

ORDINANCE #68943
Board Bill No. 37
Floor Substitute

An ordinance repealing Ordinances 68840 and 68595 and enacting a new ordinance confirming the prohibition of the issuance of any package liquor licenses for any premises within the boundaries of the Twenty-Fourth Ward Liquor Control District, as established herein, for a period of three years from the effective date hereof; containing an exception allowing, during the moratorium period, for the transfer of existing licenses, under certain circumstances; and containing an emergency clause.

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

SECTION ONE.

Ordinances 68840 and 68595 are hereby repealed and the following is hereby enacted in lieu thereof:

SECTION TWO. LEGISLATIVE FINDINGS.

The existence of alcoholic beverage establishments appears to contribute directly to numerous peace, health, safety and general welfare problems including loitering, littering, drug trafficking, prostitution, public drunkenness, defacement and damaging of structures, pedestrian obstructions, as well as traffic circulation, parking and noise problems on public streets and neighborhood lots. The existence of such problems creates serious impacts on the health, safety and welfare of residents of single- and multiple-family within the district, including fear for the safety of children, elderly residents and of visitors to the district. The problems also contribute to the deterioration of the neighborhood and concomitant devaluation of property and destruction of community values and quality of life. The number of establishments selling alcoholic beverages and the associated problems discourage more desirable and needed commercial uses in the area. In order to preserve the residential character and the neighborhood-serving commercial uses of the area, there shall be a moratorium on the issuance of new package liquor licenses with the area beginning at the point of intersection of the St. Louis City county line and I- 44, and proceeding northerly along the St. Louis City county line to I- 64, and proceeding easterly along I- 64 to Clayton Ave, and proceeding easterly along Clayton Ave to Berthold Ave, and proceeding easterly along Berthold Ave to Louisville Ave, and proceeding northerly along Louisville Ave to Oakland Ave, and proceeding easterly along Oakland Ave to Tamm Entrance, and proceeding northerly along Tamm Entrance to I- 64, and proceeding easterly along I- 64 to Hampton Ave, and proceeding southerly along Hampton Ave to Wise Ave, and proceeding easterly along Wise Ave to Pierce Ave, and proceeding southerly along Pierce Ave to W Park Ave, and proceeding easterly along W Park Ave to Manchester Ave, and proceeding westerly along Manchester Ave to Hampton Ave, and proceeding southerly along Hampton Ave to Arsenal St, and proceeding westerly along Arsenal St to I- 44, and proceeding southerly along I- 44 to the point of beginning.. Such area shall be known as the Twenty-fourth Ward Liquor Control Area.

SECTION THREE. The Excise Commissioner is hereby prohibited, for a period of three years, beginning as of the effective date of this Ordinance, from approving the issuance of a package liquor license for any premises which is located within the boundaries of the Twenty-Fourth Ward Liquor Control District established in Section Two of this ordinance.

SECTION FOUR. Notwithstanding the provisions of Section Three of this Ordinance, the Excise Commissioner shall have authority to:

(1) Approve transfer of an existing license to another premises within the petition circle of the currently licensed premises, pursuant to the provisions of Ordinance 68536; and

(2) Approve the renewal of an existing license under the provisions of Ordinance 68536.

SECTION FIVE. EMERGENCY CLAUSE.

This being an ordinance for the preservation of public peace, health and safety, it is hereby declared to be an emergency measure within the meaning of Sections 19 and 20 of Article IV of the Charter of the City of St. Louis and therefore this ordinance shall become effective immediately upon its passage and approval by the Mayor.

Approved: July 12, 2011

ORDINANCE #68944
Board Bill No. 66

An ordinance establishing stop site for all eastbound and westbound traffic traveling on Loughborough Avenue at Trainor Court causing it to be a three way stop intersection and containing an emergency clause.

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

SECTION ONE. There is hereby established a stop site for all eastbound and westbound traffic traveling on Loughborough Avenue at Trainor Court causing it to be a three way stop intersection. The director of streets is hereby authorized and directed to install stop signs at said location to regulate traffic approaching this intersection.

SECTION TWO. Emergency Clause. This being an ordinance for the preservation of public peace, health and safety, it is hereby declared to be an emergency measure within the meaning of Sections 19 and 20 of Article IV of the Charter of the City of St. Louis and therefore this ordinance shall become effective immediately upon its passage and approval by the Mayor.

Approved: July 12, 2011

ORDINANCE #68945
Board Bill No. 88

An Ordinance recommended and approved by the Board of Estimate and Apportionment authorizing and directing the Director of Airports and the Comptroller of the City of St. Louis (the "City") to enter into and execute on behalf of the City the Lambert–St. Louis International Airport® Cargo City Lease Agreement AL-453 with a term ending June 30, 2016 (the "Lease Agreement"), between the City and Southwest Airlines Co. (the "Lessee"), a State of Texas corporation, granting to the Lessee, subject to and in accordance with the terms, covenants, and conditions of the Lease Agreement, certain rights and privileges in connection with the occupancy and use of the Premises, which is defined and more fully described in Section 201 of the Lease Agreement that was approved by the Airport Commission and is attached hereto as **ATTACHMENT "1"** and made a part hereof; containing a severability clause; and containing an emergency clause.

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

SECTION ONE. The Director of Airports and the Comptroller for the City of St. Louis (the "City") are hereby authorized and directed to enter into and execute on behalf of the City the Lambert–St. Louis International Airport® Cargo City Lease Agreement AL-453 with a term ending June 30, 2016 (the "Lease Agreement"), between the City and Southwest Airlines Co. (the "Lessee"), a State of Texas corporation, granting to the Lessee, subject to and in accordance with the terms, covenants, and conditions of the Lease Agreement, certain rights and privileges in connection with the occupancy and use of the Premises, which is defined and more fully described in Section 201 of the Lease Agreement that was approved by the Airport Commission and is to read in words and figures substantially as set out in **ATTACHMENT "1"**, which is attached hereto and made a part hereof.

SECTION TWO. The sections, conditions, or provisions of this Ordinance or portions thereof shall be severable. If any section, condition, or provision of this Ordinance or portion thereof is held invalid by a court of competent jurisdiction, such holding shall not invalidate the remaining sections, conditions, or provisions of this Ordinance.

SECTION THREE. This being an ordinance for the preservation of public peace, health, or safety, it is hereby declared an emergency measure as defined in Article IV, Section 20, of the City's Charter and shall become effective immediately upon its approval by the Mayor of the City.

ATTACHMENT "1"

CITY OF ST. LOUIS
LAMBERT-ST. LOUIS INTERNATIONAL AIRPORT®



LAMBERT - ST. LOUIS
INTERNATIONAL AIRPORT®

CARGO CITY LEASE AGREEMENT

SOUTHWEST AIRLINES CO.
NO. AL-453

TABLE OF CONTENTS

INTRODUCTION Page 1

ARTICLE I: MEANINGS AND CONSTRUCTION Page 1

ARTICLE II: PREMISES Page 4

ARTICLE III: AGREEMENT TERM Page 6

ARTICLE IV: USE OF PREMISES Page 6

ARTICLE V: RENT AND FEES Page 13

ARTICLE VI: TENANT IMPROVEMENTS Page 16

ARTICLE VII: INSURANCE, DAMAGE, AND INDEMNIFICATION Page 18

ARTICLE VIII: MERGERS, ASSIGNMENT, AND SUBLETTING Page 26

ARTICLE IX: DEFAULT AND TERMINATION Page 27

ARTICLE X: SURRENDER OF PREMISES Page 31

ARTICLE XI: MISCELLANEOUS PROVISIONS Page 32

SIGNATURES Page 38

EXHIBIT "A" 2 Pages

AIRPORT NUMBER AL-453

LAMBERT-ST. LOUIS INTERNATIONAL AIRPORT®
CARGO CITY LEASE AGREEMENT

THIS LEASE AGREEMENT, made and entered into as of the ____ day of _____, 2011, by and between the City of St. Louis, a municipal corporation of the State of Missouri, as Lessor, and Southwest Airlines Co., a corporation organized and existing under the laws of the State of Texas.

RECITALS

The City owns and operates the Lambert-St. Louis International Airport®, located in the County of St. Louis, State of Missouri.

Lessee desires to lease space within and adjacent to the Cargo City Buildings.

The City is willing to lease space within and adjacent to such buildings to Lessee.

The parties, therefore, agree as follows:

ARTICLE I
MEANINGS AND CONSTRUCTION

Section 101. Meanings and Construction. Except as otherwise clearly indicated by the context, the words and phrases defined in

this Section shall have the following meanings when used elsewhere in this Agreement.

“Agreement” means this Lease Agreement.

“Air Transportation Business” means the carriage by aircraft of persons or property as a common carrier for compensation or hire, or the carriage of mail by aircraft in commerce, as defined in the Federal Aviation Act of 1958, as amended.

“Aircraft Operations Area” or **“AOA”** means those areas of the Airport used for the landing, taking-off, movement, and parking of aircraft, as the same now exist or as the same hereafter may be added to, modified, changed, or developed.

“Airport” means the Lambert-St. Louis International Airport®, together with any additions, improvements, or enlargements made from time to time.

“Airport Director” means the Airport Director of the City or the person performing the functions of that office, as authorized by the City’s Mayor, or that person authorized by the Airport Director to act for or on behalf of the Airport Director with respect to any particular matter under this Agreement.

“Cargo City Buildings” means those certain cargo buildings at the Airport, including associated parking lots and sidewalks, and all improvements thereto, with the following addresses: 9801, 9805, 9809, 9813, 9817, 9825, 9833, and 9841 Air Cargo Road, St. Louis, MO, 63145.

“City” or **“Lessor”** means The City of St. Louis, Missouri.

“Environmental Laws” means all applicable federal, state, and local statutes, ordinances, regulations, rules, laws, permits, permit conditions, and orders relating to the generation, emission, discharge, release, use, storage, transportation, or disposal of pollutants, contaminants, Hazardous Materials, wastes, hazardous substances, or chemicals or the preservation or regulation of the environment or natural resources including, without limitation, the Clean Air Act, 42 U.S.C. §7401 et seq.; the Clean Water Act, 33 U.S.C. §1251 et seq., and the Water Quality Act of 1987; the Federal Insecticide, Fungicide, and Rodenticide Act, 7 U.S.C. §136 et seq.; the Marine Protection, Research, and Sanctuaries Act, 33 U.S.C. §1401 et seq.; the Noise Control Act, 42 U.S.C. §4901 et seq.; the Occupational Safety and Health Act, 29 U.S.C. §651 et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. §6901 et seq., as amended by the Hazardous and Solid Waste, Amendments of 1984; the Safe Drinking Water Act, 42 U.S.C. §300f et seq.; the Comprehensive Environmental Response, Compensation and Liability Act (“CERCLA”), 42 U.S.C. §9601 et seq., as amended by the Superfund Amendments and Reauthorization Act, the Emergency Planning and Community Right-to-Know Act, and the Radon Gas and Indoor Air Quality Research Act; the Hazardous Material Transportation Act, 49 U.S.C. §5101 et seq.; the Endangered Species Act, 16 U.S.C. §1531 et seq.; the National Environmental Policy Act, 42 U.S.C. §4321 et seq.; the Toxic Substance Control Act, 15 U.S.C. §2601 et seq.; the Atomic Energy Act, 42 U.S.C. §2011 et seq.; and the Nuclear Waste Policy Act of 1982, U.S.C. §10101 et seq., as such statutes and laws may be amended from time to time, all regulations, rules, executive orders, policies and instructions pertaining to and lawfully promulgated pursuant to such statute or law as they now exist or may be amended from time to time.

“Environmental Permits” means any and all permits, licenses, approvals, authorizations, consents, or registrations required by applicable Environmental Laws, whether federal, state or local, and any duly filed environmental covenant or land use restrictions applicable to the Airport or the Leased Premises.

“Event of Default” means an Event of Default as defined in Section 901.

“Federal Aviation Administration” or **“FAA”** means the Federal Aviation Administration created under the Federal Aviation Act of 1958, as amended, or any successor agency thereto.

“Hazardous Materials” means friable asbestos or asbestos-containing materials, polychlorinated biphenyls (PCBs), petroleum, or crude oil or any fraction thereof, natural gas, source material, special nuclear material, and byproduct materials regulated under Environmental Laws, pesticides regulated under Environmental Laws, and any hazardous waste, toxic, or dangerous substance or related material, including any material defined or treated as a hazardous substance, hazardous waste, toxic substance, or contaminant (or comparable term) under any of the Environmental Laws.

“Lessee” means Southwest Airlines Co.

“Notice” means a communication between the parties to this Agreement performed in accordance with the requirements of Subsection 1113(B).

“**Premises**” means the area or areas described in Section 201, and shown on Exhibit “A,” that has or have been designated by the City for the exclusive occupancy and use by Lessee for the uses herein specifically provided.

“**Remediation Costs**” means any reasonable losses, expenses, or costs incurred by the City in connection with environmental remediation: (i) required by the appropriate governmental agency responsible for enforcing Environmental Laws or Environmental Permits, and/or (ii) attributable to Hazardous Materials left on City property in excess of applicable remediation standards derived by the U.S. Environmental Protection Agency, the U.S. Occupational Safety and Health Administration, the Missouri Department of Natural Resources or other governmental health agency as appropriate for commercial property, safe for occupational exposure or Airport use or which are in violation of Environmental Laws or Environmental Permits, and caused by, or arising out of, Lessee’s operations at the Airport or the Lessee’s use or lease of the City’s property. Remediation Costs include investigation and evaluation costs, costs to implement institutional controls or restrictive covenants, sampling and analysis costs, reporting costs, planning and design costs, consultant and contractor costs, labor costs, equipment costs, construction costs, access costs, disposal costs, transportation costs, reasonable administrative costs, reasonable attorneys’ fees and other legal fees and litigation expenses, permit fees and costs, monitoring costs, oversight and inspection costs, claims, demands, causes of action, suits, judgments, damages, compensation, debts, costs, expenses, losses, penalties, fines, stipulated penalties, punitive damages, and other similar liabilities caused by and/or arising out of or incidental to the Lessee’s handling, use, storage, release, disposal, generation, emission, or discharge of Hazardous Materials at the Airport including the Premises.

“**Rents**” means for any Fiscal Year, the rents payable by Lessee pursuant to Article V.

“**Rules and Regulations**” means those lawful, reasonable, and not unjustly discriminatory rules and regulations, including ordinances and operating directives, promulgated by the Airport Director, the Airport Commission, or the City from time to time for the orderly operation of the Airport.

“**Transportation Security Administration**” or “**TSA**” means the Transportation Security Administration created under the Aviation and Transportation Security Act of 2001, as amended, or any successor agency thereto.

Section 102. Interpretation. References in the text of this Agreement to articles, sections, paragraphs, or exhibits pertain to articles, sections, paragraphs, or exhibits of this Agreement, unless otherwise specified.

The terms “hereby,” “herein,” “hereof,” “hereto,” “hereunder,” and any similar terms used in this Agreement refer to this Agreement.

Words importing persons shall include firms, associations, partnerships, trusts, corporations, and other legal entities, including public bodies, as well as natural persons.

Any headings preceding the text of the articles and sections of this Agreement, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Agreement, nor shall they affect its meaning, construction, or effect.

Words importing the singular shall include the plural and vice versa. Words of any gender shall be deemed to include correlative words of the other gender.

The term “including” shall be construed to mean “including without limitation,” unless otherwise expressly indicated.

All references to number of days shall mean calendar days.

Words used in the present tense include the future.

ARTICLE II PREMISES

Section 201. Premises. The City hereby leases Lessee, and Lessee takes from the City, a portion of the Premises located at 9813 and 9805 Air Cargo Road, Lambert-St. Louis International Airport, St. Louis, Missouri, 63145, also known as Cargo Building #4A, consisting of 8,160 sq. ft. and 9,105 square feet of adjoining unenclosed space and Cargo Building #5A, consisting of 6,650 square feet, and 5,878 square feet of adjoining unenclosed space all as shown on Exhibit “A”, attached hereto and made a part hereof.

The Premises are leased to Lessee subject to the reservations set forth in Section 202 hereof.

Lessee accepts and receives the Premises “**AS IS**”, with no warranties or representations of any kind, expressed or implied, either

oral or written, made by the City or any of its agents or representatives with respect to the physical, environmental or structural conditions of the Premises or any portion thereof or otherwise including but not limited to, soil conditions of the land and structural conditions of the buildings or facilities or the presence or absence of any Hazardous Materials, or of any underground or above ground storage tanks or repositories and related equipment, water, sewage or utilities serving the Premises or any other matter or thing affecting or relating to the Premises, except as expressly set forth in this Agreement. The City without limitation expressly disclaims any expressed or implied warranty with respect to the condition of the Premises, its compliance with any zoning or other laws, statutes, rules, ordinances or regulations applicable to the Premises including but not limited to the Americans with Disabilities Act, the uses permitted on the Premises, or any other matter or thing relating to the Premises or any portion thereof.

Section 202. Reservations. The grant of lease hereunder is subject to the following reservations and conditions:

- A. The City reserves the right (but shall not be obligated pursuant to this Agreement) to develop, maintain, and keep in repair the Airport, including the Aircraft Operating Area and all publicly-owned facilities.
- B. Lessee shall not exercise the rights granted by this Agreement to Lessee in such a way as to interfere with or adversely affect the use, operation, maintenance, expansion or development of the Airport, or with the operations of other tenants or users of the Airport.
- C. The City reserves the right to, from time to time, temporarily or permanently close or restrict specific roadways, taxiways, taxi lanes, runways, apron areas, doorways, and any other area at the Airport. The City also reserves the right at any time or times to relocate, reconstruct, change, alter, or modify any such means of access provided for pursuant to this Agreement or otherwise, either temporarily or permanently; provided that a reasonably convenient and adequate means of access, ingress, and egress shall exist or be provided in lieu thereof. The City shall reasonably notify Lessee of any such action affecting Lessee.
- D. The City reserves for the use and benefit of the public, a free and unrestricted right of flight for the passage of aircraft in the airspace above the surface of the Premises, together with the right to cause or allow in said airspace such noise, vibration, fumes, dust, fuel particles, illuminations, interference with television, radio or any other type of transmission and other effects as may be caused in the operation of aircraft, now known or hereafter used for navigation of or flight in the air, using said airspace or landing at, taking off from, or operating on or about the Airport.
- E. The City reserves the right to grant utility and maintenance rights-of-way to itself and others over, under, through, across or on the Premises provided that such use will not substantially or materially interfere with Lessee's use of the Premises, and provided further that such reservation or grant of rights shall not directly result in additional cost or expense to Lessee.

Section 203. Access. Subject to all of the terms, covenants, warranties and conditions of this Agreement, Lessee has the right of free access, ingress to and egress from the Premises, for Lessee's employees, contractors, subcontractors, agents, and invitees.

Lessee shall be granted the use, for its employees, contractors, subcontractors, agents, and invitees, a share of the adjoining parking area. Lessee will be allotted a share of parking spaces equivalent to Lessee's share of total leased space in the Cargo City Buildings.

Section 204. Security. Lessee hereby acknowledges that Transportation Security Administration regulations require the City to adopt and put into use facilities and procedures designed to prevent and deter persons and vehicles from unauthorized access to the Aircraft Operating Area. Lessee understands that the City has met said requirements by developing an Airport Security Program ("**ASP**") for the Airport, and Lessee warrants, covenants and agrees to be fully bound by, and immediately responsive to, the requirements of the ASP, as it may be amended from time to time. Lessee further warrants, covenants and agrees, throughout the term of this Agreement, at its own cost, to prepare facilities and procedures, satisfactory to the City, designed to prevent and deter persons and vehicles from unauthorized access to the AOA from and through any Premises controlled or used by Lessee in accordance with the provisions of the applicable Transportation Security Administration regulations and the ASP.

Lessee's security procedures and facilities on the Premises shall meet the requirements of the applicable Transportation Security Administration regulations and the ASP, including the following:

- A. fencing and locked gates, taking whatever action necessary to avoid obstruction of outside access to the unoccupied space;
- B. Airport-approved badging, badge display, escort and challenge procedures applicable to persons authorized to enter the AOA;
- C. an electronic entry control system or a manned guard system where gates or doorways cannot reasonably be controlled by

locks; and

- D. other facilities and procedures as may be required to establish positive control for preventing the entrance of unauthorized persons and vehicles onto the AOA.

Section 205. Premises Adjustments. If Premises are increased, reduced or changed by mutual written consent of the City and Lessee, revised exhibits may be substituted for those herein without the necessity to amend this Agreement, which substitution may be made by Notice to Lessee from the City.

ARTICLE III AGREEMENT TERM

Section 301. Term. The term of this Agreement shall commence on July 1, 2011 and shall end on June 30, 2016, unless sooner terminated in accordance with other provisions of this Agreement.

Section 302. Holding Over. If Lessee holds over after the expiration or early termination of this Agreement, the resulting tenancy shall be for an indefinite period of time on a month-to-month basis, during which tenancy the parties to this Agreement shall continue to adhere to all covenants, conditions and provisions of this Agreement. Notwithstanding the foregoing, Lessee shall pay the prevailing Rent then in effect during any holdover period. Acceptance by the City of payment of Rents or other fees or charges after expiration or early termination of this Agreement shall be deemed to be payment on account, and shall not operate to waive or modify any provision of this Section.

ARTICLE IV USE OF PREMISES

Section 401. Use. The City hereby grants to Lessee, subject to all the terms, covenants, warranties and conditions of this Agreement, the exclusive use of the Premises for any and all purposes reasonably necessary or convenient in connection with the conduct by Lessee of its Air Transportation Business, excepting the loading or unloading of passengers, but including without limitation receiving, delivering, dispatching, processing, handling, and storing air cargo, mail, and other property being transported in air commerce; the loading, unloading, and short term parking of automobiles and trucks; ground service equipment maintenance and repair; and for no other purpose, unless expressly authorized by the City. If maintenance is required in the future that may involve the release of Hazardous Materials, such Hazardous Materials shall be disposed of in accordance with the Environmental Laws and any required Environmental Permits. Lessee will install whatever modifications required in order to comply with the aforementioned laws and permits, and/or establish procedures to comply with the aforementioned laws and permits, which will further be subject to the City's approval.

Section 402. Repairs and Maintenance.

- A. The City shall maintain and keep in good repair the structures associated with the Cargo City Buildings, as well as all associated common areas, including building roof and exterior structure, obstruction lights, roadways, sidewalks, automobile parking areas, tug drives, common utility lines and systems, exterior lighting, and perimeter fencing. The City shall clean and provide for snow and ice removal from the common roadways, sidewalks, automobile parking areas, and tug drives.
- B. Lessee shall, throughout the term of this Agreement, at its own cost and without any expense to the City, maintain and keep in good repair, excepting only acts of God, fire, and other casualties, and reasonable wear and tear (taking into account repair and maintenance required to be done by Lessee), the interior and exterior, non-structural portions of the Premises, including all tenant improvements, HVAC systems, utility systems including, without limitation fire suppression lines or systems (up to the common distribution points for each utility system), painting, doors and windows, and any other structures erected within the Premises. Lessee shall, at its sole cost and expense, take such measures as may be necessary to keep the Premises secure; the City shall have no obligation or responsibility to keep the Premises secure.
- C. Lessee warrants, covenants and agrees, without cost or expense to the City during the term hereof, to perform the following:
1. Housekeeping of Premises. Remove from the Premises all trash and refuse, and dispose of it in a manner approved by the City.
 2. Maintenance Standards. Maintenance and repairs shall be in quality and class equal to or better than the original work to preserve the Premises in good order and condition, based on a standard of care reflecting prudent

property management. Lessee shall repair all damage to the Premises caused by Lessee or its employees, contractors, subcontractors, agents, and invitees; this requirement includes immediate replacement of broken windows, doors and locks with like materials.

3. Care of Unenclosed Space. Keep all papers and debris picked up, and provide for snow and ice removal to allow, at a minimum, emergency or fire protection access.
4. Drainage Facilities. Comply with the Airport's Storm water Detention Design Criteria and Guidelines dated December 1986, as revised from time to time, as well as any and all applicable federal, state, and municipal regulations. Lessee shall establish a system of periodic inspection, cleaning and maintenance to keep watercourses, catch basins and other drainage structures on the Premises functioning at full design capacity. Inspection, cleaning and maintenance intervals shall be established by the Airport Director with reports to be submitted within 30 days of completion of each inspection, cleaning and maintenance. Lessee shall pile removed snow in locations that will permit the water generated by the melting of such snow piles to flow into the drainage system of the Cargo City Buildings.

Section 403. Utilities. Lessee shall provide for and pay for all utilities used on the Premises.

Section 404. Interference to Air Navigation. Lessee warrants, represents and agrees that no obstruction to air navigation, as such are defined from time to time by application of the criteria of FAR Part 77 or subsequent and additional regulations of the Federal Aviation Administration ("FAA"), will be constructed or permitted to remain on the Premises. Lessee warrants, represents and agrees that, upon notification by the City, it will immediately remove any obstructions at its expense. Lessee warrants, represents and agrees not to increase the height of any structure or objects or permit the growth of plantings of any kind or nature whatsoever that may interfere with the line of sight of the control tower and its operations. Lessee further warrants, represents and agrees not to install any structures, objects, machinery or equipment that would interfere with the operation of navigation aides or that would interfere with the safe and efficient operations of the Airport.

Section 405. Observance and Compliance with Laws.

- A. Lessee, its officers, directors, employees, agents, and its contractors and suppliers, while such contractors and suppliers are providing services to Lessee, shall comply with:
 1. all applicable federal, state and local laws and ordinances, including directives of the FAA applicable to the Lessee's operation at the Airport;
 2. the Rules and Regulations governing the Airport; and
 3. the provisions of the Airport certification manual, as it may be amended from time to time.

Lessee shall make reasonable efforts to cause its guests and invitees to comply as well.

- B. Upon Lessee's request, the City shall promptly provide a copy of the Rules and Regulations and the Airport certification manual. The City shall also provide copies of amendments or additions to the Rules and Regulations to Lessee's station manager or his designee in the regular course of business. The City acknowledges that compliance with such amendments or additions will not be expected until Lessee is notified of such amendments or additions as provided in this Subsection.
- C. Notwithstanding anything to the contrary, references herein to a statute or law shall be deemed to be a reference to (i) such statute or law as it may be amended from time to time, (ii) all ordinances, regulations, rules, executive orders, policies and instructions pertaining and lawfully promulgated pursuant to such statute or law as they now exist or may be amended from time to time.

Section 406. Compliance with Environmental Laws. Lessee warrants and covenants that in conducting any activities or business at the Airport, including any activities directly related or incidental to its use and occupancy of the Premises, Lessee shall comply with any and all applicable Environmental Laws including any plans, monitoring, recordkeeping or programs prepared in conformance with Environmental Laws. Lessee further covenants and warrants as follows:

A. Environmental Permits.

1. Lessee shall obtain and maintain any and all Environmental Permits required by applicable Environmental Laws

to conduct the activities in which Lessee engages on the Premises.

2. Lessee shall comply with any requirement imposed by an Environmental Permit obtained by the City that is or are applicable to Lessee or Lessee's activities on the Premises, including any plans, monitoring, recordkeeping or programs prepared in conformance with such Environmental Permits or Environmental Laws; provided, however that the City shall adequately notify Lessee of such Environmental Permit and Environmental Laws and any associated requirements, including all applicable deadlines for compliance.
 3. The City and Lessee shall cooperate to ensure compliance with the terms and conditions of any Environmental Permit, Environmental Law, and any associated requirements to insure safety and to minimize cost of compliance.
- B. Duty to Notify City. In the event of any release or threatened release of Hazardous Materials caused by Lessee, its employees, agents, contractors, suppliers, guests, or invitees, and which is required by applicable Environmental Laws or Environmental Permits, Rules and Regulations, or any plans or program prepared in response to Environmental Laws or Environmental Permits to be reported by Lessee, whether as a result of negligent conduct or otherwise, on, or under the Premises, or in the event any written claim, demand, complaint or action is made or taken against Lessee that pertains to Lessee's failure or alleged failure to comply with any Environmental Laws or Environmental Permits on or under the Premises or which pertains to the release of Hazardous Materials by Lessee at the Airport, Lessee shall notify the City as soon as reasonably practical of all known facts pertinent to such release, threatened release, claim, demand, complaint, action, or notice, and shall provide the City with copies of any and all such claims, demands, complaints, notices, or actions so made. If Lessee is required, by any Environmental Laws, Environmental Permits, or governmental agency, to file any written notice or report of a release or threatened release of Hazardous Materials on or under the Premises, Lessee shall simultaneously provide a copy of such notice or report to the City.
- C. Environmental Remediation. Lessee shall promptly and with all due diligence undertake all necessary steps to remedy and remove at its costs any Hazardous Material, or environmental condition or damage to the extent caused by, or resulting from, the activities, conduct or presence of Lessee or its agents, employees, contractors, independent contractors, invitees, licensees, lessees, or suppliers on or under the Premises, whether resulting from negligent conduct or otherwise ("**Remediation Work**"). Such Remediation Work shall be consistent with remediation standards established by or derived from the appropriate government agency responsible for enforcing Environmental Laws or Environmental Permits. Except in the event of an emergency, such Remediation Work shall be performed after Lessee submits to the City a written plan for completing such Remediation Work and receives the prior approval of the City through Notice; provided, however, that the City's approval shall not be unreasonably withheld or delayed. The City expressly reserves the right to review and approve any proposed: remedial investigations, remedial work plans, interim and final remedies, institutional controls or other associated documents prior to submittal to the relevant governmental agencies responsible for enforcing Environmental Laws or Environmental Permits. Specific cleanup levels for any Remediation Work by Lessee shall be designed to meet and satisfy the requirements of all applicable Environmental Laws and Environmental Permits, as determined by the governmental agency responsible for enforcing Environmental Laws or Environmental Permits. Neither an ongoing remediation, including any testing or monitoring, nor the use of institutional controls, shall either unreasonably or materially impair or interfere with the City's use and enjoyment of the Premises or its property, or that of current and future tenants or users. The City shall have the right to conduct a reasonable review and inspect all such Remediation Work at any time using consultants and representatives of its choice.
- D. Access for Environmental Inspection. Upon reasonable notification to Lessee, the City shall have reasonable access to the Premises to inspect the same in order to confirm that Lessee is using the Premises in accordance with all applicable Environmental Laws and Environmental Permits and the requirements of this Section 406. Lessee shall cooperate fully with any such inspections provided that such inspections shall not unreasonably interfere with Lessee's operations. If the City's inspection results in any type of written report, the City shall provide Lessee a reasonable opportunity to timely review and comment on a draft of the report. Lessee shall provide to City for its review and comment copies of: any and all notices of alleged non-compliance issued by governmental agencies responsible for enforcing Environmental Laws or Environmental Permits; non-privileged draft official submittals (proposed final drafts) prepared by, or on behalf of, Lessee responding to such alleged non-compliance; and any and all consent orders or administrative determinations, whether preliminary or final, issued by such governmental agencies. The City agrees to maintain the confidentiality of the documents produced in accordance with this Subsection to the extent consistent with the City's legal obligations.
- E. Corrective Action by City. If Lessee fails to comply with any applicable Environmental Laws or Environmental Permits governing its activities on the Premises, or if Lessee fails to conduct necessary Remediation Work in a timely manner as required under this Agreement, the City, as required by applicable Environmental Laws and Environmental Permits, in

addition to the rights and remedies described elsewhere herein and any other rights and remedies otherwise available to the City, may enter the Premises and take all reasonable and necessary actions to conduct Remediation Work to remove Hazardous Materials or other contaminants and insure such compliance with such Environmental Laws and Environmental Permits. All Remediation Costs incurred by the City shall be paid or reimbursed by Lessee. Remediation Work, if necessary, shall be performed in accordance with the provisions of Subsection 406(C), but only after first having provided Notice to Lessee of such failure to comply, and 30 days within which Lessee may demonstrate why no such alleged failure is present, or to timely remedy such alleged failure that may be present. If Lessee's compliance reasonably requires more than 30 days to complete, the City may enter the Premises and take such reasonable and necessary measures to achieve compliance only upon Lessee's failing to timely begin curing such noncompliance within such 30 day period and to continue diligently working to achieve compliance thereafter.

- F. Review of Environmental Documents. At the reasonable request of the City, Lessee shall make available for inspection and copying, at reasonable times, any and all non-privileged documents and materials Lessee has prepared pursuant to any applicable Environmental Laws or Environmental Permits, or submitted to any governmental agency, which documents and materials relate to environmental issues, Environmental Laws or Environmental Permits and which pertain to the Premises, and which would be discoverable in litigation.
- G. Cumulative Remedies. All remedies of the City as provided herein with regard to environmental pollution, contamination, damage, or any actual or threatened violations of any Environmental Laws or Environmental Permits are deemed to be cumulative in nature. The City's right to indemnification as provided under this Agreement shall survive the expiration or early termination of this Agreement.
- H. Pollution Control. In addition to all other requirements of this Agreement, Lessee, at its cost, shall manage all its operations at the Airport in compliance with all applicable Environmental Laws, Environmental Permits, and with the best management practices outlined and delineated in the Airport's Storm Water Pollution Prevention Plan and Storm Water Management Plan, which shall be provided to Lessee at Lessee's request.
- I. Environmental Covenants. Lessee will not object to and, if requested by the City, will subordinate any rights it has under this Agreement to an environmental covenant or environmental land use restriction which (i) restricts the use of groundwater underlying the Premises or the Airport; (ii) limits the use of the Premises to nonresidential uses; and/or (iii) reasonably restricts access to soil underlying the Premises or the Airport.

Section 407. Individuals with Disabilities. Lessee shall be responsible for compliance with the Federal Americans with Disabilities Act, plus any other federal, state or local laws or regulations and City Ordinances pertaining to the disabled individual having access to the Premises or Lessee's services.

Section 408. Nondiscrimination.

- A. Lessee for itself, its personal representatives, successors in interest, and assigns, agrees that no person on the grounds of race, creed, color, national origin, sex, age, or disability shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in (i) the use of the Premises; or (ii) the construction of any improvements on, over, or under the Premises, and the furnishing of services thereon.
- B. Lessee shall comply with all applicable nondiscriminatory requirements that may be imposed pursuant to the Federal Aviation Act of 1958, as amended; the Civil Rights Act of 1964, as amended; 49 C.F.R. Parts 21, 23, and 26, as said regulations may be amended; and state and local laws.

Section 409. Prevailing Wage. Lessee shall include in all service contracts pertaining to the Premises language specifying the minimum prevailing wages to be paid and fringe benefits to be provided by the service contractor to employees of said service contractor in accordance with the provisions of the Revised Code of The City of St. Louis, Chapter 6.20.

Section 410. City Right to Enter, Inspect, and Require Corrective Action.

