

RESOLUTION NO. 55
Authorizing the Provision of a Project Exemption Certificate
in Connection with a Plan for Industrial Development for Huvepharma Inc.

WHEREAS, the City is authorized and empowered pursuant to the provisions of Article VI, Section 27(b) of the Missouri Constitution, Sections 100.010 through 100.200, inclusive, of the Revised Statutes of Missouri, as amended (collectively, the “Act”), and the City Charter, to purchase, construct, extend and improve certain projects (as defined in the Act) and to issue industrial development revenue bonds for the purpose of providing funds to pay the costs of such projects and to lease or otherwise dispose of such projects to private persons or corporations for manufacturing, commercial, warehousing, office industry and industrial development purposes upon such terms and conditions as the City shall deem advisable; and

WHEREAS, pursuant to the Act, the Board of Aldermen is considering Board Bill No. 54, which authorizes the City to issue its Taxable Industrial Revenue Bonds (Huvepharma Inc. Project), Series 2017, in the maximum principal amount of \$20,700,000 (the “Bonds”), for the purpose of (a) acquiring certain real estate located at 3360 Maury Street and 4545 Oleatha Avenue in the City (the “Project Site”), (b) renovating, improving and expanding the existing manufacturing and office facilities located thereon (the “Project Improvements”), and (c) equipping the Project Site and Project Improvements with certain personal property (the “Project Equipment”); and

WHEREAS, Board Bill No. 54, if approved, will authorize the City to lease the Project Site, the Project Improvements and the Project Equipment (collectively, the “Project”) to Huvepharma Inc. (the “Company”) pursuant to a Lease Agreement to be entered into by and between the City and the Company (the “Lease”). Pursuant to the Lease, the City, as lessor, will cause the Company to purchase, construct, equip and improve, the Project and will lease the Project to the Company, as lessee; and

WHEREAS, purchases of construction materials used to complete the Project Improvements can be exempted from the payment of sales and use taxes pursuant to Section 144.062 of the Revised Statutes of Missouri, as amended, if the City provides the Company with a project exemption certificate; and

WHEREAS, construction of the Project Improvements will improve the general welfare of the City by bringing jobs and increased property, earnings and payroll tax revenues to the City; and

WHEREAS, the Company has indicated that it needs to begin purchasing construction materials for the Project Improvements as soon as possible to stay within the desired construction schedule.

NOW, THEREFORE BE IT RESOLVED by the Board of Aldermen of the City of St. Louis that:

1. The Comptroller is hereby authorized and directed to provide the Company with a project exemption certificate upon satisfaction of the following conditions:
 - a. final passage by the Board of Aldermen of Board Bill No. 54; and
 - b. the Comptroller's receipt of a letter signed by the Company agreeing to indemnify the City in connection with the provision of the project exemption certificate and promising that, if the lease transaction contemplated by Board Bill No. 54 is not completed by December 31, 2017 (subject to any extension approved by the Board of Estimate and Apportionment), the Company will immediately pay all sales and use taxes that otherwise would have been due with respect to the Project Improvements.

Introduced this 9th day of June, 2017, by:

The Honorable Joseph Vollmer, Alderman 10th Ward

Adopted this 9th day of June, 2017, as attested by:

Donna Evans-Booker
Assistant Clerk, Board of Aldermen

Lewis E. Reed
President, Board of Aldermen