

2 An ordinance authorizing and directing the Mayor and the Comptroller, on behalf of the
3 City, to enter into and execute one or more Amended and Restated Redevelopment Agreements
4 with respect to the Downtown Convention Center Hotel; prescribing the form and details of said
5 agreements; terminating the St. Louis Convention Center Hotel Community Improvement
6 District; approving a petition for the establishment of the St. Louis Convention Center Hotel 2
7 Community Improvement District; authorizing an amendment to an existing Intergovernmental
8 Cooperation and Transportation Project Agreement; authorizing certain other actions of City
9 officials; and containing an emergency clause and a severability clause.

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

13 WHEREAS, the Renaissance Grand Convention Center Hotel & Suites (the “Downtown
14 Convention Center Hotel” or “Hotel” or “Project”) is a hotel located generally at 800
15 Washington Avenue in the City; and

16 WHEREAS, the City did previously obtain a loan in the initial principal amount of Fifty
17 Million Dollars (\$50,000,000) from the United States Department of Housing and Urban
18 Development (“HUD”) pursuant to Section 108 of Title I of the Housing and Community
19 Development Act of 1974, to be used and appropriated towards the development of the Project,
20 which loan was subsequently refinanced pursuant to Ordinance No. 68930 (such credit facility,
21 as amended, modified, or refinanced being the “Section 108 Loan”); and

1 WHEREAS, in 2000, the Board of Aldermen of the City adopted, and the Mayor of the
2 City approved: (a) Ordinance No. 64931, which adopted and approved that certain plan titled
3 "Redevelopment Plan for the Convention Headquarters Hotel Redevelopment Area" dated
4 December 15, 1999, as amended, and (b) Ordinance No. 64928, which adopted tax increment
5 financing with respect to the Project and established that certain Convention Headquarters Hotel
6 Special Allocation Fund of St. Louis (the "Special Allocation Fund"); and

7 WHEREAS, pursuant to Ordinance No. 64907, the City has pledged certain or all funds
8 in and to be deposited in the Special Allocation Fund, to the payment of the principal and interest
9 due on the Section 108 Loan; and

10 WHEREAS, the City did previously enter into that certain Redevelopment Agreement
11 dated as of December 1, 2000 and recorded at Book 1669 Page 2672 of the Office of the
12 Recorder of Deeds of the City, by and among the City and Historic Restoration Incorporated, a
13 Louisiana corporation, Washington Avenue Historic Developer, L.L.C., a Missouri limited
14 liability company, Gateway Hotel Partners, L.L.C., a Missouri limited liability company and
15 Gateway Tower Partners, L.L.C., a Missouri limited liability company, with respect to the
16 redevelopment and ownership of the Project (the "Original Redevelopment Agreement"); and

17 WHEREAS, the Original Redevelopment Agreement obligated the "Developer" named
18 therein to pay to the City certain "Pilots" and "Additional Payments" (as defined in the Original
19 Redevelopment Agreement), which obligation or obligations were secured by Deeds of Trust (as
20 defined in the Original Redevelopment Agreement), which did bind future owners of the Hotel;
21 and

1 WHEREAS, the Hotel was subsequently acquired by Convention Center Hotels
2 Acquisition Company, LLC (“CCHAC”), a Missouri limited liability company; and

3 WHEREAS, the City and CCHAC entered into that certain Addendum to Redevelopment
4 Agreement dated as of December 30, 2009 and that certain Amendment to Redevelopment
5 Agreement dated as of July 26, 2011 (the Original Redevelopment Agreement as modified by
6 the Addendum and the Amendment being the “Existing Redevelopment Agreement”); and

7 WHEREAS, CCHAC is currently negotiating (a) the sale of a portion of the Project
8 consisting of units NT, HG, B and C of that certain St. Louis Gateway Condominium and located
9 generally at 900-912 Washington Avenue (the “Grand Property”) with 800 Washington, LLC
10 (the “Grand Developer”) and (b) the sale of a portion of the Project consisting of the former
11 Lennox Hotel located at 823-827 Washington Avenue (the “Suites Property”) with Lennox
12 Suites, LLC (the “Suites Developer”); and