- A. The City shall have the right at reasonable times to enter upon Premises for any of the purposes listed below:
1. to inspect the Premises for any purpose necessary for or incidental to or connected with the City's obligations hereunder, or in the exercise of the City's capacity as Airport owner;
 2. to identify those actions required of the Lessee or the City, pursuant to this Agreement;

3. for fire protection, safety, or security purposes;
 4. to make structural additions and alterations to the Airport;
 5. as provided in Section 411;
 6. upon the expiration or early termination of this Agreement;
 7. to make emergency repairs; and
 8. upon the expiration or early termination of this Agreement.
- B. The City shall provide reasonable notification and such right of entry shall not unreasonably interfere with Lessee's use or occupancy of its Premises, except if an emergency and/or the situation endangers the health or safety of persons or the safety of operations on the Premises. The right of inspection reserved to the City shall impose no obligation on the City to make inspections to ascertain the condition of the Premises and shall impart no liability upon the City for failure to make such inspections. The failure of the City to inspect or monitor or notify Lessee of a default or of a hazardous or unsafe condition with respect to Lessee operations hereunder shall not release Lessee from its liability to perform its obligations hereunder or impose any liability on the City, and in any other event where the City determines that it is necessary or desirable to do so to preserve the Airport or the City's property or any portion thereof or to correct any conditions likely to cause injury or damage to persons or property.
- C. Unless otherwise provided herein, Lessee shall perform all corrective work required of it that is identified in such inspection(s) within 30 days of receipt of a notification from the City. If correction cannot reasonably be completed within such 30 day period, this period may be extended at the sole discretion of the City. Matters affecting public health, safety, and welfare, including trash and debris problems, shall be corrected promptly after the City notifies the Lessee's manager or the manager's designee either orally or in writing via hand-delivery. All emergency repair costs incurred by the City for which the Lessee is responsible for under the terms of this Agreement shall be paid or reimbursed by Lessee within thirty (30) calendar days of the City's written request.

Section 411. Failure to Maintain by Lessee. If City determines that Lessee has failed to properly clean, remove trash and refuse, maintain, or repair the Premises as required in Section 402, the City shall provide to Lessee a list of deficiencies, reflecting the amount of time to be reasonably allowed for Lessee to correct same. If Lessee fails to correct such deficiencies within the time allowed and has not timely registered a reasonable objection as to its obligation to do so, the City, following 5 days further notification by the City to Lessee, may enter upon the Premises and correct the listed deficiencies. The City shall add the cost of such work, plus actual administrative costs, to the Rents due hereunder on the first day of the month following the date of such work, and such cost shall be and constitute a part of the Rents. Subsequent to receipt of the further notification of intent to perform repairs, maintenance, or cleaning from the City, Lessee shall not undertake performance of such repairs, maintenance, or cleaning without specific prior authorization from the City.

Section 412. City Obligations. Except as specifically provided for herein, the City shall not be under any duty or obligation to Lessee to repair, maintain, or clean the Premises or any portion thereof, or any facilities or equipment constructed thereon. The City shall not be responsible or liable to Lessee for any claims for compensation for any losses, damages, or injury, including lost profits, sustained by Lessee resulting from failure of the Airport structures or utility systems, or caused by the natural physical conditions on the Airport, whether on the surface or underground, including stability, moving, shifting, settlement of ground, or displacement of materials by fire, water, windstorm, tornado, act of God, state of war, terrorism, civilian commotion or riot, or any other cause or peril beyond the control of the City, except to the extent covered by the City's insurance or as may be caused by the City's negligence, willful misconduct, or bad faith.

Section 413. Third-Party Supplier or Operator Obligations. The City reserves the right to require third-party suppliers or operators providing any commercial goods or services on behalf of another Tenant, to secure a permit from the City, to comply with all applicable Rules and Regulations, and to pay any applicable fees to the City to conduct such activity at the Airport.

ARTICLE V RENT AND FEES

Section 501. General. Lessee, for and in consideration of the rights and privileges granted herein, agrees to promptly and timely pay the Rents set forth in this Agreement, without demand during the term of this Agreement.

Section 502. Rent Payment. Lessee shall pay in advance to City the following monthly rental rates:

Cargo Buildings #4A and #5A Space:

14,810 square feet x \$8.25 per sq. ft. = \$122,182.50 annual ÷ 12 = \$10,181.88/month.

Adjoining Unenclosed Space and Adjacent Structures:

14,983 square feet x \$0.33 per sq. ft. = \$4,944.39/annual ÷ 12 = \$412.03/month.

Total monthly rental = \$10,593.91 per month. All payments shall be paid on or before the first day of each month of the term of this Agreement.

During the term of this Agreement, each of the cargo buildings and associated unenclosed spaces located in Cargo City may be professionally appraised. If so, the appraised rental rate values of each building will be averaged, the monthly rental rate revised according to the newly appraised average sq. ft. rate. The City will notify Lessee in writing of the new rental rate.

Section 503. Interest Charges and Late Charges on Overdue Payment. If Lessee fails to make payment of any sums due hereunder by the due dates set forth herein, Lessee shall pay to the City, in addition to all other remedies available to the City and all other payments to be made by Lessee to the City, an interest charge equal to 1.5% for each month of the overdue amount, and costs and attorney's fees reasonably incurred by the City in attempting to obtain payment, if any. Payments received later than 30 days from their respective due date shall be assessed an additional one-time late charge of 5% of the amount due, in addition to applicable interest charges.

Section 504. Form of Payment. Lessee shall pay all sums due hereunder in lawful money of the United States of America, without notice or demand, without deduction or setoff, by wire transfer or check made payable to the "Treasurer, City of St. Louis," which check shall be delivered postage or other charges prepaid to:

By U.S. Mail: Airport Assistant Director of Finance
Lambert-St. Louis International Airport
P.O. Box 10036, Lambert Station
St. Louis, Missouri 63145

By Express Mail: Airport Assistant Director of Finance
Lambert-St. Louis International Airport
10701 Lambert International Boulevard
St. Louis, Missouri 63145

By Wire Transfer: Routing Number: 081000210-1001018702
Bank Name: USBank (Checking)
Account Name: Airport Revenue Fund
(include a description of the transfer (e.g. "Southwest Airlines Cargo City Lease Agreement No. AL-453"))

or as hereafter the City may designate by Notice to Lessee.

Section 505. Security Deposit.

- A. Amount and Form of Security Deposit. Upon execution of this Agreement, Lessee shall provide the City with an irrevocable letter of credit, or other security or instrument acceptable to the City ("Security Deposit") in an amount equal to 3 (three) months of estimated Rents. The Security Deposit shall guarantee the faithful performance by Lessee of all of its obligations hereunder and the payment of all Rents due to the City. The Security Deposit shall be in such form and with such company licensed to do business in the State of Missouri as shall be acceptable to the City, within its reasonable discretion. The Security Deposit is not the sole or exclusive remedy of the City and shall not be construed, in and of itself, as adequate assurance of Lessee's future performance.
- B. Term of Security Deposit. Lessee shall maintain the Security Deposit until the termination of this Agreement. Such Security Deposit shall remain in full force and effect throughout the term of this Agreement and shall extend at least ninety (90) days following the expiration or early termination of this Agreement. Lessee shall provide at least 60 days prior Notice of the date on which any Security Deposit expires or is subject to cancellation.

- C. City's Right to Use Security Deposit; Replenishment. If Lessee commits or is under an Event of Default pursuant to Section 901, the City shall have the right to use the amounts of such Security Deposit to pay Lessee's Rents or any other amounts owed to the City by Lessee then due and payable, or to apply the proceeds to any cost or expense or material damages incurred by the City as a result of Lessee's default, or Event of Default under Section 901. If any such Security Deposit, or portion thereof, is used as stated in this Subsection, Lessee shall replenish or provide a renewal or replacement Security Deposit up to the full amount set forth in Subsection 505(A) within 10 days of being notified to do so by the City. The City's rights under this Section shall be in addition to all other rights and remedies provided to the City hereunder.
- D. Waiver of Security Deposit Requirement. Notwithstanding the provisions of Subsections 505(A)-(C), the City will waive the Security Deposit obligation if it determines that Lessee qualifies for relief from such obligation. To qualify for such relief, Lessee must:
- 1) not be under an Event of Default pursuant to, and not have received Notice in accordance with, Section 901;
 - 2) have made timely payments of all applicable Rents during the previous 12 month period under this Agreement or, if applicable, the prior Cargo City Lease Agreement with the City.

If, after having waived the Security Deposit obligation in accordance with this Subsection, the City determines that Lessee has not continued to satisfy the requirements for relief, or if Lessee commits or is under an Event of Default pursuant to Section 901, Lessee shall immediately provide a Security Deposit in accordance with the provisions of Subsection 505(A).

Section 506. Covenant Not To Grant More Favorable Rents.

- A. The City shall not charge any lesser Rent being paid by Lessee to other certificated airlines for premises within the Cargo City Buildings under an agreement having comparable leased premises, facilities, rights, and privileges and imposing similar obligations to those of Lessee hereunder, unless the City also makes a substantially similar agreement available to Lessee.
- B. The provisions of Subsection 506(A) shall not be construed to apply to any air service incentive program, or similar programs, that the City may choose to offer, as allowed by applicable federal law, regulation, or policy.

ARTICLE VI
TENANT IMPROVEMENTS

Section 601. Alterations and Improvements by Lessee. Lessee may construct and install, at Lessee's sole expense, such improvements in its Premises as Lessee deems to be necessary for its operations. The plans and specifications, location, and construction schedule for such improvements, including any substantial alteration or addition thereto, along with a signed Tenant Construction or Alteration Application ("TCA"), must be submitted to and approved by the City prior to the commencement of any and all such construction, alteration, refurbishment, demolition, excavation, renovation, reconstruction, or installation. Lessee shall comply with the requirements of all applicable laws, Environmental Permits, Environmental Laws, and building codes and the City's Rules and Regulations governing tenant construction, alterations, and improvements. No reduction or abatement of Rents or other fees or charges shall be allowed for any interference with Lessee's operations by such construction. All such alterations and improvements by Lessee shall be subject to the following:

- A. No excavation or demolition at, construction, alteration, or modifications of, or refurbishments to, the Premises shall commence until after Lessee has received the City's written approval of its TCA including detailed project plans, specifications, drawings, and schedules. Notwithstanding the prior sentence, and without limiting any other requirement imposed by this Agreement, in case of an emergency affecting the health or safety of the public, Lessee may take immediate and reasonable action to protect the public without first submitting a TCA; provided, however, that: (i) promptly following such emergency, Lessee shall notify the City of the circumstances surrounding the emergency and the actions taken by Lessee; and (ii) as immediately thereafter as reasonably possible Lessee shall submit a TCA detailing the actions taken and yet to be taken by Lessee related to such emergency. Lessee also understands and agrees that certain work elements described in its TCA may require separate or additional approval from the City before proceeding with the specific work element. As such, Lessee understands and agrees that ongoing coordination with the City at all times is crucial. Lessee shall provide the City with at least ten (10) working days written notice prior to commencement of any work at the Premises involving the excavation of soils or demolition so that the City may have a representative present at the work site during such demolition or excavation.
- B. The City shall have the right to refuse approval of such plans and specifications if the external appearance of such alteration

or improvement of facilities in publicly-viewed areas does not meet the City's requirements for substantial uniformity of appearance of facilities on the Airport, or, if the type or time of construction of such alteration or improvement, or the location thereof does not meet the City's requirements for safe use of the Airport and appurtenances by other authorized persons. The City may, at its own cost, inspect any such alterations or improvements.

- C. All improvements made to the Premises and permanent additions or alterations thereto made by Lessee, except those financed by the City, shall be and remain the property of Lessee until expiration or the early termination of the term of this Agreement. Upon expiration or early termination of this Agreement, said additions and alterations shall become the property of the City; provided, however, that any trade fixtures, signs, equipment, and other movable personal property of Lessee shall remain the property of Lessee, subject to the terms of Article X.
- D. Lessee shall promptly pay all lawful claims made against the City and discharge all liens filed or which exist against the Premises, or Lessee's trade fixtures or trade equipment arising out of or in connection with the failure to make payment for work done or materials provided by Lessee, its contractors, subcontractors, or materialmen. Lessee shall have the right to contest the amount or validity of any such claim or lien without being in default hereunder; provided, however, that while contesting the amount and validity of any such claims or liens Lessee shall provide the City, at the City's request, with a performance bond in an amount equal to the amount of the claim or lien. Lessee shall give timely Notice to the City of all such claims and liens.
- E. Lessee shall use, and shall cause each of its officers, directors, employees, agents, contractors, and suppliers to use, the highest degree of care when entering upon any property owned by the City in connection with the work. Lessee shall comply, and shall cause each of its officers, directors, employees, agents, contractors, and suppliers to comply, with any and all instructions and requirements for the use of City-owned property.
- F. In any contract relating to the construction or installation of improvements in the Premises, Lessee shall require each of its contractors and suppliers to:
 - 1. carry policies of Builders Risk Insurance in accordance with Section 701(B)(5); and
 - 2. furnish performance and payment bonds in the full amount of any contract in a form acceptable to the City. Payment bonds shall comply with the coverage requirements and conditions of Section 107.170 of the Missouri Revised Statutes, as amended. Copies of the bonds shall be given to the City for approval before work begins. Any sum or sums derived from said performance and payment bonds shall be used for the completion of said construction and the payment of laborers and material suppliers, as the case may be.
- G. Lessee shall use only City-approved contractors or subcontractors for improvements affecting control and/or programming of Airport systems including, but not limited to, security access control, fire alarm and detection, HVAC control, closed circuit televisions (CTVs), elevators.
- H. Upon the completion of the improvements hereunder, Lessee shall submit to the City a copy of its acceptance letter certifying completion, a certified copy of any certificate or permit which may be required by any federal, state or local government or agency in connection with the completion or occupancy thereof by Lessee, and a certified set of "as built" drawings in CADD format.

Section 602. Nondisturbance of Airport Tenants and Operations. Any work by Lessee and its contractors shall be conducted in an orderly and proper manner, and shall not otherwise disturb, create a hazard, or interfere with other projects on, or the operations of, the Airport. Lessee shall promptly comply, and shall cause its contractors to comply, with any reasonable request from the City to correct its conduct or that of its contractors. If Lessee or its contractors fails to comply with the provisions of this Section, the City shall have the right to stop any or all work being performed, until such compliance is achieved, without terminating this Agreement.

ARTICLE VII INSURANCE, DAMAGE, AND INDEMNIFICATION

Section 701. Insurance.

- A. General. Lessee at all times during the term hereof, shall cause St. Charles County, Missouri, St. Clair County, Illinois, St. Louis County, Missouri, the City, their officers, agents and employees and Lessee to be insured on an occurrence basis against the risk of all claims and demands by third persons for bodily injury (including wrongful death) and property damage arising or alleged to arise out of the activities or omissions of Lessee, its officers, agents, and employees pursuant

to this Agreement both on the Premises and the Airport.

B. Risks and Minimum Limits of Coverage. Lessee shall procure and maintain the following policies of insurance:

1. Commercial General Liability Insurance in an amount not less than \$3 million. Such coverage shall be single limit liability with no annual aggregate.
2. Automobile Liability Insurance in an amount not less than \$10 million primary (no excess), combined single limit per occurrence (for automobiles used by Lessee in the course of its performance hereunder, including Lessee's non-owned and hired autos).
3. Workers' Compensation and Employer's Liability Insurance in accordance with Missouri laws and regulations. With respect to Workers' Compensation Insurance, if Lessee elects to be self-insured, Lessee shall comply with the applicable requirements of law. Lessee shall require that all its subcontractors or licensees similarly provide such coverage (or qualify as a self-insured) for their respective employees. City, its officers, employees, or agents shall not be liable or responsible for any claims or actions occasioned by Lessee's failure to comply with the provisions of this Subparagraph and the indemnification provisions hereof shall apply to this Section. It is expressly agreed that the employees of Lessee are not employees of the City for any purpose, and that employees of the City are not employees of Lessee.
4. Contents Insurance. Lessee shall be solely responsible for obtaining insurance policies that provide coverage for losses of Lessee owned property. The City shall not be required to provide such insurance coverage or be responsible for payment of Lessee's cost for such insurance.
5. Builders Risk Insurance. During any period of construction, alteration, refurbishment, demolition, excavation, installation, renovation, or reconstruction for which Lessee contracts, Lessee shall carry, or shall require its contractor or contractors to carry, a policy of Builders Risk Insurance in an amount sufficient to insure the value of the work. The City shall be named Loss Payee on Builders Risk coverage to the extent of the City's interest therein (except to the extent coverage relates to Lessee's equipment and personal property). Lessee may elect to self-insure for individual projects with a total cost of \$50,000 or less. In addition, Lessee or its contractor(s) shall carry not less than \$3 million of commercial general liability (single limit liability with no annual aggregate) and not less than \$3 million of automobile liability insurance coverage (including owned, non-owned and hired vehicles) during the period of construction, alteration, refurbishment, demolition, excavation, installation, renovation, or reconstruction. The policy limits set forth in this subsection shall be per occurrence/aggregate.
6. Other Property Coverage. Lessee shall provide an "All Risk" insurance policy providing protection from direct loss arising out of any fortuitous cause other than those perils or causes specifically excluded by norm and which covers Lessee's improvements to the Premises, windows and doors, trade fixtures, and equipment. The City shall be named Loss Payee on such coverage to the extent of the City's interest therein (except to the extent coverage relates to Lessee's equipment and personal property).

C. Issuers of Policies. The issuer of each policy required herein shall be a financially sound insurance company authorized to do business in the State of Missouri. Acceptable insurers include insurance companies with an "A.M. Best Company" rating of at least an "A-," or other insurers or insurance syndicates of similar recognized responsibility.

1. Form of Policies. The insurance may be in one or more policies of insurance.
2. Non-waiver. Nothing the City does or fails to do shall relieve Lessee from its duties to provide the required coverage hereunder, and the City's actions or inactions shall not be construed as waiving the City's rights hereunder.
3. Insured Parties. Each policy by endorsement, except those for Workers' Compensation, Employer's Liability, shall name the City, its officers, agents, and employees as "additional insured" on the certificate of insurance, including all renewal certificates, to the extent of Lessee's indemnification obligations hereunder. Upon City's request, Lessee shall provide City with an endorsement consistent with the requirements of this Subsection. Inclusion as an "additional insured" is not intended to, and shall not, make the City a partner or joint venturer with Lessee in its operations.

4. Deductibles. Lessee shall assume and bear any claims or losses to the extent of any deductible amounts and waives any claim it may ever have for the same against the City, its officers, agents, or employees; provided, however, that nothing herein stated shall diminish Lessee's rights or increase Lessee's obligations in respect to its undertakings or hold harmless defense and indemnification set forth in Section 704 hereof.
 5. Cancellation. Each policy shall expressly state that it may not be cancelled, materially modified unless 30 days advance Notice is given in writing to the City by the insurance company, or authorized representative of Lessee.
 6. Subrogation. Each policy shall contain an endorsement by which the issuer waives any claim or right in the nature of subrogation to recover against the City, its officers, agents, or employees.
 7. Certification of Primary Insurance. Each policy hereunder except Workers' Compensation shall be primary insurance to any other insurance available to the Additional Insured and Loss Payee with respect to claims arising hereunder.
 8. Liability for Premium. Lessee shall be solely responsible for payment of all insurance premiums required pursuant to this Agreement, and the City shall not be obligated to pay any premiums; provided, however, that if Lessee fails to obtain the insurance as required herein or make premium payments, the City may, without further notification, effect such insurance or make such payments on Lessee's behalf and, after Notice to Lessee, the City may recover the cost of those payments with the installment of Rents next due, plus 15% administrative charge, from Lessee.
 9. Proof of Insurance. Within 30 days of the effective date of this Agreement and at any time during the term hereof, Lessee shall furnish the City with certificates of insurance. Lessee shall use its best efforts to submit to the City a certificate showing that such insurance coverage has been renewed at least 5 days prior to the expiration of any such policy. If such coverage is canceled or materially modified, Lessee shall, within 15 days after the date of such notice from the insurer of such cancellation or material modification, file with the City a certificate showing that the required insurance has been reinstated or provided through another insurance company or companies. Upon reasonable notification by the City to Lessee, the City shall have the right to examine Lessee's insurance policies at the Lessee's offices at the Airport.
- D. Maintenance of Coverage. Notwithstanding the proof of insurance requirements set forth above, it is the intention of the parties hereto that Lessee, continuously and without interruption, maintain in force the required insurance coverages set forth above.
- E. City Right to Review and Adjust Coverage Limits. The City reserves the right at reasonable intervals during the term of this Agreement to cause the insurance requirements of this Article to be reviewed, at its sole cost, by an independent insurance consultant experienced in insurance for public airports, taking into consideration changes in statutory law, court decisions, or the claims history of the airline industry as well as that of Lessee, and, based on the written recommendations of such consultant, after providing adequate notice to and in consultation with Lessee, to reasonably adjust the insurance coverages and limits required herein but not more often than every 24 months.

Section 702. Lessee Actions Affecting Insurance. Lessee shall not knowingly do or permit to be done anything, either by act or failure to act, that may cause the cancellation or violation of the provisions, or any part thereof, of any policy of insurance for the Airport, or that may cause a hazardous condition so as to increase the risks normally attendant upon operations permitted by this Agreement. If such Lessee's act, or failure to act, causes cancellation of any policy, then Lessee shall immediately, upon notification by the City, do whatever is necessary to cause reinstatement of said insurance. Furthermore, if Lessee does or permits to be done any act or fails to do any act which causes an increase in the City's insurance premiums, Lessee shall immediately remedy such actions and/or pay the increase in premiums, upon Notice from the City to do so; but in any event, Lessee will hold the City harmless for any expenses and/or damage resulting from any such action.

Section 703. Damage to Premises.

- A. Minor Damage. If any part of the Premises, or adjacent facilities directly and substantially affecting the use of the Premises, is partially damaged by fire or other casualty, but said circumstances do not render the Premises untenable as determined by the City, the same shall be repaired to usable condition with due diligence by the City as provided in this Section.
- B. Substantial Damage. If any part of the Premises, or adjacent facilities directly and substantially affecting the use of the

Premises, is so extensively damaged by fire, or other casualty, as to render any portion of said Premises untenable but capable of being repaired, as determined by the City, the same shall be repaired to usable condition with due diligence by the City as provided in this Section. In such case, the rents payable hereunder with respect to affected Premises shall be paid up to the time of such damage and shall thereafter be abated ratably in the proportion that the untenable area bears to the total Premises of the same category or type of space. Such abatement in rent will continue until the affected Premises are restored adequately for Lessee's use. The City shall use its best efforts to provide alternate facilities to continue Lessee's operation while repair, reconstruction, or replacement is being completed, at a rental rate not to exceed that provided herein for comparable space, provided that Lessee's rental costs shall not increase as a result of any such alternate facilities unless Lessee requests additional space and/or space replacement of a classification at higher rental rates concurrent with such reassignment to alternate facilities.

C. Total Damage.

1. If any part of the Premises, or adjacent facilities directly and substantially affecting the use of the Premises, is damaged by fire or other casualty, and is so extensively damaged as to render any portion of said Premises incapable of being repaired, as determined by the City, the City shall notify Lessee as soon as practicable under the circumstances after the date of such damage of its decision whether to reconstruct or replace said space. However, the City shall be under no obligation to replace or reconstruct such premises. The Rents payable hereunder with respect to affected Premises shall be paid up to the time of such damage and thereafter shall cease until such time as replacement or reconstructed space shall be available for use by Lessee.
2. If the City elects to reconstruct or replace affected Premises, the City shall use its best efforts to provide alternate facilities to continue Lessee's operation while repair, reconstruction, or replacement is being completed, at a rental rate not to exceed that provided herein for comparable space. However, if such damaged space shall not have been replaced or reconstructed, or the City is not diligently pursuing such replacement or reconstruction, within 6 months after the date of such damage or destruction, Lessee shall have the right, upon giving the City 30 days advance Notice, to delete the affected Premises from this Agreement, but this Agreement shall remain in effect with respect to the remainder of said Premises, unless such damaged or destroyed premises prevent Lessee from operating in its Premises under this Agreement.
3. If the City elects not to reconstruct or replace affected Premises, the City shall meet and consult with Lessee on ways to permanently provide Lessee with adequate replacement space for affected Premises. Lessee shall have the right, upon giving the City 30 days advance Notice, to delete the affected Premises from this Agreement, but this Agreement shall remain in full force and effect with respect to the remainder of said Premises, unless the loss of such premises prevents Lessee from using its Premises under this Agreement.

D. Scope of Restoration of Premises.

1. The City's obligations to repair, reconstruct, or replace affected Premises under the provisions of this Section shall in any event be limited to using due diligence and best efforts to restore affected Premises to substantially the same condition that existed prior to any such damage and shall further be limited by the provisions of Subsections 703(A)-(C). If the City elects to repair, reconstruct, or replace affected premises as provided in this Section, then Lessee shall proceed with due diligence and at its sole cost and expense to repair, reconstruct, or replace its signs, fixtures, furnishings, equipment, and other items provided or installed by Lessee in or about the Premises in a manner and in a condition at least equal to that which existed prior to said damage or destruction.
2. In lieu of the City's repair, reconstruction, or replacement of the affected premises, as provided in this Section, if Lessee requests to perform said function with respect to damage under Subsections 703(A) and (B), the City may, in its sole discretion, allow Lessee to do so. Any such work by Lessee must be done in accordance with the requirements of Section 601. The City shall reimburse Lessee for the cost of such work performed by Lessee as agreed to in writing by Lessee and the City. Lessee shall be considered to be doing such work on its own behalf and not as an agent or contractor of the City.

E. Damage From Lessee Negligence. Notwithstanding the provisions of this Section, if damage to or destruction of the Premises is due to the negligent or willful acts of Lessee, its agents, servants, or employees, or those under its control, there shall be no abatement of rent during the restoration or replacement of said Premises. In addition, Lessee shall have no option to delete the affected Premises from this Agreement. To the extent that the costs of repairs pursuant to this Section shall exceed the amount of any insurance proceeds payable to the City by reason of such damage or destruction, Lessee

shall pay the amount of such additional costs to the City.

Section 704. Indemnification.

A. Lessee shall defend, indemnify, and hold harmless St. Charles County, Missouri, St. Clair County, Illinois, St. Louis County, Missouri, the City, their respective officers, agents and employees (the "Indemnified Parties") from and against any and all loss, liability, penalties, damages of whatever nature, causes of action, suits, claims, demands, judgments, injunctive relief, awards, settlements, costs, and expenses, including payments of claims of liability resulting from any injury or death of any person or damage to or destruction of any property including all reasonable costs for investigation and defense thereof (including but not limited to attorneys' fees, court costs and expert fees) of any nature, arising out of and in connection with this Agreement, or Lessee's use of its Premises or other areas or facilities at the Airport by Lessee, its agents, employees, contractors, or subcontractors, including, but not limited to:

1. the acts or omissions of Lessee, its agents, employees, contractors, or suppliers;
2. Lessee's use or occupancy of the Airport and the Premises; and
3. any violation by Lessee in the conduct of Lessee's Premises or other areas or facilities at the Airport of any provision, warranty, covenant, or condition of this Agreement.

Lessee shall, at its own cost and expense, defend all such claims, demands and suits, whether frivolous or not.

B. Lessee shall defend, indemnify, pay, and hold harmless the Indemnified Parties from and against all applicable taxes and assessments for which the City may become liable and which by law may be levied or assessed on the Premises, or which arise out of the operations of Lessee or by reason of Lessee's occupancy of its Premises except for any taxes or assessments based on the gross or net income or gross or net receipts of the City that are not allocable to Lessee-related receipts. However, Lessee may, at its own risk, cost, and expense, and at no cost to the City, contest, by appropriate judicial or administrative proceedings, the applicability or the legal or constitutional validity of any such tax or assessment, and the City will, to the extent permitted by law, execute such documents as are necessary to permit Lessee to contest or appeal the same. Lessee shall be responsible for obtaining bills for all of said taxes and assessments directly from the taxing authority and shall promptly deliver to the City, upon request by the City, copies of receipts of payment. If the City receives any tax billings falling within the scope of this paragraph, it will forward said billings to Lessee. Lessee shall, at its own cost and expense, defend all such claims, demands and suits, whether frivolous or not.

C. Lessee shall defend, indemnify, and hold harmless the Indemnified Parties from and against any claim, suit, demand, action, liability, loss, damage, judgment, or fine, and all costs and expenses of whatever kind or nature associated therewith in any way arising from or based in whole or substantial part upon claim or allegation of a violation of any federal, state, or local laws, statutes, resolutions, regulations, ordinance, or court order affecting the Airport, by Lessee, its agents, employees, contractors, or suppliers, in conjunction with Lessee's use and/or occupancy of the Premises or its operations at the Airport. Lessee will, at its own cost and expense, defend all such claims, demands and suits, whether frivolous or not. Lessee shall include the substance of this Subsection (C) in every sublease, contract or other agreement which Lessee may enter into related to its activities on the Premises, and any such sublease, contract or other agreement shall specifically provide that the City is a third-party beneficiary of this and related provisions. This provision does not constitute a waiver of any other condition of this Agreement prohibiting or limiting assignments, subletting or subcontracting.

D. Lessee shall defend, indemnify, and hold harmless the Indemnified Parties from and against any claim, suit, demand, action, liability, loss, damage, judgment, or fine, and all costs and expenses of whatever kind or nature arising from or based in whole or part upon the presence in, or the release into, the environment, including the Premises or the Airport of any Hazardous Materials to the extent caused by, or resulting from, the acts or omissions of Lessee or its agents, employees, contractors, invitees, licensees, or suppliers at the Airport whether resulting from negligent conduct or otherwise.

E. If a prohibited incursion into the air operations area occurs, or if the Aircraft Operations Area or sterile area security is breached, by or due to the negligence or willful act or omission of any of Lessee's employees, agents, contractors, or suppliers, and such incursion or breach results in a civil penalty action against the City, Lessee shall assume the defense of any such action and be responsible for any civil penalty or settlement amount required to be paid by the City as a result of such incursion or breach. The City shall notify Lessee of any allegation, investigation, or proposed or actual civil penalty sought for such incursion or breach. Civil penalties and settlement and associated expenses reimbursable under this paragraph include but are not limited to those paid or incurred as a result of violation of FAA or TSA regulations or security directives.

- F. Lessee's obligation to defend and indemnify past officers, employees, and agents of the City shall apply to such persons only for claims, suits, demands, actions, liability, loss, damages, judgments, or fines arising from events, occurrences, and circumstances during which said officers, employees, and agents held their office or position with the City.
- G. The City shall promptly notify Lessee of each claim, action, proceeding, or suit in respect of which indemnity may be sought by the City against Lessee hereunder, setting forth the particulars of such claim, action, proceeding or suit; shall furnish Lessee with a copy of all judicial filings and legal process and any correspondence received by the City related thereto; and shall tender the defense of same to Lessee.
- H. The duty to defend, indemnify, hold harmless, and reimburse shall apply to any claim, demands, or suits made against the City for which Lessee is responsible pursuant to this Section. Provided, however, that upon the filing by anyone of a claim with the City for damages arising out of incidents for which Lessee herein agrees to indemnify and hold the City harmless, the City shall promptly notify Lessee of such claim and, if Lessee does not settle or compromise such claim, then Lessee shall undertake the legal defense of such claim both on behalf of Lessee and on behalf of the City, at Lessee's expense; provided, however, that Lessee shall immediately notify City if a conflict between the interests of Lessee and City arises during the course of such representation. Lessee shall use counsel reasonably acceptable to the City Counselor of the City or his or her designee, after consultation with the Airport Director, in carrying out its obligations hereunder. The provisions of this section shall survive the expiration or early termination of this Agreement. It is specifically agreed, however, that the City, at its option and at its own expense, may participate in the legal defense of any claim defended by Lessee in accordance with this Section. Any final judgment rendered against the City for any cause for which Lessee is liable hereunder shall be conclusive against Lessee as to amount upon the expiration of the time for appeal therefrom. Nothing in this Article shall be deemed a change or modification in any manner whatsoever of the method or conditions of preserving, asserting, or enforcing any claim of legal liability against the City. This Section shall not be construed as a waiver of the City's sovereign or other immunity.
- I. The City, at its own expense except as otherwise provided herein, shall be invited to attend and participate in all meetings (including those related to settlement) and to appear and participate in all judicial proceedings and to the extent of its interests, approve, in writing, the terms of any settlement related to any claim, action, proceeding or suit set forth in this Section.
- J. Notwithstanding the provisions of this Section, Lessee shall have no obligation to defend, indemnify, or hold harmless the City for any consequential damages or for any amounts to be paid in connection with losses, liabilities, penalties, damages of whatever nature, causes of action, suits, claims, demands, injunctive relief, judgments, awards and settlements because, and to the extent, of the negligence or willful misconduct of the City, but only if the City is conclusively determined to be more than 10% liable due to contributory negligence.
- K. This Section shall survive the expiration or early termination of this Agreement. Lessee understands and agrees that any insurance protection furnished by Lessee pursuant to Section 701 shall in no way limit Lessee's responsibility to indemnify and hold harmless the City under the provisions of this Agreement.

Section 705. City Not Liable. Unless otherwise expressly provided for in this Agreement, the City shall not in any event be liable to Lessee for:

- A. any acts or omissions of Lessee, its officers, directors, employees, agents, contractors, or suppliers, or for any conditions resulting from the operations or activities of Lessee's directors, officers, employees, agents, contractors, or suppliers;
- B. Lessee's failure to perform any of the obligations hereunder or for any delay in the performance thereof;
- C. any environmental condition in existence at the Airport, or any part thereof, which condition may interfere with Lessee's business or other operations or activities, or which might otherwise cause damages to Lessee through loss of business, destruction of property, or injury to Lessee, its officers, directors, employees, agents, contractors, suppliers, invitees, customers, or licensees except to the extent such conditions are caused by the City, its employees or agents; or
- D. bodily injury or any loss or damage to real or personal property or business income occasioned by flood, fire, smoke, earthquake, lightning, windstorm, hail, explosion, riot, strike, civil commotion, vandalism, malicious mischief, or acts of war or terrorism, or for any injury, loss or damage not caused by the negligence, willful misconduct, or bad faith of the City.

ARTICLE VIII
MERGERS, ASSIGNMENT, AND SUBLETTING

Section 801. Mergers and Consolidations. If Lessee consolidates with or merges into another company or permits one or more other companies to consolidate with or merge into it, or transfers or conveys all or substantially all of its property, assets and licenses to another company, the business entity resulting from or surviving such merger (if other than Lessee) or consolidation or the company to which such transfer or conveyance is made shall (i) expressly assume in writing and agree to perform all of Lessee's obligations hereunder, (ii) be qualified to do business in the State of Missouri, and (iii) if such business entity is not organized and existing under the laws of the United States of America or any state or territory thereof or the District of Columbia, furnish to the City an irrevocable consent to service of process in, and to the jurisdiction of, the courts of the State of Missouri with respect to any action or suit, in law or at equity, brought by the City to enforce this Agreement. If Lessee is the surviving business entity in such a merger, the express assumption referred to in this Section shall not be required.

