OF-WAY OF ENRIGHT AVENUE; THENCE ALONG THE SAID SOUTH RIGHT-OF-WAY THE FOLLOWING FIVE CALLS; SOUTH 83 DEGREES 42 MINUTES 18 SECONDS EAST, A DISTANCE OF 152.78 FEET; SOUTH 83 DEGREES 32 MINUTES 24 SECONDS EAST, A DISTANCE OF 188.07 FEET; SOUTH 83

DEGREES 51 MINUTES 23 SECONDS EAST, A DISTANCE OF 80.00 FEET; SOUTH 83 DEGREES 44 MINUTES 09 SECONDS EAST, A DISTANCE OF 356.92 FEET; SOUTH 83 DEGREES 40 MINUTES 19 SECONDS EAST, A DISTANCE OF 479.18 FEET TO A POINT AT THE INTERSECTION OF THE SOUTH RIGHT-OF-WAY OF ENRIGHT AVENUE AND THE EAST RIGHT-OF-WAY OF WALTON AVENUE; THENCE ALONG THE SAID EAST RIGHT-OF-WAY SOUTH 06 DEGREES 44 MINUTES 44 SECONDS EAST, A DISTANCE OF 178.94 FEET TO A POINT AT THE INTERSECTION OF THE EAST RIGHT-OF-WAY OF WALTON AVENUE AND THE SOUTH

RIGHT-OF-WAY OF AN ALLEY IN CITY BLOCK 3760; THENCE ALONG SAID SOUTH RIGHT-OF-WAY THE FOLLOWING THREE CALLS; SOUTH 83 DEGREES 56 MINUTES 03 SECONDS EAST, A DISTANCE OF 145.56 FEET; NORTH 79 DEGREES 16 MINUTES 27 SECONDS EAST, A DISTANCE OF 73.60 FEET; SOUTH 83 DEGREES 56 MINUTES 39 SECONDS EAST, A DISTANCE OF 899.08 FEET TO THE INTERSECTION OF SAID SOUTH RIGHT-OF-WAY AND THE WEST RIGHT-OF-WAY OF AN NORTHEASTERLY TO SOUTHWESTERLY ALLEY; THENCE LEAVING SAID WEST RIGHT-OF-WAY SOUTH 82 DEGREES 46 MINUTES 18 SECONDS EAST, A DISTANCE OF 16.13 FEET TO A POINT ON THE EAST RIGHT-OF-WAY OF SAID ALLEY; THENCE ALONG SAID EAST RIGHT OF WAY NORTH 29 DEGREES 16 MINUTES 08 SECONDS EAST, A DISTANCE OF 87.35 FEET TO A POINT AT THE INTERSECTION OF THE EAST RIGHT-OF-WAY OF SAID ALLEY

