

**ORDINANCE #68977**  
**Board Bill No. 115**

An Ordinance Affirming Adoption Of A Redevelopment Plan, Redevelopment Area and Redevelopment Project; Authorizing The Execution Of Redevelopment Agreements Between The City Of St. Louis And Carondelet TIF, Inc.; Prescribing The Form And Details Of Each Said Agreement; Designating Carondelet TIF, Inc. As Developer Of The Redevelopment Area; Making Certain Findings With Respect Thereto; Authorizing Other Related Actions In Connection With The Redevelopment Of Certain Property Within The Redevelopment Area; And Containing 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**, on December 20, 1991, pursuant to Ordinance No. 62477, the Board of Aldermen of the City created the Tax Increment Financing Commission of the City of St. Louis, Missouri (the "TIF Commission"); and

**WHEREAS**, the City of St. Louis, Missouri (the "City"), is a body corporate and 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**, the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 through 99.865, Revised Statutes of Missouri, (the "TIF Act" or "Act"), authorizes the City to undertake redevelopment projects within designated areas of the City; and

**WHEREAS**, on June 4, 2008, the TIF Commission found that completion of the Redevelopment Project (as hereinafter defined) would provide a substantial and significant public benefit through the elimination of blighting conditions, the strengthening of the employment and economic base of the City, increased property values and tax revenues, stabilization of the Redevelopment Area, preservation of historic structures, facilitation of the economic stability of the City as a whole, and further found that without the assistance of tax increment financing in accordance with the TIF Act, the Redevelopment Project is not financially feasible and would not otherwise be completed; and

**WHEREAS**, pursuant to the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 through 99.865 of the Revised Statutes of Missouri (2000), as amended (the "Act" or "TIF Act"), and after due consideration of the TIF Commission's recommendations, the Board of Aldermen of the City of St. Louis, Missouri adopted Ordinance No. 68092 [Board Bill No. 153], which Ordinance: (i) adopted and approved the Redevelopment Plan entitled the South Carondelet District #3 Redevelopment Plan (as amended, the "Redevelopment Plan"), (ii) affirmed the designation of the Redevelopment Area (as described in the Redevelopment Plan) as a "redevelopment area" as that term is defined in the TIF Act, (iii) adopted and approved the Redevelopment Project described in the Redevelopment Plan with respect to the Redevelopment Area, (iv) adopted tax increment allocation financing within the Redevelopment Area, and (v) made certain findings with respect thereto, all as set forth in such Ordinance and in accordance with the requirements of the Act; and

**WHEREAS**, the Redevelopment Plan proposes to redevelop the Redevelopment Area by the rehabilitation of existing buildings and construction of new improvements into a mix of residential and commercial space, as set forth in the Redevelopment Plan (the "Redevelopment Project," or "TIF Project"); and

**WHEREAS**, Ordinance No. 68093 previously designated Carondelet TIF, Inc. ("Developer") as developer of the Redevelopment Area, and authorized the City to enter into an agreement with Developer with respect to the Redevelopment Project; and

**WHEREAS**, the City and the Developer now desire to provide for the completion of the Redevelopment Project in two separate phases (each a "Phase" and collectively, the "Phases"), such phases being "Phase 1" and "Phase 2", and to enter into two separate agreements, each relating to a Phase of the Redevelopment Project; and

**WHEREAS**, the Board of Aldermen has determined that completion of the Redevelopment Project is of economic significance to the City, will serve to benefit the general welfare, qualifies for the use of tax increment allocation financing to alleviate the conditions that qualify the Redevelopment Area as a "redevelopment area" as provided in the TIF Act, and further, that redevelopment of the Redevelopment Area in accordance with the Redevelopment Plan is not financially feasible without the adoption of tax increment allocation financing and would not otherwise be completed; and

**WHEREAS**, the Redevelopment Area qualifies for the use of tax increment allocation financing to alleviate the conditions that qualify it as a "blighted area" as provided in the TIF Act and as set forth herein; and

**WHEREAS**, it is necessary and desirable and in the best interest of the City to enter into (i) a Redevelopment Agreement with Developer with respect to the redevelopment of Phase 1 of the Redevelopment Project, and (ii) a Redevelopment Agreement with Developer with respect to the redevelopment of Phase 2 of the Redevelopment Project, in order that Developer may complete the Redevelopment Project which will provide for the promotion of the general welfare through redevelopment of Redevelopment Area in accordance with the Redevelopment Plan which redevelopment includes, but is not limited to, assistance in the physical, economic, and social development of the City of St. Louis, encouragement of a sense of community identity, safety and civic pride and the elimination of impediments to land disposition and development in the City of St. Louis; and

**WHEREAS**, pursuant to the provisions of the TIF Act, the City is authorized to enter into (i) a redevelopment agreement with Developer setting forth the respective rights and obligations of the City and Developer with regard to the redevelopment of Phase 1 of the Redevelopment Area (the "Phase 1 Redevelopment Agreement"); and (ii) a redevelopment agreement with Developer, setting forth the respective rights and obligations of the City and Developer with regard to the redevelopment of Phase 2 of the Redevelopment Area (the "Phase 2 Redevelopment Agreement"; the Phase 1 Redevelopment Agreement and the Phase 2 Redevelopment Agreement being collectively, the "Redevelopment Agreements"); and

**WHEREAS**, the Board of Aldermen hereby determines that the terms of the Redevelopment Agreements attached as **Exhibit A** and **Exhibit B** hereto and incorporated herein by reference are acceptable and that the execution, delivery and performance by the City and the Developer of their respective obligations under the Redevelopment Agreements are in the best interests of the City and the health, safety, morals and welfare of its residents, and in accord with the public purposes specified in the TIF Act and the Redevelopment Plan.

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

**SECTION ONE.** The Board of Aldermen hereby ratifies and confirms its approval of the Redevelopment Plan, Redevelopment Area, and Redevelopment Project. The Board of Aldermen further designates Developer as developer of Phase 1 and Phase 2 of the Redevelopment Project, and finds and determines that it is necessary and desirable to enter into (a) the Phase 1 Redevelopment Agreement and (b) the Phase 2 Redevelopment Agreement, in order to implement the Redevelopment Project and to enable the Developer to carry out its proposal for development of the Redevelopment Project.

**SECTION TWO.** The Board of Aldermen finds and determines that the assistance of tax increment financing is necessary and desirable in order to implement the Redevelopment Project and to enable Developer to carry out its proposal for development of the Redevelopment Project.

**SECTION THREE.** 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 Redevelopment Agreement by and between the City and the Developer attached hereto as **Exhibit A** and **Exhibit B**, and the City Register is hereby authorized and directed to attest to the Redevelopment Agreements and to affix the seal of the City thereto. The Redevelopment Agreements shall be in substantially the forms 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 FOUR.** The Mayor and Comptroller of the City or their designated representatives are hereby authorized and directed to take any and all actions to execute and deliver for and on behalf of the City any and all additional certificates, documents, agreements or other instruments as may be necessary and appropriate in order to carry out the matters herein authorized, with no such further action of the Board of Aldermen necessary to authorize such action by the Mayor and the Comptroller or their designated representatives.

**SECTION FIVE.** The Mayor and the 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 and the Comptroller or their designated representatives.

**SECTION SIX.** 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 SEVEN.** After adoption of this Ordinance by the Board of Aldermen, this Ordinance shall become effective on the 30th day after its approval by the Mayor or adoption over his veto; *provided that* if, within ninety (90) days after the effective date of this Ordinance, the Developer has not (i) executed a redevelopment agreement pertaining to Phase 1 of the Redevelopment Project and (ii) paid all fees due to the City in accordance with the terms of the Phase 1 Redevelopment Agreement, the provisions of this Ordinance shall be deemed null and void and of no effect and all rights conferred by this Ordinance on Developer, shall terminate, *provided further*, however, that prior to any such termination the Developer may seek an extension of time in which to execute the Phase 1 Redevelopment Agreement, which extension may be granted in the sole discretion of the Board of Estimate and Apportionment of the City of St. Louis.

**EXHIBIT A**

**Phase 1 Redevelopment Agreement**

**EXHIBIT B**

**Phase 2 Redevelopment Agreement**

**REDEVELOPMENT AGREEMENT  
Between the  
CITY OF ST. LOUIS, MISSOURI  
And  
CARONDELET TIF, INC.**

**Dated as of**

\_\_\_\_\_, 20\_\_

**SOUTH CARONDELET DISTRICT #3 REDEVELOPMENT PROJECT – PHASE 1**

**ARTICLE 1. DEFINITIONS ..... 2**

    1.1 Definitions ..... 2

**ARTICLE 2. ACCEPTANCE OF PROPOSAL ..... 11**

    2.1 Developer Designation ..... 11

    2.2 Developer to Advance Costs ..... 11

**ARTICLE 3. CONSTRUCTION OF PHASE 1 ..... 12**

    3.1 Acquisition of Property ..... 12

    3.2 Condemnation ..... 12

    3.3 Relocation ..... 12

    3.4 Developer to Construct the Work ..... 12

    3.5 Governmental Approvals ..... 12

    3.6 Construction Plans; Changes ..... 13

    3.7 Certificate of Commencement of Construction ..... 13

    3.8 Certificate of Substantial Completion ..... 13

**ARTICLE 4. REIMBURSEMENT OF DEVELOPER COSTS ..... 14**

    4.1 City’s Obligation to Reimburse Developer ..... 14

    4.2 Reimbursements Limited to Reimbursable Redevelopment Project Costs; Developer’s Right to Substitute ..... 14

4.3	Cost Savings and Excess Profits .....	15
4.4	Condominium Conversion .....	16
4.5	City's Obligations Limited to Special Allocation Fund and Bond Proceeds .....	17
<b>ARTICLE 5.</b>	<b>TIF OBLIGATIONS .....</b>	<b>18</b>
5.1	Conditions Precedent to the Issuance of TIF Notes .....	18
5.2	Issuance of TIF Notes .....	18
5.3	Issuance of TIF Bonds .....	19
5.4	Application of TIF Bond Proceeds .....	20
5.5	Cooperation in the Issuance of TIF Obligations .....	20
5.6	Subordinate Notes .....	21
5.7	City to Select Underwriter and Financial Advisor; Term and Interest Rate .....	21
<b>ARTICLE 6.</b>	<b>SPECIAL ALLOCATION FUND; COLLECTION AND USE OF TIF REVENUES .....</b>	<b>21</b>
6.1	Creation of Special Allocation Fund .....	21
6.2	Certification of Base for PILOTS and EATS .....	22
6.3	Application of Available Revenues .....	22
6.4	Cooperation in Determining TIF Revenues .....	23
6.5	Obligation to Report TIF Revenues .....	23
6.6	Notice to City of Transfer .....	23
<b>ARTICLE 7.</b>	<b>GENERAL PROVISIONS .....</b>	<b>23</b>
7.1	Developer's Right of Termination .....	23
7.2	City's Right of Termination .....	23
7.3	Successors and Assigns .....	23
7.4	Remedies .....	25
7.5	Force Majeure .....	25
7.6	Notices .....	25
7.7	Conflict of Interest .....	27
7.8	Damage or Destruction of Phase 1 .....	27
7.9	Inspection .....	28
7.10	Choice of Law .....	28
7.11	Entire Agreement; Amendment .....	28
7.12	Counterparts .....	28
7.13	Severability .....	28
7.14	Representatives Not Personally Liable .....	28
7.15	Attorney's Fees .....	28
7.16	Actions Contesting the Validity and Enforceability of the Redevelopment Plan .....	28
7.17	Release and Indemnification .....	29
7.18	Survival .....	30
7.19	Maintenance of the Property .....	30
7.20	Non-Discrimination .....	30
7.21	Fair Employment .....	31
7.22	MBE/WBE Compliance .....	31
<b>ARTICLE 8.</b>	<b>REPRESENTATIONS OF THE PARTIES .....</b>	<b>31</b>
8.1	Representations of the City .....	31
8.2	Representations of the Developer .....	31
EXHIBIT A	Legal Description of the Redevelopment Area	
EXHIBIT B	Reimbursable Redevelopment Project Costs	
EXHIBIT C	Form of Certificate of Commencement of Construction	
EXHIBIT D	Form of Certificate of Reimbursable Redevelopment Project Costs	
EXHIBIT E	Form of Certificate of Substantial Completion	
EXHIBIT F	Equal Opportunity and Nondiscrimination Guidelines	

EXHIBIT G Form of MBE/WBE Subcontractor's List  
EXHIBIT H Form of MBE/WBE Utilization Statement

### REDEVELOPMENT AGREEMENT

**THIS REDEVELOPMENT AGREEMENT** (this "Agreement") is made and entered into as of this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_, 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 **CARONDELET TIF, INC.**, a corporation duly incorporated and existing under the laws of the State of Missouri (the "Developer"). (All capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in **Article I** of this Agreement.)

### RECITALS

A. Pursuant to Ordinance No. 62477, adopted and approved on December 20, 1991, the Board of Aldermen duly formed the Tax Increment Financing Commission of the City of St. Louis, Missouri (the "TIF Commission"), in accordance with the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 through 99.865 of the Revised Statutes of Missouri, (2000) (the "TIF Act"), and empowered the TIF Commission to transact business and exercise its powers as authorized by the TIF Act.

B. The City published a notice on April 26, 2008 and May 3, 2008 in the St. Louis Daily Record, a newspaper of general circulation within the City, soliciting proposals for the redevelopment of the Redevelopment Area (as hereinafter defined), and made such requests for proposals available for potential developers of the Redevelopment Area.

C. An affiliate of Developer submitted its development proposal dated April 18, 2008 (the "Redevelopment Proposal") to the TIF Commission for redevelopment of the Redevelopment Area.

D. On June 4, 2008, following a public hearing held on that date, in accordance with the TIF Act, the TIF Commission adopted a resolution approving the Redevelopment Plan titled "South Carondelet District #3 TIF Redevelopment Plan" dated April 18, 2008 (as may amended, the "Redevelopment Plan"), the Redevelopment Project described in the Redevelopment Plan (the "Redevelopment Project") and the Redevelopment Area, and recommending that the Board of Aldermen: (1) adopt tax increment financing with respect to the Redevelopment Area by passage of an ordinance complying with the terms of Section 99.845 of the Act; and (2) adopt an ordinance in the form required by the Act (a) approving the Redevelopment Plan, (b) approving and designating the Redevelopment Area as a "redevelopment area" as provided in the Act, (c) approving the Redevelopment Project, and (d) creating the South Carondelet District #3 Special Allocation Fund.

E. On July 28, 2008, after due consideration of the TIF Commission's recommendations, the Mayor signed Ordinance No. 68092 [Board Bill No. 153] designating the Redevelopment Area as a "redevelopment area" as provided in the TIF Act, approving the Redevelopment Plan, approving the Redevelopment Project described in the Redevelopment Plan, adopting tax increment allocation financing within the Redevelopment Area and establishing the Special Allocation Fund.

F. On \_\_\_\_\_, \_\_\_\_\_, the Mayor signed Ordinance No. \_\_\_\_\_ [Board Bill No. \_\_\_\_] affirming adoption of the Redevelopment Area, Redevelopment Plan and Redevelopment Project, designating the Developer as developer of the Redevelopment Area, and authorizing the City to enter into this Agreement with Developer with respect to Phase 1 (as defined herein) of the Redevelopment Project.

G. The City has determined that the acceptance of the Redevelopment Proposal and the fulfillment generally of this Agreement are in the best interests of the City, and the health, safety and welfare of its residents, and in accord with the public purposes specified in the Redevelopment Plan.

H. On \_\_\_\_\_, \_\_\_\_\_, the Mayor signed Ordinance No. \_\_\_\_\_ [Board Bill No. \_\_\_\_] authorizing the City to issue one or more tax increment revenue notes to reimburse Developer for certain costs incurred with respect to Phase 1 of the Redevelopment Project.

H. Pursuant to provisions of the TIF Act and Ordinance Nos. 68092, \_\_\_\_\_ and \_\_\_\_\_ [Board Bill Nos. 153, \_\_\_\_ and \_\_\_\_], the City is authorized to enter into this Agreement, to issue TIF Notes as evidence of the City's obligation to pay certain Redevelopment Project Costs incurred in furtherance of the Redevelopment Plan and the Redevelopment Project, and to pledge TIF Revenues to the payment of the TIF Notes.

## AGREEMENT

Now, therefore, in consideration of the premises and promises contained herein and other good and valuable consideration, the adequacy and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

### ARTICLE 1. DEFINITIONS

**1.1** Definitions As used in this Agreement, the following words and terms shall have the following meanings:

“*Acquisition Costs*” means the consideration paid by Developer or its Related Entity to a third party to acquire fee simple interest in the Phase 1 Property.

“*Act*” or “*TIF Act*” means the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 through 99.865 of the Revised Statutes of Missouri (2000), as amended.

“*Agreement*” means this Redevelopment Agreement, as the same may be from time to time modified, amended or supplemented in writing by the parties hereto.

“*Approved Investors*” means (a) the Developer or a Related Entity, (b) an “accredited investor” under Rule 501(a) of Regulation D promulgated under the Securities Act of 1933, (c) a “qualified institutional buyer” under Rule 144A promulgated under the Securities Act of 1933 or (d) any general business company or enterprise with total assets in excess of \$50,000,000.

“*Approving Ordinance*” means Ordinance No. 68092 [Board Bill No. 153] designating the Redevelopment Area, approving the Redevelopment Plan, approving the Redevelopment Project, adopting tax increment allocation financing within the Redevelopment Area, and establishing the Special Allocation Fund.

“*Authority*” means The Industrial Development Authority of The City of St. Louis, Missouri, a public corporation duly organized under Chapter 349 of the Revised Statutes of Missouri.

“*Authorizing Ordinance*” means Ordinance No. \_\_\_\_\_ [Board Bill No. \_\_\_\_] affirming approval and adoption of the Redevelopment Plan, Redevelopment Project, and designation of the Redevelopment Area, designating Developer as the developer of the Redevelopment Area, and authorizing the City to enter into this Redevelopment Agreement with Developer.

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

“*Board of Aldermen*” means the Board of Aldermen of the City.

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

“*Bond Proceeds*” means the gross cash proceeds from the sale of TIF Bonds before payment of Issuance Costs, together with any interest earned thereon.

“*Certificate of Commencement of Construction*” means a document substantially in the form of **Exhibit C**, attached hereto and incorporated by reference herein, delivered by Developer to the City in accordance with this Agreement and evidencing commencement of construction of Phase 1.

“*Certificate of Reimbursable Redevelopment Project Costs*” means a document substantially in the form of **Exhibit D**, attached hereto and incorporated herein by reference, provided by the Developer to the City in accordance with this Agreement and evidencing Reimbursable Redevelopment Project Costs incurred by the Developer.

“*Certificate of Substantial Completion*” means a document substantially in the form of **Exhibit E**, attached hereto and

incorporated herein by reference, issued by the Developer to the City in accordance with this Agreement and evidencing the Developer's satisfaction of all obligations and covenants to construct Phase 1 in accordance with the Redevelopment Plan and this Agreement.

"City" means 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.

"City Clerk" means the Register of the City.

"Comptroller" means the Comptroller of the City.

"Construction Plans" means plans, drawings, specifications and related documents, and construction schedules for the construction of the Work, together with all supplements, amendments or corrections, submitted by the Developer and approved by the City in accordance with applicable law.

"Costs of Conversion" means the sum of (a) the outstanding balance due on the HUD-insured loan or any other loans secured by the property, if any, at the time of Developer's notification of condominium conversion; (b) operating losses documented by income/expense statements for the Property; (c) documented construction and other costs incurred with respect to the conversion; (d) the amount of Developer monetary equity (but not equity related to any tax credits) that has been invested in the portion of Phase 1 to be converted to condominiums; and (e) the remaining balance due on the original developer fee payment, if any.

"Developer" means Carondelet TIF, Inc., a corporation duly incorporated and existing under the laws of the State of Missouri, or its permitted successors or assigns in interest.

"Disclosure Counsel" means Armstrong Teasdale LLP, St. Louis, Missouri, or an attorney at law or a firm of attorneys acceptable to the City of nationally recognized standing in matters pertaining to offerings of municipal securities duly admitted to the practice of law before the highest court of any state of the United States of America or the District of Columbia.

"Economic Activity Taxes" or "EATs" shall have the meaning ascribed to such term in Section 99.805(4) of the TIF Act.

"Governmental Approvals" means all plat approvals, re-zoning or other zoning changes, site plan approvals, conditional use permits, variances, building permits, or other subdivision, zoning, or similar approvals required for the implementation of the Redevelopment Project related to the Redevelopment Area and consistent with the Redevelopment Plan and this Agreement.