Section 802. Lessee Assignments. Lessee shall not assign, transfer, convey, sell, mortgage, pledge, or encumber (hereinafter collectively referred to as "Assignment") this Agreement other than in connection with a transaction referenced in Section 801 or sublet its Premises without the advance approval of the City, which is to be given by Notice to Lessee. No Assignment of this Agreement or sublet of the Premises shall be effective without advance approval of the City. If Lessee fails to obtain advance approval from the City of any such Assignment or sublet, the City, in addition to the rights and remedies set forth in Article XIII and by law, shall have the right, in its sole discretion, to hold Lessee responsible for continued performance of its obligations throughout the Term, or to immediately terminate this Agreement, and the assignee or sublessee shall acquire no interest herein or any rights to use the Premises.

Section 803. City Approval of Assignments. No Assignment of this Agreement other than in connection with a transaction referenced in Section 801 shall be effective without advance approval of the City, which may approve, condition or deny such Assignment in its sole discretion pursuant to Ordinance 63687.

Section 804. City Approval of Subleases. No sublease of Lessee's Premises shall be effective without approval by the City, which approval is to be given to Lessee by Notice, and shall take into consideration the best interest of the traveling public and the operations of the Airport. All subleases shall be subordinate to this Agreement. Without in any manner limiting the City's general right to approve, disapprove, or condition subleases, it shall not be unreasonable for the City to disapprove or condition a sublease of Lessee's Premises on any or all of the following circumstances, among others:

- A. The proposed sublease imposes excessive or otherwise unfair terms and conditions on the sublessee.
- B. A lessee which is not leasing space directly from the City, proposes to sublease, in whole or in part, the Premises, and the City determines that there is space in the Cargo City Buildings available for lease directly from the City by the proposed sublessee.
- C. The proposed sublease does not contain a provision which permits it to be terminated upon Notice from the City to the parties thereto of the availability of City-controlled space.
- D. The proposed sublease does not recognize explicitly that it is subordinate to this Agreement.

Section 805. Method of Obtaining Approval of Subleases. When requesting approval of a sublease under Sections 802 and 804, Lessee shall include with its request a copy of the proposed agreement, if prepared, or a detailed summary of the material terms and conditions to be contained in such agreement. Any proposed agreement or detailed summary thereof shall provide information required by the City, including the following:

- A. the Premises to be sublet;
- B. the terms;
- C. if a sublease, the rents and fees to be charged; and
- D. any other material term and condition of the sublease.

If approved, Lessee shall submit a fully executed copy of such agreement to the City within 30 days after the commencement of the sublease.

Section 806. Charges to Sublessees. The City shall not approve any sublease that includes charges other than the following:

- A. a reasonable charge for any services, equipment, and property provided by Lessee;
- B. actual costs other than rental costs incurred by Lessee; and
- C. reasonable rents not to exceed 115% of Lessee's Rents and fees allocable to the subleased portion of the Premises.

Section 807. Airline to Remain Liable. Lessee shall remain fully and primarily liable throughout the Term for the payment of all of the Rents and fees due and payable to the City for the Premises that are subject to a sublease, and shall remain fully responsible for the performance of all the other obligations hereunder, unless otherwise agreed to by the City.

ARTICLE IX DEFAULT AND TERMINATION

Section 901. Events of Default. Each of the following constitutes an "Event of Default" under this Agreement:

- A. Lessee fails to punctually pay when due any Rents or any other sum required to be paid hereunder, and such failure continues for a period of 15 days after Notice of non-payment has been given to Lessee by the City.
- B. Lessee fails to keep, perform and observe any promise, covenant or other provision of this Agreement for a period of 30 days after Notice specifying such failure by the City; provided, however, that any such failure which can be cured, but which cannot with due diligence be cured within such 30 day period, shall not give rise to the City's right to terminate this Agreement if corrective action is instituted by Lessee within such 30 day period and diligently pursued until the failure is corrected.
- C. Any representation or warranty of a material fact made by Lessee herein or in any certificate or statement furnished to the City pursuant to or in connection herewith proves untrue in any material respect as of the date of issuance or making thereof, and such materiality is then continuing.
- D. Lessee discontinues its conduct of business at the Premises for a period of 30 consecutive days or, after exhausting or abandoning any further appeals, Lessee is prevented for a period of 30 consecutive days by action of any governmental agency other than the City from conducting its business at the Premises.
- E. Lessee fails to meet and maintain any of the Security Deposit requirements in accordance with Section 505.
- F. Lessee fails to maintain the minimum required insurance coverage as required by Section 701 for a period of 30 days after Notice specifying such failure by the City, provided that the City shall have the right to immediately suspend Lessee's right to operate at the Airport until Lessee has obtained the minimum required insurance coverage.
- G. Lessee fails to maintain true and accurate books, records, and accounts resulting in an underpayment of Rents to the City, and such underpayment continues for a period of six months.
- H. Lessee becomes insolvent (as such term is defined under Section 101 of the Federal Bankruptcy Code, 11 U.S.C. § 101 et seq. (the "Bankruptcy Code"), or any successor statute thereto); or fails to pay its debts generally as they mature; or takes the benefit of any present or future federal or state insolvency statute; or makes a general assignment for the benefit of creditors.
- I. Lessee files a voluntary petition in bankruptcy or a petition or answer seeking an arrangement of its indebtedness under the Bankruptcy Code or under any other law or statute of the United States or of any state thereof, or under any law or statute of another country; or consents to the appointment of a receiver, trustee, custodian, liquidator, or other similar official, of all or substantially all of its property; or an order for relief is entered by or against Lessee under any chapter of the Bankruptcy Code.
- J. Lessee is adjudged a debtor or bankrupt and/or an order is made approving a petition filed by any of Lessee's creditors or stockholders seeking Lessee's liquidation or reorganization under the Bankruptcy Code or under any other law or statute of the United States or any state thereof, and such order or decree is not stayed or vacated within 60 days of its issuance.
- K. A petition under any chapter of the Bankruptcy Code or an action under any federal or state insolvency law or statute, or

an action under any insolvency law or statute of another country is filed against Lessee and is not dismissed or stayed within 60 days after the filing thereof.

- L. By or pursuant to, or under authority of any legislative act, resolution, or rule, or any order or decree of any court or governmental board, agency or officer, a receiver, trustee, custodian, liquidator, or other similar official takes possession or control of all or substantially all of the property of Lessee and such possession or control continues in effect for a period of 60 days.
- M. Lessee becomes a business entity in dissolution.
- N. The letting, license, or other interest of or rights of Lessee hereunder is transferred to, passed to, or devolved upon, by operation of law or otherwise, any other person, firm, corporation, or other entity, by, in connection with or as a result of any bankruptcy, insolvency, trusteeship, liquidation, or other proceedings or occurrence described in subparagraphs (H) through (M) of this Section.
- O. Lessee enters into an Assignment or sublease which is not approved by the City in accordance with the provisions of Article VIII, and, if a sublease, it is not terminated within 10 days after Notice from the City.

Section 902. Termination by the City.

- A. Whenever an Event of Default has occurred, the City may at its option, immediately and without further notification of such Event of Default:
 - 1. Terminate this Agreement and/or Lessee's rights granted hereby, but without discharging any of Lessee's obligations hereunder and, at the City's further option, exclude Lessee from its Premises. If Lessee uses, occupies, or fails to surrender or remove its property from its Premises, or any portion thereof, without the consent of the City after this Agreement has been terminated or expires, Lessee may be deemed a tenant at sufferance during the period of such use or failure and, in such event, Lessee shall pay Rents established by the City during such period. In such event, the City shall have, in addition to whatever other rights are available to the City, the right to all remedies provided under applicable laws, and reasonable costs, disbursements, and attorney fees including consequential damages incurred as a result of the holdover.
 - 2. Without terminating this Agreement, exclude Lessee from its Premises and use its best efforts to lease such Premises to a replacement lessee. Lessee shall remain liable for all Rents and other payments due hereunder for the remainder of the term of this Agreement; provided, however, that any rents received from a replacement Lessee shall be credited against the amounts owed by Lessee.
- B. In the event of an Event of Default, the City may exercise any and all of the rights provided to it in this Section irrespective of any subsequent cure by Lessee, unless otherwise mutually agreed by Lessee and the City.
- C. In accordance with the provisions of 14 C.F.R. Part 158, App. A(B)(7), as it may be amended from time to time, if Lessee is an air carrier or foreign air carrier as defined by Federal law, and if any of Lessee's Premises is financed in whole or in part with PFC revenue, and if Lessee has an exclusive lease or use agreement for facilities at the Airport ("Exclusive Facilities"), and if any portion of such Exclusive Facilities is not fully utilized and is not made available for use by potentially competing companies, this Agreement may be terminated by the City.
- D. The remedies set forth in this Article shall be in addition to all other remedies which are or may be available to the City at law or in equity to enforce the performance and observance of any obligation, agreement or covenant of Lessee hereunder, including collection of amounts due.
- E. All rights and remedies given to the City herein and all rights and remedies granted to the City by law shall be cumulative and concurrent. No termination of this Agreement or the taking or recovering of the Premises shall deprive the City of any of the City's remedies or actions against Lessee for Rents or for damages or for the breach of any covenant herein contained, nor shall the bringing of any action for Rents or breach of covenant, the resort to any other remedy herein provided for the recovery of Rents or any delay in exercising such rights, be construed as a waiver of the right to obtain possession of the Premises.
- F. In no event shall this Agreement or any rights or privileges hereunder be an asset of Lessee under any bankruptcy, insolvency, or reorganization proceedings.

Section 903. Change of Term.

Notwithstanding the provisions of Section 301, automatically and immediately upon the occurrence of an Event of Default described in Subsections 901 (F) - (K), the term of this Agreement shall convert to month-to-month; provided, however, that the conversion of the term of this Agreement pursuant to this Section shall not discharge any of Lessee's obligations hereunder nor affect any of the City's remedies set forth herein.

Section 904. Termination by Lessee.

At any time that Lessee is neither in default nor has committed an Event of Default hereunder, Lessee may terminate this Agreement to the extent set forth below, at Lessee's option, prior to the scheduled expiration date set forth in Section 301, by giving the City 30 days' advance Notice upon or after the happening and during the continuance of any of the following events:

- A. Any action of the FAA or any federal, state, county, or municipal governmental agency refusing to permit Lessee to operate into, from, or through the Premises as Lessee has previously operated regularly thereon, and the remaining in force of such refusal for a period of at least 60 days;
- B. Any failure by the City to keep, perform and observe any material promise, covenant, or other provision of this Agreement for a period of 30 days after Notice specifying such failure and requesting that it be remedied is given to the City by Lessee; provided, however, that any such failure which can be cured, but which cannot with due diligence be cured within such 30 day period, shall not give rise to Lessee's right to terminate this Agreement if corrective action is instituted by the City within such 30 day period and diligently pursued until the failure is corrected; or
- C. Lessee is prevented from conducting its business at the Premises for a period in excess of 90 consecutive days for any reason other than causes directly controlled by Lessee.

ARTICLE X
SURRENDER OF PREMISES

Section 1001. Surrender of Premises.

- A. Surrender of Premises. On expiration of the term of this Agreement or earlier termination as hereinafter provided, or on reassignment or reallocation of the Premises as provided herein, Lessee shall:
 1. peaceably surrender possession of the Premises and other space made available to Lessee hereunder in a clean, sanitary, and good condition, excepting only reasonable wear and tear (taking into account repair and maintenance required to be done by Lessee), acts of God, fire, and other casualties, and conditions that can be conclusively shown by Lessee existed prior to Lessee's occupancy or use of said Premises under this Agreement or any subsequent agreement with the City, and the City shall have the right to take possession of said Premises and other space made available to Lessee hereunder; and
 2. return the Premises to the City in a condition such that Hazardous Materials which were placed, stored, used, generated, treated, released, discharged, disposed, and/or spilled on, under, or about the Premises by Lessee, its officers, directors, employees, agents, contractors, or suppliers do not exceed allowable levels established under applicable Environmental Laws and Environmental Permits in accordance with Subsection 406(C). If the City is required under applicable Environmental Laws to undertake actions to bring the Premises into compliance with this provision, or any applicable Environmental Laws or Environmental Permits as a result of Lessee's failure to timely correct same in accordance with Subsection 406(C), Lessee shall reimburse the City for any Remediation Costs incurred by the City, as provided for in Subsection 406(E).

The City shall not be required to notify Lessee to quit possession at the expiration date of the term of this Agreement.

- B. Removal of Personal Property. Provided Lessee is not in default for non-payment of Rents or any other payment due hereunder, Lessee shall have the right, on expiration or early termination of this Agreement and within 30 days thereafter, to remove or dispose of all trade fixtures and equipment and other personal property installed or placed by Lessee, in, on, or about the Airport. Lessee shall not be entitled to remove non-trade fixtures without the advance consent of the City. If, following the expiration or early termination of this Agreement, the City has immediate need to accommodate a new tenant, the City may remove and store Lessee's trade fixtures, equipment and personal property, at Lessee's risk.

- C. Removal Damages. Lessee shall repair any damage caused by the removal of its trade fixtures, equipment, or personal property. Removal shall be at Lessee's expense. Notwithstanding the above, consideration shall be given to the intended long-term use of the premises and if the City determines that such premises would not be maintained for a period warranting the repairs indicated above, the City may alter or waive the repair requirement of this Subsection. If the Premises are yielded or delivered to the City in need of repair, reconditioning, or restoration to the condition that existed when Lessee first used the Premises pursuant to this Agreement or any preceding agreement (reasonable wear and tear taking into account repair and maintenance required to be done by Lessee excepted), after reasonable notification by the City to Lessee, the City shall repair or recondition said Premises and the cost thereof, plus actual administrative costs, shall be invoiced to Lessee and payable immediately. The City shall determine the condition of the Premises at the expiration or early termination of this Agreement.
- D. Ownership of Fixtures and Personal Property Not Removed. If, after 30 days following any of the actions or remedies authorized by Subsection 902(A) or the expiration of this Agreement, Lessee fails to remove its fixtures and other personal property from the Premises, such fixtures and personal property may be deemed abandoned. In addition to whatever other rights are available to the City, with prior notification of Lessee, the City may: (i) remove, sell, or store Lessee property at Lessee's expense, or (ii) take title to Lessee property in lieu of removal on behalf of Lessee. If the City takes title to such property or otherwise disposes of the property, the City shall be entitled to all proceeds of sale of such Lessee property as liquidated damages for the breach of this covenant to remove.

ARTICLE XI
MISCELLANEOUS PROVISIONS

Section 1101. Relationship of Parties. Nothing herein contained is intended or shall be construed to create or establish any relationship other than that of lessor and lessee, and nothing herein shall be construed to establish any partnership, joint venture or association or to make Lessee the general representative or agent of the City for any purpose whatsoever.

Section 1102. Amendment. Except as otherwise expressly provided herein, this Agreement may not be changed, modified, discharged, or extended except by written amendment duly executed by the parties.

Section 1103. Subordination to Agreements with the United States.

- A. This Agreement shall be subordinated to the provisions of any existing or future agreement between the City and the United States Government or governmental authority, relating to the operation or maintenance of the Airport, the execution of which has been or will be required as a condition precedent to the granting of federal funds or the approval to impose or use PFCs for the improvement or development of the Airport. Lessee shall not cause the City to violate any assurances made by the City to the United States Government in connection with the granting of such federal funds or the approval of such PFCs.
- B. All provisions of this Agreement shall be subordinate to the rights of the United States of America to operate all of the Airport or any part thereof during time of war or national emergency. Such rights shall supersede any provisions of this Agreement inconsistent with the operation of the Airport by the United States of America.

Section 1104. Subordination to Trust Indenture.

- A. This Agreement and all rights granted to Airline hereunder are expressly subordinated and subject to the lien and provisions of the pledges, covenants (including rate covenants), transfers, hypothecation, or assignments made by the City in the Trust Indenture and any bond ordinance (including related documents authorized or approved by such ordinance) enacted by the City regarding the issuance of bonds. The City expressly reserves the right to make such pledges and grant such liens and enter into covenants as it may deem necessary or desirable to secure and provide for the payment of bonds, including the creation of reserves therefor.
- B. Lessee understands that the City is and will be the issuer of bonds. With respect to outstanding bonds that may be issued in the future, the interest on which is intended to be excludable from gross income of the holders of such bonds for federal income tax purposes under federal law, Lessee shall not act, or fail to act (and will immediately cease and desist from any action, or failure to act) with respect to the use of the Premises, if the act or failure to act may cause the City to fail to be in compliance with the provisions of federal law with respect to those types of bonds, as it now exists or may be amended, supplemented, or replaced, or the regulations or rulings issued thereunder, nor will Lessee take, or persist in, any action or omission that may cause the interest on the tax-exempt bonds either (i) not to be excludable from the gross income of the holders thereof for federal income tax purposes; or (ii) to become subject to the alternative minimum tax for federal

income tax purposes.

Section 1105. Certificate in Connection with Issuance of Bonds. In connection with any issuance of bonds by the City, upon not less than 30 days prior request by the City, Lessee shall deliver to the City a statement in writing certifying:

- A. that this Agreement is unmodified and in full force and effect (or if there have been modifications, a description of such modifications and that the Agreement as modified is in full force and effect);
- B. that to Lessee's knowledge the City is not in default under any provision of this Agreement, or, if in default, the nature thereof in detail; and
- C. such further matters as may be reasonably requested by the City, it being intended that any such statement may be relied upon by the parties involved in such issuance of Bonds.

Section 1106. No Third Party Beneficiaries. This Agreement is for the sole benefit of the parties hereto and their permitted assigns and nothing herein expressed or implied shall give or be construed to give to any person or entity other than the parties hereto and their assigns any legal or equitable rights hereunder.

Section 1107. Counterparts. This Agreement may be executed in one or more counterparts.

Section 1108. Exhibits. All certificates, documents, exhibits, attachments, riders, and addenda referred to herein, including the exhibits referred hereto, are hereby incorporated into this Agreement by reference and made a part hereof as though set forth in full in this Agreement to the extent they are consistent with its conditions and terms.

Section 1109. Survival of Warranties. All warranties and covenants set forth in this Agreement shall survive the execution and performance of this Agreement.

Section 1110. Quiet Enjoyment. Upon payment of all amounts due hereunder and performance of the covenants and agreements on the part of Lessee to be performed hereunder, the City shall not act or fail to act, except as otherwise provided by this Agreement, in a manner that will prevent Lessee from peaceably having and, in accordance with the terms hereof, enjoying the Premises and all rights, licenses, services, and privileges of the Airport and its appurtenances and facilities granted herein.

Section 1111. No Personal Liability.

- A. The City shall not be liable for any acts or omissions of any Lessee or any condition resulting from the operations or activities of tenants or their representatives.
- B. No director, officer, employee, or agent of the City or Lessee shall be charged personally or held contractually liable by or to the other party under any term or provision of this Agreement or because of any breach hereof or because of its or their execution of this Agreement. Any administrative complaint brought against the City relating to any aspect of this Agreement shall be brought against the City and not against named individual respondents.

Section 1112. Governing Law and Forum Selection. This Agreement is made and entered into in the State of Missouri, and Missouri law shall govern and apply to this Agreement. Any cause of action, claim, suit, demand, or other case or controversy arising from or related to this Agreement shall be brought only in a federal or state court in the City of St. Louis, Missouri. Lessee and the City hereby admit and consent to the jurisdiction and venue of such courts. The provisions of this section shall survive the expiration or termination of this Agreement.

Section 1113. Communications and Notices.

- A. Except as otherwise expressly provided in this Agreement, all communications, including notifications, requests, authorizations, approvals, demands, and consents provided for hereunder shall be in writing.

If to the City, to: Airport Director
Lambert-St. Louis International Airport
10701 Lambert International Boulevard
St. Louis, Missouri 63145

If to Lessee, to: Manager, Properties
Southwest Airlines Co.
2702 Love Field Dr., HDQ-4PF
Dallas, TX 75235-1611

or to such other person or address as either the City or Lessee may hereafter designate by Notice to the other in accordance with Subsection 1113(B).

B. All Notices required by this Agreement shall be mailed via certified mail return-receipt requested, via overnight mail with receipt, or personally delivered to the City and Lessee at the addresses set forth in Subsection 1113(A), with copy to:

If to the City: Office of the City Counselor
Airport Legal Department
10701 Lambert International Boulevard
St. Louis, Missouri 63145

If to Lessee: Manager, Properties
Southwest Airlines Co.
2702 Love Field Dr., HDQ-4PF
Dallas, TX 75235-1611

or to such other person or address as either the City or Lessee may hereafter designate by Notice.

Except as otherwise expressly provided hereunder, any such Notice shall be deemed to have been given or made: (i) if sent by certified mail, 5 days after being deposited in the mails, postage prepaid and properly addressed; (ii) if via overnight mail, the next business day; and (iii) if delivered by personal service, when delivered to the addressee.

Section 1114. Force Majeure.

A. Neither party hereto shall be liable to the other for any failure, delay, or interruption in performing its obligations hereunder due to acts, events or conditions beyond its control, including acts of God, weather conditions, shortages of energy or materials, embargoes, riots, rebellions, sabotage, acts of a public enemy, war, terrorism, insurrection, strikes, boycotts, picketing, slow-downs, work stoppages or other labor actions affecting the rights or obligations of the City or Lessee hereunder, their respective contractors or subcontractors, except to the extent that such failure, delay or interruption directly or indirectly results from failure on the part of the City or Lessee to use reasonable care to prevent, or make reasonable efforts to cure, such failure, delay or interruption; provided, however, that, except as herein specifically provided, nothing in this Section is intended or shall be construed to abate, postpone or in any respect diminish Lessee's obligations to make any payments due to the City pursuant to this Agreement.

B. The City shall be under no obligation to supply any service if and to the extent and during any period that the supplying of any such service or the use of any component necessary therefor shall be prohibited or rationed by any law, ordinance, rule, regulation, requirement, order or directive of any federal, state, county or municipal government having jurisdiction.

Section 1115. Invalid Provisions. If any covenant, condition, or provision in this Agreement is held to be invalid, illegal, or unenforceable by any court of competent jurisdiction, or conclusively determined to be inconsistent with federal law or FAA grant assurances, such covenant, condition, or provision shall be deemed amended to conform to applicable laws so as to be valid or enforceable or, if it cannot be so amended without materially altering the intention of the parties, it shall be stricken. If stricken, all other covenants, conditions and provisions of this Agreement shall remain in full force and effect provided that the striking of such covenants, conditions or provisions does not materially prejudice either the City or Lessee in its respective rights and obligations contained in the valid covenants, conditions, or provisions of this Agreement.

Section 1116. No Waiver. No provision of this Agreement shall be deemed to have been waived by either party unless such waiver is in writing, signed by the party making the waiver and addressed to the other party, nor shall any custom or practice that may evolve between the parties in the administration of the terms of this Agreement be construed to waive or lessen the right of either party to insist upon the performance of the other party in strict accordance with the terms of this Agreement.

Section 1117. City's Rights and Remedies are Cumulative. All rights and remedies of the City as provided herein and under law are cumulative in nature.

Section 1118. Construction of Agreement. The parties hereto acknowledge that they have thoroughly read this Agreement, including any exhibits or attachments hereto and have sought and received whatever competent advice and counsel was necessary for them to form a full and complete understanding of all rights and obligations herein. The parties further acknowledge that this Agreement is the result of extensive negotiations between the parties and shall not be construed against the City by reason of the preparation of this Agreement by the City.

Section 1119. Timing. The parties expressly agree that time is of the essence in this Agreement. Failure by a party to complete performance within the time specified, or within a reasonable time if no time is specified herein, shall relieve the other party, without liability, of any obligation to accept such performance.

Section 1120. Representatives. The City and Lessee shall each designate a representative who, except as otherwise provided hereunder, shall be authorized to act for the City and Lessee, respectively, with respect to any actions to be taken by either of them under the terms of this Agreement. Except as specifically set forth herein, for the purposes of actions to be taken by it or by the City, the City's representative shall be the Airport Director. Lessee's representative shall be designated in a Notice delivered to the City. Any party hereto may change its designated representative by Notice to the other party.

Section 1121. Approvals.

- A. Whenever in this Agreement any approval is required, such decision shall be promptly rendered and shall not be unreasonably withheld or conditioned. No disapproval shall be valid if such disapproval constitutes an anticompetitive act as described by a federal agency having jurisdiction over such matters.
- B. Unless otherwise required by state or local law, wherever in this Agreement the approval, authorization, consent, certification, determination, waiver, or any other action of the City is required, it may be performed by the Airport Director, unless otherwise provided herein. In taking such actions, the Airport Director shall act reasonably, and take into consideration the best interest of the traveling public and the operations of the Airport.
- C. In all instances in this Agreement where consent or approval of one party is required for an action by the other party, such consent shall be in writing unless otherwise agreed by the parties.

Section 1122. Successors and Assigns. The terms, conditions, and covenants of this Agreement shall inure to the benefit of, and be binding upon, the parties hereto and upon their permitted successors, assigns and sublessees, if any. This provision shall not constitute a waiver of any conditions regarding assignment or subletting contained in this Agreement.

Section 1123. Authority to Execute. The person(s) executing this Agreement on behalf of Lessee warrants to the City that Lessee is a duly authorized and existing corporation, that Lessee is qualified to do business in the State of Missouri, that Lessee has full right and authority to enter into this Agreement, and that each and every person signing on behalf of Lessee is authorized to do so.

Section 1124. Other Agreements. The City acknowledges that Lessee may have entered into other agreements with the City with respect to Lessee's operations at the Airport, which agreements may grant certain additional rights to, and impose certain additional obligations upon, Lessee in addition to those rights and obligations set forth herein. Nothing in this Agreement shall serve to restrict any such additional rights or obligations.

Section 1125. Entire Agreement. This Agreement, including the attached exhibits, embodies the entire agreement between the City and Lessee relating to the subject matter hereof, and supersedes all prior agreements and understandings, written or oral, express or implied, between the City and Lessee relating thereto.

IN WITNESS WHEREOF, the parties hereto for themselves, their successors and assigns, have executed this Agreement the day and year first above written.

Authorized by City Ordinance _____, approved _____, 2011.

The foregoing Agreement was approved by the Airport Commission at its meeting on the _____ day of _____, 2011.

THE CITY OF ST. LOUIS BY:

Commission Chairman
and Director of Airports

Date

APPROVED AS TO FORM ONLY BY:

COUNTERSIGNED BY:

City Counselor Date
City of St. Louis

Comptroller Date
City of St. Louis

ATTESTED TO BY:

Register Date
City of St. Louis

The Board of Estimate and Apportionment approved the foregoing Agreement in substance at its meeting on the ___ day of _____, 2011.

Secretary Date
Board of Estimate and Apportionment

SOUTHWEST AIRLINES CO.

BY: _____

Title: _____

Date: _____

EXECUTIVE SUMMARY

FOR AIRPORT COMMISSION MEETING

May 4, 2011

- Agreement: Cargo City Lease Agreement with Southwest Airlines Co.
- Activity: Lease of Cargo City Buildings to provide cargo handling services and ground services equipment maintenance.
- Term: Commencing July 1, 2011, and terminating June 30, 2016 to coincide with the termination of the Airport Use and Lease Agreements.
- Premises: Cargo City Building #4A, located at 9813 Air Cargo Road, consisting of 8,160 square feet of enclosed cargo building space and 9,105 square feet of adjoining unenclosed space, and Cargo City Building #5A, located at 9805 Air Cargo Road, consisting of 6,650 square feet of enclosed cargo building space and 5,878 square feet of adjoining unenclosed space.
- Revenue: \$127,126.89 annually, \$10,593.91 per month.
- Approval Required: Director of Airports, Airport Commission, City Board of Estimate and Apportionment, and City Board of Aldermen.
- Recommendation: We recommend that the Airport Commission approve this Cargo City Lease Agreement with Southwest Airlines Co.

Approved: July 12, 2011

**ORDINANCE #68946
Board Bill No. 89**

An Ordinance recommended and approved by the Board of Estimate and Apportionment authorizing and directing the Director of Airports and the Comptroller of the City of St. Louis (the "City") to enter into and execute on behalf of the City the License Agreement for the K-Lot Facility (License No. DTFACE-10-J-00001) (the "License Agreement"), between the City and the United States of America, Department of Transportation, Federal Aviation Administration (the "FAA"), granting the City the right to conduct and stage contractors, store equipment and materials, and provide overflow parking on certain property more fully described in Section 1 of the License Agreement, subject to and in accordance with the terms, covenants, and conditions of the License Agreement, which was approved by the Airport Commission and is attached hereto as ATTACHMENT "1" and made a part hereof; containing a severability clause; and containing an emergency clause.

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

SECTION ONE. The Director of Airports and the Comptroller for the City of St. Louis (the "City") are hereby authorized and directed to enter into and execute on behalf of the City the License Agreement for the K-Lot Facility (License No. DTFACE-10-J-00001) (the "License Agreement"), between the City and the United States of America, Department of Transportation, Federal Aviation Administration (the "FAA"), granting the City the right to conduct and stage contractors, store equipment and materials, and provide overflow parking on certain property more fully described in Section 1 of the License Agreement, subject to and in accordance with the terms, covenants, and conditions of the License Agreement, which was approved by the Airport Commission and is to read in words and figures substantially as set out in ATTACHMENT "1", which is attached hereto and made a part hereof.

SECTION TWO. The sections, conditions, or provisions of this Ordinance or portions thereof shall be severable. If any section, condition, or provision of this Ordinance or portion thereof is held invalid by a court of competent jurisdiction, such holding shall not invalidate the remaining sections, conditions, or provisions of this Ordinance.

SECTION THREE. This being an ordinance for the preservation of public peace, health, or safety, it is hereby declared an emergency measure as defined in Article IV, Section 20, of the City's Charter and shall become effective immediately upon its approval by the Mayor of the City.

ATTACHMENT "1"

AL-436

**DEPARTMENT OF TRANSPORTATION
FEDERAL AVIATION ADMINISTRATION
901 LOCUST STREET
KANSAS CITY, MISSOURI**

License No.: DTFACE-10-J-00001
Facility: K-Lot
Location: Lambert-St. Louis
International Airport, St. Louis, Missouri

LICENSE AGREEMENT
Between
CITY OF ST. LOUIS
and
THE UNITED STATES OF AMERICA

THIS LICENSE, made and entered into by and between the UNITED STATES OF AMERICA, hereinafter called the "Government" or "FAA" and the City of St. Louis, the owner and operator of Lambert-St. Louis International Airport, hereinafter called the "Licensee":

WITNESSETH: The parties hereto for the consideration hereinafter mentioned covenant and agree as follows:

- 1. TERM

For the term beginning June 1, 2011 and for a period not to exceed May 31, 2031 inclusive, the Government hereby grants to the Licensee the right to conduct and stage contractors, store equipment and materials and provide overflow parking on the following property as shown on the drawing attached hereto and made a part hereof, hereinafter called the premises, viz:

See Exhibit "A" for Site Drawing

License No.: DTFACE-10-J-00001

2. CONSIDERATION

The Licensee shall pay the Government no monetary consideration in the form of rental, it being mutually agreed that the rights extended to the Licensee are in consideration for the constructive maintenance of the government-owned property as a result of the Licensee's activities, and for considerations granted at the site of the former Airport Traffic Control Tower.

3. COMPLIANCE, CLOSURE, REVOCATION

The Licensee is charged at all times with full knowledge of all the limitations and requirements of this license, and the necessity for correction of deficiencies, and compliance with reasonable requests by the Government. This license may be revoked in the event that the Licensee violates any of the provisions of this license. The Licensee will be notified of any non-compliance, which notice shall be in writing or confirmed in writing, giving a period of time in which to correct the non-compliance. Failure to satisfactorily correct any substantial or persistent non-compliance within the specified time is grounds for closure of all or part of the premises, temporary suspension of operation, or revocation of the license, after notice in writing of such intent. Said notice shall be sent by certified or registered mail.

4. TERMINATION

The Government or Licensee may terminate this license at any time, in whole or in part by giving at least 90 days notice in writing to the non-terminating party.

5. RESTORATION

That on or before the expiration date of this license, or its termination by the Government, the Licensee shall, at the Licensee's cost, vacate the property, remove the property of the Licensee therefrom, and restore the premises to as good condition as that existing upon the date of commencement of the term of this license, to the extent reasonably practical, damages beyond the control of the Licensee and due to fair wear and tear excepted. If the Licensee shall fail or neglect to remove the property of the Licensee and so restore the property, then, at the option of the Government, the property of the Licensee shall either become the property of the Government without compensation, or the Government may cause it to be removed and the property to be restored at the expense of the Licensee, and no claim for damages against the Government, its officers or agents shall be created by or made on account of such removal and restoration work.

6. USE AND LIMITATIONS OF PREMISES

The Licensee shall have the right to use and shall limit the use of the licensed premises to activities subject to the following limitations:

- a. Staging of airport contractors.
- b. Overflow parking of airport or contractor vehicles and equipment.
- c. Storing of construction materials.

In addition, the Licensee shall make the following improvements to the area designated as the FAA portion of the site:

- a. Construct a security fence between the STLAA and FAA portions of the lot no later than August 1, 2011 and maintain an existing electronic gate, which the FAA shall control.
- b. Gravel an area in the FAA portion of the lot, as designated by FAA, for storage of FAA cable and other materials.
- c. Maintain the access road for both STLAA and FAA portions of the lot.

All proposed changes to the site shall be coordinated with the FAA in a timely manner, and drawings and specifications submitted to the FAA for review and comment.

7. RIGHT TO ENTER

The Government reserves the right for its officers, agents, or employees to enter upon subject premises at any time and for any purpose necessary to inspect said premises to insure proper use and protection of the government-owned property.

8. PROTECTION OF PROPERTY

The Licensee shall at all times exercise due diligence in the protection of the demised premises against damage or destruction by fire and other causes. Any property of the Government damaged or destroyed by the Licensee incident to the Licensee's use and occupation of the said property shall be promptly repaired or replaced by the Licensee to the satisfaction of the Government or, in lieu of such repair or replacement, the Licensee shall, if so required by the Government, pay to the United States of America money in the amount sufficient to compensate for the loss sustained by the Government by reason of damages to or destruction of Government property.

9. APPLICABLE LAWS AND REGULATIONS

The Licensee shall comply with all applicable laws, ordinances, and regulations of the State, County, and municipality wherein the said demised premises are located, with regard to construction, sanitation, noxious weeds, licenses or permits to do business, and all other matters. The Licensee shall not discharge waste or effluent from the licensed property in such a manner that such discharge will contaminate streams or other bodies of water or otherwise become a public nuisance.

10. TRANSFERS AND ASSIGNMENTS

The Licensee shall neither transfer or assign this license to any other persons or parties.

11. INDEMNITY

The Licensee shall indemnify and hold harmless the Government, its employees and agents, to the extent permitted by law against and from any and all loss, claim, damage, or expense that may result out of or in connection with the use and/or occupancy of the licensed premises by the Licensee.