AND THE SOUTH RIGHT-OF-WAY OF ENRIGHT AVENUE; THENCE ALONG THE SAID SOUTH RIGHT-OF-WAY SOUTH 42 DEGREES 14 MINUTES 04 SECONDS EAST, A DISTANCE OF 150.35 FEET TO A POINT AT THE INTERSECTION OF THE SOUTH RIGHT-OF-WAY OF ENRIGHT AVENUE AND THE WEST RIGHT-OF-WAY OF NORTH TAYLOR AVENUE; THENCE ALONG THE SAID WEST RIGHT-OF-WAY SOUTH 29 DEGREES 00 MINUTES 32 SECONDS WEST, A DISTANCE OF 542.41 FEET TO THE INTERSECTION OF THE WEST RIGHT- OF-WAY OF NORTH TAYLOR AVENUE AND THE NORTH RIGHT-OF-WAY OF AN ALLEY IN CITY BLOCK 4556; THENCE ALONG THE SAID NORTH RIGHT-OF-WAY THE FOLLOWING THREE CALLS; NORTH 60 DEGREES 59 MINUTES 02 SECONDS WEST, A DISTANCE OF 361.63 FEET; THENCE NORTH 82 DEGREES 16 MINUTES 03 SECONDS WEST, A DISTANCE OF 86.70 FEET; THENCE NORTH 83 DEGREES 44 MINUTES 15 SECONDS WEST, A DISTANCE OF 649.69 FEET TO THE INTERSECTION OF SAID NORTH RIGHT-OF-WAY AND THE EAST RIGHT-OF-WAY OF WALTON AVENUE; THENCE LEAVING SAID NORTH RIGHT-OF-WAY NORTH 65 DEGREES 44 MINUTES 04 SECONDS WEST, A DISTANCE OF 63.24 FEET TO THE INTERSECTION OF THE WEST RIGHT-OF-WAY OF WALTON AVENUE AND THE NORTH RIGHT-OF-WAY OF AN ALLEY IN CITY BLOCK 4575; THENCE ALONG THE SAID NORTH RIGHT-OF-WAY THE FOLLOWING FOUR CALLS; NORTH 83 DEGREES 10 MINUTES 31 SECONDS WEST, A DISTANCE OF 114.95 FEET; THENCE NORTH 89 DEGREES 34 MINUTES 32 SECONDS WEST, A DISTANCE OF 101.22 FEET; THENCE NORTH 83 DEGREES 14 MINUTES 45 SECONDS WEST, A DISTANCE OF 569.26 FEET; THENCE NORTH 82 DEGREES 50 MINUTES 16 SECONDS WEST, A DISTANCE OF 60.64 FEET; THENCE LEAVING SAID NORTH RIGHT-OF-WAY NORTH 06 DEGREES 56 MINUTES 13 SECONDS EAST, A DISTANCE OF 142.54 FEET; THENCE NORTH 83 DEGREES 23 MINUTES 19 SECONDS WEST, A DISTANCE OF 203.43 FEET; THENCE SOUTH 05 DEGREES 52 MINUTES 38 SECONDS WEST, A DISTANCE OF 144.30 FEE TO A POINT ON THE NORTH RIGHT-OF-WAY OF SAID ALLEY; THENCE ALONG THE SAID NORTH RIGHT-OF-WAY NORTH 83 DEGREES 37 MINUTES 48 SECONDS WEST, A DISTANCE OF 580.20 FEET TO THE POINT OF BEGINNING.

SAID AREA CONTAINS 1,234,299.19 SQUARE FEET (28.34 ACRES) MORE OR LESS

**EXHIBIT B
Form of Note**

THIS TIF NOTE OR ANY PORTION HEREOF MAY BE TRANSFERRED, ASSIGNED OR NEGOTIATED ONLY TO THE “DEVELOPER,” A “RELATED ENTITY” A “QUALIFIED INSTITUTIONAL BUYER” OR “PROJECT LENDER,” AS DEFINED IN THE NOTE ORDINANCE, AND IN ACCORDANCE WITH THE PROVISIONS HEREOF.

**UNITED STATES OF AMERICA
STATE OF MISSOURI**

Registered

Registered

No. R-__

Not to Exceed \$6,900,000
plus Issuance Costs
(See Schedule A attached)

THE CITY OF ST. LOUIS, MISSOURI

**[TAXABLE][TAX-EXEMPT] TAX INCREMENT REVENUE NOTE
(KINGSWAY COMMERCIAL REDEVELOPMENT AREA PROJECT)
SERIES 20__-A/B**

Rate of Interest
[___%]

Maturity Date:

Dated Date:

CUSIP Number:
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 May 1 and November 1 (each, a “Payment Date”), commencing on the first May 1 or November 1 following the City’s acceptance or deemed acceptance of the Certificate of Substantial Completion in accordance with the Redevelopment Agreement between the City and Kingsway Development LLC (the “Developer”), dated as of [REDACTED], as amended (the “Redevelopment

Agreement”), until all principal and interest accruing pursuant to this TIF Note is paid in full except as otherwise provided herein. 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.