"Issuance Costs" means the amount set forth in **Section 2.2(v)** of this Agreement incurred by the City in furtherance of the issuance of Phase 1 TIF Notes plus all costs reasonably incurred by the City in furtherance of the issuance of Phase 1 TIF Obligations, including without limitation the fees and expenses of financial advisors and consultants, the City's attorneys (including issuer's counsel, Disclosure Counsel and Bond Counsel), the Developer's attorneys (at the discretion of the Comptroller), the City's administrative fees and expenses (including fees and costs of its planning consultants and the SLDC), underwriters' discounts and fees, the costs of printing any Phase 1 TIF Obligations and any official statements relating thereto, the costs of credit enhancement, if any, capitalized interest, debt service reserves and the fees of any rating agency rating any Phase 1 TIF Obligations.

"MBE/WBE Compliance Officer" means the City's Assistant Airport Director, Department of MBE/WBE Certification and Compliance.

"MBE/WBE Subcontractor's List" means the form of City of St. Louis MBE/WBE Subcontractor's List published by the Board of Public Service of the City, such form being attached hereto as **Exhibit G** and incorporated herein by this reference.

"MBE/WBE Utilization Statement" means the form of City of St. Louis MBE/WBE Utilization Statement prepared by the Board of Public Service of the City published by the Board of Public Service of the City, such form being attached hereto as **Exhibit H** and incorporated herein by this reference.

"Maturity Date" means the date that is twenty three (23) years after the effective date of the Approving Ordinance.

"Note Ordinance" means Ordinance No. \_\_\_\_ [Board Bill No. \_\_\_\_] adopted by the Board of Aldermen and signed by the Mayor authorizing the Phase 1 TIF Note(s), Phase 1 TIF Obligations, Phase 2 TIF Note(s) and Phase 2 TIF Obligations, any trust indenture relating thereto, and all related proceedings.

"Notice of Conversion" means the written notice submitted to the City by Developer that Developer intends to initiate a

conversion of all or a portion of Phase 1 from rental or leased area to condominium units, which shall contain the information required by Section 4.4 of this Agreement and shall specify the portion of Phase 1 to be so converted.

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

“*Payments in Lieu of Taxes*” or “*PILOTS*” shall have the meaning ascribed to such term in Section 99.805(10) of the TIF Act.

“*Phase 1*” means that portion of the Redevelopment Project consisting of the Phase 1 Property into commercial space with parking.

“*Phase 1 Property*” means a portion of the real property (including without limitation all options held by third parties, fee interests, leasehold interests, tenant-in-common interests and such other like or similar interests) within the Redevelopment Area, as identified as the “Phase 1 Property” and described in **Exhibit A**, attached hereto and incorporated herein by reference.

“*Phase 1 Revenues*” means: (1) payments in lieu of taxes (as that term is defined in Section 99.805(10) of the TIF Act) attributable to the increase in the current equalized assessed valuation of each taxable lot, block, tract, or parcel of real property located within the Phase 1 Property over and above the initial equalized assessed value (as that term is used and described in Sections 99.845.1 and 99.855.1 of the TIF Act) of each such unit of property, as paid to the City Treasurer by the City Collector of Revenue during the term of the Redevelopment Plan and the Redevelopment Project, and (2) subject to annual appropriation by the Board of Aldermen, fifty percent (50%) of the total additional revenues from taxes which are imposed by the City or other taxing districts (as that term is defined in Section 99.805(16) of the TIF Act) and which are generated by economic activities within the Phase 1 Property over the amount of such taxes generated by economic activities within the Phase 1 Property in the calendar year ending December 31, 2007 (subject to annual appropriation by the City as provided in the TIF Act), as defined and described in Sections 99.805(4) and 99.845 of the TIF Act, but excluding therefrom personal property taxes, taxes imposed on sales or charges for sleeping rooms paid by transient guests of hotels and motels, taxes levied pursuant to Section 70.500 of the Revised Statutes of Missouri, as amended, taxes levied for the purpose of public transportation pursuant to Section 94.660 of the Revised Statutes of Missouri, as amended, and licenses, fees or special assessments other than payments in lieu of taxes and penalties and interest thereon, all as provided in Section 99.845 of the TIF Act. Notwithstanding the foregoing, Phase 1 Revenues shall not include the operating levy for school purposes imposed by or any sales tax imposed by the Transitional School District of the City of St. Louis.

“*Phase 1 TIF Bonds*” means tax increment revenue bonds, if any, authorized and issued by the Authority with respect to Phase 1 in accordance with the TIF Act and this Agreement.

“*Phase 1 TIF Notes*” means any tax increment revenue notes issued by the City subject to this Agreement between the City and the Developer and the Note Ordinance, to evidence the City’s limited obligation to reimburse the Developer for certain costs incurred by the Developer on behalf of the City in accordance with the TIF Act.

“*Phase 1 TIF Obligations*” means Phase 1 TIF Bonds, Phase 1 TIF Notes or other obligations, singly or in series, issued by the City or the Authority, as the case may be, pursuant to the TIF Act and in accordance with this Agreement.

“*Phase 2*” means that portion of the Redevelopment Project consisting of the redevelopment of the Phase 2 Property as further described in a separate agreement between the City and the developer of Phase 2.

“*Phase 2 Developer*” means Carondelet TIF, Inc., a Missouri corporation, or its permitted successors or assigns in interest.

“*Phase 2 Property*” means the real property (including without limitation all options held by third parties, fee interests, leasehold interests, tenant-in-common interests and such other like or similar interests) within THE REDEVELOPMENT AREA, such property being identified as the “Phase 2 Property” and described in **Exhibit A**, attached hereto and incorporated herein by reference.

“*Phase 2 Revenues*” means: (1) payments in lieu of taxes (as that term is defined in Section 99.805(10) of the TIF Act) attributable to the increase in the current equalized assessed valuation of each taxable lot, block, tract, or parcel of real property located within the Phase 2 Property over and above the initial equalized assessed value (as that term is used and described in Sections 99.845.1 and 99.855.1 of the TIF Act) of each such unit of property, as paid to the City Treasurer by the City Collector of Revenue during the term of the Redevelopment Plan and the Redevelopment Project, and (2) subject to annual appropriation by the Board of Aldermen, fifty percent (50%) of the total additional revenues from taxes which are imposed by the City or other taxing

districts (as that term is defined in Section 99.805(16) of the TIF Act) and which are generated by economic activities within the Phase 2 Property over the amount of such taxes generated by economic activities within the Phase 2 Property in the calendar year ending December 31, 2007 (subject to annual appropriation by the City as provided in the TIF Act), as defined and described in Sections 99.805(4) and 99.845 of the TIF Act, but excluding therefrom personal property taxes, taxes imposed on sales or charges for sleeping rooms paid by transient guests of hotels and motels, taxes levied pursuant to Section 70.500 of the Revised Statutes of Missouri, as amended, taxes levied for the purpose of public transportation pursuant to Section 94.660 of the Revised Statutes of Missouri, as amended, and licenses, fees or special assessments other than payments in lieu of taxes and penalties and interest thereon, all as provided in Section 99.845 of the TIF Act.

“Phase 2 TIF Notes” means any tax increment revenue notes issued by the City subject to an agreement between the City and the Phase 2 Developer and the Note Ordinance, to evidence the City’s limited obligation to reimburse the Phase 2 Developer for certain costs incurred by the Phase 2 Developer on behalf of the City in accordance with the TIF Act.

“Post Completion Funding Source” means each of the following sources:

1. Tax Credits:

(a) The total value of the proceeds from the sale of any transferable tax credits approved for Phase 1, based on the amounts approved by the tax credit issuing authority and the purchase prices for such credits set forth in any tax credit purchase agreement; if, pursuant to such purchase agreement, any portion of the proceeds is to be paid subsequent to the date upon which the statement required by Section 4.3 is submitted, the present value of such portion shall be calculated by the City using a time period determined by the City to be reasonable and a 7% present value rate; if no tax credit purchase agreement has been executed, then the total value of such proceeds shall be calculated as 87% of the amount approved by the tax credit issuing authority.

(b) The equity and/or loan proceeds available from investor members or partners in Phase 1 who will be entitled to receive any non-transferable tax credits approved for Phase 1 per the ownership documentation for the Phase 1 Property; if, pursuant to such purchase agreement, any portion of the proceeds is to be paid subsequent to the date upon which the statement required by Section 4.3 is submitted, the present value of such portion shall be calculated by the City using a time period determined by the City to be reasonable and a 7% present value rate; provided, that, if Phase 1 has been approved for a New Markets Tax Credit investment by a New Markets Tax Credit allocate, but has not yet entered into any agreement pursuant to which such loan or equity proceeds shall be made available, then the value of such proceeds shall be 25% of the face value of the approved New Markets Tax Credit investment.

The Developer shall substantiate the amount of any tax credits approved for Phase 1 and the proceeds or equity related thereto by providing to the City documentation from accountants, tax credit authorities and tax credit purchasers or investors.

(2) Sales Proceeds:

(a) All net sales proceeds actually derived from the sale of any portion of Phase 1, which net sales proceeds shall be documented by copies of the seller’s closing statements for such sales, and

(b) If, at the time of the submittal required pursuant to Section 4.3 of this Agreement, there remain units or portions of Phase 1 which are being marketed and listed as for-sale but are unsold, ninety percent (90%) of the average sale price for all sold units or portions, taking into account the size, location and amenities associated with such sold units as compared to the unsold units or portion, discounted by first, a percentage equal to the average sales commissions paid to unrelated third parties and applied to the discounted listing price; and second, closing costs for sold units (stated as the average amount of closing costs for such sold units).

(3) TIF Financing: the maximum amount of TIF financing available to Phase 1, as such amount is set forth in Section 4.1 hereof; and

(4) Value of Income-Producing Space: if Phase 1 includes any leased space or space intended for lease (such space being the “Income-Producing Space”), the value of such Income Producing Space, which value shall be calculated by dividing the Stabilized Net Operating Income (as defined below) of such Income Producing Space by a capitalization rate of nine and one-half percent (9.5%). The square footage of Income-Producing Space in Phase 1 shall not exceed the square footage of Income-Producing Space set forth in the TIF Application. In addition to the other materials required to be submitted by subparagraph 4.3 hereof, Developer shall submit a 10-year operating proforma, including income and expense projections, for all Income-Producing Space in Phase 1, together with copies of all leases, letters of intent, and operating expense documentation, if any, related to such Income-Producing Space.

“*Project Fund*” means the Project Fund created in the Note Ordinance.

“*Project Lender*” means a commercial bank, savings bank, savings and loan association, credit union or other financial institution that has loaned funds to the Developer to be used for construction of Phase 1 and has secured such loan with a mortgage or security interest in Phase 1.

“*Property*” means the real property (including without limitation all options held by third parties, fee interests, leasehold interests, tenant-in-common interests and such other like or similar interests) and existing improvements in the Redevelopment Area as set forth in the Redevelopment Plan.

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

“*Redevelopment Area*” means the real property described in Exhibit A, attached hereto and incorporated herein by reference.

“*Redevelopment Plan*” means the plan titled “South Carondelet District #3 TIF Redevelopment Plan” dated April 18, 2008, approved by the City pursuant to the Approving Ordinance; as such plan may from time to time be amended in accordance with the TIF Act.

“*Redevelopment Project*” means the Redevelopment Project identified by the Redevelopment Plan consisting of the redevelopment of the structures for nine (9) residential units and approximately 18,000 square feet of office/retail space as well as constructing approximately 125 new residential units, as set forth in the Redevelopment Plan.

“*Redevelopment Project Costs*” shall have the meaning ascribed to such term in Section 99.805(14) of the TIF Act.

“*Redevelopment Proposal*” means the document on file with the City and incorporated herein by reference, titled “South Carondelet District #3 TIF Application,” dated April 18, 2008, as submitted by an affiliate of the Developer to the City.

“*Reimbursable Redevelopment Project Costs*” means those Redevelopment Project Costs as described in **Exhibit B**, attached hereto and incorporated herein by reference, for which the Developer is eligible for reimbursement in accordance with this Agreement. Notwithstanding anything herein to the contrary, any costs incurred with respect to Phase 1 (or any portion) thereof, by a tenant or user (or an affiliate thereof) of the Phase 1 Property pursuant to a contractual arrangement between the Developer and such user or affiliate, including but not limited to, a sale-leaseback, transaction, shall be deemed to have been incurred by Developer and shall constitute Reimbursable Redevelopment Project Costs under this Agreement.

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

“*Relocation Plan*” means the relocation plan of the City for the Redevelopment Area as contained in the Redevelopment Plan, which relocation plan was adopted on December 20, 1991, pursuant to Ordinance No. 62481.

“*SLDC*” means the St. Louis Development Corporation, a non-profit corporation organized and existing under the laws of the State of Missouri.

“*Special Allocation Fund*” means the South Carondelet District #3 Special Allocation Fund, created by the Approving Ordinance in accordance with the TIF Act, and including the accounts and sub-accounts for the Redevelopment Project into which TIF Revenues are from time to time deposited in accordance with the TIF Act and this Agreement.

“*Stabilized Net Operating Income*” shall be calculated as follows:

1. For any portion of the Income Producing Space which has actually been leased, the annualized rental income from such space, less annualized actual and/or reasonable operating expenses as determined by the City (excluding debt service);

PLUS

2. For any portion of the Income Producing Space which is available for lease but has not been leased, the result of the following equation:

(a) The amount of net leaseable square footage multiplied by the average annual rent per square foot of the Income Producing Space which has been actually leased, taking into account the size, location and amenities associated with such space not yet leased as compared to the space leased (provided, that if no such space has been actually leased, the lease rate(s) used shall be the lease rate(s) specified by the Developer in the TIF;

LESS

(b) The amount of net leaseable square footage multiplied by the average annualized actual and/or reasonable operating expenses as determined by the City (excluding debt service) per square foot of the Income Producing Space .  
The City shall incorporate a 7% vacancy rate for all Income-Producing Space.

“TIF Commission” means the Tax Increment Financing Commission of the City of St. Louis, Missouri.

“TIF Notes” means the Phase 1 TIF Notes and the Phase 2 TIF Notes, collectively.

“Trustee” means the trustee or fiscal agent for any issue of TIF Obligations.

“Verified Total Project Costs” means the sum total of all reasonable or necessary costs incurred, and any such costs incidental to Phase 1 or the Work, including, but not limited to, all Acquisition Costs, Redevelopment Project Costs and Reimbursable Redevelopment Project Costs, as limited by the provisions of Section 4.3 hereof. Notwithstanding anything herein to the contrary, any costs incurred with respect to Phase 1 (or any portion) thereof, by a tenant or user (or an affiliate thereof) of the Phase 1 Property pursuant to a contractual arrangement between the Developer and such user or affiliate, including but not limited to, a sale-leaseback transaction, shall be deemed to have been incurred by Developer and shall constitute Verified Total Project Costs under this Agreement.

“Work” means all work necessary to prepare the Phase 1 Property and to construct or cause the construction and completion of Phase 1 described in this Agreement, including but not limited to: (1) property acquisition; (2) site preparation and environmental remediation; (3) construction of new structures or rehabilitation or reconstruction of improvements within the Phase 1 Property; (4) construction, reconstruction, renovation and/or rehabilitation of related infrastructure and/or public improvements, including without limitation surrounding roads, sidewalks, sewer, water, electrical, parking and other utilities; (5) professional services, including, but not limited to, architecture, engineering, surveying, financing, legal, planning and consulting; (6) and all other work described in the this Agreement, or reasonably necessary to effectuate the intent of this Agreement.

## ARTICLE 2. ACCEPTANCE OF PROPOSAL

**2.1 Developer Designation.** The City hereby selects the Developer to perform or cause the performance of the Work in accordance with the Redevelopment Plan and this Agreement and all Governmental Approvals. To the extent of any inconsistency among the foregoing, the parties agree that the Redevelopment Plan shall govern.

**2.2 Developer to Advance Costs.** The Developer agrees to advance all Redevelopment Project Costs as necessary to acquire the Phase 1 Property and to complete the Work, all subject to the Developer’s right to abandon Phase 1 and to terminate this Agreement as set forth in **Section 7.1** of this Agreement. Additionally, and not by way of limitation:

(i) the City acknowledges payment by the Developer of a Five Thousand Dollar and no/100 (\$5,000.00) TIF Application Fee;

(ii) the City acknowledges that, prior to the execution of this Agreement, the Developer paid the sum of Two Thousand Five Hundred Sixteen Dollars and 55/100 (\$2,516.55) (which sum represents 0.3% of the maximum amount of Phase 1 TIF Notes allowed to be issued by the City pursuant to **Section 4.1** of this Agreement), which monies have been paid one half to the Comptroller and one half to the SLDC to reimburse the Comptroller and the SLDC for their administrative costs in reviewing the Redevelopment Plan and the Redevelopment Proposal;

(iii) the Developer shall, within ten (10) days after the date of execution of this Agreement, pay the sum of Two Thousand Five Hundred Sixteen Dollars and 55/100 (\$2,516.55) (which sum represents 0.3% of the maximum amount of Phase 1 TIF Notes allowed to be issued by the City pursuant to **Section 4.1** of this Agreement), which monies shall be paid one half to the Comptroller and one half to the SLDC to reimburse the Comptroller and the SLDC for their administrative costs in reviewing the Redevelopment Plan and the Redevelopment Proposal;

(iv) the Developer shall pay to the Comptroller an additional amount to reimburse the Comptroller for its actual legal expenses incurred in connection with the review of the Redevelopment Proposal, the review and adoption of the Redevelopment Plan and the negotiation, execution and implementation of this Redevelopment Agreement, which amount shall be paid as follows: (i) all such costs allocable to Phase 1 incurred through the date of execution of the Redevelopment Agreement shall be paid within ten (10) days after the execution of the Redevelopment Agreement, and (ii) all such costs with respect to Phase 1 incurred after the date of execution of the Redevelopment Agreement and prior to the date upon which the City receives from Developer a Certificate of Reimbursable Redevelopment Project Costs shall be paid concurrently with the initial issuance of the Phase 1 TIF Notes; and

(v) the Developer shall, concurrently with the issuance of any Phase 1 TIF Notes, pay to the City a flat fee to be reasonably determined by the City in its sole discretion at the time of issuance to pay for the City's Issuance Costs of such Phase 1 TIF Notes; and

(vi) any amounts advanced to the City shall represent Reimbursable Redevelopment Project Costs to be reimbursed exclusively from the proceeds of Phase 1 TIF Obligations as provided in and subject to **Articles IV and V** of this Agreement.

### ARTICLE 3. CONSTRUCTION OF PHASE 1

**3.1 Acquisition of Property.** Developer represents that, as of the date of this Agreement, Developer or a Related Entity is the fee owner or owner under contract of the Phase 1 Property. Any additional properties acquired by the Developer for completion of the Work shall be held in the name of the Developer or a Related Entity and shall be subject to the terms, conditions and covenants contained herein and in the Redevelopment Plan immediately upon acquisition.

**3.2 Condemnation.** As of the date of this Agreement, it is not anticipated that the exercise of the power of eminent domain will be necessary to acquire any portion of the Phase 1 Property in the Redevelopment Area.

**3.3 Relocation.** The Developer shall identify any Displaced Person (as defined in Ordinance No. 62481 of the City) that is entitled to relocation payments or relocation assistance under the Relocation Plan. The City shall, at the Developer's sole cost and expense, subject to reimbursement as a Reimbursable Redevelopment Project Cost in accordance with **Article IV** of this Agreement, coordinate such relocation payments and relocation assistance in accordance with the Relocation Plan.

**3.4 Developer to Construct the Work.** The Developer shall commence or cause the commencement of the construction of the Work within one hundred eighty (180) days of the date of this Agreement, which Work shall be constructed in a good and workmanlike manner in accordance with the terms of this Agreement and the Redevelopment Plan. The Developer shall substantially complete or cause the Work to be substantially complete not later than December 31, 2012 absent an event of Force Majeure. In the event of any delay caused by an event of Force Majeure as defined in **Section 7.5** of this Agreement, Developer shall be granted additional time to complete the Work, but under no circumstance shall such time to complete the Work extend beyond December 31, 2013.

The Developer may enter into or cause to be entered into one or more construction contracts to complete the Work. Prior to the commencement of construction of any portion of the Work, the Developer shall obtain or shall require that any of its contractors obtain workers' compensation, comprehensive public liability and builder's risk insurance coverage in amounts customary in the industry for similar type projects. The Developer shall require that such insurance be maintained by any of its contractors for the duration of the construction of such portion of the Work. To the extent that laws pertaining to prevailing wage and hour apply to any portion of the Work the Developer agrees to take all actions necessary to apply for the wage and hour determinations and otherwise comply with such laws.

**3.5 Governmental Approvals.** The City and, at its direction, the SLDC agree to employ reasonable and good faith efforts to cooperate with the Developer and to process and timely consider and respond to all applications for the Governmental Approvals as received, all in accordance with the applicable City ordinances and laws of the State of Missouri.