12. NOTICES

All notices shall be in writing and sent by United States Certified or Registered mail, return receipt requested, and shall be addressed as follows (or to such other address as either party may designate from time to time by notice to the other):

TO LICENSEE: City of St. Louis Airport Authority
 ATTN: Properties Department
 Lambert-St. Louis International Airport
 P.O. Box 10212
 St. Louis, MO 63145

TO GOVERNMENT: Federal Aviation Administration
 Logistics Office - KC
 Central Region, ACE-50
 901 Locust Street
 Kansas City, MO 64106

General correspondence may be forwarded to the above address via first class mail.

13. CLAUSES INCORPORATED BY REFERENCE

This license incorporates additional AMS clauses by reference with the same force and effect as if they were given in full text. Upon request, the Government will make their full text available. The following clauses and provisions are hereby incorporated by reference:

Agreement: Under the License, the City will be responsible for the maintenance of the premises and the construction of a fence. No monetary consideration is paid to the FAA. There is a 90 day no-fault cancellation clause by either party.

**LAMBERT ST. LOUIS INTERNATIONAL AIRPORT®
AIRPORT COMMISSION**

EXECUTIVE SUMMARY

April 6, 2011

Agenda Item: License Agreement with the Federal Aviation Administration (“FAA”) AL-

Staff Contact: Susan Kopinski
Deputy Director of Finance & Administration
314-890-1328
sdkopinski@flystl.com

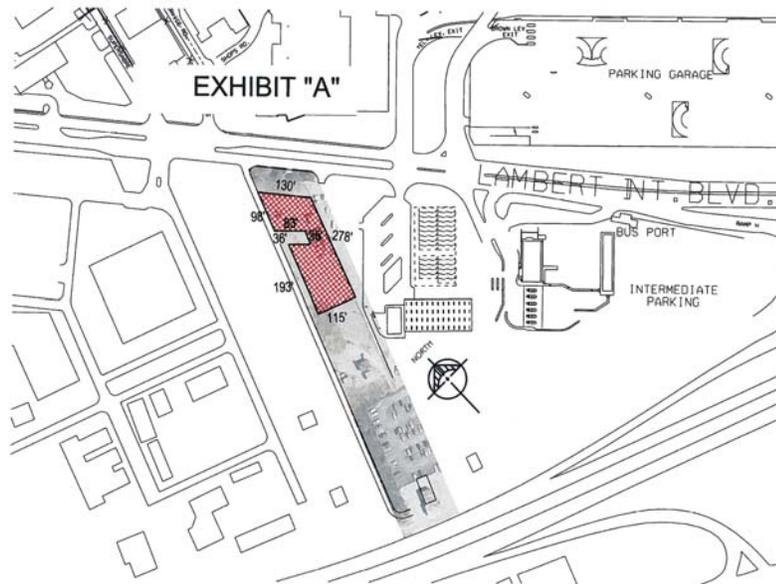
Activity: This License Agreement grants the City the use of the premises (a.k.a. the K-Lot) for staging of contractors and materials doing work at Lambert-St. Louis International Airport®.

Term: The term of the License is for twenty years, commencing June 1, 2011 and ending May 31, 2031.

Revenue: The FAA grants the License for no monetary consideration.

Approval Required: Director of Airports, Airport Commission, City Board of Estimate and Apportionment and City Board of Aldermen.

Recommendation: We recommend that the Airport Commission approve this License Agreement.



Approved: July 12, 2011

ORDINANCE #68947
Board Bill No. 99

An ordinance recommended by the Board of Estimate and Apportionment authorizing and directing the issuance and sale one or more series of The City of St. Louis, Missouri, Water Revenue Refunding Bonds, Series 2011 (the "Series 2011 Bonds") in an aggregate principal amount not to exceed \$16,000,000 in order to refund or redeem, if desirable, all or a portion of The City of St. Louis, Missouri, Water Revenue Refunding Bonds, Series 1998 (the "Series 1998 Bonds"), for the general welfare, safety and benefit of the citizens of The City of St. Louis, Missouri (the "City"); authorizing and directing the Mayor and the Comptroller to execute and deliver the Trust Indenture, the Tax Compliance Agreement, the Bond Purchase Agreement, if any, the Offering Document, if any, the Escrow Agreement, if any, and the Continuing Disclosure Agreement, if any; authorizing participation of appropriate City officials in preparing the Offering Document, if any; authorizing the acceptance of the terms of the Bond Purchase Agreement, if any, and the execution thereof, and the taking of further actions with respect thereto; authorizing the payment of certain costs of issuance thereof; authorizing and directing the taking of other actions and approval and execution of other documents as necessary or desirable to carry out and comply with the intent hereof; superseding provisions of prior ordinances of the City to the extent inconsistent with the terms hereof; and containing an emergency clause.

WHEREAS, the Board of Aldermen of the City has previously authorized and directed the issuance of the City's Series 1998 Bonds to refund certain Water Revenue Refunding and Improvement Bonds, Series 1994;

WHEREAS, the City has determined that it is in the best interest of the City to authorize and direct the issuance Series 2011 bonds for the purpose of refunding or redeeming all or a portion of the outstanding Series 1998 Bonds;

WHEREAS, the Board of Aldermen of the City desires to pledge as security for the Series 2011 Bonds certain Revenues (as hereinafter defined) derived by the City from the operation of its Waterworks System; and

WHEREAS, it is necessary and desirable in connection with the issuance of the Series 2011 Bonds for the City to execute and deliver certain documents and take certain other actions as herein provided.

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

Section 1. Definitions. Capitalized terms used herein and not defined in this Ordinance shall have the meanings ascribed to such terms in the Indenture. As used in this Ordinance, the following words shall be defined as follows:

"Bond Purchase Agreement" means the Bond Purchase Agreement, if any, related to the issuance and sale of the Series 2011 Bonds.

"Bonds" means the Series 2011 Bonds and any and all other bonds issued by the City pursuant to and under the Indenture.

"City Documents" means the Trust Indenture, the Tax Compliance Agreement, the Bond Purchase Agreement, if any, the Offering Document, if any, the Escrow Agreement, if any, the Continuing Disclosure Agreement, if any, and such other documents, certificates, and instruments as may be necessary or desirable to facilitate the issuance of the Series 2011 Bonds and to carry out and comply with the intent of this Ordinance.

"Escrow Agreement" means the escrow agreement, if any, between the City and the Trustee, as escrow agent.

"Financial Advisor" means Public Financial Management, Inc., the financial advisor to the City with respect to the Series 2011 Bonds.

"Indenture" means the Trust Indenture entered into between the City and the Trustee in connection with the Series 2011 Bonds.

"Offering Document" means the Preliminary Official Statement and the final Official Statement, if any, or the Placement Memorandum, if any, prepared in connection with the issuance, sale, and delivery of the Series 2011 Bonds.

"Purchaser" means the purchaser or purchasers of the Series 2011 Bonds.

"Revenues" means the revenues derived by the City from the operation of its Waterworks System and pledged under the Trust Indenture.

“**Series 1998 Bonds**” the City’s Water Revenue Refunding Bonds, Series 1998, originally issued in the principal amount of \$29,225,000, and to be refunded or redeemed from the proceeds of the Series 2011 Bonds.

“**Series 2011 Bonds**” means the Series 2011 Bonds authorized herein and issued in one or more series pursuant to the Indenture.

“**Trustee**” means The Bank of New York Mellon Trust Company, N.A., St. Louis, Missouri, as trustee or any successor thereto under the Indenture.

Section 2. Findings and Determinations. The Board of Aldermen hereby finds and determines that it is necessary and in the best interests of the City:

(a) to authorize and direct the issuance, if market conditions warrant, of the Series 2011 Bonds (i) to refund or redeem all or a portion of the Series 1998 Bonds, (ii) to provide for a debt service reserve fund for the Bonds, and (ii) to pay reasonable expenses incurred by the City in connection with the issuance and sale of the Series 2011 Bonds; and

(b) to authorize and direct a negotiated sale of the Series 2011 Bonds to the Purchaser.

Section 3. Authority and Direction to Issue the Series 2011 Bonds. The City hereby authorizes and directs the issuance, if market conditions warrant, of the Series 2011 Bonds in an aggregate principal amount not to exceed \$16,000,000 for the purposes set forth in Section 2(a) hereof. The Series 2011 Bonds (i) shall have a final maturity not more than 3 years from their date of issuance, (ii) shall bear a fixed rate of interest of not more than 6.00%, and (iii) may be sold at a premium or at a discount with such discount not to exceed the maximum discount allowable under Missouri law. The terms and provisions of the Series 2011 Bonds shall be as provided in the Indenture.

Section 4. Limited Obligations. The Series 2011 Bonds and the interest thereon shall be limited obligations payable by the City solely from (i) proceeds of the Series 2011 Bonds, (ii) Revenues, and (iii) amounts available in the debt service reserve fund, if any, securing the Series 2011 Bonds. The Series 2011 Bonds and the interest thereon do not and shall not constitute an indebtedness of the City or the State of Missouri within the meaning of any constitutional or statutory debt limitation or restriction, and the taxing power of the City is not pledged to the payment of the Series 2011 Bonds. The issuance of the Series 2011 Bonds will not directly or contingently obligate the City to make any payments other than from Revenues.

Section 5. Authority and Direction to Sell the Series 2011 Bonds in a Negotiated Sale. In connection with the issuance of the Series 2011 Bonds, the City hereby authorizes and directs the negotiated sale thereof with the Purchaser, subject to the provisions of this Ordinance. The City further hereby authorizes and directs the preparation, at the request of the Purchaser, the Offering Document; to execute and deliver the final Offering Document; and to execute and deliver the Bond Purchase Agreement, all in connection with such negotiated sale of the Series 2011 Bonds.

Section 6. Authority and Direction to Execute and Deliver City Documents. The City hereby authorizes and directs the Mayor and the Comptroller of the City to execute and deliver the City Documents in forms that are consistent with the provisions of this Ordinance, as such City Documents are approved by the Mayor and the Comptroller with the advice of the Purchaser and the Financial Advisor, and as are approved as to form by the City Counselor, with the respective signatures of such officials thereon to be evidence of the approval of the City; and the Register of the City is hereby authorized and directed to affix the corporate seal of the City to the City Documents and to attest the same.

Section 7. Authorization with Respect to Sale of the Series 2011 Bonds. The Mayor, the Comptroller, and other appropriate officials, agents, and employees of the City are hereby authorized and directed to participate in the preparation of the Offering Document, if requested by the Purchaser; the Mayor and the Comptroller are hereby authorized and directed to execute and deliver the final Offering Document in a form that is consistent with the provisions of this Ordinance, as is approved by the Mayor and the Comptroller with the advice of the Purchaser and the Financial Advisor, and as is approved as to form by the City Counselor, with the respective signatures of the Mayor and the Comptroller thereon to be evidence of the approval of the City.

Section 8. Further Authority. The Mayor, the Comptroller, the Treasurer (as to permitted investments only), the Register, and other appropriate officials, agents, and employees of the City are hereby authorized to take such further actions and execute such other documents as may be necessary or desirable to carry out and comply with the intent of this Ordinance, and to carry out, comply with and perform the duties of the City with respect to the City Documents and the Offering Document.

Section 9. Superseding of Inconsistent Provisions. The provisions of this Ordinance hereby amend any provision of any ordinance of the City inconsistent with the terms hereof, but only to the extent of such inconsistency.

Section 10. Emergency Clause. The passage of this Ordinance shall be and is hereby declared to be an emergency measure within the meaning of Article IV, Sections 19 and 20, of the Charter of the City of St. Louis, and, as such, this Ordinance shall take effect immediately upon its approval by the Mayor.

Approved: July 12, 2011

**ORDINANCE #68948
Board Bill No. 102**

An ordinance to regulate employer and employee working relationships between the City of St. Louis and all employees under the Civil Service, including a compensation plan, terms and conditions of employment, benefits, leaves of absence, and authorization for a Deferred Compensation Plan; amending Section 2(c), Section 2(e)(3), Section 7(d) of Ordinance 68711 approved July 9, 2010, and an emergency clause.

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

SECTION 1. Section 2(c) of Ordinance 68711, approved July 9, 2010, is hereby amended to read as follows:

(c) FIRE DEPARTMENT PAY SCHEDULE:

The bi-weekly pay schedule for all pay grades denoted by the suffix "F" will be adopted in accordance with Section 31 of Article XVIII of the City Charter. Within matrix salary adjustments will be restored when initiated in kind within the St. Louis Police Department.

	BI-WEEKLY RANGE OF PAY							
	Class Code							
	2211 2221	2212 2222	2215 2226	2216	2227	2231	2235	2239
Current Years of Service	69F	69F	72F	74F	77F	78F	81F	83F
0	1442.85							
1-3		1493.32						
2-4		1540.03						
3-5		1626.74						
4-6		1669.63						
5-7		1725.36						
6-8		1781.10						
7-9		1888.00	2421.86					
8-10		1964.70	2519.74					
9-11		2044.16	2620.86	2849.15				
10-12		2051.25	2627.88	2856.21				
11-13		2073.45	2634.86	2863.27	3125.59			
12-14		2080.83	2641.96	2870.29	3132.65	3214.22	3835.07	3994.87
13-15		2087.81	2648.97	2877.35	3139.58	3321.12	3848.50	4008.86
14-16		2094.79	2655.99	2884.33	3146.65	3328.10	3861.97	4022.89
15-17		2101.89	2663.01	2891.34	3153.66	3335.20	3875.45	4036.93
16-18		2108.87	2669.98	2898.37	3160.73	3342.16	3888.96	4051.01
17-19		2115.97	2677.08	2905.42	3167.78	3349.28	3902.43	4065.04
18-20		2122.95	2684.11	2915.42	3174.72	3356.22	3915.87	4079.03
19-21		2129.92	2691.20	2919.45	3181.77	3363.23	3929.42	4093.15
20-22		2136.98	2698.15	2926.48	3188.84	3370.29	3942.93	4107.23
21-23		2144.00	2705.19	2933.48	3195.86	3377.30	3956.37	4121.22
22-24		2151.01	2712.26	2940.55	3202.83	3384.40	3969.84	4135.25
23-25		2158.07	2719.28	2947.61	3209.85	3391.34	3983.36	4149.34
24-26		2165.06	2726.33	2954.63	3216.87	3398.48	3996.75	4163.28
25-27		2172.11	2733.32	2961.69	3223.97	3405.41	4010.31	4177.41
26-28		2179.14	2740.33	2968.71	3230.99	3412.44	4023.82	4191.49

27-29	2186.23	2747.39	2975.68	3237.96	3419.54	4037.37	4205.60
28-30	2193.21	2754.41	2982.74	3244.94	3426.48	4050.85	4219.64
29-30	2200.18	2761.34	2989.76	3252.04	3433.58	4064.24	4233.59
30	2207.20	2768.44	2996.69	3259.06	3440.51	4077.79	4247.71

SECTION 2. Section 2(e)(3) of Ordinance 68711, approved July 9, 2010, is hereby amended to read as follows:

(3) An employee whose pay range is established in Section 2(a) or 2(b) shall receive shift differential for working a portion of an eligible shift. Shift differential shall only be paid for whole hours worked, providing the portion of the shift not worked is charged to paid leave. A fraction of an hour shall not be counted toward the payment of the differential. An employee whose pay range is established in Section 2(a) or 2(b) shall not receive shift differential compensation for any overtime worked that is not part of their regular schedule.

SECTION 3. Section 7(d) of Ordinance 68711 approved July 9, 2010, is hereby amended to read as follows:

(d) Competitive positions for which salary is established in Section 2(c) – Fire Department Schedule:

All employees in the Fire Department Pay Schedule shall have a service rating completed in accordance with the City’s Service Rating Manual.

Probationary Fire Private shall be advanced to the rate for Fire Private at the beginning of the first bi-weekly pay period following one year of service. Probationary Fire Equipment Dispatcher shall follow the same schedule. All other employees whose salaries are established in Section 2(c) of this ordinance will remain at their current pay status, unless otherwise provided in this ordinance.

SECTION 4. Section 16(c) of Ordinance 68711 approved July 9, 2010, is hereby amended to read as follows:

(c) Employees whose pay is established in Section 2(c) of this ordinance and are Overtime Code 3 shall be entitled to ninety-six (96) hours of leave with pay or compensatory time off in lieu of all holidays occurring in a calendar year. Employees whose pay is established in Section 2(c) of this ordinance and are Overtime Code 1 or 2 shall be entitled to thirty-two (32) hours of leave with pay or compensatory time off in lieu of all holidays occurring in a calendar year. Because of the necessity of maintaining the work schedule of such employee, the Director of Personnel, in cooperation with appointing authorities concerned, shall establish procedures for holiday compensation for employees who are regularly required to work on holidays. Such procedures shall be designed to treat all employees in the class who work a substantially equivalent schedule in the same manner.

Employees whose pay is established in Section 2(c) of this ordinance shall receive four (4) days of paid leave which shall be referred to as “O” Days.

SECTION 5. EMERGENCY CLAUSE

This ordinance being deemed necessary for the immediate preservation of the public peace health and safety is declared to be an emergency ordinance pursuant to Article IV, Section 19 and 20 of the City Charter.

Approved: July 12, 2011

**ORDINANCE #68949
Board Bill No. 104**

An ordinance, recommended by the Board of Estimate and Apportionment, authorizing a supplemental appropriation; amending Ordinance 68643, commonly referred to as the City of St. Louis Annual Operating Plan for Fiscal Year 20102011; appropriating and setting apart into a new special Fund 1116 Downtown Vending District Parks Fund from payments to be received from street vendors in the Downtown Vending District the sum of Twenty-Five Thousand Three Hundred Dollars (\$25,300); and containing an emergency clause.

WHEREAS, Ordinance 68603, approved March 16, 2010, as amended by Ordinance 68757, approved October 22, 2010, provides for fees to be paid by persons awarded downtown street vending sites , with such fees being held in a special fund to be known as the Downtown Vending District Parks Fund, which may be appropriated only for expenditure by the Department of Parks, Recreation and Forestry for maintaining and improving parks which are within the Downtown Vending District; and,

WHEREAS, it is anticipated that during the 2011 Fiscal Year such fees will be approximately Twenty Five Thousand Three Hundred Dollars, (\$25,300) and,

WHEREAS, the Charter of The City of St. Louis, Article XVI, Section 6, authorizes supplemental appropriations when any accruing, unappropriated City revenue is available and whenever an appropriation exceeds the amount required for the purpose for which it has been made and when the Board of Estimate and Apportionment recommends same:

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

SECTION ONE.

There is hereby appropriated and set apart into a new special Fund 1116 Downtown Vending District Parks Fund from payments to be received from authorized vendors in the Downtown Vending District Twenty Five Thousand Three Hundred Dollars (\$25,300) for the remainder of the current fiscal year.

SECTION TWO. This being an ordinance providing for current expenses of the City government, it is hereby declared to be an emergency measure within the meaning of Sections 19 and 20 of Article IV of the Charter of the City of St. Louis and therefore this ordinance shall become effective immediately upon its passage and approval by the Mayor.

Approved: July 12, 2011

**ORDINANCE #68950
Board Bill No. 105
Committee Substitute**

An Ordinance approving the petition of owners of certain real property to establish the 212 S. Grand Community Improvement District; finding a public purpose for the establishment of the 212 S. Grand Community Improvement District; authorizing the execution of a Transportation Project Agreement between the City and the 212 S. Grand Transportation Development District; prescribing the form and details of said Transportation Project Agreement; making certain findings with respect thereto; authorizing certain other of City officials; and containing an emergency clause and a severability clause.

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

WHEREAS, Mo. Rev. Stat. §67.1400 et seq. (the "CID Act") authorizes the Board of Aldermen to approve the petitions of property owners to establish a community improvement district; and

WHEREAS, a petition has been filed with the City, requesting formation and establishment of the 212 S. Grand Community Improvement District (the "CID"), signed by the owners or representatives of the owners of more than fifty percent by assessed value and per capita of the property located within the proposed boundaries of the CID (the "CID Petition"), a copy of which is attached hereto as Exhibit A and incorporated herein by this reference; and

WHEREAS, the Register of the City did review and determine that the CID Petition substantially complies with the requirements of 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 9:00 a.m. on June 30, 2011, by the Board of Aldermen; and

WHEREAS, pursuant to Mo. Rev. Stat. §§238.200 to 238.280 (the "TDD Act"), that certain Petition for the Creation of a Transportation Development District, which has been filed in the Circuit Court of the City (the "TDD Petition") for the creation of the 212 S. Grand Transportation Development District (the "TDD") and for the purpose of generating revenue to fund or assist in the funding the "Transportation Project" described in the TDD Petition; and

WHEREAS, the TDD intends to undertake that certain "Transportation Project" as described and defined in the TDD Petition, which Transportation Project will provide a benefit to the City by increasing the available supply of parking; and

WHEREAS, the City constitutes the "local transportation authority" for the purposes of the Transportation Project, and as no portion of the proposed project has been or is intended to be merged into the State highways and transportation system under

the jurisdiction of the Missouri Highway Transportation Commission, approval of the Transportation Project is vested exclusively with the City; and

WHEREAS, the TDD Act provides that prior to construction or funding of a proposed project, such project shall be submitted to the local transportation authority for its prior approval, subject to any required revisions of such project, and the district and local transportation authority in question entering into a mutually satisfactory agreement regarding the development and future maintenance of the Transportation Project; and

WHEREAS, the City hereby desires and intends to approve the Transportation Project, subject to the TDD and the City entering into a mutually satisfactory agreement regarding the development and future maintenance of the Transportation Project; and

WHEREAS, the City intends to enter into that certain Transportation Project Agreement (the "Transportation Project Agreement"), in the form attached hereto as **Appendix B** and incorporated herein by reference, with the TDD, as a mutually satisfactory agreement regarding the development and future maintenance of the Transportation Project; and

WHEREAS, the TDD Act provides that, within six months after development and initial maintenance costs of a project have been paid, the district shall transfer control and ownership of the project in question to the local transportation authority pursuant to contract; and

WHEREAS, the TDD intends to transfer and the City intends to accept such control and ownership pursuant to and on the terms set forth in the Transportation Project Agreement; and

WHEREAS, the Board of Aldermen hereby determines that the terms of the Transportation Project Agreement are acceptable, and that the execution thereof, and delivery and performance by the City and the TDD of their respective obligations therein are in the best interests of the City and the health, safety, morals and welfare of its residents; and

WHEREAS, this Board of Alderman finds it appropriate and in the best interests of the City that all of the property within the CID be declared a "blighted area" pursuant to Section 67.1401.2(3) of the CID Act because such property, by reason of the predominance of insanitary or unsafe conditions, deterioration of site improvements, and/or the existence of conditions which endanger life or property by fire and other causes, constitutes an economic or social liability or a menace to the public health, safety, morals or welfare in its present condition and use; and

WHEREAS, this Board of Aldermen hereby finds that the adoption of this ordinance is in the best interest of the City of St. Louis and that the owners of real property located within the CID, as well as the City as a whole, will benefit from the establishment of the CID and the other transactions described herein.

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

SECTION ONE.

(a) A community improvement district, to be known as the "212 S. Grand Community Improvement District" (hereinafter referred to as the "CID"), is hereby established pursuant to the CID Act on certain real property described below to provide services, construct improvements, impose a sales and use tax and carry out other functions as set forth in the Petition, which is attached hereto as **Appendix A** and incorporated herein by this reference.

(b) The CID boundaries are set forth in the CID Petition and are generally described as follows: the real property located at 212 S. Grand Blvd. and 374 S. Grand Blvd., generally bounded by S. Grand Blvd. to the west; Forest Park Ave and 300 S. Grand Blvd. to the north; 300 S. Grand Blvd., 314 S. Grand Blvd., and 3501 Market Street to the east, and Market Street and 3501 Market Street to the south.

SECTION TWO. The CID is authorized by the CID Petition, in accordance with the CID Act, to impose a tax upon retail sales within the CID to provide funds to accomplish any power, duty or purpose of the CID.

SECTION THREE. The CID is authorized by the CID Act, at any time, to issue obligations, or to enter into agreements with other entities with the authority to issue obligations, for the purpose of carrying out any of its powers, duties, or purposes. Such obligations shall be payable out of all, part or any combination of the revenues of the CID and may be further secured by all or any part of any property or any interest in any property by mortgage or any other security interest granted. Such obligations shall be authorized by resolution of the CID, and if issued by the CID, shall bear such date or dates, and shall mature at such time or times, but not more than twenty (20) years from the date of issuance, as the resolution shall specify. Such obligations shall be in such

denomination, bear interest at such rate or rates, be in such form, be payable in such place or places, be subject to redemption as such resolution may provide and be sold at either public or private sale at such prices as the CID shall determine subject to the provisions of Mo. Rev. Stat. §108.170. The CID is also authorized to issue such obligations to refund, in whole or part, obligations previously issued by the CID.

SECTION FOUR.

(a) Pursuant to the CID Petition, the CID shall be in the form of a political subdivision of the State of Missouri, known as the "212 S. Grand Community Improvement District."

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

(c) No earlier than one hundred and eighty (180) days and no later than ninety (90) days prior to the first day of each fiscal year, the CID shall submit to the Board of Aldermen a proposed annual budget for the CID, setting forth expected expenditures, revenues, and rates of assessments, if any, for such fiscal year. The Board of Aldermen may review and comment on this proposed budget, but if such comments are given, the Board of Aldermen shall provide such written comments no later than sixty (60) days prior to the first day of the relevant fiscal year; such comments shall not constitute requirements, but shall only be recommendations.

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

SECTION FIVE. The CID is authorized to use the funds of the CID for any of the improvements, services or other activities authorized under the CID Act.

SECTION SIX. Pursuant to the CID Act, the CID shall have all of the powers necessary to carry out and effectuate the purposes of the CID and the CID Act as set forth in the CID Act.

SECTION SEVEN. The City hereby finds that the uses of the CID proceeds as provided for in the CID Petition will serve a public purpose by remediating blight and encouraging the redevelopment of real property within the CID.

SECTION EIGHT. The property within the CID is hereby declared to be a "blighted area" pursuant to Section 67.1401.2(3) of the CID Act because such property, by reason of the predominance of insanitary or unsafe conditions, deterioration of site improvements, and/or the existence of conditions which endanger life or property by fire and other causes, constitutes an economic or social liability or a menace to the public health, safety, morals or welfare in its present condition and use.

SECTION NINE. Within one hundred twenty (120) days after the end of each fiscal year, the CID shall submit a report to the Register of the City and the Missouri Department of Economic Development stating the services provided, revenues collected and expenditures made by the CID during such fiscal year, and copies of written resolutions approved by the board of directors of the CID during the fiscal year. The Register shall retain this report as part of the official records of the City and shall also cause this report to be spread upon the records of the Board of Aldermen, pursuant to Section 67.1471 of the CID Act.

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

SECTION ELEVEN. Pursuant to the CID Act, the Board of Aldermen shall not decrease the level of publicly funded services in the CID existing prior to the creation of the CID or transfer the burden of providing the services to the CID unless the services at the same time are decreased throughout the City, nor shall the Board of Aldermen discriminate in the provision of the publicly funded services between areas included in the CID and areas not so included.

SECTION TWELVE. The Register shall report in writing the creation of the 212 S. Grand Community Improvement District to the Missouri Department of Economic Development.

SECTION THIRTEEN. The CID Petition provides that the CID shall be governed by a Board of Directors consisting of five individual directors (collectively the "Directors" and each a "Director"), such Directors to be appointed by the Mayor of the City with the consent of the Board of Aldermen, in accordance with the CID Act and the qualifications set forth in the CID Petition. By his approval of this ordinance, the Mayor does hereby appoint the following named individuals as Directors of the CID for the terms set forth below, and by adoption of this ordinance, the Board of Aldermen hereby consents to such appointments:

<u>Name</u>	<u>Term</u>
1. Lori Record	2 years
2. Joseph Munaco	2 years
3. Caroline Saunders	2 years
4. Richard Yackey	4 years
5. Nick Yackey	4 years

SECTION FOURTEEN. The Board of Aldermen hereby approves the Transportation Project as submitted to the City.

SECTION FIFTEEN. The Board of Aldermen further finds and determines that it is necessary and desirable to enter into the Transportation Project Agreement with the TDD in order to implement the Transportation Project.

SECTION SIXTEEN. The Board of Aldermen finds and determines that the Transportation Project is necessary and desirable in order to increase public access to the parcels described in the TDD Petition and the supply of available parking in the City.

SECTION SEVENTEEN. The Board of Aldermen hereby approves, and the Mayor and Comptroller of the City are hereby authorized and directed to execute, on behalf of the City, the Transportation Project Agreement by and between the City and the TDD in similar form to that attached hereto as **Appendix B**, and the City Register is hereby authorized and directed to attest to the Transportation Project Agreement and to affix the seal of the City thereto. The Transportation Project Agreement shall be in substantially the form attached, with such changes therein as shall be approved by said Mayor and Comptroller executing the same and as may be consistent with the intent of this Ordinance and necessary and appropriate in order to carry out the matters herein authorized.

SECTION EIGHTEEN. The Mayor and Comptroller of the City or his or her designated representatives are hereby authorized and directed to take any and all actions to execute and deliver for and on behalf of the City any and all additional certificates, documents, agreements or other instruments as may be necessary and appropriate in order to carry out the matters herein authorized, with no such further action of the Board of Aldermen necessary to authorize such action by the Mayor or Comptroller or his or her designated representatives.

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

SECTION TWENTY. If any section, subsection, sentence, clause, phrase or portion of this ordinance is held to be invalid or unconstitutional, or unlawful for any reason, by any court of competent jurisdiction, such portion shall be deemed and is hereby declared to be a separate, distinct and independent provision of this ordinance, and such holding or holdings shall not affect the validity of the remaining portions of this ordinance.

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

SECTION TWENTY TWO. No CID sales tax proceeds shall be used to pay for demolition of the property.

APPENDIX A

Petition to Establish the 212 S. Grand Community Improvement District
(IS ON FILE WITH THE CITY REGISTER)

APPENDIX B

Form of Transportation Project Agreement
SEE ATTACHED

212 S. GRAND TRANSPORTATION DEVELOPMENT DISTRICT

TRANSPORTATION PROJECT AGREEMENT

THIS 212 S. GRAND TRANSPORTATION PROJECT AGREEMENT (this "Agreement") is made and entered into as of the ___ day of June, 2011, by and between the 212 S. GRAND TRANSPORTATION DEVELOPMENT DISTRICT, a political subdivision duly organized and existing under the laws of the State of Missouri (the "TDD"), and the CITY OF ST. LOUIS, MISSOURI, a city and political subdivision duly organized and existing under its charter and the Constitution and laws of the State of Missouri (the "City").

Recitals:

A. The TDD is a political subdivision and transportation development district formed pursuant to the Missouri Transportation Development District Act, Sections 238.200 to 238.275 of the Revised Statutes of Missouri, as amended (the "TDD Act").

B. Union Square Enterprises, LLC, a Missouri limited liability company, or an affiliate (the "Developer"), is the owner of certain real property described on Exhibit A, attached hereto and incorporated herein by this reference, together with certain improvements thereon, located in the City (the "Property").

C. The TDD shall acquire from the Developer a leasehold interest in the Property, upon which the Developer may design, develop, and construct a TDD Project, may cause the design, development, and construction of a TDD Project, or which may be acquired for a TDD Project (as hereinafter defined).

D. The City and the TDD desire to enter into this Agreement in order to: (i) acknowledge the general economic benefit and value to the community created by the TDD Project and to provide for public access within the TDD Project on the terms set forth herein; (ii) memorialize the agreement of the City, acting in its capacity as local transportation authority (as defined in the TDD Act) regarding development and future maintenance of the TDD Project; and (iii) serve as the contract pursuant to which the TDD shall transfer control and ownership of the TDD Project to the City after the costs thereof have been paid in accordance with Section 238.275.1 of the TDD Act. The City acknowledges that it is entering into this Agreement for the overall benefit of the community and that the commitment to provide public access to the TDD Project does not constitute a specific economic benefit to the City or the TDD.

NOW, THEREFORE, in consideration of the foregoing, and for other good and valuable consideration, receipt and sufficiency of which are acknowledged, the TDD and the City hereby agree as follows:

Section 1. Definitions. In addition to the capitalized terms defined elsewhere in this Agreement and in the Recitals, the following capitalized terms used in this Agreement shall have the meanings ascribed to them in this Section.

Lease. That certain lease agreement entered into between the Developer, as landlord, and the TDD, as tenant, for the TDD Project, as may be amended from time to time by the parties thereto.

Obligations. Obligations issued by the TDD or the City to finance the design, development, construction and/or the acquisition of the TDD Project.

Property. The real property described in Exhibit A hereto, all of which is located within the boundaries of the TDD.

TDD Ground Sublease. That certain sublease agreement entered into between the TDD, as Landlord, and the Developer, as subtenant, as may be amended from time to time by the parties thereto.

TDD Project. The Transportation Project described in Exhibit C of the Petition for the Creation of a Transportation Development District, filed in the Circuit Court of the City of St. Louis, Cause No. _____, Division ____, on June ____, 2011.

TDD Revenues. The TDD Sales Tax and any other sales taxes, special assessments, real property taxes and other fees and charges that may be imposed by the TDD pursuant to the applicable provisions of the TDD Act.

TDD Sales Tax. The transportation development district sales tax that the TDD is authorized to impose pursuant to Section 238.235 of the TDD Act.

Term. The period commencing on the date of execution of the TDD Ground Sublease and, unless otherwise terminated hereunder prior thereto, continuing until the end of the calendar month that includes that date that is the later of: (i) the end of the

TDD Project's reasonably expected useful life, as determined by an engineer qualified to provide engineering services in the State of Missouri; or (ii) the satisfaction in full of all Obligations.

Section 2. Access to TDD Project. The TDD shall, and shall cause its agents and contractors to, comply with any and all applicable laws in connection with its operation of the TDD Project. Prior to the Transfer (as hereinafter defined), the TDD shall retain all operational control of the TDD Project. After the Transfer, the City shall have all operational control of the TDD Project for the duration of the Lease term, subject to any existing encumbrances.

Section 3. Transfer of Ownership and Control. The City and the TDD agree to execute an Assignment of Lease Agreement in form mutually agreeable to the parties immediately upon maturity or termination of the Obligations, by which the TDD transfers to the City its interest in the Lease for the remaining term of the Lease (the "Transfer"). The TDD and the City acknowledge that, upon execution, the transactions contemplated by the Assignment of Lease Agreement shall constitute the transfer of control and ownership of the Project as required pursuant to Section 238.275 of the TDD Act, provided that the TDD shall remain responsible for operation and maintenance of the Project even after such transfer, in accordance with Section 4 hereinafter.

Section 4. TDD Project Operation and Maintenance. Except as otherwise provided in the Lease, while the Obligations remain outstanding, the TDD shall perform, or cause to be performed, all obligations connected with or arising out of owning, occupying or using the TDD Project or any part thereof, including without limitation the payment of all expenses required for the operation of the TDD Project, including, without limitation, payment of any real or personal property taxes, assessments, payments in lieu of taxes assessed, any expenses incurred, performance of any cleaning or maintenance services required to maintain the TDD Project in good condition, and provision of any repairs for any damage to the TDD Project (the "TDD Maintenance"). The TDD agrees to operate and maintain the TDD Project in accordance with all applicable laws and regulations. Following the satisfaction in full of all Obligations, and during the remaining Term of this Agreement, the City shall be responsible for the TDD Maintenance.