13 WHEREAS, in order to bifurcate the obligations relating to the Grand Property and
14 Suites Property from one another, CCHAC, the Grand Developer and the Suites Developer have
15 requested that the City modify or restructure certain terms of the Existing Redevelopment
16 Agreement; and

17 WHEREAS, the City and the Grand Developer desire to enter into an Amended and
18 Restated Redevelopment Agreement with respect to the Grand Property (the “Restated Grand
19 Agreement”); and

20 WHEREAS, the City and the Suites Developer desire to enter into an Amended and
21 Restated Redevelopment Agreement with respect to the Suites Property (the “Restated Suites
22 Agreement”); and

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WHEREAS, the City has received a proper petition (the “CID Termination Petition”) to terminate the St. Louis Convention Center Hotel Community Improvement District (the “Existing CID”), a community improvement district established by Ordinance No. 68539 pursuant to Sections 67.1401 to 67.1571, inclusive, of the Revised Statutes of Missouri (the “CID Act”); and

WHEREAS, a public hearing, duly noticed and conducted as required by and in accordance with the CID Act, was held at ___ a.m. on January 22, 2014, by the Board of Aldermen regarding the requested termination of the Existing CID; and

WHEREAS, according to Resolution No. 2014-_____ of the Existing CID, the Existing CID has no outstanding obligations; and

WHEREAS, a petition has been filed with the City (the “Petition”), requesting formation and establishment of the St. Louis Convention Center Hotel 2 Community Improvement District (the “New CID”), signed by authorized representatives of the owners of more than fifty percent by assessed value and per capita of the property located within the proposed New CID; and

WHEREAS, the Register of the City of St. Louis did review and determine that the Petition substantially complies with the requirements of the CID Act and did deliver the Petition to the Board of Aldermen; and

WHEREAS, a public hearing, duly noticed and conducted as required by and in accordance with the CID Act, was held at ___ a.m. on January __, 2014, by the Board of Aldermen regarding the Petition and the proposed establishment of the New CID; and

1 WHEREAS, the Project is currently located within the St. Louis Convention Center
2 Hotel Transportation Development District (the “Existing TDD”), a transportation development
3 district formed pursuant to Mo. Rev. Stat. Sections 238.200 to 238.280 (the “TDD Act”) for the
4 purpose of carrying out a transportation project (the “Transportation Project”) as described in the
5 ICTPA (as hereinafter defined); and

6 WHEREAS, the City previously entered into that certain Intergovernmental Cooperation and
7 Transportation Project Agreement (the “ICTPA”), with the Existing CID, the Existing TDD and
8 CCHAC, as a mutually satisfactory agreement regarding the development and future maintenance of
9 the Transportation Project; and

10 WHEREAS, the City anticipates that one or more amendments to the ICTPA, or an
11 amendment and restatement of the ICTPA, may be necessary to provide for the removal of the
12 Existing CID, the addition of the New CID, the proposed extension of the term of the Existing TDD,
13 the governance of the New CID and the Existing TDD by representatives of the Missouri
14 Development Finance Board (“MDFB”) as a property owner, and the use of sales tax revenues
15 generated by the New CID and the Existing TDD.

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

17 **SECTION ONE.** The Board of Aldermen hereby approves, and the Mayor and
18 Comptroller of the City are hereby authorized and directed to execute, on behalf of the City, the
19 Restated Grand Agreement in the form substantially similar to that attached hereto as Exhibit A,
20 and the City Register is hereby authorized and directed to attest to the Restated Grand
21 Agreement and to affix the seal of the City thereto. The Restated Grand Agreement shall be in
22 substantially similar form to that attached hereto, with such changes therein as shall be approved

1 by the Mayor and Comptroller executing the same and as may be consistent with the intent of
2 this Ordinance and necessary and appropriate in order to carry out the matters herein authorized.

3 **SECTION TWO.** The Board of Aldermen hereby approves, and the Mayor and
4 Comptroller of the City are hereby authorized and directed to execute, on behalf of the City, the
5 Restated Suites Agreement in the form substantially similar to that attached hereto as Exhibit B,
6 and the City Register is hereby authorized and directed to attest to the Restated Suites
7 Agreement and to affix the seal of the City thereto. The Restated Suites Agreement shall be in
8 substantially similar form to that attached hereto, with such changes therein as shall be approved
9 by the Mayor and Comptroller executing the same and as may be consistent with the intent of
10 this Ordinance and necessary and appropriate in order to carry out the matters herein authorized.