**3.6 Construction Plans; Changes.** The Construction Plans shall be prepared by a professional engineer or architect licensed to practice in the State of Missouri and the Construction Plans and all construction practices and procedures with respect to the Work shall be in conformity with all applicable state and local laws, ordinances and regulations. During the progress of the Work, the Developer may make such reasonable changes, including without limitation modification of the construction schedule, subject to the provisions of **Section 3.4**, including but not limited to, dates of commencement and completion (subject to the time limitations set forth in this Agreement), modification of the areas in which the Work is to be performed, relocation, expansion or

deletion of items, revisions to the areas and scope of Work, and any and all such other changes as site conditions or orderly development may dictate or as may be necessary or desirable, in the sole determination of the Developer, to enhance the economic viability of Phase 1 and as may be in furtherance of the general objectives of the Redevelopment Plan; provided that (a) the Developer shall comply with all laws, regulations and ordinances of the City and (b) prior to any material changes, the Developer shall obtain the advance written consent of the SLDC, which consent shall not be unreasonably withheld or delayed. For purposes of this **Section 3.6**, “material changes” shall mean any change that could reasonably be expected to result in a decrease in the aggregate amount of TIF Revenues generated within the Phase 1 Property to an amount less than 90% of the aggregate amount of TIF Revenues as attributable to the Phase 1 Property projected in that certain Cost-Benefit Analysis for the South Carondelet District #3 TIF Redevelopment Plan dated as of April 18, 2008 (as may be amended), and placed on file with SLDC

**3.7 Certificate of Commencement of Construction.** The Developer shall furnish to the SLDC, with a copy to the Comptroller, a Certificate of Commencement of Construction, which certificate shall be submitted for Phase 1 in accordance with the schedule set forth in **Section 3.4** of this Agreement and in the form of **Exhibit C** attached hereto and incorporated herein by reference. The Certificate of Commencement of Construction shall be deemed accepted by the SLDC upon receipt of the same.

**3.8 Certificate of Substantial Completion.** Promptly after substantial completion of the Work, the Developer shall furnish to the City and the SLDC a Certificate of Substantial Completion. The Mayor or his designee and the SLDC shall, within thirty (30) days following delivery of the Certificate of Substantial Completion, carry out such inspections as it deems necessary to verify to its reasonable satisfaction the accuracy of the certifications contained in the Certificate of Substantial Completion. The Certificate of Substantial Completion shall be deemed accepted by the City and the SLDC unless, within thirty (30) days following delivery of the Certificate of Substantial Completion, the Mayor or his designee or SLDC furnishes the Developer with specific written objections to the status of the Work, describing such objections and the measures required to correct such objections in reasonable detail. In the case where the Mayor or his designee or SLDC, within thirty (30) days following delivery of the Certificate of Substantial Completion provides the Developer with specific written objections to the status of the Work, the Developer shall have such amount of time as is reasonably necessary to address such objections and when addressed shall re-submit the Certificate of Substantial Completion to the Mayor or his designee or the SLDC in accordance with this Section and the thirty (30) day period shall begin anew. Upon acceptance of the Certificate of Substantial Completion by the Mayor or his designee and the SLDC for Phase 1, or upon the lapse of thirty (30) days after delivery thereof to the Mayor or his designee and the SLDC without any written objections thereto, the Developer may record the Certificate of Substantial Completion with the City’s Recorder of Deeds, and the same shall constitute evidence of the satisfaction of the Developer’s agreements and covenants to perform all the Work. The Certificate of Substantial Completion shall be in substantially the form attached as **Exhibit E**, attached hereto and incorporated by referenced herein.

#### **ARTICLE 4. REIMBURSEMENT OF DEVELOPER COSTS**

**4.1 City’s Obligation to Reimburse Developer.** Subject to the terms of the Note Ordinance and this Agreement, the City agrees to reimburse Developer for the verified Reimbursable Redevelopment Project Costs in a total amount not to exceed Eight Hundred Thirty-Eight Thousand Eight Hundred Fifty-One and no/100 Dollars (\$838,851) plus Issuance Costs to be allocated to Phase 1.

Subject to the terms of the Note Ordinance and this Agreement, the City agrees to issue Phase 1 TIF Notes to Developer to evidence the City’s obligation to reimburse Developer for verified Reimbursable Redevelopment Project Costs in an amount not to exceed **Eight Hundred Thirty-Eight Thousand Eight Hundred Fifty-One and no/100 Dollars (\$838,851) plus Issuance Costs** and interest as provided in **Section 5.2** of this Agreement, subject to the limitations of **Article IV** of this Agreement.

**4.2 Reimbursements Limited to Reimbursable Redevelopment Project Costs; Developer’s Right to Substitute.** Nothing in this Agreement shall obligate the City to issue Phase 1 TIF Notes or to reimburse the Developer for any cost that is not incurred pursuant to Section 99.820.1 of the TIF Act or that does not qualify as a “redevelopment project cost” under Section 99.805(14) of the TIF Act. The Developer shall provide to the City (a) itemized invoices, receipts or other information evidencing such costs; and (b) a Certificate of Reimbursable Redevelopment Project Costs constituting certification by the Developer that such cost is eligible for reimbursement under the TIF Act. Within thirty (30) days of the City’s receipt from the Developer of a Certificate of Reimbursable Redevelopment Project Costs, the City shall review and act upon such Certificate of Reimbursable Redevelopment Project Costs. The parties agree that each of the categories of costs set forth in **Exhibit B**, attached hereto and incorporated herein by this reference, shall constitute Reimbursable Redevelopment Project Costs which are eligible for reimbursement in accordance with the TIF Act and this Agreement. The Developer shall be entitled to reimbursement for Redevelopment Project Costs from any of the categories set forth in **Exhibit B** up to the maximum aggregate amount established in **Section 4.1** of this Agreement; provided, that the Developer shall be obligated to advance to the City the full amounts identified in **Section 2.2, clauses (i)-(v)**, of this Agreement. If the City determines that any cost identified as a Reimbursable Redevelopment Project Cost is not a “redevelopment

project cost” under Section 99.805(14) of the TIF Act, the City shall so notify the Developer in writing within the thirty (30) day period referenced in this **Section 4.2**, identifying the ineligible cost and the basis for determining the cost to be ineligible, whereupon the Developer shall have the right to identify and substitute other Redevelopment Project Costs as Reimbursable Redevelopment Project Costs with a supplemental application for payment and the thirty (30) day period shall begin anew. If the City fails to approve or disapprove any Certificate of Reimbursable Redevelopment Project Costs within thirty (30) days after receipt thereof, the Certificate of Reimbursable Redevelopment Project Costs shall be deemed approved.

**4.3 Cost Savings and Excess Profits.** Within one hundred eighty (180) days after the submission of the Certificate of Substantial Completion by Developer in accordance with **Section 3.8** of this Agreement, Developer also shall furnish to the City for the City’s review and approval, (a) a statement of Verified Total Project Costs, with evidence of billings and payments for each expenditure, including itemized invoices, receipts, and pay applications or other evidence of payment as appropriate for the type of cost; and (b) a statement of each and every Post Completion Funding Source for Phase 1.

If Phase 1 includes a for-sale condominium component, the statements required by this Section 4.3 shall not be submitted until a minimum of 80% of the condominium units included in Phase 1 have been sold, and such statements shall be submitted within sixty (60) days following such sale of 80% of such condominium units.

Developer shall not include developer fees, project management, construction management or consultant fees for any service typically performed by the Developer in the Verified Total Project Costs. With respect to any other costs for any services provided by the Developer or any Related Entity, the amount of such costs shall not exceed the amount set forth in the Redevelopment Plan for such services, or, if the cost for such service is not explicitly set forth in the Redevelopment Plan as an individual line item, an amount determined by the City as acceptable. Moreover, if any of the owners, officers, principals or members of the construction contractor for Phase 1 are the same as any owner, officer, principal or member of Developer or general partner in the owner of the development, amounts allowed for aggregate contractor fees shall not exceed eighteen percent (18%) of construction costs as provided for in the Missouri Housing Development Commission’s 2005 Qualified Allocation Plan for the Low Income Housing Tax Credit Program, and Developer shall include documentation, including detailed invoices and receipts for payment, for each and every item of costs traceable to third parties with no relationship to Developer, in addition to summary pay applications submitted to Developer by the construction contractor. The City shall determine whether particular costs are general requirements and includable in the contractor’s fee allowance or are construction costs to which the aggregate contractor’s fee allowance shall be applied, using the Cost Certification Guide promulgated by the Missouri Housing Development Commission as a guide for such determinations. The City shall complete its review of the statements and other documentation provided by the Developer pursuant to this Section and shall notify Developer if such documentation is acceptable and complete within forty-five (45) days of receipt by the City. Should the City notify Developer that the documentation submitted by the Developer is not acceptable or is not complete, the City shall specify which items of documentation are missing or unacceptable and the manner in which Developer may remedy such deficiencies, and Developer may make supplemental submissions to address such deficiencies, provided, however, that such supplemental submissions shall not include any materials with respect to costs incurred or other events that have taken place subsequent to the date the original submission was made. If requested by the City, Developer shall also submit an affidavit as to the accuracy of the statements as to the costs, the relationship of any payee to the Developer, the accuracy of the statements as to the amounts and types of tax credits received or other funding sources received, and the veracity of any other aspect of the statements of verified total project costs or Post-Completion Funding Sources. The City shall review any supplemental materials provided by the Developer within forty-five (45) days of receipt and shall notify Developer if such documentation is acceptable and complete within forty-five (45) days of receipt by the City. Developer shall respond to any notification by the City pursuant to this section within sixty (60) days of receipt of such notification. Once the City has issued any such notification, the City shall not be required to make the calculations specified in the following paragraph until the City has received all documentation deemed necessary by the City in order to make such calculations, provided, however, that if Developer fails to respond to any notification within such sixty (60) day period, the City shall have the right to finalize the calculations specified in the following paragraph based on the information and documentation then available to the City and the Developer shall accept the results of such finalized calculations for purposes of the discharge of Phase 1 TIF Notes as specified in the following paragraph. Either the City or the Developer may waive or extend the time periods for notification and response set forth herein.

To the extent that, in the City’s determination, the sum of Post Completion Funding Sources as identified by the City exceeds the sum of: (x) Verified Total Project Costs, plus (y) four percent (4%) of the Acquisition Costs, plus (z) fifteen percent (15%) of all Verified Total Project Costs other than Acquisition Costs, then Developer hereby agrees that the maximum amount of Reimbursable Redevelopment Project Costs for which the Developer shall be reimbursed by the City as provided for in Section 4.1 of this Agreement and the maximum amount of any Phase 1 TIF Notes which shall be issued by the City in accordance with Section 5.2 of this Agreement shall be reduced by an amount in the aggregate equal to seventy-five percent (75%) of the total amount of such excess, as calculated by the City in accordance herewith. Developer agrees that the City may discharge any Phase 1 TIF Notes already issued at the time of such calculation in an amount in the aggregate equal to seventy-five percent (75%) of the total excess.

**4.4 Condominium Conversion.** Upon initiating a condominium conversion of any portion of Phase 1 that has previously been leased or rented (which conversion shall not be initiated any earlier than five (5) years following the Substantial Completion of Phase 1, Developer shall notify the City in writing of such conversion. Notice of such condominium conversion shall include (a) documentation as to the balance due to third parties unrelated to the Developer in any manner on any secured or unsecured debt or equity financing for such leased or rented portion of Phase 1; (b) the amount of and firm commitment for any replacement loan required to commence the conversion; (c) annual operating and expense statements for each Developer fiscal year subsequent to the commencement of construction on the leased or rental portion of Phase 1; (d) schedule of sales prices for all proposed condominium units; (e) documentation of any monetary Developer Equity previously invested in such leased or rented portion; and (f) revenue projections for the Special Allocation Fund based on the sales prices for the units.

**4.4.1 The City's Rights.** The City shall have thirty (30) days from receipt of a Notice of Conversion to review and approve the Notice of Conversion, or notify Developer of City's objections thereto. The City's right to object to the Notice of Conversion shall be limited to objections based on the insufficiency of the projected Special Allocation Fund revenues to retire any outstanding Phase 1 TIF Notes or Phase 1 TIF Bonds and the insufficiency of documentation required herein. Developer shall provide any additional documentation requested by City, to City's satisfaction, after which City shall have an additional thirty (30) days to object solely on the basis of the insufficiency of the Special Allocation Fund revenues to retire any outstanding Phase 1 TIF Notes or Phase 1 TIF Bonds. Should City fail to object to the Notice of Conversion within the 30-day review period provided for in this Agreement, Developer's condominium conversion plan shall be deemed approved by the City.

**4.4.2 Approval.** Upon approval of the Notice of Conversion, Developer shall provide a progress report on the condominium sales to St. Louis Development Corporation on each three-month anniversary of the date of the Notice of Conversion until a minimum of 95% of such units are sold. Each progress report shall include the following: (a) number of units and sales closed, the size of each unit sold, the gross amounts paid for the sales closed, and costs of sale, which shall be documented by Purchaser's and Seller's closing statements; (b) balance due on any other loans secured by the property; (d) monthly income and expense statement for remaining rental units, including any interest payments made or accrued with respect to any loans secured by the property; and (e) conversion costs incurred, documented by contracts for any work and invoices for any work.

**4.4.3 Condominium Conversion Clawback.** When aggregate Net Sales Proceeds exceed the Costs of Conversion plus a new Developer's Fee in the amount of 10% of the Costs of Conversion, Developer shall pay 90% of all future Net Sales Proceeds into the Special Allocation Fund until the amount in the Special Allocation Fund equals the amount of TIF financing originally provided to Phase 1.

Should Developer fail to provide any of the notifications or reports described herein or fail to make Net Sales Proceeds payments into the Special Allocation Fund as described herein, City may cancel all outstanding Phase 1 TIF Notes and recover all amounts paid to Developer from the Special Allocation Fund.

**4.5 City's Obligations Limited to Special Allocation Fund and Bond Proceeds.** Notwithstanding any other term or provision of this Agreement, Phase 1 TIF Notes issued by the City to the Developer for Reimbursable Redevelopment Project Costs are payable only from the Special Allocation Fund and from Bond Proceeds, if any, and from no other source. The City has not pledged its full faith and credit relative to the City's obligation to issue the Phase 1 TIF Obligations or to pay any Reimbursable Redevelopment Project Costs. The Phase 1 TIF Obligations shall be special, limited obligations of the City, and shall not constitute debt to the City within any constitutional or statutory meaning of the word "debt."

## **ARTICLE 5. TIF OBLIGATIONS**

**5.1 Conditions Precedent to the Issuance of Phase 1 TIF Notes.** No Phase 1 TIF Notes shall be issued until such time as the City has (i) accepted a Certificate of Substantial Completion in accordance with the procedures set forth in **Section 3.8** of this Agreement; (ii) approved a Certificate of Reimbursable Redevelopment Project Costs in substantially the form of **Exhibit D**, attached hereto and incorporated herein by reference, in accordance with the procedures set forth in **Section 4.2** of this Agreement; (iii) obtained an opinion of Bond Counsel regarding the taxable nature of the Phase 1 TIF Notes; (iv) received the full payment of all advances required to be paid under **Section 2.2** of this Agreement; and (v) received such other documentation as the City shall reasonably require of Developer in order for the City to obtain an opinion of Bond Counsel as required by this **Section 5.1**.

**5.2 Issuance of Phase 1 TIF Notes** The City agrees to issue one or more Phase 1 TIF Notes as provided in this Agreement and the Note Ordinance to reimburse the Developer for Reimbursable Redevelopment Project Costs up to the maximum amount established in Section 4.1 of this Agreement, subject to the limitations of Article IV of this Agreement. The Phase 1 TIF Notes shall be in the form attached to the Note Ordinance as Exhibit B, provided that if the Note Ordinance is repealed or otherwise amended to amend such form of Phase 1 TIF Note, the Phase 1 TIF Notes shall not be amended for the purposes of this Agreement

without the written consent of Developer.

**5.2.1 Terms.** Each Phase 1 TIF Note shall bear interest at a fixed rate per annum determined on the date that is not less than ten (10) and not more than sixty (60) business days prior to the scheduled closing date for issuance of the Phase 1 TIF Notes (the "Pricing Date") based on the municipal yield curve for general obligation bonds (the "MMD") compiled by Municipal Market Data Line ® (or its successors) and published by Thomson Financial, an operating unit of The Thomson Corporation (or its successors) using the MMD yield published as of the Issuance Date for general obligation bonds rated "AAA" that mature in the same year as the Phase 1 TIF Notes, (i) plus four percent (4%) if the interest on such Phase 1 TIF Note, in the opinion of Bond Counsel, is not exempt from Federal income taxation (the "Taxable Rate"), or (ii) plus two percent (2%) if the interest on such Phase 1 TIF Note, in the opinion of Bond Counsel, is exempt from Federal income taxation (the "Tax Exempt Rate"); provided, in no event shall the interest rate on the Phase 1 TIF Notes exceed ten percent (10%) per annum. All Phase 1 TIF Notes shall have a stated maturity of the Maturity Date. Interest shall be computed on the basis of a 360-day year of twelve 30-day months. The Phase 1 TIF Notes shall bear interest from their registration date or from the most recent Payment Date to which interest has been paid or duly provided for.

**5.2.2 Procedures for Issuance of TIF Notes.** Within a reasonable period of time not to exceed ninety (90) days of Developer's satisfaction of the conditions of **Section 5.1** of this Agreement the City shall issue a Phase 1 TIF Note to an Original Purchaser evidencing reimbursement of Reimbursable Redevelopment Project Costs. Notwithstanding anything contained in this Agreement to the contrary, upon the acceptance by the City of a Certificate of Reimbursable Redevelopment Project Costs and the issuance by the City of a Phase 1 TIF Note as provided in this **Section 5.2.2**, the Developer shall be deemed to have advanced funds necessary to purchase such Phase 1 TIF Notes and the City shall be deemed to have deposited such funds in the Project Fund and shall be deemed to have reimbursed the Developer in full for such costs from the amounts deemed to be on deposit in the Project Fund from time to time.

**5.2.3 Special Mandatory Redemption of Phase 1 TIF Notes.** All Phase 1 TIF Notes are subject to special mandatory redemption by the City, in whole at any time or in part on each March 1 and September 1 (each, a "Payment Date") occurring after the acceptance by the City of the Certificate of Substantial Completion at a redemption price equal to 100% of the principal amount being redeemed, together with the accrued interest thereon to the date fixed for redemption.

### **5.3 Issuance of TIF Bonds.**

**5.3.1** The City may, in its sole and absolute discretion, issue or cause to be issued Phase 1 TIF Bonds at any time in an amount sufficient to refund all or a portion of the outstanding Phase 1 TIF Notes.

**5.3.2** Upon receipt of a written request by Developer and upon the City's underwriter's recommendation in favor of issuing Phase 1 TIF Bonds and recommendation of the principal amount thereof based on the criteria set forth below, the City shall use its best efforts to cause the Authority to issue Phase 1 TIF Bonds as described in this Section. The aggregate gross cash proceeds from the sale of the Phase 1 TIF Bonds before payment of Issuance Costs, together with any interest accrued thereon ("Bond Proceeds") of such Phase 1 TIF Bonds will be finally determined by the City after receiving the underwriter's recommendation based on the criteria set forth below. The City shall not be obligated to cause the Authority to issue such Phase 1 TIF Bonds unless the underwriter determines that all of the following criteria are satisfied as of the date of issuance of such bonds, unless such criteria are waived by the City's underwriter. Developer shall not have any liability for any costs associated with the issuance of Phase 1 TIF Bonds but shall bear its own costs and expenses, including any attorneys' fees and expenses, that Developer may incur in complying with this Section. Notwithstanding anything in this Section to the contrary, Developer shall be liable for all costs incurred by the City or the Authority in the event the Developer has requested the issuance of bonds and the City's underwriter has determined that such bonds cannot be issued at such time.

**5.3.1 Criteria for Issuance.** The underwriter's recommendation for issuance of Phase 1 TIF Bonds and the principal amount thereof shall be based on the following criteria:

- (i) Acceptance by the City of the Certificate of Substantial Completion;
- (ii) Review of projections of Phase 1 Revenues available for debt service as proposed by an independent qualified consultant. Such projections must show that (A) if all available Phase 1 Revenues were to be applied to the immediate repayment of the Phase 1 TIF Bonds, the Phase 1 TIF Bonds would reasonably be anticipated to be retired within twenty-three (23) years from the effective date of the Approving Ordinance, and (B) based on a maturity date twenty-three (23) years from the effective date of the Approving Ordinance, the Phase 1 TIF Bonds are reasonably likely to achieve debt service coverage ratio reasonably acceptable to

the City's underwriter;

- (iii) Developer's documentation of stabilization of Phase 1 for a minimum period of two (2) years after substantial completion as evidenced in a report to the City prepared by a qualified independent consultant to be paid for by the City, which report also sets forth Phase 1 revenue projections for Phase 1 in connection with the issuance of the Phase 1 TIF Bonds;
- (iv) The aggregate net projected debt service on the Phase 1 TIF Bonds (taking into account the principal portion of the Phase 1 TIF Bonds that are issued to establish a reserve fund and to pay Issuance Costs, and including any reserve fund earnings) will be lower than the net average annual debt service on the outstanding Phase 1 TIF Notes, unless the Developer voluntarily elects to defer or forgive principal of and/or interest on the Phase 1 TIF Notes in an amount necessary to make the aggregate net projected debt service on the Phase 1 TIF Bonds lower than the net average annual debt service on the outstanding Phase 1 TIF Notes; and
- (v) The Phase 1 TIF Bonds can be sold at an aggregate net interest cost which is less than the aggregate net interest cost of the Phase 1 TIF Notes to be redeemed.