Section 5. Indemnification and Release. To the extent permitted by law, the TDD agrees to indemnify, defend, and hold the City, its employees, agents, and independent contractors and consultants harmless from and against any and all suits, claims, costs of defense, damages, injuries, liabilities, and costs and/or expenses, including court costs and reasonable attorneys' fees and expenses, resulting from, arising out of, or in any way connected with: (i) the acquisition of the TDD Project, including liability under any Environmental Laws; and (ii) the negligence or willful misconduct of the TDD or its respective employees, agents or independent contractors in connection with the management and acquisition of the TDD Project. To the extent permitted by law, the City agrees to indemnify, defend, and hold the TDD and its employees, agents, and independent contractors harmless from and against any and all suits, claims, damages, injuries, liabilities, and costs and/or expenses, including court costs and reasonable attorneys' fees and expenses, resulting from, arising out of, or in any way connected with the negligence or willful misconduct of the City, its employees, agents, and independent contractors and consultants, or arising from a default by the City of its obligations hereunder. The indemnifications set forth in this Section shall survive termination or expiration of this Agreement.

Section 6. Miscellaneous.

6.1 Representations and Warranties of the TDD. The TDD hereby represents and warrants to the City and the Developer that: (i) the TDD is authorized to enter into and perform this Agreement and each agreement to be executed and performed by the TDD pursuant to this Agreement; (ii) this Agreement was duly authorized by the governing body of the TDD; and (iii) this Agreement is binding upon, and enforceable against the TDD, in accordance with its terms.

6.2 Representations and Warranties of the City. The City hereby represents and warrants to the TDD and the Developer that: (i) the City is authorized to enter into and perform this Agreement and each agreement to be executed and performed by the City pursuant to this Agreement; (ii) this Agreement was duly authorized by the governing body of the City; and (iii) this Agreement is binding upon, and enforceable against the City, in accordance with its terms.

6.3 Termination. In the event that the Ordinance authorizing the execution of this Agreement shall become ineffective, then this Agreement shall terminate.

6.4 Applicable Law. This Agreement shall be taken and deemed to have been fully executed, made by the parties in, and governed by, the laws of the State of Missouri.

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

obligations under the terms of this Agreement.

6.6 Entire Agreement; Amendment. This Agreement constitutes the entire agreement between the TDD and the City with respect to the matters herein and no other agreements or representations other than those contained in this Agreement have been made by the parties. It supercedes all prior written or oral understandings with respect thereto. This Agreement shall be amended only in writing and effective when signed by the authorized agents of the TDD and the City.

6.7 Counterparts. This Agreement is executed in multiple counterparts, each of which shall constitute one and the same instrument.

6.7 Severability. In the event any term or provision of this Agreement is held to be unenforceable by a court of competent jurisdiction, the remainder shall continue in full force and effect to the extent the remainder can be given effect without the invalid provision, unless the unenforceable or invalid term or provision is such that a court reasonably would find that the parties, or any of them, would not have entered this Agreement without such term or provision, or would not have intended the remainder of this Agreement to be enforced without such term or provision.

6.8 Notices. Any notice, demand, or other communication required by this Agreement to be given by any party hereto to the others shall be in writing and shall be sufficiently given or delivered if dispatched by certified mail, postage prepaid, or delivered personally as follows:

In the case of the TDD: 212 S. Grand Transportation Development District
706 Demun, Suite B
St. Louis, Missouri 63105
Attention: Richard K. Yackey

With a copy to: Husch Blackwell LLP
190 Carondelet Plaza, Suite 600
St. Louis, Missouri 63105
Attention: David Richardson, Esq.

In the case of the City, to: City of St. Louis
City Hall
1200 Market Street
St. Louis, Missouri 63103
Attention: Mayor, Room 200
Attention: Comptroller, Room 212

With a copy to: St. Louis Development Corporation
1015 Locust Street, Suite 1200
St. Louis, Missouri 63101
Attention: Executive Director

and

City Counselor
City of St. Louis
1200 Market Street, Room 314
St. Louis, Missouri 63103
Attention: Patricia A. Hageman

or to such other address with respect to either party as that party may, from time to time, designate in writing and forward to the other as provided in this Section.

[Signature Pages to Follow.]

IN WITNESS WHEREOF, the parties have caused this 212 S. Grand Transportation Development District Transportation Project Agreement to be executed as of the date first written above.

212 S. GRAND TRANSPORTATION

DEVELOPMENT DISTRICT

By: _____, Chairman

ATTEST:

By: _____, Secretary

IN WITNESS WHEREOF, the parties have caused this 212 S. Grand Transportation Development District Transportation Project Agreement to be executed as of the date first written above.

CITY OF ST. LOUIS, MISSOURI

By: Mayor

By: Comptroller

Attest:

Register

Approved as to form:

City Counselor

EXHIBIT A

LEGAL DESCRIPTION

The property of the District is legally described as follows:

PARCEL 1:

A tract of land in Block 2206-A of the City of St. Louis, Missouri and particularly described as follows:

Beginning at a point in the South line of Forest Park Boulevard, 150 feet wide, said point having coordinates 99851.024 North and 199977.956 East, said point also being distant South 76 degrees 28 minutes 25 seconds East a distance of 7.996 feet from the intersection of the extension of the East line of Grand Boulevard, 90 feet wide, and the extension of the South line of said Forest Park Boulevard; thence along the South line of said Forest Park Boulevard, South 76 degrees 28 minutes 25 seconds East a distance of 164.915 feet to a point having coordinates 99812.452 North and 200138.297 East; thence South 13 degrees 31 minutes 35 seconds West a distance of 150.000 feet to a point having coordinates 99666.613 North and 200103.212 East; thence North 76 degrees 28 minutes 25 seconds West along a line 4.000 feet North of and parallel to the South line of Parcel 2 a distance of 177.500 feet to a point in the East line of Grand Boulevard, 90 feet wide, said point having coordinates 99708.128 North and 199930.636 East; thence North 15 degrees 16 minutes 43 seconds East along the East line of said Grand Boulevard, a distance of 142.076 feet to a point having coordinates 99845.181 North and 199968.075 East; thence North 59 degrees 24 minutes 07 seconds East, a distance of 11.479 feet to the point of beginning.

PARCEL 2:

A tract of land in Block 2206-A of the City of St. Louis, Missouri hereinafter known as the North Building Section of Parcel No. 1 and more particularly described as follows:

Its Northwest corner being located at a point measured from the point of intersection of the North line of property owned by the State Highway Commission of Missouri and the East line of Grand Boulevard, 90 feet wide, said point of intersection having coordinates 99436.911 North and 199856.549 East; thence along the said East line of Grand Boulevard North 15 degrees 16 minutes 43 seconds East a distance of 277.153 feet to a point in the South line of Parcel No. 2, said point having coordinates 99704.268 North and 199929.582 East; thence South 76 degrees 28 minutes 25 seconds East along the said South line of Parcel No. 2 a distance of 158.170 feet to the aforesaid Northwest corner, said Northwest corner having coordinates 9967.273 North and 200083.365 East and being bounded by a line commencing at the said Northwest corner; thence South 76 degrees 28 minutes 25 seconds East along the South line of Parcel No. 2 for a distance of 344.080 feet to a point on the West line of Parcel No. 3, said point having coordinates 99586.795 North and 200417.901 East, thence South 13 degrees 31 minutes 35 seconds West along the said West line of Parcel No. 3, a distance of 164.666 feet to a point, the said point being coincident with the Southwest corner of Parcel No. 3 and having coordinates 99426.697 North and 200379.387 East, thence North 76 degrees 28 minutes 25 seconds West a distance of 344.080 feet to a point having coordinates 99507.175 North and 200044.851 East; thence North 13 degrees 31 minutes 35 seconds East a distance of 164.666 feet to the point of beginning.

PARCEL 3:

A tract of land in Block 2206-A of the City of St. Louis, Missouri, hereinafter known as the South Building Section of Parcel No. 1 and more particularly described as follows:

Its Southwest corner being at the point of intersection of the North line of property owned by the State Highway Commission of Missouri and the East line of Grand Boulevard, 90 feet wide, said point of intersection having coordinates 99436.911 North and 199856.549 East, and being bounded by a line commencing at the said Southwest corner; thence South 75 degrees 10 minutes 20 seconds East along the North line of said property owned by the State Highway Commission of Missouri a distance of 255.765 feet to a point having coordinates 99371.457 North and 200103.797 East; thence South 77 degrees 23 minutes 57 seconds East along the said North line of property owned by the State Highway Commission of Missouri a distance of 362.388 feet to a point, the said point being coincident with the Southwest corner of the parcel of ground for Total Energy Plant No. 1 and having coordinates 99292.399 North and 200457.451 East; thence North 13 degrees 31 minutes 35 seconds East along the West line and the prolongation thereof of the said parcel of ground for Total Energy Plant No. 1 for a distance of 200.00 feet to a point, the said point being coincident with the Northwest corner of the parcel of ground for Total Energy Plant No. 2 and having coordinates 99486.852 North and 200504.228 East; thence South 76 degrees 28 minutes 25 seconds East along the North line of said parcel of ground for Total Energy Plant No. 2 for a distance of 72.000 feet to a point in the West line of a 55 foot wide easement, said point having coordinates 99470.012 North and 200574.231 East; thence North 10 degrees 33 minutes 18 seconds East along said West line of a 55 foot wide easement, a distance of 77.083 feet to a point, the said point being coincident with the Southeast corner of Parcel No. 2 and having coordinates 99545.791 North and 200588.351 East; thence North 76 degrees 28 minutes 25 seconds West a distance of 119.813 feet to a point in the East line of Parcel No. 3; said point having coordinates 99573.814 North and 200471.861 East; thence South 13 degrees 31 minutes 35 seconds West along said East line of Parcel No. 3 a distance of 164.666 feet to a point, the said point being coincident with the Southeast corner of Parcel No. 3 and having coordinates 99413.716 North and 200433.347 East; thence North 76 degrees 28 minutes 25 seconds West along the South line of said Parcel No. 3 and the extension thereof a distance of 399.580 feet to a point having coordinates 99507.175 North and 200044.851 East; thence North 13 degrees 31 minutes 35 seconds East a distance of 164.666 feet to a point on the South line of Parcel No. 2, said point having coordinates 99667.273 North and 200083.365 East; thence North 76 degrees 28 minutes 25 seconds West along said South line of Parcel No. 2 a distance of 158.170 feet to a point in the East line of Grand Boulevard, 90 feet wide, said point having coordinates 99704.268 North and 199929.582 East; thence South 15 degrees 16 minutes 43 seconds West along said East line of Grand Boulevard a distance of 277.153 feet to the point of beginning.

PARCEL 4:

A tract of land in Block 2206-A of the City of St. Louis, Missouri, hereinafter known as a parcel of ground for Total Energy Plant No. 1 being more particularly described as follows:

Its Southwest corner being located at a point in the North line of property owned by the State Highway Commission of Missouri 618.150 feet East of the East line of Grand Boulevard, 90 feet wide, measured along the North line of said property owned by the State Highway Commission of Missouri from the point of intersection of the North line of said property of the State Highway Commission of Missouri and the East line of Grand Boulevard, said point of intersection having coordinates 99436.911 North and 199856.549 East and being bounded by a line commencing at the said Southwest corner having coordinates 99292.399 North and 200457.451 East, thence North 13 degrees 31 minutes 35 seconds East a distance of 111.660 feet to a point, said point being coincident with the Southwest corner of the parcel of ground for Total Energy Plant No. 2 and having coordinates 99400.962 North and 200483.566 East; thence South 76 degrees 28 minutes 25 seconds East a distance of 76.590 feet along the South line of the parcel of ground for Total Energy Plant No. 2 to a point in the West line of a 55 foot wide easement, said point having coordinates 99383.049 North and 200558.027 East; thence South 10 degrees 33 minutes 18 seconds West along the said West line of the 55 foot

wide easement a distance of 98.880 feet to a point in the North line of property owned by the State Highway Commission of Missouri, said point having coordinates 99285.842 North and 200529.913 East; thence North 87 degrees 28 minutes 21 seconds West along the said North line of property owned by the State Highway Commission of Missouri a distance of 66.260 feet to a point having coordinates 99288.765 North and 200473.715 East; thence continuing along the said North line of property owned by the State Highway Commission of Missouri North 77 degrees 23 minutes 57 seconds West a distance of 16.660 feet to the point of beginning.

PARCEL 5:

A tract of land in Block 2206-A of the City of St. Louis, Missouri herein known as a parcel of ground for Total Energy Plant No. 2, being more particularly described as follows:

Its Southwest corner being located at a point measure from the intersection of the East line of Grand Boulevard, 90 feet wide, and the North line of property owned by the State Highway Commission of Missouri, said point of intersection having coordinates 99436.911 North and 199856.549 East; thence Eastwardly along the North line of said property owned by the State Highway Commission of Missouri, 618.150 feet to a point having coordinates 99292.399 North and 200457.451 East; thence North 13 degrees 31 minutes 35 seconds East a distance of 111.660 feet to the said Southwest corner, said Southwest corner having coordinates 99400.962 North and 200483.566 East and being bounded by a line commencing at said Southwest corner; thence North 13 degrees 31 minutes 35 seconds East a distance of 88.340 feet to a point having coordinates 99486.852 North and 200504.228 East; thence South 76 degrees 28 minutes 25 seconds East a distance of 72.000 feet to a point in the West line of a 55 foot wide easement, said point having coordinates 99470.012 North and 200574.231 East; thence South 10 degrees 33 minutes 18 seconds West along the said West line of the 55 foot wide easement a distance of 88.460 feet, the said point coincident with the Northeast corner of the parcel of ground for Total Energy Plant No. 1 and having coordinates 99383.049 North and 200558.027 East; thence North 76 degrees 28 minutes 25 seconds West along the North line of said Parcel of ground for the Total Energy Plant No. 1 a distance of 76.590 feet to the point of beginning.

Approved: July 12, 2011

**ORDINANCE #68951
Board Bill No. 106**

An Ordinance approving the petition of various owners of certain real property to establish the City Hospital Powerhouse Community Improvement District; finding a public purpose for the establishment of the City Hospital Powerhouse Community Improvement District; authorizing the execution of a Transportation Project Agreement between the City and City Hospital Powerhouse Transportation Development District; prescribing the form and details of said Transportation Project Agreement; making certain findings with respect thereto; authorizing certain other actions of City officials; and containing an emergency clause and a severability clause.

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

WHEREAS, Mo. Rev. Stat. §67.1400 et seq. (the "CID Act") authorizes the Board of Aldermen to approve the petitions of property owners to establish a community improvement district; and

WHEREAS, a petition has been filed with the City, requesting formation and establishment of the City Hospital Powerhouse Community Improvement District ("the CID"), signed by owners or authorized representatives of the owners of more than fifty percent by assessed value and per capita of the property located within the proposed boundaries of the CID (the "CID Petition"), a copy of which is attached hereto as Exhibit A and incorporated herein by this reference; and

WHEREAS, the Register of the City did review and determine that the CID Petition substantially complies with the requirements of 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 9:00 a.m. on June __, 2011, by the Board of Aldermen; and

WHEREAS, pursuant to Mo. Rev. Stat. §§238.200 to 238.280 (the "TDD Act"), that certain Petition for the Creation of a Transportation Development District, which has or will be filed in the Circuit Court of the City ("TDD Petition") for the creation of the City Hospital Powerhouse Transportation Development District (the "TDD") and for the purpose of generating revenue to fund or assist in funding the "Transportation Project" described in the TDD Petition; and

WHEREAS, the TDD intends to undertake that certain “Transportation Project” as described and defined in the TDD Petition, which Transportation Project will provide a benefit to the City by increasing the available supply of parking and public access to the parcel described in the TDD Petition; and

WHEREAS, the City constitutes the “local transportation authority” under the TDD Act for the purposes of the Transportation Project, and as no portion of the proposed project has been or is intended to be merged into the State highways and transportation system under the jurisdiction of the Missouri Highway Transportation Commission, approval of the Transportation Project is vested exclusively with the City; and

WHEREAS, the TDD Act provides that prior to construction or funding of a proposed project, such project shall be submitted to the local transportation authority for its prior approval, subject to any required revisions of such project, and the district and local transportation authority in question entering into a mutually satisfactory agreement regarding the development and future maintenance of the Transportation Project; and

WHEREAS, the City hereby desires and intends to approve the Transportation Project, subject to the TDD and the City entering into a mutually satisfactory agreement regarding the development and future maintenance of the Transportation Project; and

WHEREAS, the City intends to enter into that certain Transportation Project Agreement (the “Agreement”), in the form attached hereto as Exhibit B and incorporated herein by reference, with the TDD, as a mutually satisfactory agreement regarding the development and future maintenance of the Transportation Project; and

WHEREAS, the TDD Act provides that, within six months after development and initial maintenance costs of a project have been paid, the district shall transfer control and ownership of the project in question to the local transportation authority pursuant to contract; and

WHEREAS, the TDD intends to transfer and the City intends to accept such control and ownership pursuant to and on the terms set forth in the Transportation Project Agreement; and

WHEREAS, the Board of Aldermen hereby determines that it is necessary and desirable and in the best interest of the City, and the health, safety, morals and welfare of its residents, to cause the creation of the CID, and to authorize the other transactions described herein.

WHEREAS, the Board of Aldermen hereby determines that the terms of the Agreement are acceptable and that the execution thereof, and delivery and performance by the City and the TDD of their respective obligations therein are in the best interests of the City and the health, safety, morals and welfare of its residents; and

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

SECTION ONE.

(a) A community improvement district, to be known as the “City Hospital Powerhouse Community Improvement District”, is hereby established pursuant to the CID Act on certain real property described below to contract with a private property owner to demolish, remove, renovate, reconstruct, rehabilitate, repair and/or equip the existing building within the CID, impose a sales and use tax, and carry out other functions as set forth in the CID Petition.

(b) The CID boundaries are set forth in the CID Petition and are generally described as follows: Dillon Street on its Western boundary; 1414 Park Avenue on its Northern boundary; 1411 Carroll Street on its Eastern boundary; and 1515 Lafayette Avenue on its Southern boundary.

SECTION TWO. The CID is authorized by the CID Petition, in accordance with the CID Act, to impose a tax upon retail sales within the CID, to provide funds to accomplish any power, duty or purpose of the CID.

SECTION THREE. The CID is authorized by the CID Act, at any time, to issue obligations, or to enter into agreements with other entities with the authority to issue obligations, for the purpose of carrying out any of its powers, duties, or purposes. Such obligations shall be payable out of all, part or any combination of the revenues of the CID and may be further secured by all or any part of any property or any interest in any property by mortgage or any other security interest granted. Such obligations shall be authorized by resolution of the CID, and if issued by the CID, shall bear such date or dates, and shall mature at such time or times, but not more than twenty (20) years from the date of issuance, as the resolution shall specify. Such obligations shall be in such denomination, bear interest at such rate or rates, be in such form, be payable in such place or places, be subject to redemption as such

resolution may provide and be sold at either public or private sale at such prices as the CID shall determine subject to the provisions of Mo. Rev. Stat. §108.170. The CID is also authorized to issue such obligations to refund, in whole or part, obligations previously issued by the CID.

SECTION FOUR.

(a) Pursuant to the CID Petition, the CID shall be in the form of a political subdivision of the State of Missouri, known as the “City Hospital Powerhouse Community Improvement District.”

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

(c) No earlier than one hundred and eighty (180) days and no later than ninety (90) days prior to the first day of each fiscal year, the CID shall submit to the Board of Aldermen a proposed annual budget for the CID, setting forth expected expenditures, revenues, and rates of assessments, if any, for such fiscal year. The Board of Aldermen may review and comment on this proposed budget, but if such comments are given, the Board of Aldermen shall provide such written comments no later than sixty (60) days prior to the first day of the relevant fiscal year; such comments shall not constitute requirements, but shall only be recommendations.

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

SECTION FIVE. The CID is authorized to use the funds of the CID for any of the improvements, services or other activities authorized under the CID Act.

SECTION SIX. Pursuant to the CID Act, the CID shall have all of the powers necessary to carry out and effectuate the purposes of the CID and the CID Act as set forth in the CID Act.

SECTION SEVEN. The City hereby finds that the uses of the CID proceeds as provided for in the CID Petition will serve a public purpose by remediating blight and encouraging the redevelopment of real property within the CID.

SECTION EIGHT. The property within the CID, which is also included within the City Hospital TIF Redevelopment Area, is a “blighted area” pursuant to Section 67.1401.2(3) of the CID Act because such property was blighted under Sections 99.800 to 99.865, RSMo, pursuant to Ordinance No. 68097 (2008).

SECTION NINE. Within one hundred twenty (120) days after the end of each fiscal year, the CID shall submit a report to the Register of the City and the Missouri Department of Economic Development stating the services provided, revenues collected and expenditures made by the CID during such fiscal year, and copies of written resolutions approved by the board of directors of the CID during the fiscal year. The Register shall retain this report as part of the official records of the City and shall also cause this report to be spread upon the records of the Board of Aldermen, pursuant to Section 67.1471 of the CID Act.

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

SECTION ELEVEN. Pursuant to the CID Act, the Board of Aldermen shall not decrease the level of publicly funded services in the CID existing prior to the creation of the CID or transfer the burden of providing the services to the CID unless the services at the same time are decreased throughout the City, nor shall the Board of Aldermen discriminate in the provision of the publicly funded services between areas included in the CID and areas not so included.

SECTION TWELVE. The Register shall report in writing the creation of the City Hospital Powerhouse Community Improvement District to the Missouri Department of Economic Development.

SECTION THIRTEEN. The CID Petition provides that the CID shall be governed by a Board of Directors consisting of five individual directors (collectively the “Directors” and each a “Director”), such Directors to be appointed by the Mayor of the City with the consent of the Board of Aldermen, in accordance with the CID Act and the qualifications set forth in the CID Petition. By his approval of this ordinance, the Mayor does hereby appoint the following named individuals as Directors of the CID for the terms set forth below, and by adoption of this ordinance, the Board of Aldermen hereby consents to such appointments:

<u>Name</u>	<u>Term</u>
1. Mike Hayo	2 years
2. Stacy Hastie	2 years
3. Mary Ann Goodson	2 years
4. Chris Goodson	4 years
5. Pat Goodson	4 years

SECTION FOURTEEN. The Board of Aldermen hereby approves the Transportation Project as submitted to the City.

SECTION FIFTEEN. The Board of Aldermen further finds and determines that it is necessary and desirable to enter into the Agreement with the TDD in order to implement the Transportation Project.

SECTION SIXTEEN. The Board of Aldermen finds and determines that the Transportation Project is necessary and desirable in order to increase public access to the parcels described in the TDD Petition and the supply of available parking in the City.

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

SECTION EIGHTEEN. The Mayor and Comptroller of the City or his or her designated representatives are hereby authorized and directed to take any and all actions to execute and deliver for and on behalf of the City any and all additional certificates, documents, agreements or other instruments as may be necessary and appropriate in order to carry out the matters herein authorized, with no such further action of the Board of Aldermen necessary to authorize such action by the Mayor or Comptroller or his or her designated representatives.

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

SECTION TWENTY. If any section, subsection, sentence, clause, phrase or portion of this ordinance is held to be invalid or unconstitutional, or unlawful for any reason, by any court of competent jurisdiction, such portion shall be deemed and is hereby declared to be a separate, distinct and independent provision of this ordinance, and such holding or holdings shall not affect the validity of the remaining portions of this ordinance.

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

EXHIBIT A

Petition to Establish the City Hospital Powerhouse Community Improvement District
SEE ATTACHED

EXHIBIT B

Form of Transportation Project Agreement
SEE ATTACHED

CITY HOSPITAL POWERHOUSE TRANSPORTATION DEVELOPMENT DISTRICT

TRANSPORTATION PROJECT AGREEMENT

THIS CITY HOSPITAL POWERHOUSE TRANSPORTATION PROJECT AGREEMENT (this "Agreement") is made and entered into as of the ___ day of June, 2011, by and between the CITY HOSPITAL POWERHOUSE TRANSPORTATION

DEVELOPMENT DISTRICT, a political subdivision duly organized and existing under the laws of the State of Missouri (the "TDD"), and the CITY OF ST. LOUIS, MISSOURI, a city and political subdivision duly organized and existing under its charter and the Constitution and laws of the State of Missouri (the "City").

Recitals:

A. The TDD is a political subdivision and transportation development district formed pursuant to the Missouri Transportation Development District Act, Sections 238.200 to 238.280 of the Revised Statutes of Missouri, as amended (the "TDD Act").

B. CH Power Plant, LLC, a Missouri limited liability company, or an affiliate (the "Developer"), is the owner of certain real property described on Exhibit A, attached hereto and incorporated herein by this reference, together with certain improvements thereon, located in the City (the "Property").

C. The TDD shall acquire from the Developer or other parties a leasehold interest in property, upon which the Developer may design, develop, and construct a TDD Project (as hereinafter defined), may cause the design, development, and construction of a TDD Project, or which may be acquired for a TDD Project.

D. Upon completion of acquisition of the TDD Project, the TDD intends to issue Obligations (as defined hereinafter) in a principal amount sufficient to finance the TDD Project and related costs of the TDD, including, without limitation, the costs of issuance of the Obligations and accrued interest thereon; in the alternative, the TDD may pledge its revenues to the City (or an authority located within the City with the power to issue obligations) for the repayment of any obligations issued with respect to the redevelopment of the Property, at least a portion of which shall be issued on behalf of the TDD with respect to the TDD Project. The contribution by the TDD towards the acquisition and/or construction of the TDD Project will be in the form of payment for the Property plus reimbursement of Developer's construction and soft costs.

E. The City and the TDD desire to enter into this Agreement in order to: (i) acknowledge the general economic benefit and value to the community created by the TDD Project and to provide for public access within the TDD Project on the terms set forth herein; (ii) memorialize the agreement of the City, acting in its capacity as local transportation authority (as defined in the TDD Act) regarding development and future maintenance of the TDD Project; and (iii) serve as the contract pursuant to which the TDD shall transfer control and ownership of the TDD Project to the City after the costs thereof have been paid in accordance with Section 238.275.1 of the TDD Act. The City acknowledges that it is entering into this Agreement for the overall benefit of the community and that the commitment to provide public access to the TDD Project does not constitute a specific economic benefit to the City or the TDD.

NOW, THEREFORE, in consideration of the foregoing, and for other good and valuable consideration, receipt and sufficiency of which are acknowledged, the TDD and the City hereby agree as follows:

Section 1. Definitions. In addition to the capitalized terms defined elsewhere in this Agreement and in the Recitals, the following capitalized terms used in this Agreement shall have the meanings ascribed to them in this Section.

Lease. That certain lease agreement entered into between the Developer, as landlord, and the TDD, as tenant, for the TDD Project, as may be amended from time to time by the parties thereto.

Obligations. Obligations issued by the TDD or the City to assist in the finance the design, development, construction and/or the acquisition of the TDD Projects; including, the pledging of revenues by the TDD to the City (or an authority located within the City with the power to issue obligations) for the repayment of obligations issued with respect to the redevelopment of the Property, at least a portion of which shall be issued on behalf of the TDD with respect to the TDD Project.

Property. The real property described in Exhibit A hereto, all of which is located within the boundaries of the TDD.

TDD Ground Sublease. That certain sublease agreement entered into between the TDD, as Landlord, and the Developer, as subtenant, as may be amended from time to time by the parties thereto.

TDD Project. The Transportation Project described in Exhibit C of the Petition for the Creation of a Transportation Development District, filed in the Circuit Court of the City of St. Louis, Cause No. _____, Division 1, on June ____, 2011.

TDD Revenues. The TDD Sales Tax and any other sales taxes, special assessments, real property taxes and other fees and charges that may be imposed by the TDD pursuant to the applicable provisions of the TDD Act.

TDD Sales Tax. The transportation development district sales tax that the TDD is authorized to impose pursuant to Section 238.235 of the TDD Act.

Term. The period commencing on the date of execution of the TDD Ground Sublease and, unless otherwise terminated hereunder prior thereto, continuing until the end of the calendar month that includes that date that is the later of: (i) the end of the TDD Project's reasonably expected useful life, as determined by an engineer qualified to provide engineering services in the State of Missouri; or (ii) the satisfaction in full of all Obligations.

Section 2. Access to TDD Project. The TDD shall, and shall cause its agents and contractors to, comply with any and all applicable laws in connection with its operation of the TDD Project. Prior to the Transfer (as hereinafter defined), the TDD shall retain all operational control of the TDD Project. After the Transfer, the City shall have all operational control of the TDD Project for the duration of the Lease term, subject to any existing encumbrances.

Section 3. Transfer of Ownership and Control. The City and the TDD agree to execute an Assignment of Lease Agreement in form mutually agreeable to the parties immediately upon maturity or termination of the Obligations, by which the TDD transfers to the City its interest in the Lease for the remaining term of the Lease (the "Transfer"). The TDD and the City acknowledge that, upon execution, the transactions contemplated by the Assignment of Lease Agreement shall constitute the transfer of control and ownership of the Project as required pursuant to Section 238.275 of the TDD Act, provided that the TDD shall remain responsible for operation and maintenance of the Project even after such transfer, in accordance with Section 4 hereinafter.

Section 4. TDD Project Operation and Maintenance. Except as otherwise provided in the Lease, while the Obligations remain outstanding, the TDD shall perform, or cause to be performed, all obligations connected with or arising out of owning, occupying or using the TDD Project or any part thereof, including without limitation the payment of all expenses required for the operation of the TDD Project, including, without limitation, payment of any real or personal property taxes, assessments, payments in lieu of taxes assessed, any expenses incurred, performance of any cleaning or maintenance services required to maintain the TDD Project in good condition, and provision of any repairs for any damage to the TDD Project (the "TDD Maintenance"). The TDD agrees to operate and maintain the TDD Project in accordance with all applicable laws and regulations. Following the satisfaction in full of all Obligations, and during the remaining Term of this Agreement, the City shall be responsible for the TDD Maintenance.

Section 5. Indemnification and Release. To the extent permitted by law, the TDD agrees to indemnify, defend, and hold the City, its employees, agents, and independent contractors and consultants harmless from and against any and all suits, claims, costs of defense, damages, injuries, liabilities, and costs and/or expenses, including court costs and reasonable attorneys' fees and expenses, resulting from, arising out of, or in any way connected with: (i) the acquisition of the TDD Project, including liability under any Environmental Laws; and (ii) the negligence or willful misconduct of the TDD or its respective employees, agents or independent contractors in connection with the management, and acquisition of the TDD Project. To the extent permitted by law, the City agrees to indemnify, defend, and hold the TDD and its employees, agents, and independent contractors harmless from and against any and all suits, claims, damages, injuries, liabilities, and costs and/or expenses, including court costs and reasonable attorneys' fees and expenses, resulting from, arising out of, or in any way connected with the negligence or willful misconduct of the City, its employees, agents, and independent contractors and consultants, or arising from a default by the City of its obligations hereunder. The indemnifications set forth in this Section shall survive termination or expiration of this Agreement.

Section 6. Miscellaneous.

6.1 Representations and Warranties of the TDD. The TDD hereby represents and warrants to the City and the Developer that: (i) the TDD is authorized to enter into and perform this Agreement and each agreement to be executed and performed by the TDD pursuant to this Agreement; (ii) this Agreement was duly authorized by the governing body of the TDD; and (iii) this Agreement is binding upon, and enforceable against the TDD, in accordance with its terms.

6.2 Representations and Warranties of the City. The City hereby represents and warrants to the TDD and the Developer that: (i) the City is authorized to enter into and perform this Agreement and each agreement to be executed and performed by the City pursuant to this Agreement; (ii) this Agreement was duly authorized by the governing body of the City; and (iii) this Agreement is binding upon, and enforceable against the City, in accordance with its terms.

6.3 Termination. In the event that the Ordinance authorizing the execution of this Agreement shall become ineffective, then this Agreement shall terminate.

6.4 Applicable Law. This Agreement shall be taken and deemed to have been fully executed, made by the parties in, and governed by, the laws of the State of Missouri.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the date first written above.

CITY HOSPITAL POWERHOUSE TRANSPORTATION
DEVELOPMENT DISTRICT

By: _____,
_____, Chairman

ATTEST:

By: _____,
_____, Secretary

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the date first written above.

CITY OF ST. LOUIS, MISSOURI

By: Mayor

By: Comptroller

Attest:

Register

Approved as to form:

City Counselor

**EXHIBIT A
LEGAL DESCRIPTION**

The property of the District is legally described as follows:

Lot 3 of Carroll-Dillon Boundary Adjustment Plat, according to the plat thereof recorded in Book 07162008 page 0142 and in City Block 1250 of the St. Louis City Records.

Also including that portion of City Assessor Parcel No. 1250000320 located in vacated Carroll Avenue, as vacated by City Ordinance No. 68270 (2008), and more particular described as follows:

Beginning at a point being the southwestern most point of the aforementioned Lot 3 at the intersection of the North right of way line of Carroll Street and the East right of way line of Dillon Street; thence southeastwardly along the southern boundary line of Lot 3 to the southeastern most point of Lot 3; thence southwesterly along an extension of the eastern boundary line of Lot 3 to the midpoint of vacated Carroll Avenue; then northwesterly along a line parallel the southern boundary of Lot 3 along the center line of vacated Carroll Avenue to the southern extension of the western boundary of Lot 3; thence northeasterly to the point of beginning.

**PETITION TO ESTABLISH
CITY HOSPITAL POWERHOUSE COMMUNITY IMPROVEMENT DISTRICT**

**Petition to Establish a Community Improvement District
Pursuant to Sections 67.1401-67.1571 of the Revised Statutes of Missouri (2010), as Amended**

City Of St. Louis, Missouri

PETITION TO ESTABLISH CITY HOSPITAL POWERHOUSE COMMUNITY IMPROVEMENT DISTRICT

This Petition (the "Petition") to Establish a Community Improvement District within a certain limited portion of the City of St. Louis, Missouri (the "City") is submitted to the City in accordance with the Community Improvement District Act as set forth in Sections 67.1401 through 67.1571 of the Revised Statutes of Missouri (2010) (the "Act").

As set forth herein, the persons and/or entities signing this Petition in accordance with the Act ("Petitioners") request that the governing body of the City (the "Board of Aldermen") hold a public hearing and approve and adopt the Petition as described herein and in accordance with the Act.

1 DESCRIPTION OF THE DISTRICT**A. Name of District**

The name of the District shall be the "**City Hospital Powerhouse Community Improvement District**" (the "District").

B. Legal Description

The District includes all of the real property (the "District Property") legally described on Exhibit A attached hereto and made a part hereof.

C. Boundary Map

A map graphically depicting the boundaries of the District is attached hereto and made a part hereof as Exhibit B (the "District Boundary Map").

2. PETITIONERS

Based on the tax records of the City of St. Louis as of the date of filing this Petition, Petitioners:

- (a) collectively own more than fifty percent (50%) by assessed value of the District Property; and
- (b) collectively represent more than fifty percent (50%) per capita of all owners of the District Property.