Except as otherwise provided herein, the capitalized terms herein shall have the meanings as provided in Ordinance No. _____ signed by the Mayor on _____, 2021 (the “Note Ordinance”) or the Redevelopment Agreement.

THE OBLIGATIONS OF THE CITY WITH RESPECT TO THIS TIF NOTE TERMINATE _____, 2044, WHICH IS TWENTY-THREE YEARS FROM THE EFFECTIVE DATE OF THE ORDINANCE APPROVING THE REDEVELOPMENT PROJECTS, 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 or by wire transfer to the person in whose name this TIF Note is registered at the office of the Finance Officer to the Registered Owner on the Register on each Payment Date. Except as otherwise provided in Section 2.8 of the Note Ordinance with respect to mutilated, destroyed, lost or stolen TIF Notes, no principal on the TIF Notes is payable unless the Registered 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 (Kingsway Commercial Redevelopment Project), Series 20__-A/B,” issued in an aggregate principal amount of not to exceed \$6,900,000 plus Issuance Costs (the “TIF Notes” or “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, as amended (the “TIF Act”) and the Community Improvement District Act, Sections 67.1401 to 67.1571 of the Revised Statutes of Missouri, as amended (the “CID Act”), and pursuant to the Note Ordinance.

The TIF Notes and the interest thereon are and 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 monies on deposit from time to time (including investment earnings thereon) in (a) the PILOTS Account; and (b) subject to annual appropriation, the EATS

Account and (c) the CID Revenues Account that have been appropriated to the repayment of TIF Notes 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 Special Allocation Fund are those payments in lieu of taxes (“PILOTS”), as defined in Sections 99.805(11) and 99.845 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 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 TIF 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 Special Allocation Fund are those amounts subject to annual appropriation by the Board of Aldermen, equal to fifty percent (50%) of the total additional revenues from taxes, penalties and interest 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 Redevelopment Area over the amount of such taxes generated by economic activities within the Redevelopment Area in the calendar year ending December 31, 2020 (subject to annual appropriation by the City as provided in the TIF 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, as amended, taxes levied for the purpose of public transportation pursuant to Section 94.660 of the Revised Statutes of Missouri, as amended, and taxes imposed on sales pursuant to subsection 2 of section 67.1712 of the Revised Statutes of Missouri, as amended, for the purpose of operating and maintaining a metropolitan park and recreation district, all in accordance with Section 99.845.3 of the TIF Act, as may be amended from time to time, and any other tax, license or fee that may be excluded from tax increment financing by Missouri law. Notwithstanding the foregoing, EATS shall not include the operating levy for school purposes imposed by or any sales tax imposed by the Transitional School District of the City of St. Louis.

The monies on deposit in the CID Revenues Account of the Special Allocation Fund are CID Revenues transferred by the [_____] Community Improvement District (the “District”) to the City pursuant to the Cooperation Agreement. “CID Revenues” means the revenues from the CID Sales Tax received by the City for deposit into the District Revenues Account pursuant to the Cooperation Agreement. “CID Sales Tax” means the up to 1.0% community improvement district sales tax imposed by the CID.

The Series A TIF Notes shall be equally and ratably secured by Available Revenues. The Series B TIF Notes shall be equally and ratably secured by the Available Revenues on a subordinate basis to the Series A Notes. 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 and the CID are 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 or the CID, nor shall they constitute an indebtedness of the City or the CID 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).