**5.4 Application of Phase 1 TIF Bond Proceeds.** Proceeds of any Phase 1 TIF Bonds shall be applied:

**5.4.1** To the payment of costs relating to the issuance of the Phase 1 TIF Bonds;

**5.4.2** To the payment of outstanding principal of and interest on the Phase 1 TIF Notes to be refunded;

**5.4.3** To the payment of capitalized interest on the Phase 1 TIF Bonds; and

**5.4.4** To the establishment of a debt service reserve fund for the Phase 1 TIF Bonds in a reasonable amount of the principal amount of Phase 1 TIF Bonds to be issued, as to be determined by the City's underwriter.

**5.5 Cooperation in the Issuance of Phase 1 TIF Obligations.** Developer covenants to cooperate and take all reasonable actions necessary to assist the City and its Bond Counsel, the Authority, underwriters and financial advisors in the preparation of offering statements, private placement memorandum or other disclosure documents and all other documents necessary to market and sell the Phase 1 TIF Obligations, including disclosure of tenants of the Phase 1 Property and the non-financial terms of the leases between Developer and such tenants. Developer will not be required to disclose to the general public or any investor any proprietary or confidential information, including financial information, pertaining to Developer, but upon the execution of a confidentiality agreement acceptable to Developer, Developer will provide such information to the City's financial advisors, underwriters and their counsel to enable such parties to satisfy their due diligence obligations. Developer shall make such compliance obligation a covenant running with the land, enforceable as if any subsequent transferee thereof were originally a party to and bound by this Agreement, provided, that Developer shall satisfy this and any other obligation under this Agreement to make any provision a covenant running with the land by recording this Agreement in the Office of the Recorder of Deeds of the City of St. Louis.

**5.6 Subordinate Notes.** Phase 1 TIF Notes may be issued in two series, with one series subordinate to Phase 1 TIF Notes of the other series issued hereunder (the "Subordinate Notes"), such that no payment of principal or interest on any such Subordinate Notes may be made while any Phase 1 TIF Notes are outstanding. All such Subordinate Notes shall be payable as to principal and interest according to the terms set forth in **Sections 5.2 and 6.3** of this Agreement.

If the amount of Phase 1 TIF Bonds issued pursuant to this Agreement is insufficient to refund all of the outstanding Phase 1 TIF Notes, the Phase 1 TIF Notes remaining outstanding shall be redeemed by the issuance of notes subordinate to the Phase 1 TIF Bonds (the "Subordinate Notes"). Each Subordinate Note shall have the same maturity and have the same outstanding principal amount and the same interest rate as the Phase 1 TIF Note it redeems. All such Subordinate Notes shall be payable as to principal and interest according to the terms set forth in **Sections 5.4 and 6.3** of this Agreement.

**5.7 City to Select Underwriter and Financial Advisor; Term and Interest Rate.** The City shall have the right to select the designated underwriter (and such financial advisors and consultants as the underwriter and the City deem necessary for the issuance of the Phase 1 TIF Bonds) and underwriter's counsel. The final maturity of the Phase 1 TIF Bonds shall not exceed the maximum term permissible under the TIF Act. The Phase 1 TIF Bonds shall bear interest at such rates, shall be subject to redemption and shall have such terms as the City shall determine in its sole discretion.

**ARTICLE 6.**  
**SPECIAL ALLOCATION FUND; COLLECTION AND USE OF TIF REVENUES**

**6.1 Creation of Special Allocation Fund.** The City agrees to cause its Comptroller or other financial officer to maintain the Special Allocation Fund, including a "PILOTs Account," an "EATs Account," and such further accounts or sub-accounts as are required by this Agreement or as the Comptroller may deem appropriate in connection with the administration of the Special Allocation Fund pursuant to this Agreement. Subject to the requirements of the TIF Act and, with respect to Economic Activity Taxes, subject to annual appropriation by the Board of Aldermen, the City will promptly upon receipt thereof deposit all Payments in Lieu of Taxes into the PILOTs Account and all Economic Activity Taxes into the EATs Account.

**6.2 Certification of Base for PILOTS and EATS.**

**6.2.1** Upon the reasonable written request of the City, Developer shall use its best efforts to provide or cause to be provided to the Comptroller or its authorized representative any documents necessary for the City to calculate the base for PILOTs and EATs including, but not limited to: (i) the address and locator number of all parcels of real property located within the Redevelopment Area; and (ii) information related to payment of utility taxes by any businesses, owners or other occupants of the Redevelopment Area in the calendar year ending December 31, 2007.

**6.2.2** Within ninety (90) days after execution of the Redevelopment Agreement, the City shall provide to the Developer (i) a certificate of the City Assessor's calculation of the total initial equalized assessed valuation of the taxable real property within the Redevelopment Area based upon the most recently ascertained equalized assessed valuation of each taxable lot, block, tract, or parcel of real property within the Phase 1 Property; and (ii) a certification of the amount of revenue from taxes, penalties and interest which are imposed by the City and other taxing districts and which are generated by economic activities within the Phase 1 Property for the calendar year ending December 31, 2007, but excluding those personal property taxes, taxes imposed on sales or charges for sleeping rooms paid by transient guests of hotels and motels, taxes levied pursuant to Section 70.500 of the Revised Statutes of Missouri, taxes levied for the purpose of public transportation, or licenses, fees or special assessments identified as excluded in Section 99.845.3 of the TIF Act.

**6.3 Application of Available Revenues**

The City hereby agrees for the term of this Agreement to apply the Phase 1 Revenues and any taxes, fees or assessments subsequently enacted and imposed in substitution therefor and allocable to the Special Allocation Fund under the TIF Act or this Agreement to the repayment of Phase 1 TIF Notes issued under Article V of this Agreement as provided in the Note Ordinance and this Agreement.

Upon the payment in full of the principal of and interest on all Phase 1 TIF Notes and Phase 2 TIF Notes (or provision has been made for the payment thereof as specified in the Note Ordinance), payment in full of the fees and expenses of the Comptroller and the SLDC, and payment in full of any other amounts required to be paid under the Note Ordinance, all amounts remaining on deposit in the Revenue Fund shall be declared as surplus and distributed in the manner provided in the Act.

If monies available in Special Allocation Fund are insufficient to reimburse the City or the Developer as provided above on any Payment Date, then the unpaid portion shall be carried forward to the next Payment Date, with interest thereon.

The City agrees that it will comply with the Charter of The City of St. Louis, Article XVI, Section 3 for each fiscal year that Phase 1 TIF Obligations are outstanding and the City will request an appropriation of all Available Revenues on deposit in the Special Allocation Fund for application to the payment of the principal of (including, but not limited to, payment of a premium, if any) and interest on the Phase 1 TIF Obligations.

**6.4 Cooperation in Determining Phase 1 Revenues.** The City and the Developer agree to cooperate and take all reasonable actions necessary to cause the Phase 1 Revenues to be paid into the Special Allocation Fund, including, but not limited to, the City's enforcement and collection of all such payments through all reasonable and ordinary legal means of enforcement.

**6.5 Obligation to Report Phase 1 Revenues.** The Developer shall cause any purchaser or transferee of real property located within the Phase 1 Property, and any lessee or other user of real property located within the Phase 1 Property to pay Phase 1 Revenues and shall use all reasonable efforts to timely fulfill such obligations as are required by **Section 6.4** of this Agreement. So long as any of the Phase 1 TIF Obligations are outstanding, the Developer shall cause such obligations to be covenants running with the land, which covenants shall be enforceable as if such purchaser, transferee, lessee or other user of such real property were originally a party to and bound by this Agreement.

**6.6 Notice to City of Transfer.** The Developer agrees to notify the City in writing of any sale, transfer or other disposition of the Phase 1 Property or any interest therein as permitted by **Section 7.3.2** of this Agreement at least fifteen (15) days prior to such sale, transfer or other disposition. Said notice shall specify the name and address of the person so acquiring any or all of the Phase 1 Property or any interest therein and shall identify the Phase 1 Property to be sold, transferred or otherwise disposed, whether by voluntary transfer or otherwise. Notwithstanding the foregoing, Developer shall not be required to notify the City of the lease or transfer of a residential unit, commercial unit or parking space in the ordinary course of business except as may be required by **Section 4.3**.

## ARTICLE 7. GENERAL PROVISIONS

**7.1 Developer's Right of Termination.** At any time prior to the delivery of a Certificate of Substantial Completion, the Developer may, by giving written notice to the City, abandon Phase 1 and terminate this Agreement and the Developer's obligations hereunder if the Developer determines, in its sole discretion, that Phase 1 is no longer economically feasible. Upon such termination, the City shall have no obligation to reimburse the Developer for any amounts advanced under this Agreement or costs otherwise incurred or paid by Developer.

**7.2 City's Right of Termination.** The City may terminate this Agreement if (i) the Developer fails to submit to the MBE/WBE Compliance Officer a copy of Developer's MBE/WBE Subcontractor's List and its MBE/WBE Utilization Statement within one hundred eighty (180) days of the date of this Agreement; provided, however, that termination under this Section 7.2(i) may be waived in the sole discretion of the MBE/WBE Compliance Officer; or (ii) the Developer fails to submit its Certificate of Substantial Completion, acceptable to the City, in accordance with **Section 3.8** of this Agreement and the schedule set forth in **Section 3.4** of this Agreement. Upon such termination, the City shall have no obligation to issue a Phase 1 TIF Note or to reimburse the Developer for any amounts advanced under this Agreement or costs otherwise incurred or paid by Developer.

### **7.3 Successors and Assigns.**

**7.3.1 Binding Effect.** This Agreement shall be binding on and shall inure to the benefit of the parties named herein and their respective heirs, administrators, executors, personal representatives, successors and assigns.

**7.3.2 Assignment or Sale.** Without limiting the generality of the foregoing, all or any part of the Property or any interest therein may be sold, transferred, encumbered, leased, or otherwise disposed of at any time, and the rights of the Developer named herein or any successors in interest under this Agreement or any part hereof may be assigned at any time before, during or after redevelopment of Phase 1, whereupon the party disposing of its interest in the Phase 1 Property or assigning its interest under this Agreement shall be thereafter released from further obligation under this Agreement (although any such Phase 1 Property so disposed of or to which such interest pertains shall remain subject to the terms and conditions of this Agreement), provided, however, that until substantial completion of Phase 1, the fee title to the Phase 1 Property shall not be sold, transferred or otherwise disposed of and the rights, duties and obligations of the Developer under this Agreement shall not be assigned in whole or in part without the prior written approval of the City, which approval shall not be unreasonably withheld or delayed upon a reasonable demonstration by the Developer of the proposed transferee's or assignee's experience and financial capability to undertake and complete such portions of the Work and perform the Developer's obligations under this Agreement, all in accordance with this Agreement. Notwithstanding anything herein to the contrary, the City hereby approves, and no prior consent shall be required in connection with: (a) the right of the Developer to encumber or collaterally assign its interest in the Phase 1 Property or any portion thereof or its rights, duties and obligations under this Agreement to secure loans, advances or extensions of credit to finance or from time to time refinance all or any part of the Redevelopment Project Costs, or the right of the holder of any such encumbrance or transferee of any such collateral assignment (or trustee or agent on its behalf) to transfer such interest by foreclosure or transfer in lieu of foreclosure under such encumbrance or collateral assignment; and (b) the right of Developer to transfer the Phase 1 Property or to assign the Developer's rights, duties and obligations under this Agreement to any Related Entity; (c) the right of the Developer to sell, lease or transfer a residential unit, commercial unit or parking space in the ordinary course of business (including, but not limited to, through a sale-leaseback transaction involving an ultimate user of such property); provided that in each such event (i) the Developer named herein shall remain liable hereunder for the substantial completion of Phase 1, subject, however, to Developer's right of termination pursuant to **Section 7.1** of this Agreement, and shall be released from such liability hereunder only upon substantial completion of Phase 1; and (ii) the Developer provides to the City fifteen (15) days' advance written notice of the proposed assignment or transfer other than of the sale or lease of a residential unit, commercial unit or parking space in the ordinary course of business which shall require no notice except as may be required by **Section 4.3**.

**7.3.3 Assignment or Sale to Exempt Organization.** Prior to any sale, transfer or other disposition of all or any portion of the Phase 1 Property or any interest therein to an organization exempt from payment of ad valorem property taxes, such organization shall be required to agree not to apply for an exemption from payment of such property taxes for a period ending

on the earlier of the date that all Phase 1 TIF Obligations are paid in full or twenty-three (23) years from the effective date that the Approving Ordinance. The Developer shall make this requirement a covenant running with the land, enforceable for such period as if such purchaser or other transferee or possessor thereof were originally a party to and bound by this Agreement.

**7.4 Remedies.** Except as otherwise provided in this Agreement and subject to the Developer's and the City's respective rights of termination, in the event of any default in or breach of any term or conditions of this Agreement by either party, or any successor, the defaulting or breaching party (or successor) shall, upon written notice from the other party specifying such default or breach, proceed immediately to cure or remedy such default or breach, and shall, in any event, within thirty (30) days after receipt of notice, cure or remedy such default or breach. In the event that the defaulting or breaching party (or successor) diligently and in good faith commences to cure or remedy such default or breach but is unable to cure or remedy such default or breach within thirty (30) days after receipt of notice, the defaulting or breaching party (or successor) shall, prior to the end of such thirty (30) days, provide notice to the other party that it has in good faith commenced to cure or remedy such default or breach, whereupon the defaulting or breaching party (or successor) shall have an additional thirty (30) days to cure or remedy such default or breach. In case such cure or remedy is not taken or not diligently pursued, or the default or breach shall not be cured or remedied prior to the end of the additional thirty (30) day period, the aggrieved party may institute such proceedings as may be necessary or desirable in its opinion to cure and remedy such default or breach, including without limitation proceedings to compel specific performance by the defaulting or breaching party.

**7.5 Force Majeure.** Neither the City nor the Developer nor any successor in interest shall be considered in breach or default of their respective obligations under this Agreement, and times for performance of obligations hereunder shall be extended in the event of any delay caused by force majeure (except as expressly limited in **Section 3.4**), including without limitation damage or destruction by fire or casualty; strike; lockout; civil disorder; war; restrictive government regulations; lack of issuance of any permits and/or legal authorization by the governmental entity necessary for the Developer to proceed with construction of the Work or any portion thereof; shortage or delay in shipment of material or fuel; acts of God; unusually adverse weather or wet soil conditions; or other like causes beyond the parties' reasonable control, including without limitation any litigation, court order or judgment resulting from any litigation affecting the validity of the Redevelopment Plan, t Phase 1 or the Phase 1 TIF Obligations or this Agreement; provided that (i) such event of force majeure shall not be deemed to exist as to any matter initiated or sustained by the Developer in bad faith, and (ii) the Developer notifies the City in writing within thirty (30) days of the commencement of such claimed event of force majeure.

**7.6 Notices.** All notices, demands, consents, approvals, certificates and other communications required by this Agreement to be given by either party hereunder shall be in writing and shall be hand delivered or sent by United States first class mail, postage prepaid, addressed to the appropriate party at its address set forth below, or at such other address as such party shall have last designated by notice to the other. Notices, demands, consents, approvals, certificates and other communications shall be deemed given when delivered or three days after mailing; provided, however, that if any such notice or other communication shall also be sent by telecopy or fax machine, such notice shall be deemed given at the time and on the date of machine transmittal if the sending party receives a written send verification on its machines and forwards a copy thereof with its mailed or courier delivered notice or communication.

- (i) In the case of the Developer, to:

Carondelet TIF, Inc.  
c/o Steins Broadway Inc  
7525 S. Broadway  
St. Louis, Missouri 63111  
Attention: Benjamin J. Simms  
Facsimile: 314-631-9918

- (ii) In the Case of the City, to:

City of St. Louis  
Office of the Mayor  
City Hall  
1200 Market Street, Room 200  
St. Louis, Missouri 63103  
Attention: Rodney Crim, St. Louis Development Corp.  
Facsimile: 314-622-3440

And

City of St. Louis  
Office of the Comptroller  
City Hall  
1200 Market Street, Room 212  
St. Louis, Missouri 63103  
Attention: Ivy Neyland-Pinkston, Deputy Comptroller  
Facsimile: 314-588-0550

With a copy to:

City of St. Louis  
City Counselor  
City Hall  
1200 Market Street, Room 314  
St. Louis, Missouri 63103  
Attention: Rebecca Wright, Assistant City Counselor  
Facsimile: 314-622-4956

And

Armstrong Teasdale LLP  
7700 Forsyth Blvd., Suite 1800  
St. Louis, Missouri 63103  
Attention: Thomas J. Ray, Esq.  
Facsimile: 314-621-5065

(iii) In the case of the SLDC, to:

SLDC  
1015 Locust Street, Suite 1200  
St. Louis, Missouri 63101  
Attention: Dale Ruthsatz  
Facsimile: 314-231-2341

**7.7 Conflict of Interest.** No member of the Board of Aldermen, the TIF Commission, or any branch of the City's government who has any power of review or approval of any of the Developer's undertakings, or of the City's contracting for goods or services for the Redevelopment Area, shall participate in any decisions relating thereto which affect that member's personal interests or the interests of any corporation or partnership in which that member is directly or indirectly interested. Any person having such interest shall immediately, upon knowledge of such possible conflict, disclose, in writing, to the Board of Aldermen the nature of such interest and seek a determination by the Board of Aldermen with respect to such interest and, in the meantime, shall not participate in any actions or discussions relating to the activities herein proscribed.

**7.8 Damage or Destruction of Phase 1.** In the event of total destruction or damage to Phase 1 by fire or other casualty, during construction or thereafter during the term of this Agreement so long as any Phase 1 TIF Notes are outstanding and the Developer or a Related Entity owns the Phase 1 Property, the Developer shall determine and advise the City in writing within one year of such destruction or damage whether to restore, reconstruct and repair any such destruction or damage so that Phase 1 will be completed or rebuilt in accordance with the Redevelopment Plan and this Agreement. Should the Developer determine not to restore, reconstruct and repair, all unaccrued liability of the City for any payments of principal of or interest on the Phase 1 TIF Notes shall immediately terminate and the Developer shall promptly surrender the Phase 1 TIF Notes to the City for cancellation. In the event of such total destruction or damage during the term of this Agreement and after any Phase 1 TIF Bonds are issued or the issuance of a Phase 1 TIF Note to a purchaser other than the Developer or a Related Entity, the Developer shall, at the City's option after consultation with the Developer, tender to the City that portion of the insurance proceeds, if any, to which Developer is entitled, after satisfaction of any terms or obligations of any deed of trust, promissory note or financing agreement entered into by the Developer for the financing of all or any part of Phase 1, from any fire or casualty insurance policy in an amount equal to the outstanding principal amount of the Phase 1 TIF Bonds or Phase 1 TIF Notes, plus accrued interest thereon to be deposited into the Special Allocation Fund.

**7.9 Inspection.** The City may conduct such periodic inspections of the Work as may be generally provided in the building code of the City. In addition, the Developer shall allow other authorized representatives of the City reasonable access to

the Work site from time to time upon advance notice prior to the completion of the Work for inspection thereof. The Developer shall not unreasonably deny the City and its officers, employees, agents and independent contractors the right to inspect, upon request, all architectural, engineering, demolition, construction and other contracts and documents pertaining to the construction of the Work as the City determines is reasonable and necessary to verify the Developer's compliance with the terms of this Agreement.

**7.10 Choice of Law.** This Agreement shall be taken and deemed to have been fully executed, made by the parties in, and governed by the laws of State of Missouri for all purposes and intents.

**7.11 Entire Agreement; Amendment.** The parties agree that this Agreement constitutes the entire agreement between the parties and that no other agreements or representations other than those contained in this Agreement have been made by the parties. This Agreement shall be amended only in writing and effective when signed by the authorized agents of the parties.

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

**7.13 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.

**7.14 Representatives Not Personally Liable.** No elected or appointed official, agent, employee or representative of the City 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.

**7.15 Attorney's Fees.** In any dispute arising out of or relating to this Agreement, including any action to enforce this Agreement against a defaulting or breaching party pursuant to **Section 7.4**, the prevailing party shall recover from the non-prevailing party the prevailing party's attorney's fees, in addition to any other damages to which it is entitled.