3. FIVE YEAR PLAN

The five-year plan for the District shall include, but is not necessarily limited to, the following:

A. Purposes of the District

The purpose of the District is to provide a source of revenue and to facilitate the Project (as such term is defined herein) in order to increase the use and value of the District Property. The "Project" shall consist of the services and improvements contemplated in Section B below. Additionally, the purposes of the District are to:

- (a) Pledge its revenues to one or more notes or other obligations, which may be issued by the District or another public body (collectively, the "District Obligations"), secured by the tax revenues of the District ("CID Revenues"), the proceeds of said District Obligations to be used toward the payment of costs and fees of the Project and the costs of issuing the District Obligations;
- (b) Enter into contracts or other agreements in order to complete or cause completion of the Project and other purposes of the District;
- (c) Levy a retail sales and use tax in accordance with the Act (the "District Sales Tax"); and
- (d) Exercise any authorized purpose of the District pursuant to and in accordance with the Act.

B. Services and Improvements

The District will cause the design and implementation of various improvements and services located within and benefitting the properties of the District. Such improvements and services may be undertaken in multiple phases or may occur in one phase. The contemplated improvements and services consist of all such improvements and services authorized under the Act including, without limitation:

- (a) Providing assistance to and/or constructing, reconstructing, installing, repairing, maintaining, and equipping any of the improvements permitted by the Act including, but not necessarily limited to, landscaping, sidewalks, parking lots, streetscape, lighting, benches and other seating furniture, trash receptacles, and awnings;
- (b) Providing or contracting for the provision of the demolition and removal, renovation, reconstruction, rehabilitation, repair, maintenance, and equipping of the existing buildings and structures located within the District as permitted by the Act; and
- (c) Providing or contracting for the provision of the construction, reconstruction, installation, repair and maintenance of any other improvement permitted by the Act.

The District may also acquire real and personal property within the District and lease or otherwise encumber or dispose of real and personal property within the District in accordance with the Act.

C. Estimate of Costs of Services and Improvements

The estimated costs of the services and improvements to be incurred by or on behalf of the District within the five (5) years from the date of adoption of an ordinance creating the District are approximately Six Hundred Thirty-Four Thousand Nineteen and No/100 Dollars (\$634,019.00). CID Revenues may also be used to finance professional fees and expenses, underwriting, and issuance costs related to the District Obligations.

D. Powers

The District shall have the powers provided for in § 67.1461 of the Act, subject to the limitations set forth herein.

E. Annual Benchmarks for the Five-Year Plan

The following annual benchmarks represent the anticipated schedule of the District and are subject to change.

2011

- Approval of ordinance establishing the City Hospital Powerhouse Community Improvement District.
- Appointment of Board of Directors and approval of District's Sales Tax.
- Issuance of District Obligations or pledge of CID Revenue.

2012

- Collect and administer District Sales Tax.
- Repayment of District Obligations or Pledge of CID Revenue.
- Completion of the Project.

2013

- Collect and administer District Sales Tax.
- Repayment of District Obligations or Pledge of CID Revenue.
- To the extent necessary, provide ongoing support for the Project.

2014

- Collect and administer District Sales Tax.
- Repayment of District Obligations or Pledge of CID Revenue.
- To the extent necessary, provide ongoing support for the Project.

2015

- Collect and administer District Sales Tax.
- Repayment of District Obligations or Pledge of CID Revenue.
- To the extent necessary, provide ongoing support for the Project.

4. GOVERNANCE OF THE DISTRICT

A. Type of District

The District shall be a separate political subdivision governed by a board of directors ("Board") and shall have all of the powers authorized and/or granted by the Act.

B. Board of Directors1. Number

The District shall be governed by a Board consisting of five (5) directors (the "Directors" and each a "Director").

2. Qualifications

Each Director, during his or her term, shall meet the following requirements:

- (a) be a citizen of the United States of America;
- (b) be a Missouri resident for at least one year prior to appointment to the Board;
- (c) be at least 18 years of age; and
- (d) be either an owner of real property within the District or their legally authorized representative ("Owner"), or an owner of a business operating within the District or their legally authorized representative ("Operator").

3. Initial Board of Directors

The initial Directors shall be appointed by the Mayor with the consent of the Board of Aldermen to serve the following staggered terms, all in accordance with Section 67.1451.5 of the Act:

Director:	Term:
First	Two (2) Years
Second	Two (2) Years
Third	Four (4) Years
Fourth	Four (4) Years
Fifth	Two (2) Years

Upon expiration of the terms of the initial Directors, successive Directors shall be appointed from a slate approved by the Directors and by the Mayor with the consent of the Board of Aldermen of the City in accordance with the Act.

4. Successor Directors

Successor Directors shall serve four (4) year terms on the Board and shall be appointed by the Mayor with the consent of the Board of Aldermen according to a slate submitted to the Mayor by the Directors. Following submission of the slate to the Mayor:

- (a) the Mayor shall appoint the successor Directors according to the slate submitted and the Board of Aldermen shall consent to the appointment; or
- (b) the Mayor or the Board of Aldermen may reject the slate submitted and request in writing that the

Board submit an alternate slate.

If an alternate slate is requested, the Board shall within sixty (60) days following receipt of the written request submit an alternate slate to the Mayor. Following submission of the slate to the Mayor:

- (a) the Mayor shall appoint the successor Directors according to the alternate slate submitted and the Board of Aldermen shall consent to the appointment: or
- (b) the Mayor or the Board of Aldermen may reject the alternate slate submitted and request in writing that the Board submit another alternate slate.

The procedure described above shall continue until the successor Directors are appointed by the Mayor with the consent of the Board of Aldermen.

The Board shall select the slate as follows:

- (a) individuals meeting the qualifications set out in this Petition must be nominated by two sitting Directors; and
- (b) the Directors shall then vote for a slate of nominees who shall consist of the number needed to fill vacancies and the seats of expiring terms.

5. REAL PROPERTY TAXES

The District shall have no power to submit a real property tax to the qualified voters for approval; as such, the maximum rate of real property taxes within the District is zero.

6. SPECIAL ASSESSMENTS

The District shall have no power to levy any special assessments upon District Property; as such, the maximum rate of special assessments within the District is zero.

7. ASSESSED VALUE

As of the date of this Petition, the total assessed value of all the District Property is One Hundred Seventy-Five Thousand Nine Hundred Dollars and no/100 (\$175,900) according to the records of the City of St. Louis Assessor's Office as of the last completed assessment.

8. SALES TAXES

Pursuant to Section 67.1545 of the Act, the District may, by resolution, impose a District sales and use tax on all retail sales made within the District which are subject to taxation pursuant to Sections 144.010 to 144.525 of the Revised Statutes of Missouri (excepting such sales as set forth in the Act), at a rate not to exceed one percent (1%).

9. BLIGHT DETERMINATION

This Petition seeks a determination that all the District Property is a blighted area. As of the date of this Petition, the District Property has been declared to be a "blighted area" under Chapter 99 of the Revised Statutes of Missouri by the City's adoption of Ordinance No. 68097 (2008). Pursuant to Section 67.1401.2(3)(b) of the Act, the District Property should be determined to be a "blighted area."

10. LIFE OF DISTRICT

The proposed length of time for the existence of the District is 20 years following the effective date of the ordinance adopting and approving this Petition.

11. REQUEST TO ESTABLISH DISTRICT

By execution and submission of this Petition, the Petitioners request that the Board of Aldermen hold a public hearing in accordance with Section 67.1421 of the Act and adopt an ordinance to establish the District as set out in this Petition and in accordance with the Act and this Petition.

12. NOTICE TO PETITIONERS

The signature of the undersigned may not be withdrawn later than seven (7) days after this Petition is filed with the City Clerk.

13. BORROWING CAPACITY AND REVENUE GENERATION

The District shall have all powers and authority provided in the Act to borrow revenue in order to complete the Project, and to provide services and complete such improvements as are necessary and desirable to the District. The District shall have the authority, as set forth above, to levy a retail sales tax and use tax in accordance with the Act in order to generate revenue for the District. Petitioners do not seek to limit the borrowing capacity or revenue generation of the District and anticipate the pledge of CID Revenues by the District to District Obligations issued, to fund the Project or other purposes of the District as set forth in this Petition.

[Remainder of Page Intentionally Left Blank.]

The undersigned requests that the Board of Aldermen of the City of St. Louis, Missouri establish the City Hospital Powerhouse Community Improvement District according to the preceding Petition and authorize the creation of the District.

Name of Owner: CH Power Plant, LLC
Owner's Telephone Number: (314) 241-0811
Owner Mailing Address: 1935 Park Ave. St. Louis, Missouri 63104

Name of Signer: Christopher Goodson

State basis of legal authority to sign: Authorized Signatory of Managing Member
 (CH Managing Member, LLC) of CH Power Plant, LLC

Signer's Telephone Number: (314) 241-0811

Signer's Mailing Address: 1935 Park Ave. St. Louis, MO 63104

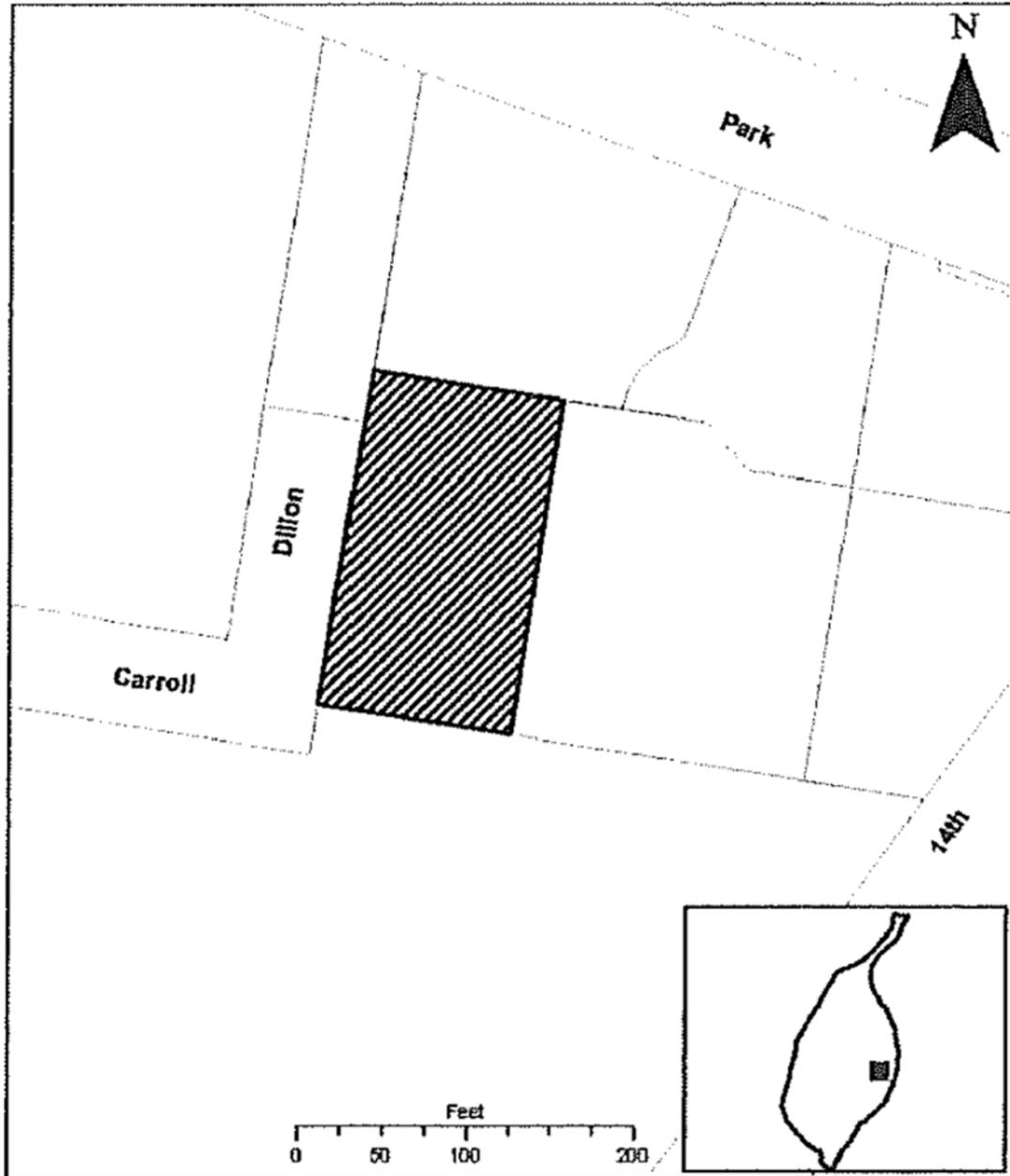
Entity Type: Missouri limited liability company

The map, parcel identification number and assessed value of the properties owned:

1. **Address:** 1419 Carroll Street
Parcel Number: 1250000320
Assessed Value: \$175,900

MAP: CITY HOSPITAL POWERHOUSE CID

CITY HOSPITAL POWERHOUSE CID



 City Hospital Powerhouse CID

By executing this Petition, the undersigned represents and warrants that he or she is authorized to execute this Petition on behalf of the property owner named immediately above.

CH POWER PLANT, LLC, a Missouri limited liability company

By: **CH MANAGING MEMBER, LLC**, a Missouri limited liability company

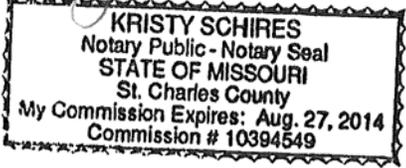
By: *Christopher Goodson*
Christopher Goodson, Authorized Signatory

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

On this 17th day of June, 2011, before me appeared CHRISTOPHER GOODSON, to me personally known, who, being by me duly sworn did say that he is an authorized signatory of CH Managing Member, LLC, a Missouri limited liability company, which is Managing Member of CH Power Plant, LLC, a Missouri limited liability company, and that the foregoing instrument was signed in behalf of said company, and said authorized signatory acknowledged said instrument to be the free act and deed of said company.

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

My Commission Expires:

Kristy Schires
Notary Public


EXHIBITS

- EXHIBIT A DISTRICT LEGAL DESCRIPTION
- EXHIBIT B DISTRICT BOUNDARY MAP

EXHIBIT "A"

DISTRICT LEGAL DESCRIPTION

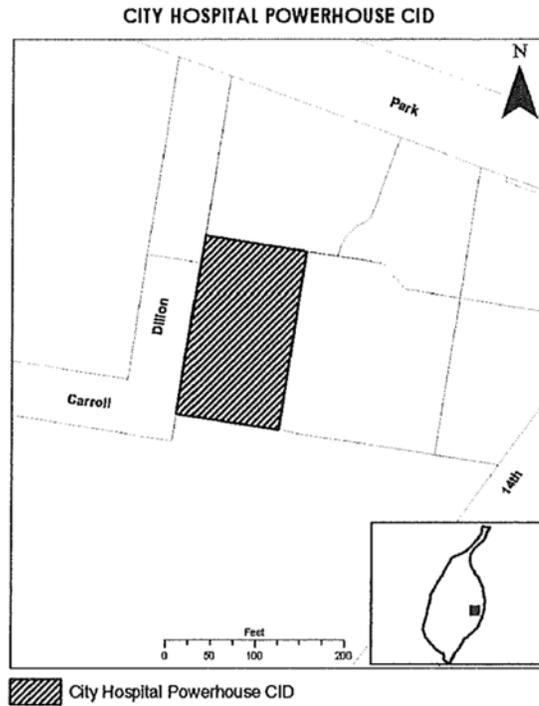
Lot 3 of Carroll-Dillon Boundary Adjustment Plat, according to the plat thereof recorded in Book 07162008 page 0142 and in City Block 1250 of the St. Louis City Records.

Also including that portion of City Assessor Parcel No. 1250000320 located in vacated Carroll Avenue, as vacated by City Ordinance No. 68270 (2008), and more particular described as follows:

Beginning at a point being the southwestern most point of the aforementioned Lot 3 at the intersection of the North right of way line of Carroll Street and the East right of way line of Dillon Street; thence southeastwardly along the southern boundary line of Lot 3 to the southeastern most point of Lot 3; thence southwesterly along an extension of the eastern boundary line of Lot 3 to the midpoint of vacated Carroll Avenue; then northwesterly along a line parallel the southern boundary of Lot 3 along the center line of vacated Carroll Avenue to the southern extension of the western boundary of Lot 3; thence northeasterly to the point of beginning.

**EXHIBIT "B"
DISTRICT BOUNDARY MAP**

CITY HOSPITAL POWERHOUSE CID



Approved: July 12, 2011

ORDINANCE #68952
Board Bill No. 121

An Ordinance Approving The Petition Of An Owner Of Certain Real Property To Establish A Community Improvement District, Establishing The Cheshire Annex Community Improvement District, Finding A Public Purpose For The Establishment Of The Cheshire Annex Community Improvement District, Authorizing the Execution of a Transportation Project Agreement Between The City And The Cheshire Transportation Development District, Prescribing The Form And Details Of Said Agreement, Making Certain Findings With Respect Thereto, Authorizing Other Related Actions In Connection With The TDD Project, Authorizing The Execution Of A Cooperation Agreement And Authorizing Reimbursement In Accordance Therewith, And Containing An Emergency Clause And A Severability Clause.

WHEREAS, the City is a body corporate and a political subdivision of the State of Missouri, duly created, organized and existing under and by virtue of its charter, the Constitution, and laws of the State of Missouri; and

WHEREAS, Section 67.1400 et seq, RSMo, (the "CID Act") authorizes the Board of Aldermen to approve the petitions of property owners to establish a Community Improvement District; and

WHEREAS, a petition has been filed with the City, requesting formation and establishment of the Cheshire Annex Community Improvement District (the "CID"), signed by the authorized representative of the owner of more than fifty percent by assessed value and per capita of the property located within the proposed boundaries of the CID (the "Petition"); 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

WHEREAS, a public hearing, duly noticed and conducted as required by and in accordance with the CID Act was held 9:00 a.m. on June 30, 2011, by the Board of Aldermen; and

WHEREAS, the Cheshire Transportation Development District (the "TDD") intends to undertake that certain "TDD Project" as described and defined in that certain Transportation Project Agreement (the "Transportation Project Agreement"), the form of which is attached hereto as **Appendix B**, which TDD Project will provide a benefit to the City by increasing the available supply of parking; and

WHEREAS, the City constitutes the "local transportation authority" for the purposes of the TDD Project, and as no portion of the proposed project has been or is intended to be merged into the State highways and transportation system under the jurisdiction of the Missouri Highway Transportation Commission, approval of the TDD Project is vested exclusively with the City; and

WHEREAS, the TDD Act provides that prior to construction or funding of a proposed project, such project shall be submitted to the local transportation authority for its prior approval, subject to any required revisions of such project, and the district and local transportation authority in question entering into a mutually satisfactory agreement regarding the development and future maintenance of the TDD Project; and

WHEREAS, the City hereby desires and intends to approve the TDD Project, subject to the TDD and the City entering into a mutually satisfactory agreement regarding the development and future maintenance of the TDD Project; and

WHEREAS, the City intends to enter into the Transportation Project Agreement and incorporated herein by reference, with the TDD, as a mutually satisfactory agreement regarding the development and future maintenance of the TDD Project; and

WHEREAS, the TDD Act provides that, within six months after development and initial maintenance costs of a project have been paid, the district shall transfer control and ownership of the project in question to the local transportation authority pursuant to contract; and

WHEREAS, the TDD Act intends to transfer and the City intends to accept such control and ownership pursuant to and on the terms set forth in the Transportation Project Agreement; and

WHEREAS, the Board of Aldermen hereby determines that the terms of the Transportation Agreement are acceptable, and that the execution, delivery and performance by the City and the TDD of their respective obligations are in the best interests of the City and the health, safety, morals and welfare of its residents; and

WHEREAS, pursuant to Ordinance No. 68875 the City designated a portion of the City a redevelopment area and

approved a Blighting Study and Plan (the "Redevelopment Plan") for the 7022-60 Clayton Ave. Redevelopment Area (the "Redevelopment Area") and the redevelopment project described therein (the "Redevelopment Project") to alleviate the conditions that qualify it as a "blighted area", as defined in Section 99.320(3), RSMo; and

WHEREAS, a redevelopment agreement (the "Redevelopment Agreement") will be executed by the City and CI, LLC (the "Company"); and

WHEREAS, the Company or an affiliate will expand funds in connection with the Redevelopment Project, which will benefit the Redevelopment Area and alleviate the conditions that qualify it as a "blighted area"; and

WHEREAS, the City is agreeable to assisting the Company by reimbursing the Company or an affiliate up to the Redevelopment Project costs pursuant to a Cooperation Agreement between the Company (or an affiliate) and the City (the "Cooperation Agreement"); and

WHEREAS, this Board of Alderman hereby finds that it is necessary and desirable and in the best interest of the City to enter into the Cooperation Agreement with the Company or an affiliate and to utilize funds from the Sales Tax Reimbursement Account described therein, in order to provide for the promotion of the general welfare through redevelopment of the Redevelopment Area in accordance with the Cooperation Agreement and the Redevelopment Agreement, which redevelopment includes, but is not limited to, assistance in the physical, economic, and social development of the City, providing for a stabilized population and plan for the optimal growth of the City, encouragement of a sense of community identity, safety and civic pride, the elimination of impediments to land disposition and development in the City, creation of sustainable jobs in a targeted industry, and provision of additional tax revenue to the City; and

WHEREAS, the Board of Alderman hereby determines that the terms of the Cooperation Agreement attached as **Appendix C** hereto and incorporated herein by this reference is acceptable and the execution, delivery and performance by the parties of their respective obligations under the Cooperation Agreement are in the best interests of the City and the health, safety, morals and welfare of its residents; and

WHEREAS, this Board of Aldermen hereby finds that the adoption of this ordinance is in the best interest of the City of St. Louis and that the owners of real property located within the CID, as well as the City as a whole, will benefit from the establishment of the CID and the other transactions described herein.

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

SECTION ONE.

(a) A community improvement district, to be known as the "Cheshire Annex Community Improvement District" (hereinafter referred to as the "CID"), is hereby established pursuant to the CID Act on certain real property described below to contract with a private property owner to demolish, remove, renovate, reconstruct, rehabilitate, repair and/or equip the existing building within the CID, impose a sales and use tax and carry out other functions as set forth in the Petition, which is attached hereto as **Appendix A** and incorporated herein by this reference.

(b) The CID boundaries are set forth in the Petition and are generally described as follows: the real property located at 7022-7060 Clayton Avenue and the adjacent portion of Clayton Avenue, generally bounded on the north by the southern lot line of 7001 Clayton Avenue, on the east by the western lot line of 7002 Clayton Avenue, on the south by the northern line of that vacated portion of Oakland Avenue, and on the west by the western lot line of 7060 Clayton Avenue.

SECTION TWO. The CID is authorized by the Petition, in accordance with the CID Act, to impose a tax upon retail sales within the CID to provide funds to accomplish any power, duty or purpose of the CID.

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

issued by the CID.

SECTION FOUR.

(a) Pursuant to the Petition, the CID shall be in the form of a political subdivision of the State of Missouri, known as the “Cheshire Annex Community Improvement District.”

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

(c) No earlier than one hundred and eighty (180) days and no later than ninety (90) days prior to the first day of each fiscal year, the CID shall submit to the Board of Aldermen a proposed annual budget for the CID, setting forth expected expenditures, revenues, and rates of assessments, if any, for such fiscal year. The Board of Aldermen may review and comment on this proposed budget, but if such comments are given, the Board of Aldermen shall provide such written comments no later than sixty (60) days prior to the first day of the relevant fiscal year; such comments shall not constitute requirements, but shall only be recommendations.

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

SECTION FIVE. The CID is authorized to use the funds of the CID for any of the improvements, services or other activities authorized under the CID Act.

SECTION SIX. Pursuant to the CID Act, the CID shall have all of the powers necessary to carry out and effectuate the purposes of the CID and the CID Act as set forth in the CID Act.

SECTION SEVEN. The City of St. Louis hereby finds that the uses of the CID proceeds as provided for in the Petition will serve a public purpose by remediating blight and encouraging the redevelopment of real property within the CID.

SECTION EIGHT. The property within the CID is a “blighted area” pursuant to Section 67.1401.2(3) of the CID Act because such property was blighted under Sections 99.300 to 99.715, RSMo, pursuant to Ordinance No. 68875.

SECTION NINE. Within one hundred twenty (120) days after the end of each fiscal year, the CID shall submit a report to the Register of the City and the Missouri Department of Economic Development stating the services provided, revenues collected and expenditures made by the CID during such fiscal year, and copies of written resolutions approved by the board of directors of the CID during the fiscal year. The Register shall retain this report as part of the official records of the City and shall also cause this report to be spread upon the records of the Board of Aldermen, pursuant to Section 67.1471 of the CID Act.

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

SECTION ELEVEN. Pursuant to the CID Act, the Board of Aldermen shall not decrease the level of publicly funded services in the CID existing prior to the creation of the CID or transfer the burden of providing the services to the CID unless the services at the same time are decreased throughout the City, nor shall the Board of Aldermen discriminate in the provision of the publicly funded services between areas included in the CID and areas not so included.

SECTION TWELVE. The Register shall report in writing the creation of the Cheshire Annex Community Improvement District to the Missouri Department of Economic Development.

SECTION THIRTEEN. The Petition provides that the CID shall be governed by a Board of Directors consisting of five individual directors (collectively the “Directors” and each a “Director”), such Directors to be appointed by the Mayor of the City with the consent of the Board of Aldermen, in accordance with the CID Act and the qualifications set forth in the Petition. By his approval of this ordinance, the Mayor does hereby appoint the following named individuals as Directors of the CID for the terms set forth below, and by adoption of this ordinance, the Board of Aldermen hereby consents to such appointments:

<u>Name</u>	<u>Term</u>
1. Cathy Raftery	2 years
2. Steve O'Loughlin	2 years
3. Joe Mooney	2 years
4. Craig Cobler	4 years
5. Robert O'Loughlin	4 years

SECTION FOURTEEN. The Board of Alderman hereby approves the TDD Project as submitted to the City.

SECTION FIFTEEN. The Board of Alderman further finds and determines that it is necessary and desirable to enter into the Transportation Project Agreement with the TDD in order to implement the TDD Project.

SECTION SIXTEEN. The Board of Aldermen finds and determines that the TDD Project is necessary and desirable in order to increase the supply of available parking in the City.

SECTION SEVENTEEN. The Board of Alderman hereby approves, and the Mayor and Comptroller of the City are hereby authorized and directed to execute, on behalf of the City, the Transportation Project Agreement by and between the City and the TDD in similar form to that attached hereto as **Appendix B** and incorporated herein by this reference, and the City Register is hereby authorized and directed to attest to the Transportation Project Agreement and to affix the seal of the City thereto. The Transportation Project Agreement shall be in substantially the form attached, with such changes therein as shall be approved by said Mayor and Comptroller executing the same and as may be consistent with the intent of this Ordinance and necessary and appropriate in order to carry out the matters herein authorized.

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

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

SECTION TWENTY. The Mayor and Comptroller of the City or his or her designated representatives are hereby authorized and directed to take any and all actions to execute and deliver for and on behalf of the City any and all additional certificates, documents, agreements or other instruments as may be necessary and appropriate in order to carry out the matters herein authorized, with no such further action of the Board of Alderman necessary to authorize such action by the Mayor or Comptroller or his or her designated representatives.

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

SECTION TWENTY TWO. If any section, subsection, sentence, clause, phrase or portion of this ordinance is held to be invalid or unconstitutional, or unlawful for any reason, by any court of competent jurisdiction, such portion shall be deemed and is hereby declared to be a separate, distinct and independent provision of this ordinance, and such holding or holdings shall not affect the validity of the remaining portions of this ordinance.

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

APPENDIX A

Petition to Establish the Cheshire Annex Community Improvement District
SEE ATTACHED

APPENDIX B

Form of Transportation Project Agreement
SEE ATTACHED

APPENDIX C

Form of Cooperation Agreement
SEE ATTACHED

COOPERATION AGREEMENT

THIS COOPERATION AGREEMENT (this "Cooperation Agreement") is entered into as of the ___ day of _____, 2011, by and between the City of St. Louis, Missouri (the "City"), a city and political subdivision duly organized and existing under its charter and the Constitution and laws of the State of Missouri, and ROL Capital II, LLC, a Missouri limited liability company, whose address is 111 Westport Plaza, Suite 500, St. Louis, MO 63146 (the "Company").

RECITALS

- A. Pursuant to Ordinance No. 68875 and Sections 99.300 through 99.715 of the Revised Statutes of Missouri, as amended (the "Act"), the City approved a Blighting Study and Plan for the 7022-60 Clayton Ave. Redevelopment Area (the "Plan") and approved redevelopment of 7022-7060 Clayton Avenue in the City of St. Louis, Missouri, including the redevelopment of 7022 and 7036 Clayton (the "Project Area"), which Project Area is being redeveloped into commercial uses (the "Redevelopment Project").
- B. The Redevelopment Project would not be able to be undertaken without assistance from the City, which would adversely impact the viability of the Redevelopment Project.
- C. The Redevelopment Project will alleviate the conditions that qualify the Project Area as a "blighted area", as defined in Section 99.320(3) of the Act.
- D. On _____, 2011, the City adopted Ordinance No. _____ (the "Authorizing Ordinance"), which authorized the City to enter into this Cooperation Agreement with the Company. The City is authorized to enter into this Cooperation Agreement pursuant to the provisions of Section 70.210 to 70.320 of the Revised Statutes of Missouri, as amended, and the Charter of the City.
- E. This Cooperation Agreement promotes and protects the health, safety, morals, and welfare of the public through redevelopment of the Project Area in accordance with the Cooperation Agreement and that certain redevelopment agreement between the City and CI, LLC (the "Owner"), which redevelopment includes assistance in the physical, economic, and social development of the City, providing for a stabilized population and plan for the optimal growth of the City, encouragement of a sense of community identity, safety and civic pride, the elimination of impediments to land disposition and development in the City, creation of sustainable jobs in a targeted industry, and provision of additional tax revenue to the City.

AGREEMENT

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

1. **Definitions.** For the purposes of this Cooperation Agreement the following terms shall have the following meanings:
 - (a) "Base" means the lesser of the annual amount of Sales Tax Revenue paid by Tony's and Anthony's Bar to the City from its operations at 410 Market Street in either of the two (2) calendar years preceding the date of this Cooperation Agreement.
 - (b) "Project Costs" means the costs and expenses incurred by the Company or the Owner in connection with the redevelopment of the Project Area.

- (c) "Reimbursement Period Commencement Date" means the first day of the month following the date on which a business opens in the Project Area.
- (d) "Sales Tax Revenue" means (a) the general municipal sales tax levied pursuant to Ordinance No. 62884 or any successor thereto, (b) the general municipal sales tax levied pursuant to Ordinance No. 55497, as amended by Ordinance Nos. 57179 and 57979, or any successor thereto, (c) the transportation sales tax levied pursuant to Ordinance No. 56554, or any successor thereto, (d) the capital improvements sales tax levied pursuant to Ordinance No. 62885, or any successor thereto, (e) public safety sales tax levied pursuant to Ordinance No. 67774, or any successor thereto, (f) parks and recreation sales tax levied pursuant to Ordinance No. 67195, or any successor thereto, and (g) Restaurant Gross Receipts Tax, or any successor thereto, all generated from the Project Area.
- (e) "Semi-Annual Calculation Period" means each six (6) month period during the Term commencing on January 1 and ending on June 30, and commencing on July 1 and ending on December 31.
- (f) "Term" means the period beginning on the date of this Cooperation Agreement and ending on the date that is the earlier of (i) twenty (20) years from the Reimbursement Period Commencement Date or (ii) the Company being reimbursed an amount equal to the Project Costs.
2. Creation of Sales Tax Reimbursement Account. There is hereby established an account of the Company to be held by the City, designated and named the "Sales Tax Reimbursement Account – ROL Capital II, St. Louis Missouri" (the "Sales Tax Reimbursement Account") into which there shall be deposited an amount equal to fifty percent (50%) of the Sales Tax Revenue in accordance with Section 3. The Sales Tax Reimbursement Account shall be under the custody and control of the City, subject however, to the provisions of this Cooperation Agreement and the Authorizing Ordinance.
3. Reimbursement to Company.
- (a) The City agrees, subject to annual appropriation, to reimburse the Company an amount equal to fifty percent (50%) of the Sales Tax Revenue generated during the Term, in accordance with the terms and provisions of this Cooperation Agreement.
- (b) Within sixty (60) days after the last day of each Semi-Annual Calculation Period during the Term, the City shall cause an amount equal to fifty percent (50%) of the Sales Tax Revenue to be deposited into the Sales Tax Reimbursement Account and disbursed to the Company. In the event that the amount of any disbursement is less than the amount stated to be due in the Periodic Calculation Certificate for the applicable Semi-Annual Calculation Period, the City shall provide with such disbursement an explanation of the discrepancy.
- (c) Within sixty (60) days after the last day of the second Semi-Annual Calculation Period during the Term, the City shall calculate the difference between (i) fifty percent (50%) of the Sales Tax Revenue generated within the Project Area through the second Semi-Annual Calculation Period and (ii) the Base. Notwithstanding anything contained in this Cooperation Agreement to the contrary, if such calculation shows that fifty percent (50%) of the Sales Tax Revenue generated within the Project Area through the second Semi-Annual Calculation Period is less than the Base, the amount paid to the Company pursuant to Section 3(b) shall be reduced by such difference, and such difference shall be paid from the Sales Tax Reimbursement Account to the City.
4. Annual Appropriation.
- (a) The City's obligation to appropriate an amount equal to fifty percent (50%) of the Sales Tax Revenue for deposit into the Sales Tax Reimbursement Account and to appropriate the funds on deposit from time to time in the Sales Tax Reimbursement Account shall not be construed to be a debt of the City within the meaning of Article VI, Section 26(a) of the Missouri Constitution or any other applicable constitutional or statutory limitations, nor shall anything contained herein constitute a pledge of the general credit, tax revenues, funds or moneys of the City. With regard to the obligation to pay an amount equal to fifty percent (50%) of the Sales Tax Revenue, the parties believe that this is a current expense of the City in each applicable fiscal year.
- (b) During the Term, the City covenants and agrees that with respect to each fiscal year of the City, the Budget Director or other designated representative at any time charged with the responsibility of formulating budget proposals will be directed to include in the budget proposal submitted to the City a request for an appropriation equal to fifty percent (50%) of the Sales Tax Revenue received in such fiscal year for deposit into the Sales Tax Reimbursement Account.