11 **SECTION THREE.** The authorization of the agreements described in Sections One and
12 Two of this Ordinance are expressly conditioned upon the City obtaining all necessary approvals
13 for such bifurcation and the execution of such agreements by HUD.

14 **SECTION FOUR.** The CID Termination Petition is hereby approved, and
15 notwithstanding any provision of the ICTPA, the Existing CID is hereby terminated as of 11:59
16 p.m. on September 30, 2014. The assets of the Existing CID shall be distributed in accordance
17 with the provisions of the Plan for Dissolution and Distribution of the Assets of the Existing CID
18 attached as Exhibit A to the CID Termination Petition.

19 **SECTION FIVE.** (a) A community improvement district, to be known as the “St.
20 Louis Convention Center Hotel 2 Community Improvement District,” is hereby established
21 pursuant to the CID Act on the Project to provide services, construct improvements, impose a

1 sales tax and carry out other functions as set forth in the Petition, a copy of which is on file with
2 the City Register and incorporated herein by this reference.

3 (b) The New CID boundaries are set forth in the map included in the Petition and are
4 generally described as follows (and are more particularly described in the Petition): that real
5 property located at the addresses commonly known as 507 N. 8th Street, 414 N. 9th Street, 418
6 N. 10th Street, 823-827 Washington Avenue and 910-912 Washington Avenue, generally
7 bounded on the west by the eastern line of N. 10th Street south of Washington Avenue and the
8 eastern line of N. 9th Street north of Washington Avenue; on the south by the southern lot lines
9 of 507 N. 8th Street, 414 N. 9th Street, 418 N. 10th Street and 910-912 Washington Avenue; on
10 the east by the western line of N. 8th Street south of Washington Avenue and the eastern lot line
11 of 823-827 Washington Avenue north of Washington Avenue; and on the north by the northern
12 lot line of 823-827 Washington Avenue and the southern line of Washington Avenue .

13 **SECTION SIX.** The Petition does not seek a determination that the New CID is within
14 an area determined to be a “blighted area” as defined in the CID Act.

15 **SECTION SEVEN.**

16 (a) The New CID is authorized by the Petition, in accordance with the CID Act, to
17 impose a tax upon all retail sales within the New CID, which are subject to taxation pursuant to
18 Sections 144.010 to 144.525 of the Revised Statutes of Missouri (excepting such sales as set
19 forth in the Act), at a rate not to exceed one percent (1%), to provide funds to accomplish any
20 power, duty or purpose of the New CID. The imposition of the sales tax is subject to the
21 approval of the qualified voters of the New CID, as provided in the CID Act and the Petition.

1 (b) The New CID is authorized by the CID Act, at any time, to issue obligations, or to
2 enter into agreements with other entities with the authority to issue obligations, for the purpose
3 of carrying out any of its powers, duties, or purposes. Such obligations shall be payable out of
4 all, part or any combination of the revenues of the New CID and may be further secured by all or
5 any part of any property or any interest in any property by mortgage or any other security
6 interest granted. Such obligations shall be authorized by resolution of the New CID, and if issued
7 by the New CID, shall bear such date or dates, and shall mature at such time or times, but not
8 more than twenty (20) years from the date of issuance, as the resolution shall specify. Such
9 obligations shall be in such denomination, bear interest at such rate or rates, be in such form, be
10 payable in such place or places, be subject to redemption as such resolution may provide and be
11 sold at either public or private sale at such prices as the New CID shall determine subject to the
12 provisions of Mo. Rev. Stat. §108.170. The New CID is also authorized to issue such obligations
13 to refund, in whole or part, obligations previously issued by the New CID.

14 **SECTION EIGHT.**

15 (a) Pursuant to the Petition, the New CID shall be in the form of a political subdivision of
16 the State of Missouri.