**7.16 Actions Contesting the Validity and Enforceability of the Redevelopment Plan.** In the event a third party brings an action against the City or the City's officials, agents, attorneys, employees or representatives contesting the validity or legality of the Redevelopment Area, the Redevelopment Plan, the Phase 1 TIF Obligations, or the ordinance approving this Agreement, Developer may, at its option, join the City in defense of such claim or action. The parties expressly agree that, so long as no conflicts of interest exist between them with regard to the handling of such litigation, the same attorney or attorneys may simultaneously represent the City and the Developer in any such proceeding. The Developer shall be responsible for all reasonable and necessary costs and expenses incurred by the City and by the Developer in connection with the defense of such claim or action, provided that if the City does not approve a settlement or compromise to which the Developer would agree, the Developer shall not be responsible for any costs or expenses incurred thereafter in the defense of such claim or action. All cost of any such defense, whether incurred by the City or the Developer, shall be deemed to be Reimbursable Redevelopment Project Costs and reimbursable from any amounts in the Special Allocation Fund, subject to Article IV of this Agreement.

**7.17 Release and Indemnification.** The indemnifications and covenants contained in this Section shall survive termination or expiration of this Agreement.

**7.17.1** The City and its governing body members, officers, agents, attorneys, employees and independent contractors shall not be liable to the Developer for damages or otherwise in the event that all or any part of the TIF Act, or any ordinance adopted in connection with either the TIF Act, this Agreement or the Redevelopment Plan, is declared invalid or unconstitutional in whole or in part by the final (as to which all rights of appeal have expired or have been exhausted) judgment of any court of competent jurisdiction, and by reason thereof either the City is prevented from performing any of the covenants and agreements herein or the Developer is prevented from enjoying the rights and privileges hereof.

**7.17.2** The Developer releases from and covenants and agrees that the City and its governing body members, officers, agents, attorneys, employees and independent contractors shall not be liable for, and agrees to indemnify and hold harmless the City, its governing body members, officers, agents, attorneys, employees and independent contractors against any and all claims, demands, liabilities and costs, including reasonable attorneys' fees, costs and expenses, arising from damage or injury, actual or claimed (excluding consequential and punitive damages), to persons or property occurring or allegedly occurring as a result of any negligent or malicious acts or omissions of the Developer, its governing body members, officers, agents, attorneys, employees and independent contractors, in connection with its or their activities conducted pursuant to this Agreement.

**7.17.3** The City and its governing body members, officers, agents, attorneys, employees and independent contractors shall not be liable for any damage or injury to the persons or property of the Developer or its officers, agents, employees,

independent contractors or any other persons who may be about the Phase 1 Property or the Work except for matters arising out of the gross negligence or willful misconduct of the City and its governing body members, officers, agents, attorneys, employees and independent contractors.

**7.17.4** All covenants, stipulations, promises, agreements and obligations of the City contained herein shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the City and not of any of its governing body members, officers, agents, attorneys, employees or independent contractors in their individual capacities.

**7.17.5** No governing body members, officers, agents, attorneys, employees or independent contractors of the City shall be personally liable to the Developer (i) in the event of a default or breach by any party under this Agreement or (ii) for any amount or any Phase 1 TIF Notes which may become due to any party under the terms of this Agreement.

**7.17.6** The Developer releases from and covenants and agrees that the City, its governing body members, officers, agents, attorneys, employees and independent contractors shall not be liable for, and agrees to indemnify and hold the City, its governing body members, officers, agents, attorneys, employees and independent contractors, harmless from and against any and all third party suits, interest, claims and cost of reasonable attorneys fees incurred by any of them, resulting from, arising out of, or in any way connected with: (i) the enforcement of this Agreement, the validity of the Phase 1 TIF Obligations or the enforcement or validity of any other agreement or obligation made in connection therewith and their approvals (excluding opinions of counsel and of the City's financial advisors whenever such claim is based on such party's own negligence); (ii) the negligence or willful misconduct of the Developer or its officers, agents, employees or independent contractors in connection with the design, management, development, redevelopment and construction of the Work, or (iii) the compliance by the Developer with all applicable state, federal and local environmental laws, regulations and ordinances as applicable to the Property, to the extent such condition existed prior to the acquisition thereof by the Developer. The foregoing release and indemnification shall not apply in the case of such liability arising directly out of the negligence or malicious acts or omissions of the City or its governing body members, officers, agents, attorneys, employees and independent contractors in connection with its or their activities conducted pursuant to this Agreement or which arises out of matters undertaken by the City following termination of this Agreement as to the Redevelopment Project or any particular portion thereof.

**7.18 Survival.** Notwithstanding the expiration or termination or breach of this Agreement by either party, the agreements contained in **Section 2.2, clauses (iii)-(v), Article VI, Sections 7.10, 7.11, 7.12, 7.13, 7.14, 7.15, 7.16, 7.17 and Article VIII** of this Agreement shall, except as otherwise expressly set forth herein, survive such early expiration or early termination of this Agreement by either party.

**7.19 Maintenance of the Property.** The Developer shall remain in compliance with all provisions of the City's ordinances relating to maintenance and appearance of the Phase 1 Property during the construction of Phase 1 or any portion thereof. Upon substantial completion of Phase 1 and so long as any Phase 1 TIF Obligations are outstanding, the Developer or its successor(s) in interest, as owner or owners of the affected portion(s) of the Phase 1 Property, shall, during the remainder of the term of this Agreement (but subject to any delay caused by an event of force majeure as provided in **Section 7.5** of this Agreement), maintain or cause to be maintained the buildings and improvements within the Phase 1 Property which it owns in a good state of repair and attractiveness and in conformity with applicable state and local laws, ordinances and regulations. If there are separately-owned or ground leased parcels of real estate on the Phase 1 Property during the term of this Agreement, each owner or lessee as a successor in interest to the Developer shall maintain or cause to be maintained the buildings and improvements on its parcel in a good state of repair and attractiveness and in conformity with applicable state and local laws, ordinances and regulations.

**7.20 Non-Discrimination.** The Developer agrees that, during the term of this Agreement and as an independent covenant running with the land, there shall be no discrimination upon the basis of race, creed, color, national origin, sex, age, marital status or physical handicap in the sale, lease, rental, occupancy or use of any of the facilities under its control within the Redevelopment Area or any portion thereof and said covenant may be enforced by the City or the United States of America or any of their respective agencies. The Developer further agrees that a provision containing the covenants of this paragraph shall be included in all agreements pertaining to the lease or conveyance or transfer (by any means) of all or a portion of Phase 1 and any of the facilities under its control in the Redevelopment Area. Except as provided in this Section, the Developer shall have no obligation to enforce the covenants made by any transferee or lessee, tenant, occupant or user of any of the facilities within the Phase 1 Property.

**7.21 Fair Employment.** Without limiting any of the foregoing, the Developer voluntarily agrees to observe the Equal Opportunity and Nondiscrimination Guidelines set forth as **Exhibit F**, attached hereto and incorporated herein by reference. By execution of this Agreement, the Developer certifies and agrees that it is under no contractual or other disability that would materially impair its ability to observe the Guidelines set forth as **Exhibit F**, attached hereto and incorporated herein by reference. MBE/WBE Compliance.

The Developer shall comply with the Mayor’s Executive Order #28, as amended as of the date of this Agreement, during the design and construction of Phase 1 and with respect to ongoing services provided by third parties to the Developer in connection with Phase 1.

**ARTICLE 8.  
REPRESENTATIONS OF THE PARTIES**

**8.1 Representations of the City.** The City hereby represents and warrants that it has full constitutional and lawful right, power and authority, under current applicable law, to execute and deliver and perform the terms and obligations of this Agreement, including without limitation the right, power and authority to issue and sell the Phase 1 TIF Notes, and all of the foregoing have been or will be, upon adoption of ordinances authorizing the issuance of the Phase 1 TIF Notes, duly and validly authorized and approved by all necessary City proceedings, findings and actions. Accordingly, this Agreement constitutes the legal, valid and binding obligation of the City, enforceable in accordance with its terms.

**8.2 Representations of the Developer.** The Developer hereby represents and warrants it has full power to execute and deliver and perform the terms and obligations of this Agreement and all of the foregoing has been duly and validly authorized by all necessary corporate proceedings. This Agreement constitutes the legal, valid and binding obligation of the Developer, enforceable in accordance with its terms.

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

**IN WITNESS WHEREOF**, the City and the Developer have caused this Agreement to be executed in their respective names and the City has caused its seal to be affixed thereto, and attested as to the date first above written.

**CITY**

**CITY OF ST. LOUIS, MISSOURI**

By: \_\_\_\_\_  
Francis G. Slay, Mayor

By: \_\_\_\_\_  
Darlene Green, Comptroller

(SEAL)

Attest:

\_\_\_\_\_  
Parrie May, City Register

Approved as to Form:

\_\_\_\_\_  
Patricia Hageman, City Counselor

**IN WITNESS WHEREOF**, the City and the Developer have caused this Agreement to be executed in their respective names and the City has caused its seal to be affixed thereto, and attested as to the date first above written.

**“DEVELOPER”**

**CARONDELET TIF, INC.**  
a Missouri corporation

By: \_\_\_\_\_  
Name: Benjamin J. Simms  
Title: President

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

On this \_\_\_\_\_ day of \_\_\_\_\_, 2011, before me appeared Francis G. Slay, to me personally known, who, being by me duly sworn, did say that he is the Mayor of the CITY OF ST. LOUIS, MISSOURI, a political subdivision of the State

of Missouri, and that the seal affixed to the foregoing instrument is the seal of said City, and said instrument was signed and sealed in behalf of said City by authority of its Board of Aldermen, and said individual acknowledged said instrument to be the free act and deed of said City.

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

\_\_\_\_\_  
Notary Public

My Commission Expires:

\_\_\_\_\_

STATE OF MISSOURI     )  
  )  
CITY OF ST. LOUIS     )

On this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, before me appeared Darlene Green, to me personally known, who, being by me duly sworn, did say that she is the Comptroller of the CITY OF ST. LOUIS, MISSOURI, a political subdivision of the State of Missouri, and that the seal affixed to the foregoing instrument is the seal of said City, and said instrument was signed and sealed in behalf of said City by authority of its Board of Aldermen, and said individual acknowledged said instrument to be the free act and deed of said City.

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

\_\_\_\_\_  
Notary Public

My Commission Expires:

\_\_\_\_\_

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

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_, before me appeared Benjamin J. Simms, to me personally known, who, being by me duly sworn, did say that he is the President of CARONDELET TIF, INC., a Missouri corporation, and that he is authorized to sign the instrument on behalf of said corporation by authority of its directors, and acknowledged to me that he executed the within instrument as said corporation's free act and deed.

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

\_\_\_\_\_  
Notary Public

My Commission Expires:

\_\_\_\_\_

EXHIBIT A  
**Legal Description of the Redevelopment Area, Phase 1 Property and Phase 2 Property**

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

**LEGAL DESCRIPTION IS ON FILE IN THE REGISTER'S OFFICE.****Phase 1 Property****TO BE SUPPLEMENTED****Phase 2 Property****TO BE SUPPLEMENTED****EXHIBIT B  
TIF Reimbursable Redevelopment Project Costs**

CATEGORY	
(a)	Acquisition Costs (as defined in Section 1.1 of this Agreement).
(b)	Demolition Costs (includes, but is not limited to, demolition of existing buildings and structures or parts thereof).
(c)	Site Preparation and Public Improvements Costs (includes, but is not limited to, street and sidewalk improvements, parking facilities, utility work and resetting of curbs and landscaping and lighting in the right of way areas).
(d)	Rehabilitation, renovation, or reconstruction of any existing structures or construction of new structures or improvements.
(e)	Financing Costs (includes, but is not limited to, loan fees, disbursing fees, lender's legal fees, loan appraisals, flood certificates, tax credit investor fees and any and all other costs incurred by the Developer in connection with obtaining financing for and a tax credit investor in the Redevelopment Project).
(f)	Environmental Testing, Remediation and/or Abatement Costs (includes, but is not limited to, the testing for and removal and disposal of toxic or hazardous substances or materials).
(g)	Professional Service Costs (includes, but is not limited to, architectural, engineering, legal, marketing, financial, planning, sales commissions or special services).
(h)	TIF Costs & Issuance Costs incurred by the Developer pursuant to TIF Costs & Issuance Costs incurred by the Developer pursuant to <b>Section 2.2(i) – 2.2.(v)</b> of this Agreement. of this Agreement.

<sup>1</sup> Subject to the limitations set forth in **Section 4.2** of this Agreement, provided that such costs shall not exceed the aggregate amount of \$838,851 plus Issuance Costs as provided in the Agreement.

**EXHIBIT C****Form of Certificate of Commencement of Construction**

To: City of St. Louis  
Office of Comptroller  
1200 Market St., Room 212  
St. Louis, MO 63103  
Attention: Ivy Neyland-Pinkston,  
Deputy Comptroller

City of St. Louis  
St. Louis Development Corp  
1015 Locust St., Ste. 1200  
St. Louis, MO 63103  
Attention: Dale Ruthsatz

**DELIVERED BY**

Carondelet TIF, Inc.

The undersigned, Carondelet TIF, Inc. (the "Developer"), pursuant to that certain Redevelopment Agreement dated as of \_\_\_\_\_, 20\_\_, between the City of St. Louis, Missouri (the "City") and Developer (the "Agreement") hereby certifies to the City as follows:

1. All property within the Redevelopment Area necessary for Phase 1 (as legally described on Appendix A attached hereto and by this reference incorporated herein and made a part hereof), has been acquired by Developer or a Related Entity in accordance with the Agreement.

2. Developer has entered into an agreement with a contractor or contractors to construct Phase 1.

3. Developer has submitted to the MBE/WBE Compliance Officer a copy of Developer's MBE/WBE Subcontractor's List and MBE/WBE Utilization Statement, which are attached hereto as Appendix B.

4. Developer has obtained all necessary financing to complete Phase 1.

5. This Certificate of Commencement of Construction is being issued by Developer to the City in accordance with the Agreement to evidence Developer's satisfaction of all obligations and covenants with respect to commencement of construction of Phase 1.

Terms not otherwise defined herein shall have the meaning ascribed to such terms in the Agreement.

IN WITNESS WHEREOF, the undersigned has hereunto set his/her hand this day of \_\_\_\_\_, 20\_\_.

**CARONDELET TIF, INC.**

By: \_\_\_\_\_  
Name: Benjamin J. Simms  
Title: President

**EXHIBIT D**  
**Form of Certificate of**  
**Reimbursable Redevelopment Project Costs**

TO:  
City of St. Louis  
Office of Comptroller  
1200 Market Street, Room 212  
St. Louis, Missouri 63103  
Attention: Ivy Neyland-Pinkston, Deputy Comptroller

**Re: City of St. Louis, Missouri, South Carondelet District #3 Redevelopment Project – Phase 1**

Terms not otherwise defined herein shall have the meaning ascribed to such terms in the Redevelopment Agreement dated as of \_\_\_\_\_, 20\_\_ (the "Agreement"), between Carondelet TIF, Inc., a Missouri corporation (the "Developer"). In connection with said Agreement, the undersigned hereby states and certifies that:

1. Each item listed on **Schedule 1** hereto is a Reimbursable Redevelopment Project Cost and was incurred in connection with the construction of Phase 1.

2. These Reimbursable Redevelopment Project Costs have been have been paid by the Developer and are reimbursable under the Note Ordinance and the Agreement.

3. Each item listed on **Schedule 1** has not previously been paid or reimbursed from money derived from the Special Allocation Fund or any money derived from any project fund established pursuant to the Note Ordinance, and no part thereof has been included in any other certificate previously filed with the City.

4. There has not been filed with or served upon the Developer any notice of any lien, right of lien or attachment upon or claim affecting the right of any person, firm or corporation to receive payment of the amounts stated in this request, except to the extent any such lien is being contested in good faith.

5. All necessary permits and approvals required for the portion of the Work for which this certificate relates have been issued and are in full force and effect.

6. All Work for which payment or reimbursement is requested has been performed in a good and workmanlike

manner and in accordance with the Redevelopment Plan and the Agreement.

7. If any cost item to be reimbursed under this Certificate is deemed not to constitute a "redevelopment project cost" within the meaning of the TIF Act and the Agreement, the Developer shall have the right to substitute other eligible Reimbursable Redevelopment Project Costs for payment hereunder.

8. The costs to be reimbursed under this Certificate constitute advances qualified for Tax-Exempt TIF Notes:

Yes: \_\_\_\_\_ No: \_\_\_\_\_

9. The Developer is not in default or breach of any material term or condition of the Agreement beyond the applicable cure period, if any.

Dated this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

**CARONDELET TIF, INC.**

By: \_\_\_\_\_

Name: Benjamin J. Simms  
Title: President

Approved for payment this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**SLDC**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**Schedule 1**

The Developer has incurred the following Reimbursable Redevelopment Project Costs:

Payee:                      Amount:                      Description of Reimbursable Redevelopment Project Costs:

**EXHIBIT E**  
**Form of Certificate of Substantial Completion**  
**CERTIFICATE OF SUBSTANTIAL COMPLETION**

The undersigned, Carondelet TIF, Inc., a Missouri corporation (the "Developer"), pursuant to that certain Redevelopment Agreement dated as of \_\_\_\_\_, 20\_\_, between the City of St. Louis, Missouri (the "City"), and the Developer (the "Agreement"), hereby certifies to the City as follows:

1. That as of \_\_\_\_\_, \_\_\_\_\_, the construction of Phase 1 (as that term is defined in the Agreement) has been substantially completed in accordance with the Agreement.
2. That the Work has been substantially completed or funded pursuant to **Exhibit B** to the Agreement.
3. The Work has been performed in a workmanlike manner and substantially in accordance with the Construction Plans (as those terms are defined in the Agreement).
4. This Certificate of Substantial Completion is accompanied by the project architect's or owner representative's certificate of substantial completion on AIA Form G-704 (or the substantial equivalent thereof), a copy of which is attached hereto as Appendix A and incorporated herein by reference, certifying that Phase 1 has been substantially completed in accordance with the Agreement.
5. Mechanics lien waivers for applicable portions of the Work in excess of Five Thousand Dollars (\$5,000) have

been obtained.

6. This Certificate of Substantial Completion is being issued by the Developer to the SLDC and the City in accordance with the Agreement to evidence the Developer’s satisfaction of all material obligations and covenants with respect to Phase 1.

7. The acceptance (below) or the failure of the SLDC and the Mayor or his designee to object in writing to this Certificate within thirty (30) days of the date of delivery of this Certificate to the SLDC and the City (which written objection, if any, must be delivered to the Developer prior to the end of such thirty (30) days) shall evidence the satisfaction of the Developer’s agreements and covenants to perform the Work.

Upon such acceptance by the SLDC and the Mayor or his designee, the Developer may record this Certificate in the office of the City’s Recorder of Deeds. This Certificate is given without prejudice to any rights against third parties which exist as of the date hereof or which may subsequently come into being. Terms not otherwise defined herein shall have the meaning ascribed to such terms in the Agreement.

**(remainder of page intentionally left blank)**

IN WITNESS WHEREOF, the undersigned has hereunto set his/her hand this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**CARONDELET TIF, INC.**

By: \_\_\_\_\_  
Name: Benjamin J. Simms  
Title: President

**ACCEPTED:**

**SLDC**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**CITY OF ST. LOUIS, MISSOURI**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

(Insert Notary Form(s) and Legal Description)

**EXHIBIT F  
Equal Opportunity and Nondiscrimination Guidelines**

In any contract for Work in connection with the Redevelopment Project related to any of the Property in the Redevelopment Area, the Developer (which term shall include the Developer, any transferees, lessees, designees, successors and assigns thereof, including without limitation any entity related to the Developer by one of the relationships described in Section 267(b) of the United States Internal Revenue Code of 1986, as amended), its contractors and subcontractors shall comply with all federal, state and local laws, ordinances or regulations governing equal opportunity and nondiscrimination (the “Laws”). Moreover, the Developer shall contractually require its contractors and subcontractors to comply with the Laws.

The Developer and its contractors or subcontractors shall not contract with any party known to have been found in violation of the Laws.