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

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

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

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

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

If to Company: Craig Cobler
c/o Lodging Hospitality Management
111 Westport Plaza, Suite 500
St. Louis, Missouri 63146

with a copy to: Husch Blackwell LLP
190 Carondelet Plaza, Suite 600
St. Louis, MO 63105
Attn: David M. Richardson

If to the City: City of St. Louis, Missouri
Office of the Mayor
1200 Market Street
Room 200 City Hall
St. Louis, MO 63103

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

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

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

8. Entire Agreement; Amendment; Assignment. This Cooperation Agreement constitutes the entire agreement between the parties and there are no other agreements or representations other than those contained in this Cooperation Agreement. This Cooperation Agreement may not be amended, modified or waived orally, but only by a writing signed by the party against whom

enforcement of such amendment, modification or waiver is sought. Company may assign this Cooperation Agreement to Owner or an affiliate without the consent of the City.

9. Invalid Provisions. If any one or more of the provisions of this Cooperation Agreement, or the applicability of any such provision to a specific situation, shall be held invalid or unenforceable by final non-appealable order of a court of competent jurisdiction, such provision shall be judicially modified to the minimum extent necessary to make it or its application valid and enforceable, and the validity and enforceability of all other provisions of this Cooperation Agreement and all other applications of any such provision shall not be affected thereby; provided, however, that if, in the Company's sole judgment, the invalidity or unenforceability of such provision, or the terms of such provision as modified in accordance with this section, materially diminish the likelihood that the Company will be reimbursed fifty percent (50%) of the Sales Tax Revenue, the Company shall have the right to terminate this Cooperation Agreement and be relieved of any further obligations hereunder.

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

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

12. Special Districts. The owner of the Project Area (the "Owner") anticipates creating a Transportation Development District ("TDD") and a Community Improvement District ("CID") over the Project Area and imposing one or more sales taxes through the TDD and the CID. In the event Owner demolishes the existing building within the Project Area rather than rehabilitating it, Company shall cause Owner, an affiliate, to use its best efforts to have the CID and TDD terminated, the sales taxes rescinded, and any obligations issued by the CID and TDD canceled.

13. Certification of Base. On or before December 31, 2011, the City shall deliver to the Company written certification stating the Base (with reasonable supporting documentation).

[Remainder of Page Intentionally Left Blank.]

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

CITY OF ST. LOUIS MISSOURI

By: _____
Francis G. Slay, Mayor

By: _____
Darlene Green, Comptroller

(SEAL)

Attest:

Parrie May, City Register

Approved as to Form:

Patricia A. Hageman, City Counselor

ROL Capital II, LLC

BY: _____

NAME: _____

TITLE: _____

CHESHIRE TRANSPORTATION DEVELOPMENT DISTRICT

TRANSPORTATION PROJECT AGREEMENT

THIS CHESHIRE TRANSPORTATION PROJECT AGREEMENT (this "Agreement") is made and entered into as of the ____ day of _____, 2011, by and between the CHESHIRE TRANSPORTATION DEVELOPMENT DISTRICT, a political subdivision duly organized and existing under the laws of the State of Missouri (the "TDD"), and the CITY OF ST. LOUIS, MISSOURI, a city and political subdivision duly organized and existing under its charter and the Constitution and laws of the State of Missouri (the "City").

Recitals:

A. The TDD is a political subdivision and transportation development district formed pursuant to the Missouri Transportation Development District Act, Sections 238.200 to 238.275 of the Revised Statutes of Missouri, as amended (the "TDD Act").

B. CI, LLC, a Missouri limited liability company, or an affiliate (the "Company"), is the owner of certain real property described on Exhibit A, attached hereto and incorporated herein by this reference, together with certain improvements thereon, located in the City (the "Property").

C. The TDD shall acquire from the Company a leasehold interest in a portion of the Property, upon which the Company may design, develop, and construct a TDD Project (as hereinafter defined), may cause the design, development, and construction of a TDD Project, or which may be acquired for a TDD Project.

D. The City and the TDD desire to enter into this Agreement in order to: (i) acknowledge the general economic benefit and value to the community created by the TDD Project and to provide for public access within the TDD Project on the terms set forth herein; (ii) memorialize the agreement of the City, acting in its capacity as local transportation authority (as defined in the TDD Act) regarding development and future maintenance of the TDD Project; and (iii) serve as the contract pursuant to which the TDD shall transfer control and ownership of the TDD Project to the City after the costs thereof have been paid in accordance with Section 238.275.1 of the TDD Act. The City acknowledges that it is entering into this Agreement for the overall benefit of the community and that the commitment to provide public access to the TDD Project does not constitute a specific economic benefit to the City or the TDD.

NOW, THEREFORE, in consideration of the foregoing, and for other good and valuable consideration, receipt and sufficiency of which are acknowledged, the TDD and the City hereby agree as follows:

Section 1. Definitions. In addition to the capitalized terms defined elsewhere in this Agreement and in the Recitals, the following capitalized terms used in this Agreement shall have the meanings ascribed to them in this Section.

Lease. That certain lease agreement entered into between the Company, as landlord, and the TDD, as tenant, for the TDD Project, as may be amended from time to time by the parties thereto.

Obligations. Obligations issued by the TDD or any other political subdivision to finance the TDD Project.

TDD Sublease. That certain sublease agreement entered into between the TDD, as Landlord, and the Company, as subtenant, as may be amended from time to time by the parties thereto.

TDD Project. The Transportation Project described in the Petition for the Creation of a Transportation Development District, filed in the Circuit Court of the City of St. Louis.

TDD Sales Tax. The transportation development district sales tax that the TDD is authorized to impose pursuant to Section 238.235 of the TDD Act.

Term. The period commencing on the date of execution of the Lease and, unless otherwise terminated hereunder prior thereto, continuing until the end of the calendar month that includes that date that is the later of: (i) the end of the TDD Project's reasonably expected useful life, as determined by an engineer qualified to provide engineering services in the State of Missouri; or (ii) the satisfaction in full of all Obligations.

Section 2. Access to TDD Project. The TDD shall, and shall cause its agents and contractors to, comply with any and

all applicable laws in connection with its operation of the TDD Project. Prior to the Transfer (as hereinafter defined), the TDD shall retain all operational control of the TDD Project. After the Transfer, the City shall have all operational control of the TDD Project for the duration of the Lease term, subject to any existing encumbrances.

Section 3. Transfer of Ownership and Control. The City and the TDD agree to execute an Assignment of Lease Agreement in form mutually agreeable to the parties immediately upon maturity or termination of the Obligations, by which the TDD transfers to the City its interest in the Lease for the remaining term of the Lease (the "Transfer"). The TDD and the City acknowledge that, upon execution, the transactions contemplated by the Assignment of Lease Agreement shall constitute the transfer of control and ownership of the Project as required pursuant to Section 238.275 of the TDD Act, provided that the TDD shall remain responsible for operation and maintenance of the Project even after such transfer, in accordance with Section 4 hereinafter.

Section 4. TDD Project Operation and Maintenance. Except as otherwise provided in the Lease, while the Obligations remain outstanding, the TDD shall perform, or cause to be performed, all obligations connected with or arising out of owning, occupying or using the TDD Project or any part thereof, including without limitation the payment of all expenses required for the operation of the TDD Project, including, without limitation, payment of any real or personal property taxes, assessments, payments in lieu of taxes assessed, any expenses incurred, performance of any cleaning or maintenance services required to maintain the TDD Project in good condition, and provision of any repairs for any damage to the TDD Project (the "TDD Maintenance"). The TDD agrees to operate and maintain the TDD Project in accordance with all applicable laws and regulations. Following the satisfaction in full of all Obligations, and during the remaining Term of this Agreement, the City shall be responsible for the TDD Maintenance.

Section 5. Indemnification and Release. To the extent permitted by law, the TDD agrees to indemnify, defend, and hold the City, its employees, agents, and independent contractors and consultants harmless from and against any and all suits, claims, costs of defense, damages, injuries, liabilities, and costs and/or expenses, including court costs and reasonable attorneys' fees and expenses, resulting from, arising out of, or in any way connected with: (i) the acquisition of the TDD Project, including liability under any Environmental Laws; and (ii) the negligence or willful misconduct of the TDD or its respective employees, agents or independent contractors in connection with the management, and acquisition of the TDD Project. To the extent permitted by law, the City agrees to indemnify, defend, and hold the TDD and its employees, agents, and independent contractors harmless from and against any and all suits, claims, damages, injuries, liabilities, and costs and/or expenses, including court costs and reasonable attorneys' fees and expenses, resulting from, arising out of, or in any way connected with the negligence or willful misconduct of the City, its employees, agents, and independent contractors and consultants, or arising from a default by the City of its obligations hereunder. The indemnifications set forth in this Section shall survive termination or expiration of this Agreement.

Section 6. Miscellaneous.

6.1 Representations and Warranties of the TDD. The TDD hereby represents and warrants to the City that: (i) the TDD is authorized to enter into and perform this Agreement and each agreement to be executed and performed by the TDD pursuant to this Agreement; (ii) this Agreement was duly authorized by the governing body of the TDD; and (iii) this Agreement is binding upon, and enforceable against the TDD, in accordance with its terms.

6.2 Representations and Warranties of the City. The City hereby represents and warrants to the TDD that: (i) the City is authorized to enter into and perform this Agreement and each agreement to be executed and performed by the City pursuant to this Agreement; (ii) this Agreement was duly authorized by the governing body of the City; and (iii) this Agreement is binding upon, and enforceable against the City, in accordance with its terms.

6.3 Termination. In the event that the Ordinance authorizing the execution of this Agreement shall become ineffective, then this Agreement shall terminate.

6.4 Applicable Law. This Agreement shall be taken and deemed to have been fully executed, made by the parties in, and governed by, the laws of the State of Missouri.

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

6.6 Entire Agreement; Amendment. This Agreement constitutes the entire agreement between the TDD and the City with respect to the matters herein and no other agreements or representations other than those contained in this Agreement have

been made by the parties. It supercedes all prior written or oral understandings with respect thereto. This Agreement shall be amended only in writing and effective when signed by the authorized agents of the TDD and the City.

6.7 Counterparts. This Agreement is executed in multiple counterparts, each of which shall constitute one and the same instrument.

6.7 Severability. In the event any term or provision of this Agreement is held to be unenforceable by a court of competent jurisdiction, the remainder shall continue in full force and effect to the extent the remainder can be given effect without the invalid provision, unless the unenforceable or invalid term or provision is such that a court reasonably would find that the parties, or any of them, would not have entered this Agreement without such term or provision, or would not have intended the remainder of this Agreement to be enforced without such term or provision.

6.8 Notices. Any notice, demand, or other communication required by this Agreement to be given by any party hereto to the others shall be in writing and shall be sufficiently given or delivered if dispatched by certified mail, postage prepaid, or delivered personally as follows:

In the case of the TDD: Cheshire Transportation Development District
c/o Lodging Hospitality Management
111 Westport Plaza, Suite 500
St. Louis, Missouri 63146
Attention: Craig Cobler

With a copy to: Husch Blackwell LLP
190 Carondelet Plaza, Suite 600
St. Louis, Missouri 63105
Attention: David Richardson, Esq.

In the case of the City, to: City of St. Louis
City Hall
1200 Market Street
St. Louis, Missouri 63103
Attention: Mayor, Room 200
Attention: Comptroller, Room 212

With a copy to: St. Louis Development Corporation
1015 Locust Street, Suite 1200
St. Louis, Missouri 63101
Attention: Executive Director

and

City Counselor
City of St. Louis
1200 Market Street, Room 314
St. Louis, Missouri 63103
Attention: Patricia A. Hageman

or to such other address with respect to either party as that party may, from time to time, designate in writing and forward to the other as provided in this Section.

[Signature Pages to Follow.]

IN WITNESS WHEREOF, the parties have caused this Cheshire Transportation Development District Transportation Project Agreement to be executed as of the date first written above.

**CHESHIRE TRANSPORTATION
DEVELOPMENT DISTRICT**

By: _____

_____, Chairman

ATTEST:

By: _____, Secretary

IN WITNESS WHEREOF, the parties have caused this Cheshire Transportation Development District Transportation Project Agreement to be executed as of the date first written above.

CITY OF ST. LOUIS, MISSOURI

By: Mayor

By: Comptroller

Attest:

Register

Approved as to form:

City Counselor

EXHIBIT A

LEGAL DESCRIPTION

Parcel 1:

The Western 36 feet of Lot No. 4, all of Lots No. 5, 6, 7, 8 and the Eastern 10 feet of Lot 9 in Block 'E' of Hi-Pointe, according to the plat thereof recorded in Plat Book 11 page 30 of the Recorder's Office of St Louis County, Missouri and according to the plat recorded in Plat Book 20 page 6 of the Recorder's Office of the City of St. Louis, Missouri and in Block 5429-D of the City of St. Louis, Missouri and that portion of the alley 12 feet wide and former right of way of the St. Louis Public Service Company which adjoins said Lots on the South, being partly in Block No 5429-D of the City of St. Louis, Missouri and partly in the County of St. Louis, together fronting 206 feet 1/8 inch, more or less, on the South line of Clayton Avenue, by a depth Southwardly of 192 feet, more or less, to the South line of said former right of way of the St. Louis Public Service Company and having a width thereon of 206 feet, more or less; bounded East by a line parallel with and 10.57 feet West of the East line of Lot No 4 and its direct prolongation Southwardly and West by a line parallel with and 25 feet East of the West line of Lot 9 and its direct prolongation Southwardly. Provided, however, that only that portion of Parcel 1 located in the City of St. Louis, Missouri, shall be included in the Area.

Parcel 2:

A parcel of ground lying partly in Block 5429-D of the City of St. Louis and partly in the County of St. Louis, being comprised of the western part of Lot 1, all of Lots 2, 3, 4 and 5 in Block E of Hi-Pointe part of the former right of way of the St. Louis Public Service Company, 30 feet wide as established by instrument recorded in Book 3070 page 4 of the Recorder's Office of the City of St. Louis, adjoining said Block E of Hi-Pointe on the South, and that part of an alley 12 feet wide adjoining said Lots 2 to 5 on the South, which was vacated by Ordinance No 47165 and Ordinance No 52336 of the City of St, Louis, said parcel being described as follows: Beginning at the Northwest corner of said Lot 5, thence Eastwardly along the South line of Clayton Avenue 337.07 feet to a point distant 165.56 feet West of the Intersection of the South line of Clayton Avenue with the North line of said former right of way of the St. Louis Public Service Company, thence Southwardly along the West line of property now or formerly of Alice T. Herthel and its direct prolongation Southwardly 109.52 feet, more or less, to the South line of said former right of way of the St. Louis Public Service Company, being also the South line of Lot 3 of the Subdivision of the Gratiot League Square, thence Westwardly along the South line of said former right of way 320 feet, more or less, to a point, being the intersection of said South line of said

former right of way with the direct prolongation Southwardly of the West line of Lot 5 in Block E of Hi-Pointe, thence Northwardly along the prolongation Southwardly of the West line of said Lot 5 and along the West line of said Lot 5 a distance of 191 feet, more or less, to the point of beginning. EXCEPTING THEREFROM that part conveyed to Cheshire inn Motor Hotel, Inc. by Book 5435 page 464 of the St. Louis County Records.

Parcel 3:

Lot 1W of Hulling's Re-subdivision of the Re-Subdivision of Lot 3 in Block "E" of Hi-Pointe, and in Block 5429-D of the City of St. Louis, according to the plat thereof recorded in Plat Book 62 page 1 of the City of St. Louis Records.

The Project Area shall also include that portion of Clayton Avenue which is adjacent to the above parcels, and as further depicted on the maps of the Project Area.

PETITION TO ESTABLISH

CHESHIRE ANNEX COMMUNITY IMPROVEMENT DISTRICT

**Petition to Establish a Community Improvement District
Pursuant to Sections 67.1401-67.1571 of the Revised Statutes of Missouri, as Amended**

City of St. Louis, Missouri

2011

EXHIBITS

EXHIBIT A DISTRICT LEGAL DESCRIPTION

EXHIBIT B DISTRICT BOUNDARY MAP

PETITION TO ESTABLISH CHESHIRE ANNEX COMMUNITY IMPROVEMENT DISTRICT

This Petition ("Petition") to establish a Community Improvement District within a certain limited portion of the City of St. Louis, Missouri (the "City"), is hereby submitted to the City in accordance with the Community Improvement District Act as set forth in Sections 67.1401 through 67.1571 of the Revised Statutes of Missouri, as amended (the "Act").

As set forth herein, the entity signing this Petition in accordance with the Act ("Petitioner") requests that the governing body of the City (the "Board of Aldermen") hold a public hearing and approve the Petition and establish the Community Improvement District as described herein and in accordance with the Act.

1. DESCRIPTION OF THE DISTRICT

A. Name of District

The name of the District shall be the "**Cheshire Annex Community Improvement District**" (the "District").

B. Legal Description

The District includes all of the real property (the "District Property") legally described on Exhibit A attached hereto and made a part hereof.

C. Boundary Map

A map illustrating the boundaries of the District is attached hereto and made a part hereof as Exhibit B (the "District Boundary Map").

2. PETITIONER

Based on the tax records of the City as of the date of filing this Petition, Petitioner:

- (a) collectively owns more than fifty percent (50%) by assessed value of the District Property; and
- (b) represents more than fifty percent (50%) per capita of all owners of the District Property.

3. FIVE YEAR PLAN

The five-year plan for the District shall include, but is not necessarily limited to, the following:

A. Purposes of the District

The primary purpose of the District is to provide a source of revenue to expend pursuant to a contract with a private property owner to demolish, remove, renovate, reconstruct, rehabilitate, repair and/or equip existing buildings or structures within the District to remediate the conditions that cause certain District Property to be a blighted area (the "Project"). Additionally, other purposes of the District are to:

- (a) Pledge its revenues to one or more notes or other obligations, which may be issued by the District or another public body (collectively, the "District Obligations"), secured by the tax revenues of the District ("CID Revenues"), the proceeds of said District Obligations to be used toward the payment of costs and fees of the Project, the costs of issuing the District Obligations, and to refund prior District Obligations;
- (b) Enter into contracts or other agreements in order to complete or cause completion of the Project and other purposes of the District;
- (c) Levy a retail sales and use tax in accordance with the Act (the "District Sales Tax"); and
- (e) Exercise any authorized purpose of the District pursuant to and in accordance with the Act.

B. Estimate of Costs of the Project

The estimated costs of the Project to be incurred by or on behalf of the District within five (5) years from the date of adoption of an ordinance creating the District are approximately One Million Dollars and no/100 (\$1,000,000.00). CID Revenues may also be used to finance professional fees and expenses, underwriting, and issuance costs related to the District Obligations.

C. Powers

The District shall have the powers provided for in the Act, subject to the limitations set forth herein.

D. Annual Benchmarks for the Five-Year Plan

The following annual benchmarks represent the anticipated schedule of the District and are subject to change.

2011

- Approval of ordinance establishing the District.
- Appointment of Board of Directors and approval of District Sales Tax.
- Project commences.
- Imposition and collection of District Sales Tax.

2012

- Issuance of District Obligations.
- Collect and administer District Sales Tax.
- Repayment of District Obligations or pledge of CID Revenues.
- To the extent necessary, provide support for the Project.
- Completion of the Project.

2013

- Collect and administer District Sales Tax.
- Repayment of District Obligations or pledge of CID Revenues.
- To the extent necessary, provide ongoing support for the Project.

2014

- Collect and administer District Sales Tax.
- Repayment of District Obligations or pledge of CID Revenues.
- To the extent necessary, provide ongoing support for the Project.

2015

- Collect and administer District Sales Tax.
- Repayment of District Obligations or pledge of CID Revenues.
- To the extent necessary, provide ongoing support for the Project.

4. GOVERNANCE OF THE DISTRICT

A. Type of District

The District shall be a separate political subdivision governed by a board of directors ("Board") and shall have all of the powers authorized and/or granted by the Act.

B. Board of Directors

1. Number

The District shall be governed by a Board consisting of five (5) directors (the "Directors" and each a "Director").

2. Qualifications

Each Director, during his or her term, shall meet the following requirements:

- (a) be a citizen of the United States of America;
- (b) be a Missouri resident for at least one year prior to appointment to the Board;
- (c) be at least 18 years of age; and
- (d) be either an owner of District Property or its legally authorized representative ("Owner"), or an owner of a business or its legally authorized representative operating within the District("Operator").

3. Initial Board of Directors

The initial Directors shall be appointed by the Mayor with the consent of the Board of Aldermen to serve the following staggered terms, all in accordance with Section 67.1451.5 of the Act:

Director:	Term:
First	Two (2) Years
Second	Two (2) Years
Third	Four (4) Years
Fourth	Four (4) Years
Fifth	Two (2) Years

Upon expiration of the terms of the initial Directors, successive Directors shall be appointed from a

slate approved by the Directors and by the Mayor with the consent of the Board of Aldermen in accordance with the Act.

4. Successor Directors

Successor Directors shall serve four (4) year terms on the Board and shall be appointed by the Mayor with the consent of the Board of Aldermen according to a slate submitted to the Mayor by the Board. Following submission of the slate to the Mayor:

- (a) the Mayor shall appoint the successor Directors according to the slate submitted and the Board of Aldermen shall consent to the appointment; or
- (b) the Mayor or the Board of Aldermen may reject the slate submitted and request in writing that the Board submit an alternate slate.

If an alternate slate is requested, the Board shall within 60 days following receipt of the written request submit an alternate slate to the Mayor. Following submission of the slate to the Mayor:

- (a) the Mayor shall appoint the successor Directors according to the alternate slate submitted and the Board of Aldermen shall consent to the appointment: or
- (b) the Mayor or the Board of Aldermen may reject the alternate slate submitted and request in writing that the Board submit another alternate slate.

The procedure described above shall continue until the successor Directors are appointed by the Mayor with the consent of the Board of Aldermen.

The Board shall select the slate as follows:

- (a) individuals meeting the qualifications set out in this Petition must be nominated by two sitting Directors;
- (b) the Directors shall then vote for a slate of nominees who shall consist of the number needed to fill vacancies and the seats of expiring terms; and
- (c) the slate shall consist of the nominees classified so that the Board will meet the representation requirements set out in Section 2 of this Petition.

5. REAL PROPERTY TAXES

The District shall have no power to levy a real property tax upon District Property; as such, the maximum rate of real property taxes within the District is zero.

6. SPECIAL ASSESSMENTS

The District shall have no power to levy any special assessments upon District Property; as such, the maximum rate of special assessments within the District is zero.

7. ASSESSED VALUE

As of the date of this Petition, the total assessed value of the District Property is Seven Hundred Thousand Four Hundred and 0/100 Dollars (\$700,400.00) according to the records of the City Assessor's Office.

8. SALES TAXES

Pursuant to Section 67.1545 of the Act, the District may, by resolution, impose a District sales and use tax on all retail sales made within the District which are subject to taxation pursuant to Sections 144.010 to 144.525 of the Revised Statutes of Missouri (excepting such sales as set forth in the Act), at a rate not to exceed one percent (1%).

9. BLIGHT DETERMINATION

This Petition seeks a determination that all of the District Property is a blighted area.

10. LIFE OF DISTRICT

The proposed length of time for the existence of the District is a maximum of forty (40) years following the effective date of the ordinance adopting and approving this Petition.

11. REQUEST TO ESTABLISH DISTRICT

By execution and submission of this Petition, the Petitioner requests that the Board of Aldermen hold a public hearing in accordance with Section 67.1421 of the Act and adopt an ordinance to establish the District as set out in this Petition and in accordance with the Act and this Petition.

12. NOTICE TO PETITIONER

The signature of the undersigned may not be withdrawn later than seven (7) days after this Petition is filed with the City Register of the City (acting as the "city clerk" under the Act).

13. BORROWING CAPACITY AND REVENUE GENERATION

The District shall have all powers and authority provided in the Act to borrow revenue in order to complete the Project, and to provide services and complete such improvements as are necessary and desirable to the District. The District shall have the authority, as set forth above, to levy the District Sales Tax in accordance with the Act in order to generate revenue for the District. Petitioner does not seek to limit the borrowing capacity or revenue generation of the District and anticipates the pledge of CID Revenues to District Obligations issued, to fund the Project or other purposes of the District as set forth in this Petition.

14. DISTRICT POWERS.

There shall be no limitations on the District's powers and the District shall have all powers granted under the Act.

Signature Page for Petition to Establish the Cheshire Annex Community Improvement District

The undersigned requests that the Board of Aldermen of the City of St. Louis, Missouri establish the Cheshire Annex Community Improvement District according to the preceding Petition and authorize the creation of the District.

Name of Owner: CI, LLC, a Missouri limited liability company
Owner's Telephone Number: (314) 434-9500
Owner Mailing Address: 111 Westport Plaza, Suite 500, St. Louis, MO 63146

Name of Signer: Robert O'Loughlin

State basis of legal authority to sign: Manager of RKO GM, LLC, its Manager

Signer's Telephone Number: (314) 434-9500

Signer's Mailing Address 111 Westport Plaza, Suite 500, St. Louis, MO 63146

Entity Type:

The map, parcel identification number and assessed value of the properties owned:

1. **Address:** 7022 Clayton Avenue
Parcel Number: 54291201030
Assessed Value: \$34,300.00

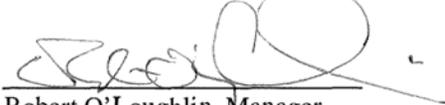
2. **Address:** 7036 Clayton Avenue

Parcel Number: 54291200100
Assessed Value: \$629,600
 3. **Address:** 7060 Clayton Avenue
Parcel Number: 54291200400
Assessed Value: \$36,500.00

By executing this Petition, the undersigned represents and warrants that he is authorized to execute this Petition on behalf of the property owner named immediately above. The undersigned also represents and warrants that he has received a copy of this Petition and its exhibits, has read this Petition and its exhibits, and authorizes this signature page to be attached to the original of this Petition to be filed in the Office of the City Register.

CI, LLC, a Missouri limited liability company

By: RKO GM, LLC, its Manager

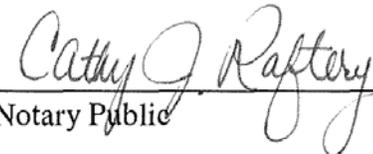
By: 
 Robert O'Loughlin, Manager

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

Before me personally appeared Robert O'Loughlin, to me personally known to be the manager of RKO GM, LLC, the manager of CI, LLC, and who executed the foregoing instrument on behalf of RKO GM, LLC, as manager of CI, LLC.

WITNESS my hand and official seal this 10th day of January, 2011.

My Commission Expires:
3-29-2012


 Notary Public

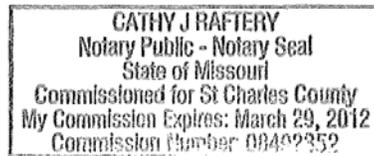


EXHIBIT "A"**DISTRICT LEGAL DESCRIPTION****CHESHIRE ANNEX COMMUNITY IMPROVEMENT DISTRICT****Parcel 1:**

The Western 36 feet of Lot No. 4, all of Lots No. 5, 6, 7, 8 and the Eastern 10 feet of Lot 9 in Block 'E' of Hi-Pointe, according to the plat thereof recorded in Plat Book 11 page 30 of the Recorder's Office of St Louis County, Missouri and according to the plat recorded in Plat Book 20 page 6 of the Recorder's Office of the City of St. Louis, Missouri and in Block 5429-D of the City of St. Louis, Missouri and that portion of the alley 12 feet wide and former right of way of the St. Louis Public Service Company which adjoins said Lots on the South, being partly in Block No 5429-D of the City of St. Louis, Missouri and partly in the County of St. Louis, together fronting 206 feet 1/8 inch, more or less, on the South line of Clayton Avenue, by a depth Southwardly of 192 feet, more or less, to the South line of said former right of way of the St. Louis Public Service Company and having a width thereon of 206 feet, more or less; bounded East by a line parallel with and 10.57 feet West of the East line of Lot No 4 and its direct prolongation Southwardly and West by a line parallel with and 25 feet East of the West line of Lot 9 and its direct prolongation Southwardly. Provided, however, that only that portion of Parcel 1 located in the City of St. Louis, Missouri, shall be included in the Area.

Parcel 2:

A parcel of ground lying partly in Block 5429-D of the City of St. Louis and partly in the County of St. Louis, being comprised of the western part of Lot 1, all of Lots 2, 3, 4 and 5 in Block E of Hi-Pointe part of the former right of way of the St. Louis Public Service Company, 30 feet wide as established by instrument recorded in Book 3070 page 4 of the Recorder's Office of the City of St. Louis, adjoining said Block E of Hi-Pointe on the South, and that part of an alley 12 feet wide adjoining said Lots 2 to 5 on the South, which was vacated by Ordinance No 47165 and Ordinance No 52336 of the City of St. Louis, said parcel being described as follows: Beginning at the Northwest corner of said Lot 5, thence Eastwardly along the South line of Clayton Avenue 337.07 feet to a point distant 165.56 feet West of the Intersection of the South line of Clayton Avenue with the North line of said former right of way of the St. Louis Public Service Company, thence Southwardly along the West line of property now or formerly of Alice T. Herthel and its direct prolongation Southwardly 109.52 feet, more or less, to the South line of said former right of way of the St. Louis Public Service Company, being also the South line of Lot 3 of the Subdivision of the Gratiot League Square, thence Westwardly along the South line of said former right of way 320 feet, more or less, to a point, being the intersection of said South line of said former right of way with the direct prolongation Southwardly of the West line of Lot 5 in Block E of Hi-Pointe, thence Northwardly along the prolongation Southwardly of the West line of said Lot 5 and along the West line of said Lot 5 a distance of 191 feet, more or less, to the point of beginning. EXCEPTING THEREFROM that part conveyed to Cheshire inn Motor Hotel, Inc. by Book 5435 page 464 of the St. Louis County Records.

Parcel 3:

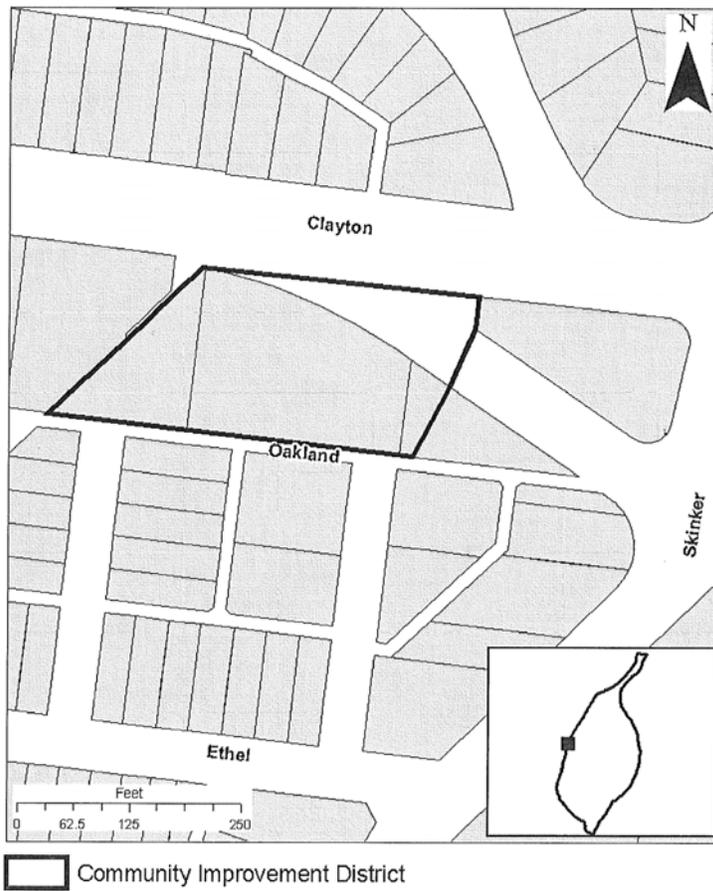
Lot 1W of Hulling's Re-subdivision of the Re-Subdivision of Lot 3 in Block "E" of Hi-Pointe, and in Block 5429-D of the City of St. Louis, according to the plat thereof recorded in Plat Book 62 page 1 of the City of St. Louis Records.

**EXHIBIT "B"
DISTRICT BOUNDARY MAP**

CHESHIRE COMMUNITY IMPROVEMENT DISTRICT

**EXHIBIT "B"
DISTRICT BOUNDARY MAP**

CHESHIRE COMMUNITY IMPROVEMENT DISTRICT



ORDINANCE #68953
Board Bill No. 122

AN ORDINANCE RECOMMENDED BY THE BOARD OF ESTIMATE AND APPORTIONMENT APPROVING THE MODIFICATION OF DOCUMENTS ENTERED INTO IN CONNECTION WITH THE POLICE CAPITAL IMPROVEMENT SALES TAX LEASEHOLD REVENUE BONDS, SERIES 2007; APPROVING AND AUTHORIZING EXECUTION OF THE FIRST SUPPLEMENTAL LEASE PURCHASE AGREEMENT AND APPROVING THE FIRST SUPPLEMENTAL DEED OF TRUST AND SECURITY AGREEMENT IN CONNECTION WITH SUCH MODIFICATION; AND AUTHORIZING CERTAIN OTHER ACTIONS IN CONNECTION WITH THE FOREGOING; AND CONTAINING A SEVERABILITY CLAUSE AND A EMERGENCY CLAUSE.