17 (b) Pursuant to Section 67.1471 of the CID Act, the fiscal year for the New CID shall be
18 the same as the fiscal year for the City.

19 (c) No earlier than one hundred and eighty (180) days and no later than ninety (90) days
20 prior to the first day of each fiscal year, the New CID shall submit to the Board of Aldermen a
21 proposed annual budget for the New CID, setting forth expected expenditures, revenues, and
22 rates of assessments and taxes, if any, for such fiscal year. The Board of Aldermen may review

1 and comment on this proposed budget, but if such comments are given, the Board of Aldermen
2 shall provide such written comments no later than sixty (60) days prior to the first day of the
3 relevant fiscal year; such comments shall not constitute requirements, but shall only be
4 recommendations.

5 (d) The New CID shall hold an annual meeting and adopt an annual budget no later than
6 thirty (30) days prior to the first day of each fiscal year.

7 **SECTION NINE.** The New CID is authorized to use the funds of the New CID for any
8 of the improvements, services or other activities authorized under the CID Act.

9 **SECTION TEN.** Pursuant to the CID Act, the New CID shall have all of the powers
10 necessary to carry out and effectuate the purposes of the New CID and the CID Act as set forth
11 in the CID Act and the Petition.

12 **SECTION ELEVEN.** The City hereby finds that the uses of the New CID
13 proceeds, as provided for in the Petition, will serve a public purpose by funding activities
14 associated with encouraging economic development and benefitting the public health and
15 welfare within the City by means of assisting in the financing of public improvements and
16 services associated with an area of the City that is frequented by large numbers of tourists and
17 conventions and is vital to the economic well-being of the City and its residents.

18 **SECTION TWELVE.** Within one hundred twenty (120) days after the end of each
19 fiscal year, the New CID shall submit a report to the Register of the City (the “Register”) and the
20 Missouri Department of Economic Development stating the services provided, revenues
21 collected and expenditures made by the New CID during such fiscal year, and copies of written
22 resolutions approved by the board of directors of the New CID during the fiscal year. The

1 Register shall retain this report as part of the official records of the City and shall also cause this
2 report to be spread upon the records of the Board of Aldermen, pursuant to Section 67.1471 of
3 the CID Act.

4 **SECTION THIRTEEN.** The term for the existence of the New CID shall be as set
5 forth in the Petition, as may be amended from time to time or as such term may be otherwise
6 modified in accordance with the CID Act.

7 **SECTION FOURTEEN.** The Register shall report in writing the creation of the New
8 CID to the Missouri Department of Economic Development.

9 **SECTION FIFTEEN.** The Petition provides that the New CID shall be governed
10 by a Board of Directors consisting of five individual directors (collectively the “Directors” and
11 each a “Director”), such Directors to be appointed by the Mayor with the consent of the Board of
12 Aldermen, in accordance with the CID Act and as further provided in the Petition. The Board of
13 Aldermen hereby consents to the appointment of the following individuals as Directors of the
14 New CID, as set forth in the Petition:

	<u>Name</u>	<u>Term</u>
15		
16	Robert Miserez	4 years
17	Kathleen Barney	4 years
18	Krystal Davis	2 years
19	_____	2 years
20	_____	2 years

21 Successor Directors shall be appointed in the manner described in the Petition.

1 **SECTION SIXTEEN.** The Board of Aldermen further finds and determines that it
2 is necessary and desirable to enter into one or more amendments to the ICTPA in order to
3 replace the Existing CID with the New CID as a party, and to provide for the extension of the
4 term of the Existing TDD as contemplated in the Restated Grand Agreement and Restated Suites
5 Agreement.

6 **SECTION SEVENTEEN.** The Board of Aldermen hereby approves, and the Mayor of
7 the City and the Comptroller of the City are hereby authorized and directed to execute, on behalf
8 of the City, one or more amendments to the ICTPA (or an amendment and restatement thereof)
9 among the City, the New CID, the Existing TDD, CCHAC, and MDFB, which amendments or
10 amendment and restatement shall provide for the removal of the Existing CID, the addition of
11 the New CID, the proposed extension of the term of the Existing TDD, the governance of the
12 New CID and the Existing TDD, and the use of sales tax revenues generated by the New CID
13 and the Existing TDD. The City Register is hereby authorized and directed to attest to such
14 amendments to affix the seal of the City thereto. The ICTPA, as amended, shall be in
15 substantially the form as shall be approved by the Mayor and the Comptroller and as may be
16 consistent with the intent of this Ordinance and necessary and appropriate in order to carry out
17 the matters herein authorized.