The Developer agrees for itself and its contractors and subcontractors that there shall be covenants to ensure that there shall be no discrimination on the part of the Developer or its contractors and subcontractors upon the basis of race, color, creed, national origin, sex, marital status, age, sexual orientation or physical handicap in the sale, lease, rental, use or occupancy of any of the



**Project and Bid Identification:**

Contracting Agency: \_\_\_\_\_  
 Project Name: \_\_\_\_\_  
 Letting Number: \_\_\_\_\_ Date: \_\_\_\_\_  
 Contract MBE/WBE Goal: 25% MBE and 5% WBE Participation  
 Total Dollar Amount of Prime Contract: \$ \_\_\_\_\_  
 Total Dollar Amount of Proposed MBE: \$ \_\_\_\_\_ Percent MBE \_\_\_\_\_  
 Total Dollar Amount of Proposed WBE: \$ \_\_\_\_\_ Percent WBE \_\_\_\_\_

**Obligation:** The undersigned certifies that (s)he has read, understands and agrees to be bound by the bid specifications, including the accompanying exhibits and other items and conditions of the request for proposals regarding minority and women business enterprise utilization. The undersigned further certifies that (s)he is legally authorized by the respondent to make the statements and representations in the M/WBE Forms and Exhibits and that said statements and representations are true and correct to the best of his/her knowledge and belief. The undersigned will enter into formal agreements with the minority/women business enterprises listed in the Subcontractor List, which are deemed by the City to be legitimate and responsible. The undersigned understands that if any of the statements and representations are made by the respondent knowing them to be false, or if there is a failure of the successful respondent to implement any of the stated agreements, intentions, objectives, goals and commitments set forth herein without prior approval of the City, then in any such events, the contractor’s act or failure to act, as the case may be, shall constitute a material breach of the contract, entitling the City to terminate the contract for default. The right to so terminate shall be in addition to, and not in lieu of, any other rights and remedies the City may have for other defaults under the contract. Additionally, the contractor may be subject to the penalties cited in Section Twelve of the Mayor’s Executive Order #28, as amended.

**[Remainder of page intentionally left blank.]**

**Assurance:** I, acting as an officer of the undersigned bidder or joint venture bidders, hereby assure the City that on this project my company will (check one):

- Meet or exceed contract award goals and provide participation as shown above.
- Fail to meet contract award goals but will demonstrate that good faith efforts were made to meet the goals and my company will provide participation as shown above.

Name of Prime Contractor(s): \_\_\_\_\_

Prime Contractor Authorized Signature  
 By: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Date: \_\_\_\_\_

**REDEVELOPMENT AGREEMENT**  
**Between the**  
**CITY OF ST. LOUIS, MISSOURI**  
**And**  
**CARONDELET TIF, INC.**

Dated as of  
 \_\_\_\_\_, 20\_\_\_\_

**SOUTH CARONDELET DISTRICT #3 REDEVELOPMENT PROJECT – PHASE 2**

**ARTICLE 1. DEFINITIONS ..... 2**

    1.1 Definitions ..... 2

**ARTICLE 2. ACCEPTANCE OF PROPOSAL ..... 11**

2.1	Developer Designation .....	11
2.2	Developer to Advance Costs .....	11
<b>ARTICLE 3.</b>	<b>CONSTRUCTION OF PHASE 1 .....</b>	<b>12</b>
3.1	Acquisition of Property .....	12
3.2	Condemnation .....	12
3.3	Relocation .....	12
3.4	Developer to Construct the Work .....	12
3.5	Governmental Approvals .....	12
3.6	Construction Plans; Changes .....	13
3.7	Certificate of Commencement of Construction .....	13
3.8	Certificate of Substantial Completion .....	13
<b>ARTICLE 4.</b>	<b>REIMBURSEMENT OF DEVELOPER COSTS .....</b>	<b>14</b>
4.1	City's Obligation to Reimburse Developer .....	14
4.2	Reimbursements Limited to Reimbursable Redevelopment Project Costs; Developer's Right to Substitute .....	14
4.3	Cost Savings and Excess Profits .....	15
4.4	Condominium Conversion .....	16
4.5	City's Obligations Limited to Special Allocation Fund and Bond Proceeds .....	17
<b>ARTICLE 5.</b>	<b>TIF OBLIGATIONS .....</b>	<b>18</b>
5.1	Conditions Precedent to the Issuance of TIF Notes .....	18
5.2	Issuance of TIF Notes .....	18
5.3	Issuance of TIF Bonds .....	19
5.4	Application of TIF Bond Proceeds .....	20
5.5	Cooperation in the Issuance of TIF Obligations .....	20
5.6	Subordinate Notes .....	21
5.7	City to Select Underwriter and Financial Advisor; Term and Interest Rate .....	21
<b>ARTICLE 6.</b>	<b>SPECIAL ALLOCATION FUND; COLLECTION AND USE OF TIF REVENUES .....</b>	<b>21</b>
6.1	Creation of Special Allocation Fund .....	21
6.2	Certification of Base for PILOTS and EATS .....	22
6.3	Application of Available Revenues .....	22
6.4	Cooperation in Determining TIF Revenues .....	23
6.5	Obligation to Report TIF Revenues .....	23
6.6	Notice to City of Transfer .....	23
<b>ARTICLE 7.</b>	<b>GENERAL PROVISIONS .....</b>	<b>23</b>
7.1	Developer's Right of Termination .....	23
7.2	City's Right of Termination .....	23
7.3	Successors and Assigns .....	23
7.4	Remedies .....	25
7.5	Force Majeure .....	25
7.6	Notices .....	25
7.7	Conflict of Interest .....	27
7.8	Damage or Destruction of Phase 1 .....	27
7.9	Inspection .....	28
7.10	Choice of Law .....	28
7.11	Entire Agreement; Amendment .....	28
7.12	Counterparts .....	28
7.13	Severability .....	28
7.14	Representatives Not Personally Liable .....	28
7.15	Attorney's Fees .....	28
7.16	Actions Contesting the Validity and Enforceability of the Redevelopment Plan .....	28

7.17 Release and Indemnification . . . . . 29

7.18 Survival . . . . . 30

7.19 Maintenance of the Property . . . . . 30

7.20 Non-Discrimination . . . . . 30

7.21 Fair Employment . . . . . 31

7.22 MBE/WBE Compliance . . . . . 31

**ARTICLE 8. REPRESENTATIONS OF THE PARTIES . . . . . 31**

8.1 Representations of the City . . . . . 31

8.2 Representations of the Developer . . . . . 31

EXHIBIT A Legal Description of the Redevelopment Area

EXHIBIT B Reimbursable Redevelopment Project Costs

EXHIBIT C Form of Certificate of Commencement of Construction

EXHIBIT D Form of Certificate of Reimbursable Redevelopment Project Costs

EXHIBIT E Form of Certificate of Substantial Completion

EXHIBIT F Equal Opportunity and Nondiscrimination Guidelines

EXHIBIT G Form of MBE/WBE Subcontractor’s List

EXHIBIT H Form of MBE/WBE Utilization Statement

**REDEVELOPMENT AGREEMENT**

**THIS REDEVELOPMENT AGREEMENT** (this “*Agreement*”) is made and entered into as of this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_, 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 **CARONDELET TIF, INC.**, a corporation duly incorporated and existing under the laws of the State of Missouri (the “*Developer*”). (All capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in **Article I** of this Agreement.)

**RECITALS**

- A. Pursuant to Ordinance No. 62477, adopted and approved on December 20, 1991, the Board of Aldermen duly formed the Tax Increment Financing Commission of the City of St. Louis, Missouri (the “TIF Commission”), in accordance with the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 through 99.865 of the Revised Statutes of Missouri, (2000) (the “TIF Act”), and empowered the TIF Commission to transact business and exercise its powers as authorized by the TIF Act.
- B. The City published a notice on April 26, 2008 and May 3, 2008 in the St. Louis Daily Record, a newspaper of general circulation within the City, soliciting proposals for the redevelopment of the Redevelopment Area (as hereinafter defined), and made such requests for proposals available for potential developers of the Redevelopment Area.
- C. An affiliate of Developer submitted its development proposal dated April 18, 2008 (the “Redevelopment Proposal”) to the TIF Commission for redevelopment of the Redevelopment Area.
- D. On June 4, 2008, following a public hearing held on that date, in accordance with the TIF Act, the TIF Commission adopted a resolution approving the Redevelopment Plan titled “South Carondelet District #3 TIF Redevelopment Plan” dated April 18, 2008 (as may amended, the “Redevelopment Plan”), the Redevelopment Project described in the Redevelopment Plan (the “Redevelopment Project”) and the Redevelopment Area, and recommending that the Board of Aldermen: (1) adopt tax increment financing with respect to the Redevelopment Area by passage of an ordinance complying with the terms of Section 99.845 of the Act; and (2) adopt an ordinance in the form required by the Act (a) approving the Redevelopment Plan, (b) approving and designating the Redevelopment Area as a “redevelopment area” as provided in the Act, (c) approving the Redevelopment Project, and (d) creating the South Carondelet District #3 Special Allocation Fund.
- E. On July 28, 2008, after due consideration of the TIF Commission’s recommendations, the Mayor signed Ordinance No. 68092 [Board Bill No. 153] designating the Redevelopment Area as a “redevelopment area” as provided in the TIF Act, approving the Redevelopment Plan, approving the Redevelopment Project described in the Redevelopment Plan, adopting tax increment allocation financing within the Redevelopment Area and establishing the Special Allocation Fund.
- F. On \_\_\_\_\_, \_\_\_\_\_, the Mayor signed Ordinance No. \_\_\_\_\_ [Board Bill No. \_\_\_\_] affirming adoption

of the Redevelopment Area, Redevelopment Plan and Redevelopment Project, designating the Developer as developer of the Redevelopment Area, and authorizing the City to enter into this Agreement with Developer with respect to Phase 2 (as defined herein) of the Redevelopment Project.

G. The City has determined that the acceptance of the Redevelopment Proposal and the fulfillment generally of this Agreement are in the best interests of the City, and the health, safety and welfare of its residents, and in accord with the public purposes specified in the Redevelopment Plan.

H. On \_\_\_\_\_, \_\_\_\_\_, the Mayor signed Ordinance No. \_\_\_\_\_ [Board Bill No. \_\_\_\_] authorizing the City to issue one or more tax increment revenue notes to reimburse Developer for certain costs incurred with respect to Phase 2 of the Redevelopment Project.

H. Pursuant to provisions of the TIF Act and Ordinance Nos. 68092, \_\_\_\_\_ and \_\_\_\_\_ [Board Bill Nos. 153, \_\_\_\_\_ and \_\_\_\_], the City is authorized to enter into this Agreement, to issue TIF Notes as evidence of the City's obligation to pay certain Redevelopment Project Costs incurred in furtherance of the Redevelopment Plan and the Redevelopment Project, and to pledge TIF Revenues to the payment of the TIF Notes.

### AGREEMENT

Now, therefore, in consideration of the premises and promises contained herein and other good and valuable consideration, the adequacy and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

### ARTICLE 1. DEFINITIONS

#### 1.1 Definitions As used in this Agreement, the following words and terms shall have the following meanings:

"*Acquisition Costs*" means the consideration paid by Developer or its Related Entity to a third party to acquire fee simple interest in the Phase 2 Property.

"*Act*" or "*TIF Act*" means the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 through 99.865 of the Revised Statutes of Missouri (2000), as amended.

"*Agreement*" means this Redevelopment Agreement, as the same may be from time to time modified, amended or supplemented in writing by the parties hereto.

"*Approved Investors*" means (a) the Developer or a Related Entity, (b) an "accredited investor" under Rule 501(a) of Regulation D promulgated under the Securities Act of 1933, (c) a "qualified institutional buyer" under Rule 144A promulgated under the Securities Act of 1933 or (d) any general business company or enterprise with total assets in excess of \$50,000,000.

"*Approving Ordinance*" means Ordinance No. 68092 [Board Bill No. 153] designating the Redevelopment Area, approving the Redevelopment Plan, approving the Redevelopment Project, adopting tax increment allocation financing within the Redevelopment Area, and establishing the Special Allocation Fund.

"*Authority*" means The Industrial Development Authority of The City of St. Louis, Missouri, a public corporation duly organized under Chapter 349 of the Revised Statutes of Missouri.

"*Authorizing Ordinance*" means Ordinance No. \_\_\_\_\_ [Board Bill No. \_\_\_\_] affirming approval and adoption of the Redevelopment Plan, Redevelopment Project, and designation of the Redevelopment Area, designating Developer as the developer of the Redevelopment Area, and authorizing the City to enter into this Redevelopment Agreement with Developer.

"*Available Revenues*" means all monies on deposit from time to time (including investment earnings thereon) in (a) the PILOTS Account, and (b) subject to annual appropriation, the EATS Account that have been appropriated to the repayment of the TIF Notes, excluding (i) any amount paid under protest until the protest is withdrawn or resolved against the taxpayer or (ii) any sum received by the City which is the subject of a suit or other claim communicated to the City which suit or claim challenges the collection of such sum.

"*Board of Aldermen*" means the Board of Aldermen of the City.

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

“*Bond Proceeds*” means the gross cash proceeds from the sale of TIF Bonds before payment of Issuance Costs, together with any interest earned thereon.

“*Certificate of Commencement of Construction*” means a document substantially in the form of **Exhibit C**, attached hereto and incorporated by reference herein, delivered by Developer to the City in accordance with this Agreement and evidencing commencement of construction of Phase 2.

“*Certificate of Reimbursable Redevelopment Project Costs*” means a document substantially in the form of **Exhibit D**, attached hereto and incorporated herein by reference, provided by the Developer to the City in accordance with this Agreement and evidencing Reimbursable Redevelopment Project Costs incurred by the Developer.

“*Certificate of Substantial Completion*” means a document substantially in the form of **Exhibit E**, attached hereto and incorporated herein by reference, issued by the Developer to the City in accordance with this Agreement and evidencing the Developer’s satisfaction of all obligations and covenants to construct Phase 2 in accordance with the Redevelopment Plan and this Agreement.

“*City*” means 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.

“*City Clerk*” means the Register of the City.

“*Comptroller*” means the Comptroller of the City.

“*Construction Plans*” means plans, drawings, specifications and related documents, and construction schedules for the construction of the Work, together with all supplements, amendments or corrections, submitted by the Developer and approved by the City in accordance with applicable law.

“*Costs of Conversion*” means the sum of (a) the outstanding balance due on the HUD-insured loan or any other loans secured by the property, if any, at the time of Developer’s notification of condominium conversion; (b) operating losses documented by income/expense statements for the Property; (c) documented construction and other costs incurred with respect to the conversion; (d) the amount of Developer monetary equity (but not equity related to any tax credits) that has been invested in the portion of Phase 2 to be converted to condominiums; and (e) the remaining balance due on the original developer fee payment, if any.

“*Developer*” means Carondelet TIF, Inc., a corporation duly incorporated and existing under the laws of the State of Missouri, or its permitted successors or assigns in interest.

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

“*Economic Activity Taxes*” or “*EATs*” shall have the meaning ascribed to such term in Section 99.805(4) of the TIF Act.

“*Governmental Approvals*” means all plat approvals, re-zoning or other zoning changes, site plan approvals, conditional use permits, variances, building permits, or other subdivision, zoning, or similar approvals required for the implementation of the Redevelopment Project related to the Redevelopment Area and consistent with the Redevelopment Plan and this Agreement.

“*Issuance Costs*” means the amount set forth in **Section 2.2(v)** of this Agreement incurred by the City in furtherance of the issuance of Phase 2 TIF Notes plus all costs reasonably incurred by the City in furtherance of the issuance of Phase 2 TIF Obligations, including without limitation the fees and expenses of financial advisors and consultants, the City’s attorneys (including issuer’s counsel, Disclosure Counsel and Bond Counsel), Developer’s attorneys (at the discretion of the Comptroller), the City’s administrative fees and expenses (including fees and costs of its planning consultants and the SLDC), underwriters’ discounts and fees, the costs of printing any Phase 2 TIF Obligations and any official statements relating thereto, the costs of credit enhancement, if any, capitalized interest, debt service reserves and the fees of any rating agency rating any Phase 2 TIF Obligations.

“*MBE/WBE Compliance Officer*” means the City’s Assistant Airport Director, Department of MBE/WBE Certification and Compliance.

“*MBE/WBE Subcontractor’s List*” means the form of City of St. Louis MBE/WBE Subcontractor’s List published by the Board of Public Service of the City, such form being attached hereto as **Exhibit G** and incorporated herein by this reference.

“*MBE/WBE Utilization Statement*” means the form of City of St. Louis MBE/WBE Utilization Statement prepared by the Board of Public Service of the City published by the Board of Public Service of the City, such form being attached hereto as **Exhibit H** and incorporated herein by this reference.

“*Maturity Date*” means the date that is twenty three (23) years after the effective date of the Approving Ordinance.

“*Note Ordinance*” means Ordinance No. \_\_\_\_ [Board Bill No. \_\_\_\_] adopted by the Board of Aldermen and signed by the Mayor authorizing the Phase 2 TIF Note(s), Phase 2 TIF Obligations, Phase 1 TIF Note(s) and Phase 1 TIF Obligations, any trust indenture relating thereto, and all related proceedings.

“*Notice of Conversion*” means the written notice submitted to the City by Developer that Developer intends to initiate a conversion of all or a portion of Phase 2 from rental or leased area to condominium units, which shall contain the information required by Section 4.4 of this Agreement and shall specify the portion of Phase 2 to be so converted.

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

“*Payments in Lieu of Taxes*” or “*PILOTS*” shall have the meaning ascribed to such term in Section 99.805(10) of the TIF Act.

“*Phase 1*” means that portion of the Redevelopment Project consisting of the redevelopment of the Phase 1 Property as further described in a separate agreement between the City and the developer of Phase 1.

“*Phase 1 Developer*” means Carondelet TIF, Inc., a Missouri corporation, or its permitted successors or assigns in interest.

“*Phase 1 Property*” means the real property (including without limitation all options held by third parties, fee interests, leasehold interests, tenant-in-common interests and such other like or similar interests) within THE REDEVELOPMENT AREA, such property being identified as the “Phase 1 Property” and described in **Exhibit A**, attached hereto and incorporated herein by reference.

“*Phase 1 Revenues*” means: (1) payments in lieu of taxes (as that term is defined in Section 99.805(10) of the TIF Act) attributable to the increase in the current equalized assessed valuation of each taxable lot, block, tract, or parcel of real property located within the Phase 1 Property over and above the initial equalized assessed value (as that term is used and described in Sections 99.845.1 and 99.855.1 of the TIF Act) of each such unit of property, as paid to the City Treasurer by the City Collector of Revenue during the term of the Redevelopment Plan and the Redevelopment Project, and (2) subject to annual appropriation by the Board of Aldermen, fifty percent (50%) of the total additional revenues from taxes which are imposed by the City or other taxing districts (as that term is defined in Section 99.805(16) of the TIF Act) and which are generated by economic activities within the Phase 1 Property over the amount of such taxes generated by economic activities within the Phase 1 Property in the calendar year ending December 31, 2007 (subject to annual appropriation by the City as provided in the TIF Act), as defined and described in Sections 99.805(4) and 99.845 of the TIF Act, but excluding therefrom personal property taxes, taxes imposed on sales or charges for sleeping rooms paid by transient guests of hotels and motels, taxes levied pursuant to Section 70.500 of the Revised Statutes of Missouri, as amended, taxes levied for the purpose of public transportation pursuant to Section 94.660 of the Revised Statutes of Missouri, as amended, and licenses, fees or special assessments other than payments in lieu of taxes and penalties and interest thereon, all as provided in Section 99.845 of the TIF Act.

“*Phase 1 TIF Notes*” means any tax increment revenue notes issued by the City subject to an agreement between the City and the Phase 1 Developer and the Note Ordinance, to evidence the City’s limited obligation to reimburse the Phase 1 Developer for certain costs incurred by the Phase 1 Developer on behalf of the City in accordance with the TIF Act.

“*Phase 2*” means a portion of the Redevelopment Project consisting of the redevelopment of the Phase 2 Property into a mix of commercial and residential uses.

“Phase 2 Property” means a portion of the real property (including without limitation all options held by third parties, fee interests, leasehold interests, tenant-in-common interests and such other like or similar interests) within the Redevelopment Area, as identified as the “Phase 2 Property” and described in **Exhibit A**, attached hereto and incorporated herein by reference.

“Phase 2 Revenues” means: (1) payments in lieu of taxes (as that term is defined in Section 99.805(10) of the TIF Act) attributable to the increase in the current equalized assessed valuation of each taxable lot, block, tract, or parcel of real property located within the Phase 2 Property over and above the initial equalized assessed value (as that term is used and described in Sections 99.845.1 and 99.855.1 of the TIF Act) of each such unit of property, as paid to the City Treasurer by the City Collector of Revenue during the term of the Redevelopment Plan and the Redevelopment Project, and (2) subject to annual appropriation by the Board of Aldermen, fifty percent (50%) of the total additional revenues from taxes which are imposed by the City or other taxing districts (as that term is defined in Section 99.805(16) of the TIF Act) and which are generated by economic activities within the Phase 2 Property over the amount of such taxes generated by economic activities within the Phase 2 Property in the calendar year ending December 31, 2007 (subject to annual appropriation by the City as provided in the TIF Act), as defined and described in Sections 99.805(4) and 99.845 of the TIF Act, but excluding therefrom personal property taxes, taxes imposed on sales or charges for sleeping rooms paid by transient guests of hotels and motels, taxes levied pursuant to Section 70.500 of the Revised Statutes of Missouri, as amended, taxes levied for the purpose of public transportation pursuant to Section 94.660 of the Revised Statutes of Missouri, as amended, and licenses, fees or special assessments other than payments in lieu of taxes and penalties and interest thereon, all as provided in Section 99.845 of the TIF Act. Notwithstanding the foregoing, Phase 2 Revenues shall not include the operating levy for school purposes imposed by or any sales tax imposed by the Transitional School District of the City of St. Louis.