WHEREAS, the St. Louis Municipal Finance Corporation (the "Corporation") has previously issued its Police Capital Improvement Sales Tax Leasehold Revenue Bonds, Series 2007, dated as of December 1, 2007 (the "Series 2007 Bonds") in an aggregate principal amount of \$25,000,000; and

WHEREAS, in connection with the Series 2007 Bonds, the City of St. Louis, Missouri (the "City"), the Corporation and the Board of Police Commissioners of the Metropolitan Police Department of the City of St. Louis, Missouri, a state agency duly organized and existing under the laws of the State of Missouri (the "Board") have entered into that certain Lease Purchase Agreement dated as of December 1, 2007 (the "Original Lease"); and

WHEREAS, the Corporation and UMB Bank, NA, as Trustee (the "Trustee") have entered into that certain Deed of Trust and Security Agreement dated as of December 1, 2007 (the "Original Deed of Trust"); and

WHEREAS, the Corporation issued the Series 2007 Bonds pursuant to the Trust Indenture dated as of December 1, 2007, as amended by the First Supplemental Trust Indenture dated as of February 8, 2008 (collectively, the "Indenture"), between the Corporation and the Trustee, to provide funds to design, acquire, purchase, construct and install emergency management and preparedness and public health and safety projects, including (i) capital improvements located on the Premises, consisting of three police command stations (the "Premise Improvements") and improvements to other buildings owned by the Police Board (the "Other Improvements," and together with the Premises Improvements, the "Improvements") and (ii) certain communications equipment (the "Communications Property"); and

WHEREAS, due to a relocation of police headquarters to a newly acquired building ("New Police Headquarters"), not all of the line items identified in Exhibit A of the Original Lease as anticipated capital improvements to the police headquarters facilities at the time of execution and delivery of the Original Lease (the "Former Police Headquarters") have been or will be made; and

WHEREAS, the Board has requested the City and the Corporation to substitute certain improvements to be made with proceeds of the Series 2007 Bonds, in lieu of those improvements identified in the Original Lease to be made to the Former Police Headquarters, in order to fund (i) newly identified Improvements to preserve the functionality of the Communications Equipment funded with Series 2007 Bond proceeds in connection with the move of the police headquarters and (ii) other costs necessitated by the New Police Headquarters; and

WHEREAS, the additional list of capital improvements to be made at the New Police Headquarters facilities and added to "Improvements" identified in Exhibit A of the First Supplemental Lease will constitute a portion of the "Other Improvements," in lieu of the line items formerly listed in Exhibit A of the Original Lease which related to the Former Police Headquarters; and

WHEREAS, Assured Guaranty Municipal Corp. (formerly known as Financial Security Assurance Inc.) which issued its municipal bond insurance policy for the Series 2007 Bonds, has consented to the First Supplemental Lease Purchase Agreement and First Supplemental Deed of Trust, with the understanding that the parties' intent is: (i) to apply the remaining Series 2007 Bond proceeds to projects which protect the functionality of the Communications Equipment financed with the Series 2007 Bonds, (ii) to preserve the value of such Communications Equipment assets in connection with the move to New Police Headquarters, and (iii) to allow Series 2007 Bond proceeds to be applied to Improvements necessitated by the move to the New Police Headquarters to facilitate the provision of Police Board services for the public health and safety of City residents;

WHEREAS, the Corporation, the City and the Police Board desire to modify Exhibit A of the Original Lease, as permitted under Section 14.1 of the Original Lease and Section 1201 of the Indenture, with the consent of the Credit Facility Provider, the Trustee, the City, Corporation and Police Board, but without the necessity of obtaining consent of the Series 2007 Bondholders; and

WHEREAS, the Corporation and the Trustee will simultaneously make conforming modifications to Exhibit A of the Original Deed of Trust pursuant to a First Supplemental Deed of Trust (the "First Supplemental Deed of Trust"), each between the Corporation and the Trustee, granting a personal property security interest in the improvements necessitated by the New Police Headquarters, in lieu of certain line items relating to the Former Police Headquarters, as permitted by Section 601(i) of the Indenture and Section 4.2 of the Original Deed of Trust, with consent of the Credit Facility Provider, the Trustee, the City and the Police Board; and

WHEREAS, it is in the best interest of the City if the Board of Aldermen approve the First Supplemental Lease Purchase Agreement and First Supplemental Deed of Trust to effect the modifications described above, and take certain other actions in accordance with such modifications described above.

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

SECTION ONE. The Board of Aldermen hereby approves, and the Mayor and the Comptroller of the City are hereby authorized and directed to execute, on behalf of the City, the First Supplemental Lease Purchase Agreement, attached as Exhibit A to this Ordinance. The City Register is hereby authorized and directed to attest to the First Supplemental Lease Purchase Agreement and to affix the seal of the City thereto. The First Supplemental Lease Purchase Agreement shall be in substantially the form of such document attached to this Ordinance, with such changes therein as shall be approved by the Mayor and the Comptroller executing the same and as may be consistent with the intent of this Ordinance and necessary and appropriate in order to carry out the matters herein authorized.

SECTION TWO. The Mayor and the Comptroller of the City or their designated representatives are hereby authorized and directed to take any and all actions to execute and deliver for and on behalf of the City any and all additional certificates, documents, agreements or other instruments as may be necessary and appropriate in order to carry out the matters herein authorized, with no such further action of the Board of Aldermen necessary to authorize such action by the Mayor and the Comptroller or their designated representatives.

SECTION THREE. The Board of Aldermen hereby approves, and authorizes and directs the officers of the Corporation to approve and to execute the First Supplemental Lease Purchase Agreement and the First Supplemental Deed of Trust and Security Agreement, in substantially the forms presented to and approved by the Board of Aldermen at this meeting and attached as exhibits to this Ordinance and incorporated herein by reference.

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

SECTION FIVE. It is hereby declared to be the intention of the Board of Aldermen that each and every part, section and subsection of this Ordinance shall be separate and severable from each and every other part, section and subsection hereof and that the Board of Aldermen intends to adopt each said part, section and subsection separately and independently of any other part, section and subsection. In the event that any part, section or subsection of this Ordinance shall be determined to be or to have been unlawful or unconstitutional, the remaining parts, sections and subsections shall be and remain in full force and effect, unless the court making such finding shall determine that the valid portions standing alone are incomplete and are incapable of being executed in accord with the legislative intent.

SECTION 6. Emergency. The passage of this Ordinance is necessary for the immediate preservation of the public peace, health and safety; an emergency is hereby declared to exist under the terms and provisions of Article IV, Sections 19 and 20, of the Charter; and this Ordinance shall take effect immediately upon its approval by the Mayor.

EXHIBIT A

FIRST SUPPLEMENTAL LEASE PURCHASE AGREEMENT

THIS FIRST SUPPLEMENTAL LEASE PURCHASE AGREEMENT (this "First Supplemental Lease"), made and entered into as of ____ __, 2011, by and among **St. Louis Municipal Finance Corporation**, a nonprofit corporation duly organized under the Missouri Nonprofit Corporation Act, as amended (the "Corporation"), as Lessor, **the City of St. Louis, Missouri**, a municipal corporation and political subdivision in the State of Missouri (the "City"), as Lessee, and the **Board of Police Commissioners of the Metropolitan Police Department of the City of St. Louis**, an agency of the State of Missouri (the "Board"), as sublessee.

Capitalized words and terms used herein shall have the same meanings as given in Section 101 of the Indenture.

WITNESSETH:

WHEREAS, the Corporation and the Trustee have entered into that certain Lease Purchase Agreement dated as of December 1, 2007 (the "Original Lease", as supplemented and amended by this First Supplemental Lease, the "Lease"), for which a Memorandum of Lease Purchase Agreement was recorded on December 13, 2007, at Book 12132007 and Page 0178; and

WHEREAS, pursuant to the Trust Indenture dated as of December 1, 2007, as previously amended by the First Supplemental Trust Indenture dated as of February 8, 2008 (collectively, the "Indenture"), each between the Corporation and UMB Bank, N.A., as trustee (the "Trustee") the Corporation has issued its Police Capital Improvement Sales Tax Leasehold Revenue Bonds, Series 2007, dated as of December 1, 2007 (the "Series 2007 Bonds") in an aggregate principal amount of \$25,000,000; and

WHEREAS, the Series 2007 Bonds were issued to provide funds to design, acquire, purchase, construct and install emergency management and preparedness and public health and safety projects, including (i) capital improvements located on the Premises, consisting of three police command stations (the "Premise Improvements") and improvements to other buildings owned by the Police Board (the "Other Improvements," and together with the Premises Improvements, the "Improvements") and (ii) certain communications equipment (the "Communications Property");

WHEREAS, due to a relocation of police headquarters to a newly acquired building ("New Police Headquarters"), not all of the line items identified in Exhibit A of the Original Lease as anticipated capital improvements to the police headquarters facilities at the time of execution and delivery of the Original Lease (the "Former Police Headquarters") have been or will be made;

WHEREAS, the City, the Corporation and Board desire to substitute certain improvements to be made with proceeds of the Series 2007 Bonds, in lieu of those improvements identified in the Original Lease to be made to the Former Police Headquarters, in order to fund (i) newly identified Improvements to preserve the functionality of the Communications Equipment funded with Series 2007 Bond proceeds in connection with the move of the police headquarters and (ii) other costs necessitated by the New Police Headquarters;

WHEREAS, the additional list of capital improvements to be made at the New Police Headquarters facilities and added to "Improvements" identified in Exhibit A of this First Supplemental Lease will constitute a portion of the "Other Improvements," in lieu of the line items formerly listed in Exhibit A of the Original Lease which related to the Former Police Headquarters;

WHEREAS, the Corporation, the City and the Police Board desire to modify Exhibit A of the Original Lease, as permitted under Section 14.1 of the Lease and Section 1201 of the Indenture, with the consent of the Credit Facility Provider, the Trustee, the City, Corporation and Police Board and without the consent of the Series 2007 Bondholders;

WHEREAS, the Corporation and the Trustee will simultaneously make conforming modifications to the Deed of Trust and Security Agreement dated as of December 1, 2007 (the "Deed of Trust") pursuant to a First Supplemental Deed of Trust (the "First Supplemental Deed of Trust"), each between the Corporation and the Trustee, granting a personal property security interest in the improvements necessitated by the New Police Headquarters, in lieu of certain line items relating to the Former Police Headquarters, as permitted by Section 601(i) of the Indenture and Section 4.2 of the Deed of Trust, with consent of the Credit Facility Provider, the Trustee, the City and the Police Board.

NOW, THEREFORE, THIS FIRST SUPPLEMENTAL LEASE WITNESSETH, that in consideration of the premises and for other good and valuable consideration, the receipt of which is hereby acknowledged, the City, the Corporation and the Board agree as follows:

**ARTICLE I.
AMENDMENT OF EXHIBIT A OF THE LEASE**

1.1 Amendment of Exhibit A of the Lease. Exhibit A of the Original Lease is hereby deleted and replaced in its entirety with Exhibit A in the form attached hereto.

**ARTICLE II.
MISCELLANEOUS**

Section 2.1 Execution in Counterparts. This First Supplemental Lease may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 2.2 Consent of Credit Facility Provider. The Credit Facility Provider has consented to this First Supplemental Lease pursuant to Sections 601(i) and 1201 of the Indenture.

Section 2.3 Consent of the City and Police Board.

(a) By their signature below to this First Supplemental Lease, the City and the Police Board hereby consent to modification of the Deed of Trust pursuant to the First Supplemental Deed of Trust, in accordance with Section 1201 of the Indenture.

(b) By its signature below, the Police Board certifies that no prior lien has been granted to another party on the Improvements which will be added to Exhibit A of the Lease pursuant to this First Supplemental Lease.

Section 2.4 Consent of the Trustee. The Trustee has determined that this First Supplemental Lease does not materially adversely affect the interests of the Trustee or the Bondholders in accordance with Section 1201 of the Lease.

Section 2.5 Incorporation of the Original Lease. Except insofar as herein otherwise expressly provided, all the provisions, definitions, terms and conditions of the Original Lease are in all respects ratified and confirmed and the Original Lease and this First Supplemental Lease shall be read, taken and construed as one and the same instrument. No novation of the Original Lease is intended by, or shall be inferred from, this First Supplemental Lease.

Section 2.6 Execution of the First Supplemental Lease in Counterparts. This First Supplemental Lease may be executed in several counterparts, and each executed copy shall constitute an original instrument, but such counterpart shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, the **St. Louis Municipal Finance Corporation** has caused this First Supplemental Lease to be signed in its name and behalf by its President and its corporate seal to be hereunto affixed and attested by its Secretary, all as of the day first above written.

ST. LOUIS MUNICIPAL FINANCE CORPORATION

By: _____
President

(SEAL)

ATTEST:

Secretary

On this ____ day of _____, 2011, before me, the undersigned, a Notary Public, appeared _____ and _____ to me personally known, who, being by me duly sworn, did say that they are, respectively, the President and Secretary of the St. Louis Municipal Finance Corporation, a Missouri corporation, and that the seal affixed to the foregoing instrument is the corporate seal of said Corporation, and that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors, and said President and Secretary acknowledged said instrument to be executed for the purposes therein stated and as the free act and deed of said Corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

Eunetter Steele, Notary Public

My Commission Expires:

IN WITNESS WHEREOF, the **City of St. Louis, Missouri**, has caused this Lease Purchase Agreement to be signed in its name and behalf by its elected officials and its corporate seal to be hereunto affixed and attested by the City Register, all as of the day first above written.

(SEAL)

CITY OF ST. LOUIS, MISSOURI, as lessee

APPROVED AS TO FORM

By: _____
Francis G. Slay
Mayor

By: _____
Stephen J. Kovac
City Counselor

By: _____
Darlene Green
Comptroller

ATTEST:

Parrie L. May
Register

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

On this ____ day of _____, 2011, before me, the undersigned, a Notary Public, appeared FRANCIS G. SLAY and DARLENE GREEN to me personally known, who, being by me duly sworn, did say that they are, respectively, the Mayor and Comptroller of the CITY OF ST. LOUIS, MISSOURI, a Missouri municipal corporation, and that the seal affixed to the foregoing instrument is the corporate seal of said City, and that said instrument was signed and sealed on behalf of said City by authority of its Board of Aldermen, and said Mayor and Comptroller acknowledged said instrument to be executed for the purposes therein stated and as the free act and deed of said City.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

Eunetter Steele, Notary Public

My Commission Expires:

IN WITNESS WHEREOF, the **Board of Police Commissioners of the Metropolitan Police Department of the City of St. Louis**, has caused this Lease Purchase Agreement to be signed in its name and behalf by its President and its corporate seal to be hereunto affixed and attested by its Secretary, all as of the day first above written.

(SEAL)

BOARD OF POLICE COMMISSIONERS OF THE
METROPOLITAN POLICE DEPARTMENT OF THE
CITY OF ST. LOUIS, as sublessee

By: _____
Col. Chris Goodson
President

ATTEST:

Maj. Paul M. Nocchiero
Secretary

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

On this ___ day of _____, 2011, before me the undersigned, a Notary Public, appeared COL. CHRIS GOODSON, to me personally known, who, being by me duly sworn, did say that she/he is the President of the Board of Police Commissioners of the Metropolitan Police Department of the City of St. Louis, an agency of the State of Missouri, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf

of said corporation by authority of its Board of Directors, and said officer acknowledged said instrument to be executed for the purposes therein stated and as the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

Print Name: _____

Notary Public

My Commission Expires:

**EXHIBIT A TO
LEASE PURCHASE AGREEMENT**

**Legal Description of the Premises, Description of the Improvements
and Description of the Communications Property**

The following-described real estate situated in the City of St. Louis, Missouri:

Tract 1

A tract of land in U.S. Survey 3331 and in Block 4372 of the City of St. Louis, Missouri, and being more particularly described as follows:

Beginning at the intersection of the Northwest Line of Geraldine Avenue, 50.00 feet wide and the Northeast line of Margareta Avenue, 30.00 feet wide as established under the provisions of Ordinance 39867, vacating portions of said Margareta Avenue; thence Westwardly along the Northern line of Margareta 622.59 feet to its intersection with the Southeast line of Union Avenue, 100.00 feet wide and a deflection of 90 degrees 08 minutes 40 seconds to the left; thence in a Northerly direction 297.5 feet along Union Avenue to a point; thence Eastwardly along a line parallel to the Northern line of Margareta Avenue 621.56 feet to its intersection with the Northwest line of Geraldine Avenue; thence Southwest along said line 297.50 feet to the point of beginning.

Tract 2

A tract of land in block 5615 of the City of St. Louis, being more fully described as follows:

Commencing at the intersection of the Southern right of way line of Arsenal Street, 60 feet wide and the Western Right of Way line of Sublette Avenue, irregular width; thence South 3 degrees 08 minutes 55.5 seconds East along said Western line of Sublette Avenue irregular width a distance of 101.56 feet to a point; thence South 3 degrees 30 minutes 44 seconds West along said Western line of Sublette Avenue, 80 feet wide, a distance of 328.23 feet to the true point of beginning; thence South 3 degrees 30 minutes 44 seconds West along said Western line of Sublette Avenue, 80 feet wide, a distance of 339.15 feet to a point; thence North 82 degrees 21 minutes 39 seconds West along the Northern line of Veterans Homesites Subdivision recorded in Book 26, page 81, a distance of 459.69 feet to a point; thence North 9 degrees 46 minutes 25 seconds East, a distance of 354.21 feet to a point; thence South 80 degrees 13 minutes 35 seconds East, a distance of 442.39 feet to the true point of beginning.

Tract 3:

All of the following described real estate located in the City of St. Louis, State of Missouri:

Beginning at the intersection of the West right-of-way line of Jefferson Avenue, 100 feet wide, and the Northeastern right-of-way of Martin Luther King Blvd, 72 feet wide more or less, said point of beginning also being the Southeast corner of Block 966 of the City of St. Louis; thence Northerly along the West right-of-way line of Jefferson Avenue, 100 feet wide, said right-of-way line also being the East lines of Blocks 966 and 967 of the City of St. Louis a distance of 489.31 feet to an angle point in said right-of-way line; thence Northerly

along said right-of-way line of Jefferson Avenue, 100 feet wide, with a deflection to the left of 00 degrees 01 minutes 13 seconds, 55.61 feet to the intersection of said West right-of-way line of Jefferson Avenue, 100 feet wide, and the South right-of-way line of Mills Street, 60 feet wide, said intersection also being the Northeast corner of Block 967 of the City of St. Louis; thence Westerly with an angle turned to the right of 89 degrees 32 minutes 38 seconds along the South right-of-way line of Mills Street, 60 feet wide, also the North line of Block 967 of the City of St. Louis, a distance of 280.18 feet to the intersection of said South line of Mills Street, 60 feet wide, and the East line of Elliot Avenue, 60 feet wide, said intersection also being the Northwest corner of Block 967 of the City of St. Louis; thence Southerly with an angle turned to the right of 90 degrees 25 minutes 55 seconds along the East right-of-way line of Elliot Avenue, 60 feet wide, also the West line of Block 967 of the City of St. Louis, a distance of 243.06 feet to the intersection of said right-of-way line of Elliot Avenue, 60 feet wide, and the South right-of-way line of Cole Street, 60 feet wide, said intersection also being the Northwest corner of Block 966 of the City of St. Louis; thence Westerly with an angle turned to the right of 269 degrees 34 minutes 17 seconds along the South right-of-way line of Cole Street, 60 feet wide, a distance of 60.00 feet to the intersection of said Southern right-of-way line of Cole Street, 60 feet wide, and the West right-of-way line of Elliot Avenue, 60 feet wide, said intersection also being the Northeast corner of Block 980S of the City of St. Louis; thence Southerly with an angle turned to the right of 90 degrees 25 minutes 43 seconds along the West right-of-way line of Elliot Avenue as vacated by Ordinance No. 61244, also the East line of Block 9805 of the City of St. Louis, a distance of 204.64 feet to the intersection of the West right-of-way line of Elliot Avenue as vacated by Ordinance Number 61244, and the Northeastern right-of-way line of Martin Luther King Blvd., 72 feet wide more or less, said intersection also being the Southeast corner of Block 980S of the City of St. Louis; thence Southeasterly with an angle turned to the right of 105 degrees 34 minutes 05 seconds, along the Northeastern right-of-way line of Martin Luther King Blvd., 72 feet wide more or less, also the Southern line of Block 966 of the City of St. Louis, a distance of 352.17 feet to the point of beginning.

Description of Improvements

Type	Location	Description
Roof	Fleet	Roof replacement for Fleet Services Building
Roof	Academy	Roof replacement for Police Academy Building
HVAC	Area Stations	Upgrade inside and outside HVAC equipment at 3 Area Stations
HazMat		
Abatement	Academy	Hazardous Material Abatement in Academy buildings
Roof	Area Stations	Replace roofs -- area stations
HVAC	Academy	Upgrade HVAC system -- Academy
HVAC	Patrol Support	Upgrade HVAC system -- Patrol Support
Electrical	Academy	Upgrade electrical service -- Academy
Plumbing	Academy	Upgrade plumbing -- Academy
Space Renovations	Academy	Space renovation -- Academy
Elevator	Academy	Renovate elevator -- Academy
Exterior	Academy	Maintenance to exterior -- Academy
Plumbing	Area Stations	Upgrade plumbing -- Area Stations
Electrical	Area Stations	Upgrade electrical service -- Area Stations
Plumb./Elect.	Patrol Support	Upgrade plumbing/electrical -- Patrol Support
HVAC	Communications	Upgrade HVAC -- Communications building
Exterior	Supply	Repairs -- exterior Supply
Barrier Wall	Range	Repairs -- Range Barrier Wall
Contingency	Contingency	10% Contingency
Communication		
Equipment		
Functionality	New Headquarters	Relocation or rebuilding of Microwave Tower atop current Headquarters building needed for radio equipment
Communication		
Equipment		
Functionality	New Headquarters	Relocation of 7th floor Communications Controller equipment from 7th floor of current Headquarters building to run radio equipment
Renovation/ Buildout	New Headquarters	Additional improvements to new Headquarters building

Description of Communications Property

ITEMIZED LISTING FOR COMMUNICATION EQUIPMENT

Description	Quantity	Item Description
<i>Infrastructure Equipment</i>		
	2	Controllers
	69	Base Stations
		Networking Equipment
	23	Comparators
	26	GPS
	6-Mar	Combiner/Mutlicoupler
	19	Consoles
		Upgrades
		Tower/Building/Generator/Wiring/Grounding Halo at N. Patrol/
		Back Haul
		Consoles in New Proposed PSAP
 Subscriber Equipment		
	836	XTS5000 Digital Portable Radio
	742	XTL 5000 Digital Mobile Radio
	1068	XTS1500 Digital Portable Radio
	715	XTL1500 Digital Mobile Radio
	300	XTS 3000 Upgrade
	12	Vehicular Repeaters for Fire
 Implementation		
		Factory Staging
		Installation and Optimization
		Acceptance Testing
		Training
		Project Management
		System Engineering

EXHIBIT B**FIRST SUPPLEMENTAL DEED OF TRUST AND SECURITY AGREEMENT**

THIS FIRST SUPPLEMENTAL DEED OF TRUST AND SECURITY AGREEMENT (this "First Supplemental Deed of Trust"), made and entered into as of _____, 2011, from the **St. Louis Municipal Finance Corporation**, a nonprofit corporation duly organized under the Missouri Nonprofit Corporation Act, as amended (the "Corporation"), as Grantor, to **Anthony L. Gosserand**, as Grantee, for the benefit of **UMB Bank, N.A.**, a national banking association duly organized and existing under the laws of the United States of America having its principal office located at 2 S. Broadway, St. Louis, Missouri 63101 (the "Bond Trustee"), and its successors and assigns, as trustee under the Trust Indenture dated as of December 1, 2007, as heretofore amended and supplemented (the "Indenture"), between the Grantor and the Bond Trustee for the benefit of the Bondholders. Capitalized words and terms used herein shall have the same meanings as given in Section 101 of the Indenture.

WITNESSETH:

WHEREAS, the Corporation and the Trustee have entered into that certain Deed of Trust and Security Agreement dated as of December 1, 2007 (the "Original Deed of Trust", as supplemented by this First Supplemental Deed of Trust, the "Deed of Trust"), which was recorded on December 13, 2007, at Book 12132007 and Page 0175;

WHEREAS, pursuant to the Indenture, the Corporation has issued its Police Capital Improvement Sales Tax Leasehold Revenue Bonds, Series 2007, dated as of December 1, 2007 (the "Series 2007 Bonds") in an aggregate principal amount of

\$25,000,000;

WHEREAS, the Series 2007 Bonds were issued to provide funds to design, acquire, purchase, construct and install emergency management and preparedness and public health and safety projects, including (i) capital improvements located on the Premises, consisting of three police command stations (the "Premise Improvements") and improvements to other buildings owned by the Police Board (the "Other Improvements," and together with the Premises Improvements, the "Improvements") and (ii) certain communications equipment (the "Communications Property");

WHEREAS, due to a relocation of police headquarters to a newly acquired building ("New Police Headquarters"), not all of the line items identified in Exhibit A of the Lease as anticipated capital improvements to the police headquarters facilities at the time of execution and delivery of the Lease (the "Former Police Headquarters") have been or will be made;

WHEREAS, the City, the Corporation and Board desire to substitute certain improvements to be made with proceeds of the Series 2007 Bonds, in lieu of those improvements identified in the Lease to be made to the Former Police Headquarters, in order to fund (i) newly identified Improvements to preserve the functionality of the Communications Equipment funded with Series 2007 Bond proceeds in connection with the move of the police headquarters and (ii) other costs necessitated by the New Police Headquarters;

WHEREAS, the additional list of capital improvements to be made at the New Police Headquarters facilities and added to "Improvements" identified in Exhibit B of this First Supplemental Deed of Trust will constitute a portion of the "Other Improvements," in lieu of the line items formerly listed in Exhibit B of the Original Deed of Trust which related to the Former Police Headquarters;

WHEREAS, the Corporation and the Trustee desire to modify Exhibit B of the Original Deed of Trust, granting a personal property security interest in the improvements necessitated by the New Police Headquarters, in lieu of certain line items relating to the Former Police Headquarters, as permitted by Section 601(i) of the Indenture and Section 4.2 of the Deed of Trust, with the consent of the Credit Facility Provider, the Trustee, the City and the Police Board and without the consent of the Series 2007 Bondholders; and

WHEREAS, the Corporation and the Trustee will simultaneously make conforming modifications to Exhibit A of the Lease, as permitted under Section 14.1 of the Lease and Section 1201 of the Indenture, with the consent of the Credit Facility Provider, the Trustee, the City, Corporation and Police Board and without the consent of the Series 2007 Bondholders.

NOW, THEREFORE, THIS FIRST SUPPLEMENTAL DEED OF TRUST WITNESSETH, that in consideration of the premises and for other good and valuable consideration, the receipt of which is hereby acknowledged, the Corporation and the Trustee agree as follows:

**ARTICLE III.
AMENDMENT OF EXHIBIT B OF THE DEED OF TRUST**

Section 1.1 Amendment of Exhibit B of the Deed of Trust. Exhibit B of the Original Deed of Trust is hereby deleted and replaced in its entirety with Exhibit B in the form attached hereto.

**ARTICLE IV.
MISCELLANEOUS**

Section 2.1 Consent of Credit Facility Provider. The Credit Facility Provider has consented to this First Supplemental Deed of Trust and the First Supplemental Lease pursuant to Sections 601(i) and 1201 of the Indenture.

Section 2.2 Consent of the City and Police Board. The City and the Police Board have consented to this First Supplemental Deed of Trust in accordance with Section 4.2 of the Deed of Trust, pursuant to provisions of the First Supplemental Lease.

Section 2.3 Consent of the Trustee. The Trustee hereby certifies as follows:

(a) The Trustee has determined that the First Supplemental Lease and this First Supplemental Deed of Trust do not materially adversely affect the interests of the Trustee or the Bondholders in accordance with Section 1201 of the Indenture.

(b) The Trustee hereby acknowledges receipt of all documents and materials in form and substance satisfactory to

Trustee to permit the First Supplemental Deed of Trust and the First Supplemental Lease, including the following: (i) a copy of the First Supplemental Lease; (ii) consent of the Credit Facility Provider, and (iii) an opinion of King Hershey, PC, Special Counsel, meeting the requirements of Section 1203 of the Indenture.

(c) By its execution of the acknowledgement to this First Supplemental Deed of Trust, the Trustee hereby consents to the First Supplemental Lease and confirms and agrees that (a) all conditions set forth in Section 1201 of the Indenture, Section 14.1 of the Lease and Section 4.2 of the Deed of Trust for the modification of such instruments have been satisfied.

Section 2.4 Incorporation of the Original Deed of Trust. Except insofar as herein otherwise expressly provided, all the provisions, definitions, terms and conditions of the Original Deed of Trust are in all respects ratified and confirmed and the Original Deed of Trust and this First Supplemental Deed of Trust shall be read, taken and construed as one and the same instrument.

Section 2.5. Filing and Recording. In accordance with the Original Deed of Trust, Grantor will, forthwith after the execution and delivery of this First Supplemental Deed of Trust and thereafter from time to time, cause this First Supplemental Deed of Trust and any financing statements in respect thereof to be delivered to the Bond Trustee to be filed, registered and recorded in such manner and in such places as may be required by law in order to publish notice of and fully to protect the lien of the Deed of Trust as amended by this First Supplemental Deed of Trust. The liens granted in the Original Deed of Trust are hereby ratified and confirmed as continuing to secure the payment of the indebtedness described therein. Nothing herein shall in any manner diminish, impair or extinguish the indebtedness under the Indenture or the liens securing such indebtedness. No novation of the Original Deed of Trust is intended by, or shall be inferred from, this First Supplemental Deed of Trust.

Section 2.6 Execution of the First Supplemental Deed of Trust in Counterparts. This First Supplemental Deed of Trust may be executed in several counterparts, and each executed copy shall constitute an original instrument, but such counterpart shall together constitute but one and the same instrument.

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

IN WITNESS WHEREOF, Grantor has executed and delivered this First Supplemental Deed of Trust as of the day and year first above written.

ST. LOUIS MUNICIPAL FINANCE CORPORATION, as Grantor

By: _____
President

(SEAL)

ATTEST

Secretary

The Trustee acknowledges this First Supplemental Deed of Trust and agrees with the certifications of the Trustee as set forth therein.

UMB BANK, N.A.
as Trustee

By: _____
Name: _____
Title: _____

ATTEST:

By: _____
Name: _____
Title: _____

ACKNOWLEDGMENT

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

On this _____ day of _____, 2011, before me, a Notary Public in and for said State, personally appeared _____, who acknowledged herself to be the President of **ST. LOUIS MUNICIPAL FINANCE CORPORATION**, and _____ who acknowledged himself to be the Secretary of **ST. LOUIS MUNICIPAL FINANCE CORPORATION**, a nonprofit corporation duly organized and existing under the laws of the State of Missouri, and that they, as such officers are authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the Authority by themselves as said officers.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

Eunetter Steele, Notary Public

My Commission Expires:

ACKNOWLEDGMENT

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

On this _____ day of _____, 2011, before me, the undersigned, a Notary Public, appeared _____, who, being before me duly sworn, did say he is a Vice President of **UMB BANK, N.A.**, a national banking association organized and existing under the laws of the United States of America, and that the seal affixed to the foregoing instrument is the official seal of said trust company, and that said trust company, and that said instrument was signed and sealed on behalf of said trust company by authority of its Board of Directors, and said officer acknowledged said instrument to be executed for the purposes therein stated and as the free act and deed of said trust company.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year last above written.

Printed Name: _____
Notary Public in and for said State

My Commission Expires:

EXHIBIT A

**PROPERTY DESCRIPTION
(PREMISES)**

Tract 1

A tract of land in U.S. Survey 3331 and in Block 4372 of the City of St. Louis, Missouri, and being more particularly described as follows:

Beginning at the intersection of the Northwest Line of Geraldine Avenue, 50.00 feet wide and the Northeast line of Margareta Avenue, 30.00 feet wide as established under the provisions of Ordinance 39867, vacating portions of said Margareta Avenue; thence Westwardly along the Northern line of Margareta 622.59 feet to its

intersection with the Southeast line of Union Avenue, 100.00 feet wide and a deflection of 90 degrees 08 minutes 40 seconds to the left; thence in a Northerly direction 297.5 feet along Union Avenue to a point; thence Eastwardly along a line parallel to the Northern line of Margareta Avenue 621.56 feet to its intersection with the Northwest line of Geraldine Avenue; thence Southwest along said line 297.50 feet to the point of beginning.

Tract 2

A tract of land in block 5615 of the City of St. Louis, being more fully described as follows:

Commencing at the intersection of the Southern right of way line of Arsenal Street, 60 feet wide and the Western Right of Way line of Sublette Avenue, irregular width; thence South 3 degrees 08 minutes 55.5 seconds East along said Western line of Sublette Avenue irregular width a distance of 101.56 feet to a point; thence South 3 degrees 30 minutes 44 seconds West along said Western line of Sublette Avenue, 80 feet wide, a distance of 328.23 feet to the true point of beginning; thence South 3 degrees 30 minutes 44 seconds West along said Western line of Sublette Avenue, 80 feet wide, a distance of 339.15 feet to a point; thence North 82 degrees 21 minutes 39 seconds West along the Northern line of Veterans Homesites Subdivision recorded in Book 26, page 81, a distance of 459.69 feet to a point; thence North 9 degrees 46 minutes 25 seconds East, a distance of 354.21 feet to a point; thence South 80 degrees 13 minutes 35 seconds East, a distance of 442.39 feet to the true point of beginning.

Tract 3:

All of the following described real estate located in the City of St. Louis, State of Missouri:

Beginning at the intersection of the West right-of-way line of Jefferson Avenue, 100 feet wide, and the Northeastern right-of-way of Martin Luther King Blvd, 72 feet wide more or less, said point of beginning also being the Southeast corner of Block 966 of the City of St. Louis; thence Northerly along the West right-of-way line of Jefferson Avenue, 100 feet wide, said right-of-way line also being the East lines of Blocks 966 and 967 of the City of St. Louis a distance of 489.31 feet to an angle point in said right-of-way line; thence Northerly along said right-of-way line of Jefferson Avenue, 100 feet wide, with a deflection to the left of 00 degrees 01 minutes 13 seconds, 55.61 feet to the intersection of said West right-of-way line of Jefferson Avenue, 100 feet wide, and the South right-of-way line of Mills Street, 60 feet wide, said intersection also being the Northeast corner of Block 967 of the City of St. Louis; thence Westerly with an angle turned to the right of 89 degrees 32 minutes 38 seconds along the South right-of-way line of Mills Street, 60 feet wide, also the North line of Block 967 of the City of St. Louis, a distance of 280.18 feet to the intersection of said South line of Mills Street, 60 feet wide, and the East line of Elliot Avenue, 60 feet wide, said intersection also being the Northwest corner of Block 967 of the City of St. Louis; thence Southerly with an angle turned to the right of 90 degrees 25 minutes 55 seconds along the East right-of-way line of Elliot Avenue, 60 feet wide, also the West line of Block 967 of the City of St. Louis, a distance of 243.06 feet to the intersection of said right-of-way line of Elliot Avenue, 60 feet wide, and the South right-of-way line of Cole Street, 60 feet wide, said intersection also being the Northwest corner of Block 966 of the City of St. Louis; thence Westerly with an angle turned to the right of 269 degrees 34 minutes 17 seconds along the South right-of-way line of Cole Street, 60 feet wide, a distance of 60.00 feet to the intersection of said Southern right-of-way line of Cole Street, 60 feet wide, and the West right-of-way line of Elliot Avenue, 60 feet wide, said intersection also being the Northeast corner of Block 980S of the City of St. Louis; thence Southerly with an angle turned to the right of 90 degrees 25 minutes 43 seconds along the West right-of-way line of Elliot Avenue as vacated by Ordinance No. 61244, also the East line of Block 9805 of the City of St. Louis, a distance of 204.64 feet to the intersection of the West right-of-way line of Elliot Avenue as vacated by Ordinance Number 61244, and the Northeastern right-of-way line of Martin Luther King Blvd., 72 feet wide more or less, said intersection also being the Southeast corner of Block 980S of the City of St. Louis; thence Southeasterly with an angle turned to the right of 105 degrees 34 minutes 05 seconds, along the Northeastern right-of-way line of Martin Luther King Blvd., 72 feet wide more or less, also the Southern line of Block 966 of the City of St. Louis, a distance of 352.17 feet to the point of beginning.

EXHIBIT B

CHATTEL PROPERTY

Description of Improvements

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		Tower/Building/Generator/Wiring/Grounding Halo at N. Patrol/
		Back Haul
		Consoles in New Proposed PSAP

Subscriber Equipment

836	XTS5000 Digital Portable Radio
742	XTL 5000 Digital Mobile Radio
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300	XTS 3000 Upgrade
12	Vehicular Repeaters for Fire

Implementation

- Factory Staging
- Installation and Optimization
- Acceptance Testing
- Training
- Project Management
- System Engineering

Approved: July 20, 2011