Subject to the terms of the Note Ordinance, Available Revenues shall be applied, first from the CID Revenues Account, second from the EATS Account, and third from the PILOTS Account, to payments on this TIF Note as follows:

First, to payment of arbitrage rebate, if any, owed with respect to the TIF Notes under Section 148 of the Internal Revenue Code of 1986, as amended, including any costs of calculating arbitrage rebate;

Second, to the Finance Officer of the City and the St. Louis Development Corporation (which monies shall be paid one half to the Finance Officer and one half to the St. Louis Development Corporation), 0.2% of the Notes outstanding on each Payment Date, plus any accumulated deficiency from previous years, plus an amount sufficient to pay all or any portion of the fees and expenses incurred by the City pursuant to Section 7.16 of the Agreement that have not otherwise been reimbursed to the City through the issuance of TIF Notes;

Third, to the Finance Officer and the St. Louis Development Corporation, the extraordinary fees and expenses incurred by the City or the St. Louis Development Corporation relating to the Redevelopment Plan, the Redevelopment Agreement and all TIF Notes, including but not limited to (i) any costs not paid by the Developer pursuant to Section 7.16 and Section 7.17 of the Redevelopment Agreement and (ii) the costs of responding to any audit, questionnaire or other request for information from the Internal Revenue Service regarding any TIF Notes;

Fourth, to the Series A Account of the Debt Service Fund, 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 Series A Notes on each Payment Date;

Fifth, to the Series A Account of the Debt Service Fund, an amount sufficient to pay all or any portion of the accrued interest becoming due and payable on any Series A Notes on each Payment Date;

Sixth, to the Series A Account of the Debt Service Fund, an amount sufficient to pay the interest on the Series A Notes on the next succeeding Payment Date;

Seventh, for transfer to the Debt Service Reserve Fund, if established, such amount as may be required to restore any deficiency in the Debt Service Reserve Fund if the amount on deposit in the Debt Service Reserve Fund is less than the Debt Service Reserve Requirement;

Eighth, to the Series A Account of the Debt Service Fund, an amount sufficient to pay the principal of any Series A Notes that are subject to redemption pursuant to the Note Ordinance on each Payment Date;

Ninth, if no Series A Notes are outstanding, to the Series B Account of the Debt Service Fund, 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 the Series B Note on each Payment Date;

Tenth, if no Series A Notes are outstanding, to the Series B Account of the Debt Service Fund, an amount sufficient to pay all or any portion of the accrued interest becoming due and payable on any Series B Note on each Payment Date;

Eleventh, if no Series A Notes are outstanding, to the Series B Account of the Debt Service Fund, an amount sufficient to pay the interest on the Series B Notes on the next succeeding Payment Date;

Twelfth, if no Series A Notes are outstanding, to the Series B Account of the Debt Service Fund, an amount sufficient to pay the principal of any Series B Note that is subject to redemption pursuant to this Note Ordinance on each Payment Date; and

Thirteenth, all other remaining money in the PILOTS Account and the EATS Account of the Special Allocation Fund shall annually be declared as surplus and distributed in the manner provided in the TIF Act, as applicable.

Notwithstanding any other provision hereof to the contrary, to the extent that any principal or interest on the TIF Notes remains unpaid on the Maturity Date, any amounts remaining on deposit in the Debt Service Reserve Fund established pursuant to the Note Ordinance shall be used to retire pay and retire any such unpaid TIF Notes.

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 (a) attributable to TIF Revenues shall be declared as surplus and distributed in the manner provided in the TIF Act and (b) attributable to CID Revenues shall be paid to the CID for use in accordance with the CID Act

The City covenants that it shall comply with the Charter of the City of St. Louis, Article XVI, Section 3 for each fiscal year that TIF Notes are outstanding and the City official(s) shall request 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 Notes.

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 SECTION 7.8 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 THE DEVELOPER, A RELATED ENTITY A QUALIFIED INSTITUTIONAL BUYER OR PROJECT LENDER, AS SUCH TERMS ARE DEFINED IN THE NOTE ORDINANCE, 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" is defined in the Note Ordinance, and includes, among others, (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 company 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 and Finance Officer 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.

THE CITY OF ST. LOUIS, MISSOURI

By: _____
Mayor

By: _____
Finance Officer

Attest:

(Seal)

City Register

Approved as to Form:

City Counselor

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 20__-A/B 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 as provided in Section 2.7 of the Note Ordinance.

(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.