“Phase 2 TIF Bonds” means tax increment revenue bonds, if any, authorized and issued by the Authority with respect to Phase 2 in accordance with the TIF Act and this Agreement.

“Phase 2 TIF Notes” means any tax increment revenue notes issued by the City subject to this Agreement between the City and the Developer and the Note Ordinance, to evidence the City’s limited obligation to reimburse the Developer for certain costs incurred by the Developer on behalf of the City in accordance with the TIF Act.

“Phase 2 TIF Obligations” means Phase 2 TIF Bonds, Phase 2 TIF Notes or other obligations, singly or in series, issued by the City or the Authority, as the case may be, pursuant to the TIF Act and in accordance with this Agreement.

“Post Completion Funding Source” means each of the following sources:

1. Tax Credits:

(a) The total value of the proceeds from the sale of any transferable tax credits approved for Phase 2, based on the amounts approved by the tax credit issuing authority and the purchase prices for such credits set forth in any tax credit purchase agreement; if, pursuant to such purchase agreement, any portion of the proceeds is to be paid subsequent to the date upon which the statement required by Section 4.3 is submitted, the present value of such portion shall be calculated by the City using a time period determined by the City to be reasonable and a 7% present value rate; if no tax credit purchase agreement has been executed, then the total value of such proceeds shall be calculated as 87% of the amount approved by the tax credit issuing authority.

(b) The equity and/or loan proceeds available from investor members or partners in Phase 2 who will be entitled to receive any non-transferable tax credits approved for Phase 2 per the ownership documentation for the Phase 2 Property; if, pursuant to such purchase agreement, any portion of the proceeds is to be paid subsequent to the date upon which the statement required by Section 4.3 is submitted, the present value of such portion shall be calculated by the City using a time period determined by the City to be reasonable and a 7% present value rate; provided, that, if Phase 2 has been approved for a New Markets Tax Credit investment by a New Markets Tax Credit allocate, but has not yet entered into any agreement pursuant to which such loan or equity proceeds shall be made available, then the value of such proceeds shall be 25% of the face value of the approved New Markets Tax Credit investment.

The Developer shall substantiate the amount of any tax credits approved for Phase 2 and the proceeds or equity related thereto by providing to the City documentation from accountants, tax credit authorities and tax credit purchasers or investors.

(2) Sales Proceeds:

(a) All net sales proceeds actually derived from the sale of any portion of Phase 2, which net sales proceeds shall be documented by copies of the seller’s closing statements for such sales, and

(b) If, at the time of the submittal required pursuant to Section 4.3 of this Agreement, there remain units

or portions of Phase 2 which are being marketed and listed as for-sale but are unsold, ninety percent (90%) of the average sale price for all sold units or portions, taking into account the size, location and amenities associated with such sold units as compared to the unsold units or portion, discounted by first, a percentage equal to the average sales commissions paid to unrelated third parties and applied to the discounted listing price; and second, closing costs for sold units (stated as the average amount of closing costs for such sold units).

(3) TIF Financing: the maximum amount of TIF financing available to Phase 2, as such amount is set forth in Section 4.1 hereof; and

(4) Value of Income-Producing Space: if Phase 2 includes any leased space or space intended for lease (such space being the "Income-Producing Space"), the value of such Income Producing Space, which value shall be calculated by dividing the Stabilized Net Operating Income (as defined below) of such Income Producing Space by a capitalization rate of nine and one-half percent (9.5%). The square footage of Income-Producing Space in Phase 2 shall not exceed the square footage of Income-Producing Space set forth in the TIF Application. In addition to the other materials required to be submitted by subparagraph 4.3 hereof, Developer shall submit a 10-year operating proforma, including income and expense projections, for all Income-Producing Space in Phase 2, together with copies of all leases, letters of intent, and operating expense documentation, if any, related to such Income-Producing Space.

"*Project Fund*" means the Project Fund created in the Note Ordinance.

"*Project Lender*" means a commercial bank, savings bank, savings and loan association, credit union or other financial institution that has loaned funds to the Developer to be used for construction of Phase 2 and has secured such loan with a mortgage or security interest in Phase 2.

"*Property*" means the real property (including without limitation all options held by third parties, fee interests, leasehold interests, tenant-in-common interests and such other like or similar interests) and existing improvements in the Redevelopment Area as set forth in the Redevelopment Plan.

"*Qualified Institutional Buyer*" means a "qualified institutional buyer" under Rule 144A promulgated under the Securities Act of 1933.

"*Redevelopment Area*" means the real property described in **Exhibit A**, attached hereto and incorporated herein by reference.

"*Redevelopment Plan*" means the plan titled "South Carondelet District #3 TIF Redevelopment Plan" dated April 18, 2008, approved by the City pursuant to the Approving Ordinance; as such plan may from time to time be amended in accordance with the TIF Act.

"*Redevelopment Project*" means the Redevelopment Project identified by the Redevelopment Plan consisting of the redevelopment of the structures for nine (9) residential units and approximately 18,000 square feet of office/retail space as well as constructing approximately 125 new residential units, as set forth in the Redevelopment Plan.

"*Redevelopment Project Costs*" shall have the meaning ascribed to such term in Section 99.805(14) of the TIF Act.

"*Redevelopment Proposal*" means the document on file with the City and incorporated herein by reference, titled "South Carondelet District #3 TIF Application," dated April 18, 2008, as submitted by an affiliate of the Developer to the City.

"*Reimbursable Redevelopment Project Costs*" means those Redevelopment Project Costs as described in **Exhibit B**, attached hereto and incorporated herein by reference, for which the Developer is eligible for reimbursement in accordance with this Agreement. Notwithstanding anything herein to the contrary, any costs incurred with respect to Phase 2 (or any portion) thereof, by a tenant or user (or an affiliate thereof) of the Phase 2 Property pursuant to a contractual arrangement between the Developer and such user or affiliate, including but not limited to, a sale-leaseback, transaction, shall be deemed to have been incurred by Developer and shall constitute Reimbursable Redevelopment Project Costs under this Agreement.

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

"*Relocation Plan*" means the relocation plan of the City for the Redevelopment Area as contained in the Redevelopment Plan, which relocation plan was adopted on December 20, 1991, pursuant to Ordinance No. 62481.

“*SLDC*” means the St. Louis Development Corporation, a non-profit corporation organized and existing under the laws of the State of Missouri.

“*Special Allocation Fund*” means the South Carondelet District #3 Special Allocation Fund, created by the Approving Ordinance in accordance with the TIF Act, and including the accounts and sub-accounts for the Redevelopment Project into which TIF Revenues are from time to time deposited in accordance with the TIF Act and this Agreement.

“*Stabilized Net Operating Income*” shall be calculated as follows:

1. For any portion of the Income Producing Space which has actually been leased, the annualized rental income from such space, less annualized actual and/or reasonable operating expenses as determined by the City (excluding debt service);

PLUS

2. For any portion of the Income Producing Space which is available for lease but has not been leased, the result of the following equation:

(a) The amount of net leaseable square footage multiplied by the average annual rent per square foot of the Income Producing Space which has been actually leased, taking into account the size, location and amenities associated with such space not yet leased as compared to the space leased (provided, that if no such space has been actually leased, the lease rate(s) used shall be the lease rate(s) specified by the Developer in the TIF;

LESS

(b) The amount of net leaseable square footage multiplied by the average annualized actual and/or reasonable operating expenses as determined by the City (excluding debt service) per square foot of the Income Producing Space

The City shall incorporate a 7% vacancy rate for all Income-Producing Space.

“*TIF Commission*” means the Tax Increment Financing Commission of the City of St. Louis, Missouri.

“*TIF Notes*” means the Phase 2 TIF Notes and the Phase 1 TIF Notes, collectively.

“*Trustee*” means the trustee or fiscal agent for any issue of TIF Obligations.

“*Verified Total Project Costs*” means the sum total of all reasonable or necessary costs incurred, and any such costs incidental to Phase 2 or the Work, including, but not limited to, all Acquisition Costs, Redevelopment Project Costs and Reimbursable Redevelopment Project Costs, as limited by the provisions of Section 4.3 hereof. Notwithstanding anything herein to the contrary, any costs incurred with respect to Phase 2 (or any portion) thereof, by a tenant or user (or an affiliate thereof) of the Phase 2 Property pursuant to a contractual arrangement between the Developer and such user or affiliate, including but not limited to, a sale-leaseback transaction, shall be deemed to have been incurred by Developer and shall constitute Verified Total Project Costs under this Agreement.

“*Work*” means all work necessary to prepare the Phase 2 Property and to construct or cause the construction and completion of Phase 2 described in this Agreement, including but not limited to: (1) property acquisition; (2) site preparation and environmental remediation; (3) construction of new structures or rehabilitation or reconstruction of improvements within the Phase 2 Property; (4) construction, reconstruction, renovation and/or rehabilitation of related infrastructure and/or public improvements, including without limitation surrounding roads, sidewalks, sewer, water, electrical, parking and other utilities; (5) professional services, including, but not limited to, architecture, engineering, surveying, financing, legal, planning and consulting; (6) and all other work described in the this Agreement, or reasonably necessary to effectuate the intent of this Agreement.

## ARTICLE 2. ACCEPTANCE OF PROPOSAL

**2.1 Developer Designation.** The City hereby selects the Developer to perform or cause the performance of the Work in accordance with the Redevelopment Plan and this Agreement and all Governmental Approvals. To the extent of any inconsistency among the foregoing, the parties agree that the Redevelopment Plan shall govern.

**2.2 Developer to Advance Costs.** The Developer agrees to advance all Redevelopment Project Costs as necessary to acquire the Phase 2 Property and to complete the Work, all subject to the Developer's right to abandon Phase 2 and to terminate this Agreement as set forth in **Section 7.1** of this Agreement. Additionally, and not by way of limitation:

(i) the City acknowledges payment by the Developer of a Five Thousand Dollar and no/100 (\$5,000.00) TIF Application Fee;

(ii) the City acknowledges that, prior to the execution of this Agreement, the Developer paid the sum of Four Thousand Seventy Dollars and 38/100 (\$4,070.38) (which sum represents 0.3% of the maximum amount of Phase 2 TIF Notes allowed to be issued by the City pursuant to **Section 4.1** of this Agreement), which monies have been paid one half to the Comptroller and one half to the SLDC to reimburse the Comptroller and the SLDC for their administrative costs in reviewing the Redevelopment Plan and the Redevelopment Proposal;

(iii) the Developer shall, within ten (10) days after the date of execution of this Agreement, pay the sum of Four Thousand Seventy Dollars and 38/100 (\$4,070.38) (which sum represents 0.3% of the maximum amount of Phase 2 TIF Notes allowed to be issued by the City pursuant to **Section 4.1** of this Agreement), which monies shall be paid one half to the Comptroller and one half to the SLDC to reimburse the Comptroller and the SLDC for their administrative costs in reviewing the Redevelopment Plan and the Redevelopment Proposal;

(iv) the Developer shall pay to the Comptroller an additional amount to reimburse the Comptroller for its actual legal expenses incurred in connection with the review of the Redevelopment Proposal, the review and adoption of the Redevelopment Plan and the negotiation, execution and implementation of this Redevelopment Agreement, which amount shall be paid as follows: (i) all such costs allocable to Phase 2 incurred through the date of execution of the Redevelopment Agreement shall be paid within ten (10) days after the execution of the Redevelopment Agreement, and (ii) all such costs with respect to Phase 2 incurred after the date of execution of the Redevelopment Agreement and prior to the date upon which the City receives from Developer a Certificate of Reimbursable Redevelopment Project Costs shall be paid concurrently with the initial issuance of the Phase 2 TIF Notes; and

(v) the Developer shall, concurrently with the issuance of any Phase 2 TIF Notes, pay to the City a flat fee to be reasonably determined by the City in its sole discretion at the time of issuance to pay for the City's Issuance Costs of such Phase 2 TIF Notes; and

(vi) any amounts advanced to the City shall represent Reimbursable Redevelopment Project Costs to be reimbursed exclusively from the proceeds of Phase 2 TIF Obligations as provided in and subject to **Articles IV and V** of this Agreement.

### **ARTICLE 3. CONSTRUCTION OF PHASE 2**

**3.1 Acquisition of Property.** Developer represents that, as of the date of this Agreement, Developer or a Related Entity is the fee owner or owner under contract of the Phase 2 Property. Any additional properties acquired by the Developer for completion of the Work shall be held in the name of the Developer or a Related Entity and shall be subject to the terms, conditions and covenants contained herein and in the Redevelopment Plan immediately upon acquisition.

**3.2 Condemnation.** As of the date of this Agreement, it is not anticipated that the exercise of the power of eminent domain will be necessary to acquire any portion of the Phase 2 Property in the Redevelopment Area.

**3.3 Relocation.** The Developer shall identify any Displaced Person (as defined in Ordinance No. 62481 of the City) that is entitled to relocation payments or relocation assistance under the Relocation Plan. The City shall, at the Developer's sole cost and expense, subject to reimbursement as a Reimbursable Redevelopment Project Cost in accordance with **Article IV** of this Agreement, coordinate such relocation payments and relocation assistance in accordance with the Relocation Plan.

**3.4 Developer to Construct the Work.** The Developer shall commence or cause the commencement of the construction of the Work within one hundred eighty (180) days of the date of this Agreement, which Work shall be constructed in a good and workmanlike manner in accordance with the terms of this Agreement and the Redevelopment Plan. The Developer shall substantially complete or cause the Work to be substantially complete not later than December 31, 2012 absent an event of Force Majeure. In the event of any delay caused by an event of Force Majeure as defined in **Section 7.5** of this Agreement, Developer shall be granted additional time to complete the Work, but under no circumstance shall such time to complete the Work extend beyond December 31, 2013.

The Developer may enter into or cause to be entered into one or more construction contracts to complete the Work. Prior to the commencement of construction of any portion of the Work, the Developer shall obtain or shall require that any of its contractors obtain workers' compensation, comprehensive public liability and builder's risk insurance coverage in amounts customary in the industry for similar type projects. The Developer shall require that such insurance be maintained by any of its contractors for the duration of the construction of such portion of the Work. To the extent that laws pertaining to prevailing wage and hour apply to any portion of the Work the Developer agrees to take all actions necessary to apply for the wage and hour determinations and otherwise comply with such laws.

**3.5 Governmental Approvals.** The City and, at its direction, the SLDC agree to employ reasonable and good faith efforts to cooperate with the Developer and to process and timely consider and respond to all applications for the Governmental Approvals as received, all in accordance with the applicable City ordinances and laws of the State of Missouri.

**3.6 Construction Plans; Changes.** The Construction Plans shall be prepared by a professional engineer or architect licensed to practice in the State of Missouri and the Construction Plans and all construction practices and procedures with respect to the Work shall be in conformity with all applicable state and local laws, ordinances and regulations. During the progress of the Work, the Developer may make such reasonable changes, including without limitation modification of the construction schedule, subject to the provisions of **Section 3.4**, including but not limited to, dates of commencement and completion (subject to the time limitations set forth in this Agreement), modification of the areas in which the Work is to be performed, relocation, expansion or deletion of items, revisions to the areas and scope of Work, and any and all such other changes as site conditions or orderly development may dictate or as may be necessary or desirable, in the sole determination of the Developer, to enhance the economic viability of Phase 2 and as may be in furtherance of the general objectives of the Redevelopment Plan; provided that (a) the Developer shall comply with all laws, regulations and ordinances of the City and (b) prior to any material changes, the Developer shall obtain the advance written consent of the SLDC, which consent shall not be unreasonably withheld or delayed. For purposes of this **Section 3.6**, "material changes" shall mean any change that could reasonably be expected to result in a decrease in the aggregate amount of TIF Revenues generated within the Phase 2 Property to an amount less than 90% of the aggregate amount of TIF Revenues as attributable to the Phase 2 Property projected in that certain Cost-Benefit Analysis for the South Carondelet District #3 TIF Redevelopment Plan dated as of April 18, 2008 (as may be amended), and placed on file with SLDC

**3.7 Certificate of Commencement of Construction.** The Developer shall furnish to the SLDC, with a copy to the Comptroller, a Certificate of Commencement of Construction, which certificate shall be submitted for Phase 2 in accordance with the schedule set forth in Section 3.4 of this Agreement and in the form of Exhibit C attached hereto and incorporated herein by reference. The Certificate of Commencement of Construction shall be deemed accepted by the SLDC upon receipt of the same.

**3.8 Certificate of Substantial Completion.** Promptly after substantial completion of the Work, the Developer shall furnish to the City and the SLDC a Certificate of Substantial Completion. The Mayor or his designee and the SLDC shall, within thirty (30) days following delivery of the Certificate of Substantial Completion, carry out such inspections as it deems necessary to verify to its reasonable satisfaction the accuracy of the certifications contained in the Certificate of Substantial Completion. The Certificate of Substantial Completion shall be deemed accepted by the City and the SLDC unless, within thirty (30) days following delivery of the Certificate of Substantial Completion, the Mayor or his designee or SLDC furnishes the Developer with specific written objections to the status of the Work, describing such objections and the measures required to correct such objections in reasonable detail. In the case where the Mayor or his designee or SLDC, within thirty (30) days following delivery of the Certificate of Substantial Completion provides the Developer with specific written objections to the status of the Work, the Developer shall have such amount of time as is reasonably necessary to address such objections and when addressed shall re-submit the Certificate of Substantial Completion to the Mayor or his designee or the SLDC in accordance with this Section and the thirty (30) day period shall begin anew. Upon acceptance of the Certificate of Substantial Completion by the Mayor or his designee and the SLDC for Phase 2, or upon the lapse of thirty (30) days after delivery thereof to the Mayor or his designee and the SLDC without any written objections thereto, the Developer may record the Certificate of Substantial Completion with the City's Recorder of Deeds, and the same shall constitute evidence of the satisfaction of the Developer's agreements and covenants to perform all the Work. The Certificate of Substantial Completion shall be in substantially the form attached as Exhibit E, attached hereto and incorporated by referenced herein.

#### **ARTICLE 4. REIMBURSEMENT OF DEVELOPER COSTS**

**4.1 City's Obligation to Reimburse Developer.** Subject to the terms of the Note Ordinance and this Agreement, the City agrees to reimburse Developer for the verified Reimbursable Redevelopment Project Costs in a total amount not to exceed One Million Three Hundred Fifty-Six Thousand Seven Hundred Ninety-Three and no/100 Dollars (\$1,356,793.00) plus Issuance Costs to be allocated to Phase 2.

Subject to the terms of the Note Ordinance and this Agreement, the City agrees to issue Phase 2 TIF Notes to Developer

to evidence the City's obligation to reimburse Developer for verified Reimbursable Redevelopment Project Costs in an amount not to exceed **One Million Three Hundred Fifty-Six Thousand Seven Hundred Ninety-Three and no/100 Dollars (\$1,356,793.00) plus Issuance Costs** and interest as provided in **Section 5.2** of this Agreement, subject to the limitations of **Article IV** of this Agreement.

#### **4.2 Reimbursements Limited to Reimbursable Redevelopment Project Costs; Developer's Right to Substitute.**

Nothing in this Agreement shall obligate the City to issue Phase 2 TIF Notes or to reimburse the Developer for any cost that is not incurred pursuant to Section 99.820.1 of the TIF Act or that does not qualify as a "redevelopment project cost" under Section 99.805(14) of the TIF Act. The Developer shall provide to the City (a) itemized invoices, receipts or other information evidencing such costs; and (b) a Certificate of Reimbursable Redevelopment Project Costs constituting certification by the Developer that such cost is eligible for reimbursement under the TIF Act. Within thirty (30) days of the City's receipt from the Developer of a Certificate of Reimbursable Redevelopment Project Costs, the City shall review and act upon such Certificate of Reimbursable Redevelopment Project Costs. The parties agree that each of the categories of costs set forth in **Exhibit B**, attached hereto and incorporated herein by this reference, shall constitute Reimbursable Redevelopment Project Costs which are eligible for reimbursement in accordance with the TIF Act and this Agreement. The Developer shall be entitled to reimbursement for Redevelopment Project Costs from any of the categories set forth in **Exhibit B** up to the maximum aggregate amount established in **Section 4.1** of this Agreement; provided, that the Developer shall be obligated to advance to the City the full amounts identified in **Section 2.2, clauses (i)-(v)**, of this Agreement. If the City determines that any cost identified as a Reimbursable Redevelopment Project Cost is not a "redevelopment project cost" under Section 99.805(14) of the TIF Act, the City shall so notify the Developer in writing within the thirty (30) day period referenced in this **Section 4.2**, identifying the ineligible cost and the basis for determining the cost to be ineligible, whereupon the Developer shall have the right to identify and substitute other Redevelopment Project Costs as Reimbursable Redevelopment Project Costs with a supplemental application for payment and the thirty (30) day period shall begin anew. If the City fails to approve or disapprove any Certificate of Reimbursable Redevelopment Project Costs within thirty (30) days after receipt thereof, the Certificate of Reimbursable Redevelopment Project Costs shall be deemed approved.