18 **SECTION EIGHTEEN.** The Mayor and Comptroller of the City or their designated
19 representatives are hereby authorized and directed to take any and all actions to execute and
20 deliver for and on behalf of the City any and all additional certificates, documents, agreements or
21 other instruments as may be necessary and appropriate in order to carry out the matters herein
22 authorized and required by the Restated Grand Agreement and Restated Suites Agreement or any

1 documents related to the Empowerment Zone Bonds issued with respect to the Project, with no
2 such further action of the Board of Aldermen necessary to authorize such action by the Mayor
3 and the Comptroller or their designated representatives.

4 **SECTION NINETEEN.** The Mayor and the Comptroller, on behalf of the City, are
5 hereby authorized and directed to execute any amendments to the loan documents which secure
6 the Section 108 Loan as are necessary and appropriate in order to carry out the matters herein
7 authorized and required by the Restated Grand Agreement and the Restated Suites Agreement
8 upon such terms as the Mayor and the Comptroller shall deem to be reasonably appropriate in
9 their discretion.

10 **SECTION TWENTY.** The Mayor and the Comptroller or their designated
11 representatives, with the advice and concurrence of the City Counselor and after approval by the
12 Board of Estimate and Apportionment, are hereby further authorized and directed to make any
13 changes to the documents, agreements and instruments approved and authorized by this
14 Ordinance as may be consistent with the intent of this Ordinance and necessary and appropriate
15 in order to carry out the matters herein authorized, with no such further action of the Board of
16 Aldermen necessary to authorize such changes by the Mayor and the Comptroller or their
17 designated representatives.

18 **SECTION TWENTY-ONE.** It is hereby declared to be the intention of the Board of
19 Aldermen that each and every part, section and subsection of this Ordinance shall be separate
20 and severable from each and every other part, section and subsection hereof and that the Board
21 of Aldermen intends to adopt each said part, section and subsection separately and independently
22 of any other part, section and subsection. In the event that any part, section or subsection of this

1 Ordinance shall be determined to be or to have been unlawful or unconstitutional, the remaining
2 parts, sections and subsections shall be and remain in full force and effect, unless the court
3 making such finding shall determine that the valid portions standing alone are incomplete and
4 are incapable of being executed in accord with the legislative intent.

5 **SECTION TWENTY-TWO.** After adoption of this Ordinance by the Board of
6 Aldermen, this Ordinance shall become effective immediately after its approval by the Mayor or
7 adoption over his veto, provided, however, that the authorization to execute the Restated Grand
8 Agreement and Restated Suites Agreement shall expire if, by _____, (a) the Grand
9 Developer has not (i) acquired all of the Grand Property and (ii) paid all fees due to or paid on
10 behalf of the City under the Restated Grand Agreement, or (b) the Suites Developer has not (i)
11 acquired all of the Suites Property and (ii) paid all fees due to or paid on behalf of the City under
12 the Restated Suites Agreement; provided further, however, that prior to any such expiration,
13 either the Grand Developer or the Suites Developer may seek an extension of time in which to
14 satisfy these conditions with respect to the Grand Property or the Suites Property, respectively,
15 which extension may be granted in the sole discretion of the Board of Estimate and
16 Apportionment of the City of St. Louis.

17 **SECTION TWENTY-THREE.** The Board of Aldermen hereby finds and determines
18 that this Ordinance constitutes an “emergency measure” pursuant to Article IV, Section 20 of the
19 City Charter, because this Ordinance establishes the Suites CID, which is a taxing district, and as
20 such, this Ordinance shall take effect immediately upon its approval by the Mayor as provided in
21 Article IV, Section 20 of the City Charter.

EXHIBIT A

RESTATED GRAND AGREEMENT

EXHIBIT B

RESTATED SUITES AGREEMENT