Board Bill Number __

J. Todd

EXHIBIT C
Form of Letter of Representations

_____, 20__

City of St. Louis
City Hall
Tucker and Market Streets
St. Louis, Missouri 63103
Attention: Mayor, Room 200
Attention: Comptroller, Room 311

Re: Not to Exceed \$6,900,000 (plus Issuance Costs) City of St. Louis, Missouri, Tax Increment Revenue Notes, (Kingsway Commercial Redevelopment Area Project), Series 20__-A/B

Ladies and Gentlemen:

This letter is to provide you with certain representations and agreements with respect to the purchase by the undersigned of not to exceed \$6,900,000 (plus Issuance Costs) aggregate principal amount of Tax Increment Revenue Notes, (Kingsway Commercial Redevelopment Area Project), Series 20__-A/B (the "TIF Notes"), issued by the City of St. Louis, Missouri (the "City"). The TIF Notes are secured in the manner set forth in Ordinance No. _____ Board Bill No. _____ of the City adopted on _____, 20__ (the "Note Ordinance"). The undersigned hereby represents to each of you and agrees with each of you, as follows:

1. The undersigned is an Approved Investor (as defined in the Note Ordinance) and has reviewed the Note Ordinance.

2. The undersigned acknowledges that neither the City nor its financial advisor has not made any representation or warranty concerning the accuracy or completeness of any information furnished in connection with the purchase by the undersigned of the TIF Notes. Accordingly, the undersigned has not relied upon the City or its financial advisor as to the accuracy or completeness of such information. As a sophisticated and/or accredited investor, the undersigned has made its own decision to purchase the TIF Notes based solely upon its own inquiry and analysis.

3. The undersigned understands that (i) the TIF Notes do not constitute an indebtedness of the City or a loan or credit thereof within the meaning of any constitutional or statutory debt limitation or restriction, (ii) the TIF Notes are payable solely from and secured by a pledge of Available Revenues (as defined in the Note Ordinance) and (iii) the City's special, limited obligation with respect to the TIF Notes terminates on the first to occur of the full payment and discharge of the TIF Notes or the Maturity Date, whether or not the principal or interest has been paid in full.

4. The undersigned is familiar with and has counsel who are familiar with the federal and state legislation, rules, regulations and case law pertaining to the transfer and distribution of securities, including, but not limited to, disclosure obligations of the seller incident to any such

transfer or distribution. The undersigned hereby covenants and agrees that the undersigned will not sell, offer for sale, pledge, transfer, convey, hypothecate, mortgage or dispose of the TIF Notes or any interest therein in violation of applicable federal or state law or in violation of restrictions on sale, assignment, negotiation or transfer of the TIF Notes as set forth in paragraph 6 below.

5. The undersigned is purchasing the TIF Notes for its own account for investment (and not on behalf of another) and, other than a contemplated pledge of the TIF Notes, has no present intention of reselling the TIF Notes or dividing its interest therein. Notwithstanding the foregoing, the undersigned has the right to sell, offer for sale, pledge, transfer, convey, hypothecate, mortgage or dispose of the TIF Notes at some future date determined by it, provided that such disposition is not in violation of restrictions on sale, assignment, negotiation or transfer of the TIF Notes as set forth in paragraph 6 below.

6. The undersigned acknowledges that the right to sell, assign, negotiate or otherwise transfer the TIF Notes shall be limited to Approved Investors (as defined in the Note Ordinance).

7. The undersigned agrees to indemnify and hold you harmless from any and all claims, judgments, attorneys' fees and expenses of whatsoever nature, whether relating to litigation or otherwise, resulting from any attempted or affected sale, offer for sale, pledge, transfer, conveyance, hypothecation, mortgage or disposition of the TIF Notes in violation of this letter.

8. The undersigned has satisfied itself that the TIF Notes may be legally purchased by the undersigned.

Sincerely,

as Purchaser

By: _____

Title: _____

BOARD BILL NUMBER 216

FISCAL NOTE

Preparer's Name: David Sweeney

Contact Information: David Sweeney 600 Washington, #2500 STL MO 63101 314-444-7769

Bill Sponsor: Alderman Jesse Todd

Bill Synopsis:	Board Bills 214 , 215 and 216 collectively (1) approve the Kingsway Commercial Redevelopment Area TIF Redevelopment Plan and the Redevelopment Project described therein, (2) approve a Redevelopment Agreement in connection with the Redevelopment Plan, and (3) authorize the issuance of TIF Notes in the maximum principal amount of \$6,900,000 plus costs of issuance. The purpose of these bills is to approve tax increment financing assistance for the redevelopment of blighted property into a mixed-use (residential, office and commercial) development.
Type of Impact:	Tax increment financing allows for new, incremental revenues generated from a redevelopment project to be used to reimburse a developer for a portion of the costs associated with constructing redevelopment project. Taxing districts will forgo a portion of the new taxes generated by the Redevelopment Project for up to 23 years.
Agencies Affected:	Redevelopment of the Redevelopment Area will require building inspections and permits, as provided by the City Code. While tax increment financing is in effect, a portion of the tax revenues generated from the redevelopment area will be diverted to reimburse the developer for redevelopment project costs.

(01/2017)

SECTION A

Does this bill authorize:

- An expansion of services which entails additional costs beyond that approved in the current adopted city budget? Yes No.
- An undertaking of a new service for which no funding is provided in the current adopted city budget? Yes No.
- A commitment of city funding in the future under certain specified conditions? Yes No.

Subject to the terms of the Redevelopment Agreement, the Developer will advance all costs of constructing the Redevelopment Project, but will be reimbursed for a portion of those costs through the issuance of a TIF Note payable from TIF revenues and CID Revenues (no general City revenues will be used to repay the TIF Note).

- An issuance of bonds, notes and lease-purchase agreements which may require additional funding beyond that approved in the current adopted city budget? Yes No.

Subject to the terms of the Redevelopment Agreement, the City will need to appropriate the revenues described above to the repayment of the TIF Notes. Please note that, to the extent those revenues are not generated as expected (i.e., if the Redevelopment Project underperforms expectations, the City will have no obligation to use other revenues to make up any shortfall).

- An execution or initiation of an activity as a result of federal or state mandates or requirements? Yes No.
- A capital improvement project that increases operating costs over the current adopted city budget?
_____ Yes No.
- A capital improvement project that requires funding not approved in the current adopted city budget or that will require funding in future years? Yes No.

If the answer is yes to any of the above questions, then a fiscal note must be attached to the board bill. Complete Section B of the form below.

SECTION B

- Does the bill require the construction of any new physical facilities? Yes No.
 - If yes, describe the facilities and provide the estimated cost:

- Is the bill estimated to have a direct fiscal impact on any city department or office? Yes No.

- If yes, explain the impact and the estimated cost:

The Comptroller's office and St. Louis Development Corporation (including the Minority Business Development and Compliance Office) will incur costs associated with administering the Redevelopment Project and the Redevelopment Agreement. However, the Redevelopment Agreement provides a source of funding for those costs, including (1) direct payments by the Developer and (2) use of a portion of the TIF revenues. Neither the Comptroller's office nor the St. Louis Development Corporation anticipate needing any further funding to cover the costs of administering the Redevelopment Project and Redevelopment Agreement.

The City's Building Division will also have costs associated with various inspections and permits. However, those costs should be covered by the City's permit fees.

Additionally, the Redevelopment Project's overall impact on the City's expected tax revenues has been studied. A report from the St. Louis Development Corporation is attached.

- Does the bill create a program or administrative subdivision? Yes No.
 - If yes, then is there a similar existing program or administrative subdivision? Yes No.

- If yes, explain the how the proposed programs or administrative subdivisions may overlap:

- Describe the annual operating, equipment, and maintenance costs that would result from the proposed bill, as well as any funding sources:

As noted above, the Comptroller’s office and the St. Louis Development Corporation will have various administrative costs associated with the Redevelopment Project and the Redevelopment Agreement, which will be paid by the Developer or with TIF revenues, as provided in the Redevelopment Agreement. The City’s Building Division will also have costs associated with providing inspections and permits. Similar to any other construction project in the City, these costs should be covered by permit fees.

In lieu of the chart below, a copy of a report by St. Louis Development Corporation analyzing the financial impact of the Redevelopment Project is attached (i.e., the “Scorecard”).

Complete the chart below to list the total estimated expenditures required of the City resulting from the proposed board bill and any estimated savings or additional revenue.

SEE ATTACHED REPORT

Financial Estimate of Impact on General Fund			
Fiscal Impact	<u>Year 1 (current)</u>	<u>Year 2</u>	<u>Year 3</u>
Additional Expenditures			
Additional Revenue			
Net			
Financial Estimate of Impact on Special Funds			
Fiscal Impact	<u>Year 1 (current)</u>	<u>Year 2</u>	<u>Year 3</u>
Additional Expenditures			
Additional Revenue			
Net			

- Describe any assumptions used in preparing this fiscal note:

Certain financial assumptions were made by St. Louis Development Corporation staff when preparing the attached report, including, without limitation, estimated tax revenues generated by the Redevelopment Project, future tax rates, appropriate capitalization rates, and the amount of taxable sales diverted from existing development to the Redevelopment Project (i.e., the “substitution effect”).

- List any sources of information (including any City officials, agencies, or departments) used in preparing this fiscal note:

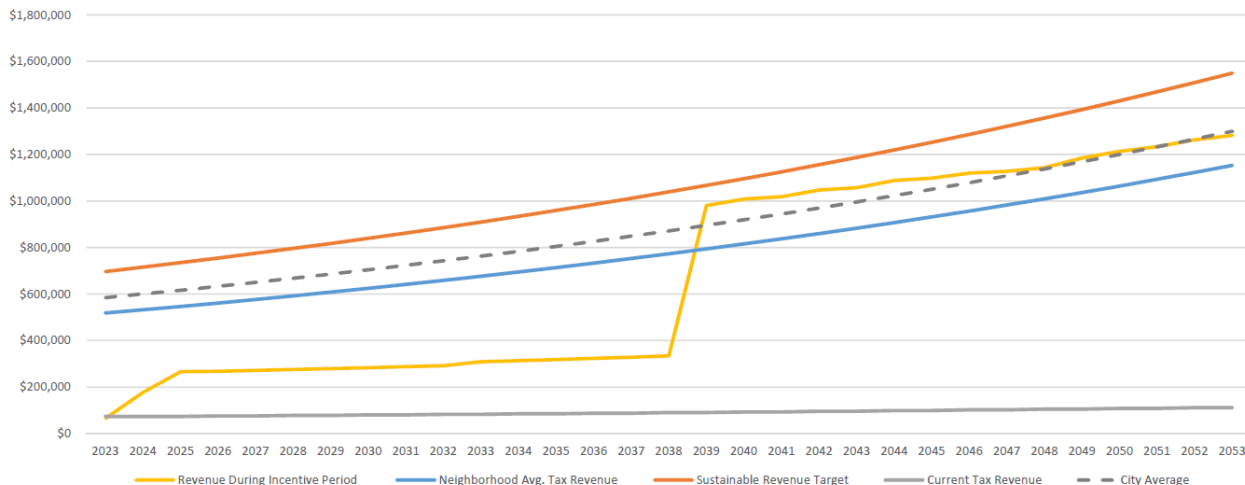
St. Louis Development Corporation relied on published market data and materials submitted by the Developer to develop the attached report. Review of the Redevelopment Agreement was provided by attorneys in the City Counselor's office (who are assigned to the St. Louis Development Corporation), outside counsel to St. Louis Development Corporation (Gilmore & Bell, P.C.) and outside counsel to the Comptroller's office (Armstrong Teasdale LLP).

- Have the financial estimates of this bill been verified by the City Budget Division?
____ Yes X No.

If yes, by whom? _____.

FINANCIAL REPORT

Kingsway Project Financial Impact Report



Incentive Summary

TIF	
TIF Utilized	Yes
Value of TIF Request	\$6,370,000
Tax Abatement	
Abatement Utilized	Yes
Tax Abatement Type	Ch. 99
How many Years of Tax Abatement?	10
Percentage of Abatement Years 1-5	95%
Percentage of Abatement Years 6-10	95%
Percentage of Abatement Years 11-15	0%
Percentage of Abatement Years 16-20	0%
Percentage of Abatement Years 21-25	0%
Tax Assurance	
Tax Assurance Utilized	No
Start Year	
Length (in Years)	
Growth Rate	
New CID/TDD	
New Sales Tax CID?	Yes
New CID Percentage	1.00%
New Sales Tax TDD?	No
New TDD Percentage	
New Property Tax CID/TDD Assessment	No
Applies to % subject to the special assessment	

Break-Even Analysis

	Year of Operation
Neighborhood Average Break-even*	#N/A
Sustainable Revenue Target Achieved	Not Achieved
Replacement Project Window	9
TIF Payoff Year	2039

* Year accumulated tax benefits of the incentivized project surpasses those of an average un-incentivized project in the neighborhood

Fiscal Benefit	10-year	20-year
<i>Benefit Over Base (If no project)</i>		
Fiscal Benefit to City	\$1,629,000	\$5,160,000
Fiscal Benefit to School District	\$91,000	\$2,567,000
<i>Benefit Over Neighborhood Average</i>		
Fiscal Advantage to City	(\$4,563,000)	(\$3,658,000)
Fiscal Advantage to School District	(\$255,000)	(\$1,820,000)
<i>Incentive Value to Project</i>		
Present Value of Incentive	\$12,313,000	\$12,313,000
% of Project Costs	15.6%	15.6%

Property Status

MVA Category	G
Existing and/or Historical	Yes
Strategic I and Use Plan Category	NCA

Tax Performance (per SF of parcel area)

	Stabilization	Year 5	Year 10
Kingsway Project	\$0.38	\$0.40	\$0.45
Neighborhood Average	0.87	1.01	1.17
Sustainable Revenue Target	1.17	1.36	1.57

Developer Return Analysis

Market Average Rate of Return (RERC)	Low End of Range	High End of Range
Project 10-Year Rate of Return	6.7%	9.8%
	<i>No Incentives</i>	<i>w/ Incentives</i>
	5.7%	7.3%

Project Score

	Score
Value Score	9.3
Tax Revenue Score	18.0
Increment Score	1.2
Total Score	28.5/40
Project Grade	3.5/5

Sources and Uses Summary

Project Financing	Amount
Federal Historic Tax Credits	\$ 415,395.00
State Historic Tax Credits	\$ 744,249.00
State Brownfields Tax Credits	\$ 506,000.00
New Market Tax Credits	\$ 4,914,000.00
Local Incentive Amount (TIF, etc.)	\$ 6,370,000.00
Monetized CID/TDD Values	\$ 530,000.00
Primary Debt	\$ 47,036,906.00
Developer/Investor Equity	\$ 15,455,600.00
Deferred Developer Fee	\$ -
Other Private:	\$ 2,188,500.00
Other Public:	\$ 650,000.00
Total Project Sources--Permanent	\$ 78,810,650.00

Uses of Funds

Acquisition	\$ 5,725,000.00
Hard Costs (Construction)	\$ 62,159,270.00
Soft Costs	\$ 5,320,280.00
Financing Costs	\$ 2,552,650.00
Reserves	\$ -
Developer Fee	\$ 3,053,450.00
Total Project Uses	\$ 78,810,650.00