**4.3 Cost Savings and Excess Profits.** Within one hundred eighty (180) days after the submission of the Certificate of Substantial Completion by Developer in accordance with **Section 3.8** of this Agreement, Developer also shall furnish to the City for the City's review and approval, (a) a statement of Verified Total Project Costs, with evidence of billings and payments for each expenditure, including itemized invoices, receipts, and pay applications or other evidence of payment as appropriate for the type of cost; and (b) a statement of each and every Post Completion Funding Source for Phase 2.

If Phase 2 includes a for-sale condominium component, the statements required by this Section 4.3 shall not be submitted until a minimum of 80% of the condominium units included in Phase 2 have been sold, and such statements shall be submitted within sixty (60) days following such sale of 80% of such condominium units.

Developer shall not include developer fees, project management, construction management or consultant fees for any service typically performed by the Developer in the Verified Total Project Costs. With respect to any other costs for any services provided by the Developer or any Related Entity, the amount of such costs shall not exceed the amount set forth in the Redevelopment Plan for such services, or, if the cost for such service is not explicitly set forth in the Redevelopment Plan as an individual line item, an amount determined by the City as acceptable. Moreover, if any of the owners, officers, principals or members of the construction contractor for Phase 2 are the same as any owner, officer, principal or member of Developer or general partner in the owner of the development, amounts allowed for aggregate contractor fees shall not exceed eighteen percent (18%) of construction costs as provided for in the Missouri Housing Development Commission's 2005 Qualified Allocation Plan for the Low Income Housing Tax Credit Program, and Developer shall include documentation, including detailed invoices and receipts for payment, for each and every item of costs traceable to third parties with no relationship to Developer, in addition to summary pay applications submitted to Developer by the construction contractor. The City shall determine whether particular costs are general requirements and includable in the contractor's fee allowance or are construction costs to which the aggregate contractor's fee allowance shall be applied, using the Cost Certification Guide promulgated by the Missouri Housing Development Commission as a guide for such determinations. The City shall complete its review of the statements and other documentation provided by the Developer pursuant to this Section and shall notify Developer if such documentation is acceptable and complete within forty-five (45) days of receipt by the City. Should the City notify Developer that the documentation submitted by the Developer is not acceptable or is not complete, the City shall specify which items of documentation are missing or unacceptable and the manner in which Developer may remedy such deficiencies, and Developer may make supplemental submissions to address such deficiencies, provided, however, that such supplemental submissions shall not include any materials with respect to costs incurred or other events that have taken place subsequent to the date the original submission was made. If requested by the City, Developer shall also submit an affidavit as to the accuracy of the statements as to the costs, the relationship of any payee to the Developer, the accuracy of the statements as to the amounts and types of tax credits received or other funding sources received, and the veracity of any other aspect of the statements of verified total project costs or Post-Completion Funding Sources. The City shall review any supplemental materials provided by the Developer within forty-five (45) days of receipt and shall notify Developer if such documentation is

acceptable and complete within forty-five (45) days of receipt by the City. Developer shall respond to any notification by the City pursuant to this section within sixty (60) days of receipt of such notification. Once the City has issued any such notification, the City shall not be required to make the calculations specified in the following paragraph until the City has received all documentation deemed necessary by the City in order to make such calculations, provided, however, that if Developer fails to respond to any notification within such sixty (60) day period, the City shall have the right to finalize the calculations specified in the following paragraph based on the information and documentation then available to the City and the Developer shall accept the results of such finalized calculations for purposes of the discharge of Phase 2 TIF Notes as specified in the following paragraph. Either the City or the Developer may waive or extend the time periods for notification and response set forth herein.

To the extent that, in the City's determination, the sum of Post Completion Funding Sources as identified by the City exceeds the sum of: (x) Verified Total Project Costs, plus (y) four percent (4%) of the Acquisition Costs, plus (z) fifteen percent (15%) of all Verified Total Project Costs other than Acquisition Costs, then Developer hereby agrees that the maximum amount of Reimbursable Redevelopment Project Costs for which the Developer shall be reimbursed by the City as provided for in Section 4.1 of this Agreement and the maximum amount of any Phase 2 TIF Notes which shall be issued by the City in accordance with Section 5.2 of this Agreement shall be reduced by an amount in the aggregate equal to seventy-five percent (75%) of the total amount of such excess, as calculated by the City in accordance herewith. Developer agrees that the City may discharge any Phase 2 TIF Notes already issued at the time of such calculation in an amount in the aggregate equal to seventy-five percent (75%) of the total excess.

**4.4 Condominium Conversion.** Upon initiating a condominium conversion of any portion of Phase 2 that has previously been leased or rented (which conversion shall not be initiated any earlier than five (5) years following the Substantial Completion of Phase 2, Developer shall notify the City in writing of such conversion. Notice of such condominium conversion shall include (a) documentation as to the balance due to third parties unrelated to the Developer in any manner on any secured or unsecured debt or equity financing for such leased or rented portion of Phase 2; (b) the amount of and firm commitment for any replacement loan required to commence the conversion; (c) annual operating and expense statements for each Developer fiscal year subsequent to the commencement of construction on the leased or rental portion of Phase 2; (d) schedule of sales prices for all proposed condominium units; (e) documentation of any monetary Developer Equity previously invested in such leased or rented portion; and (f) revenue projections for the Special Allocation Fund based on the sales prices for the units.

**4.4.1 The City's Rights.** The City shall have thirty (30) days from receipt of a Notice of Conversion to review and approve the Notice of Conversion, or notify Developer of City's objections thereto. The City's right to object to the Notice of Conversion shall be limited to objections based on the insufficiency of the projected Special Allocation Fund revenues to retire any outstanding Phase 2 TIF Notes or Phase 2 TIF Bonds and the insufficiency of documentation required herein. Developer shall provide any additional documentation requested by City, to City's satisfaction, after which City shall have an additional thirty (30) days to object solely on the basis of the insufficiency of the Special Allocation Fund revenues to retire any outstanding Phase 2 TIF Notes or Phase 2 TIF Bonds. Should City fail to object to the Notice of Conversion within the 30-day review period provided for in this Agreement, Developer's condominium conversion plan shall be deemed approved by the City.

**4.4.2 Approval.** Upon approval of the Notice of Conversion, Developer shall provide a progress report on the condominium sales to St. Louis Development Corporation on each three-month anniversary of the date of the Notice of Conversion until a minimum of 95% of such units are sold. Each progress report shall include the following: (a) number of units and sales closed, the size of each unit sold, the gross amounts paid for the sales closed, and costs of sale, which shall be documented by Purchaser's and Seller's closing statements; (b) balance due on any other loans secured by the property; (d) monthly income and expense statement for remaining rental units, including any interest payments made or accrued with respect to any loans secured by the property; and (e) conversion costs incurred, documented by contracts for any work and invoices for any work.

**4.4.3 Condominium Conversion Clawback.** When aggregate Net Sales Proceeds exceed the Costs of Conversion plus a new Developer's Fee in the amount of 10% of the Costs of Conversion, Developer shall pay 90% of all future Net Sales Proceeds into the Special Allocation Fund until the amount in the Special Allocation Fund equals the amount of TIF financing originally provided to Phase 2.

Should Developer fail to provide any of the notifications or reports described herein or fail to make Net Sales Proceeds payments into the Special Allocation Fund as described herein, City may cancel all outstanding Phase 2 TIF Notes and recover all amounts paid to Developer from the Special Allocation Fund.

**4.5 City's Obligations Limited to Special Allocation Fund and Bond Proceeds.** Notwithstanding any other term or provision of this Agreement, Phase 2 TIF Notes issued by the City to the Developer for Reimbursable Redevelopment Project Costs are payable only from the Special Allocation Fund and from Bond Proceeds, if any, and from no other source. The City has not pledged its full faith and credit relative to the City's obligation to issue the Phase 2 TIF Obligations or to pay any Reimbursable Redevelopment Project Costs. The Phase 2 TIF Obligations shall be special, limited obligations of the City, and shall not constitute

debt to the City within any constitutional or statutory meaning of the word “debt.”

## ARTICLE 5. TIF OBLIGATIONS

**5.1 Conditions Precedent to the Issuance of Phase 2 TIF Notes.** No Phase 2 TIF Notes shall be issued until such time as the City has (i) accepted a Certificate of Substantial Completion in accordance with the procedures set forth in **Section 3.8** of this Agreement; (ii) approved a Certificate of Reimbursable Redevelopment Project Costs in substantially the form of **Exhibit D**, attached hereto and incorporated herein by reference, in accordance with the procedures set forth in **Section 4.2** of this Agreement; (iii) obtained an opinion of Bond Counsel regarding the taxable nature of the Phase 2 TIF Notes; (iv) received the full payment of all advances required to be paid under **Section 2.2** of this Agreement; and (v) received such other documentation as the City shall reasonably require of Developer in order for the City to obtain an opinion of Bond Counsel as required by this **Section 5.1**.

**5.2 Issuance of Phase 2 TIF Notes** The City agrees to issue one or more Phase 2 TIF Notes as provided in this Agreement and the Note Ordinance to reimburse the Developer for Reimbursable Redevelopment Project Costs up to the maximum amount established in Section 4.1 of this Agreement, subject to the limitations of Article IV of this Agreement. The Phase 2 TIF Notes shall be in the form attached to the Note Ordinance as Exhibit B, provided that if the Note Ordinance is repealed or otherwise amended to amend such form of Phase 2 TIF Note, the Phase 2 TIF Notes shall not be amended for the purposes of this Agreement without the written consent of Developer.

**5.2.1 Terms.** Each Phase 2 TIF Note shall bear interest at a fixed rate per annum determined on the date that is not less than ten (10) and not more than sixty (60) business days prior to the scheduled closing date for issuance of the Phase 2 TIF Notes (the “Pricing Date”) based on the municipal yield curve for general obligation bonds (the “MMD”) compiled by Municipal Market Data Line ® (or its successors) and published by Thomson Financial, an operating unit of The Thomson Corporation (or its successors) using the MMD yield published as of the Issuance Date for general obligation bonds rated “AAA” that mature in the same year as the Phase 2 TIF Notes, (i) plus four percent (4%) if the interest on such Phase 2 TIF Note, in the opinion of Bond Counsel, is not exempt from Federal income taxation (the “Taxable Rate”), or (ii) plus two percent (2%) if the interest on such Phase 2 TIF Note, in the opinion of Bond Counsel, is exempt from Federal income taxation (the “Tax Exempt Rate”); provided, in no event shall the interest rate on the Phase 2 TIF Notes exceed ten percent (10%) per annum. All Phase 2 TIF Notes shall have a stated maturity of the Maturity Date. Interest shall be computed on the basis of a 360-day year of twelve 30-day months. The Phase 2 TIF Notes shall bear interest from their registration date or from the most recent Payment Date to which interest has been paid or duly provided for.

**5.2.2 Procedures for Issuance of TIF Notes.** Within a reasonable period of time not to exceed ninety (90) days of Developer’s satisfaction of the conditions of **Section 5.1** of this Agreement the City shall issue a Phase 2 TIF Note to an Original Purchaser evidencing reimbursement of Reimbursable Redevelopment Project Costs. Notwithstanding anything contained in this Agreement to the contrary, upon the acceptance by the City of a Certificate of Reimbursable Redevelopment Project Costs and the issuance by the City of a Phase 2 TIF Note as provided in this **Section 5.2.2**, the Developer shall be deemed to have advanced funds necessary to purchase such Phase 2 TIF Notes and the City shall be deemed to have deposited such funds in the Project Fund and shall be deemed to have reimbursed the Developer in full for such costs from the amounts deemed to be on deposit in the Project Fund from time to time.

**5.2.3 Special Mandatory Redemption of Phase 2 TIF Notes.** All Phase 2 TIF Notes are subject to special mandatory redemption by the City, in whole at any time or in part on each March 1 and September 1 (each, a “Payment Date”) occurring after the acceptance by the City of the Certificate of Substantial Completion at a redemption price equal to 100% of the principal amount being redeemed, together with the accrued interest thereon to the date fixed for redemption.

### **5.3 Issuance of TIF Bonds.**

**5.3.1** The City may, in its sole and absolute discretion, issue or cause to be issued Phase 2 TIF Bonds at any time in an amount sufficient to refund all or a portion of the outstanding Phase 2 TIF Notes.

**5.3.2** Upon receipt of a written request by Developer and upon the City’s underwriter’s recommendation in favor of issuing Phase 2 TIF Bonds and recommendation of the principal amount thereof based on the criteria set forth below, the City shall use its best efforts to cause the Authority to issue Phase 2 TIF Bonds as described in this Section. The aggregate gross cash proceeds from the sale of the Phase 2 TIF Bonds before payment of Issuance Costs, together with any interest accrued thereon (“Bond Proceeds”) of such Phase 2 TIF Bonds will be finally determined by the City after receiving the underwriter’s recommendation based on the criteria set forth below. The City shall not be obligated to cause the Authority to issue such Phase 2 TIF Bonds unless the underwriter determines that all of the following criteria are satisfied as of the date of issuance of such bonds, unless such criteria are

waived by the City's underwriter. Developer shall not have any liability for any costs associated with the issuance of Phase 2 TIF Bonds but shall bear its own costs and expenses, including any attorneys' fees and expenses, that Developer may incur in complying with this Section. Notwithstanding anything in this Section to the contrary, Developer shall be liable for all costs incurred by the City or the Authority in the event the Developer has requested the issuance of bonds and the City's underwriter has determined that such bonds cannot be issued at such time.

5.3.2.1 Criteria for Issuance. The underwriter's recommendation for issuance of Phase 2 TIF Bonds and the principal amount thereof shall be based on the following criteria:

- (i) Acceptance by the City of the Certificate of Substantial Completion;
- (ii) Review of projections of Phase 2 Revenues available for debt service as proposed by an independent qualified consultant. Such projections must show that (A) if all available Phase 2 Revenues were to be applied to the immediate repayment of the Phase 2 TIF Bonds, the Phase 2 TIF Bonds would reasonably be anticipated to be retired within twenty-three (23) years from the effective date of the Approving Ordinance, and (B) based on a maturity date twenty-three (23) years from the effective date of the Approving Ordinance, the Phase 2 TIF Bonds are reasonably likely to achieve debt service coverage ratio reasonably acceptable to the City's underwriter;
- (iii) Developer's documentation of stabilization of Phase 2 for a minimum period of two (2) years after substantial completion as evidenced in a report to the City prepared by a qualified independent consultant to be paid for by the City, which report also sets forth Phase 2 revenue projections for Phase 2 in connection with the issuance of the Phase 2 TIF Bonds;
- (iv) The aggregate net projected debt service on the Phase 2 TIF Bonds (taking into account the principal portion of the Phase 2 TIF Bonds that are issued to establish a reserve fund and to pay Issuance Costs, and including any reserve fund earnings) will be lower than the net average annual debt service on the outstanding Phase 2 TIF Notes, unless the Developer voluntarily elects to defer or forgive principal of and/or interest on the Phase 2 TIF Notes in an amount necessary to make the aggregate net projected debt service on the Phase 2 TIF Bonds lower than the net average annual debt service on the outstanding Phase 2 TIF Notes; and
- (v) The Phase 2 TIF Bonds can be sold at an aggregate net interest cost which is less than the aggregate net interest cost of the Phase 2 TIF Notes to be redeemed.

**5.4 Application of Phase 2 TIF Bond Proceeds.** Proceeds of any Phase 2 TIF Bonds shall be applied:

**5.4.1** To the payment of costs relating to the issuance of the Phase 2 TIF Bonds;

**5.4.2** To the payment of outstanding principal of and interest on the Phase 2 TIF Notes to be refunded;

**5.4.3** To the payment of capitalized interest on the Phase 2 TIF Bonds; and

**5.4.4** To the establishment of a debt service reserve fund for the Phase 2 TIF Bonds in a reasonable amount of the principal amount of Phase 2 TIF Bonds to be issued, as to be determined by the City's underwriter.

**5.5 Cooperation in the Issuance of Phase 2 TIF Obligations.** Developer covenants to cooperate and take all reasonable actions necessary to assist the City and its Bond Counsel, the Authority, underwriters and financial advisors in the preparation of offering statements, private placement memorandum or other disclosure documents and all other documents necessary to market and sell the Phase 2 TIF Obligations, including disclosure of tenants of the Phase 2 Property and the non-financial terms of the leases between Developer and such tenants. Developer will not be required to disclose to the general public or any investor any proprietary or confidential information, including financial information, pertaining to Developer, but upon the execution of a confidentiality agreement acceptable to Developer, Developer will provide such information to the City's financial advisors, underwriters and their counsel to enable such parties to satisfy their due diligence obligations. Developer shall make such compliance obligation a covenant running with the land, enforceable as if any subsequent transferee thereof were originally a party to and bound by this Agreement, provided, that Developer shall satisfy this and any other obligation under this Agreement to make any provision a covenant running with the land by recording this Agreement in the Office of the Recorder of Deeds of the City of St. Louis.

**5.6 Subordinate Notes.** Phase 2 TIF Notes may be issued in two series, with one series subordinate to Phase 2 TIF Notes of the other series issued hereunder (the "Subordinate Notes"), such that no payment of principal or interest on any such Subordinate Notes may be made while any Phase 2 TIF Notes are outstanding. All such Subordinate Notes shall be payable as to principal and interest according to the terms set forth in **Sections 5.2** and **6.3** of this Agreement.

If the amount of Phase 2 TIF Bonds issued pursuant to this Agreement is insufficient to refund all of the outstanding Phase 2 TIF Notes, the Phase 2 TIF Notes remaining outstanding shall be redeemed by the issuance of notes subordinate to the Phase 2 TIF Bonds (the "Subordinate Notes"). Each Subordinate Note shall have the same maturity and have the same outstanding principal amount and the same interest rate as the Phase 2 TIF Note it redeems. All such Subordinate Notes shall be payable as to principal and interest according to the terms set forth in **Sections 5.4** and **6.3** of this Agreement.

**5.7 City to Select Underwriter and Financial Advisor; Term and Interest Rate.** The City shall have the right to select the designated underwriter (and such financial advisors and consultants as the underwriter and the City deem necessary for the issuance of the Phase 2 TIF Bonds) and underwriter's counsel. The final maturity of the Phase 2 TIF Bonds shall not exceed the maximum term permissible under the TIF Act. The Phase 2 TIF Bonds shall bear interest at such rates, shall be subject to redemption and shall have such terms as the City shall determine in its sole discretion.

#### **ARTICLE 6. SPECIAL ALLOCATION FUND; COLLECTION AND USE OF TIF REVENUES**

**6.1 Creation of Special Allocation Fund.** The City agrees to cause its Comptroller or other financial officer to maintain the Special Allocation Fund, including a "PILOTs Account," an "EATs Account," and such further accounts or sub-accounts as are required by this Agreement or as the Comptroller may deem appropriate in connection with the administration of the Special Allocation Fund pursuant to this Agreement. Subject to the requirements of the TIF Act and, with respect to Economic Activity Taxes, subject to annual appropriation by the Board of Aldermen, the City will promptly upon receipt thereof deposit all Payments in Lieu of Taxes into the PILOTs Account and all Economic Activity Taxes into the EATs Account.

#### **6.2 Certification of Base for PILOTS and EATS.**

**6.2.1** Upon the reasonable written request of the City, Developer shall use its best efforts to provide or cause to be provided to the Comptroller or its authorized representative any documents necessary for the City to calculate the base for PILOTs and EATs including, but not limited to: (i) the address and locator number of all parcels of real property located within the Redevelopment Area; and (ii) information related to payment of utility taxes by any businesses, owners or other occupants of the Redevelopment Area in the calendar year ending December 31, 2007.

**6.2.2** Within ninety (90) days after execution of the Redevelopment Agreement, the City shall provide to the Developer (i) a certificate of the City Assessor's calculation of the total initial equalized assessed valuation of the taxable real property within the Redevelopment Area based upon the most recently ascertained equalized assessed valuation of each taxable lot, block, tract, or parcel of real property within the Phase 2 Property; and (ii) a certification of the amount of revenue from taxes, penalties and interest which are imposed by the City and other taxing districts and which are generated by economic activities within the Phase 2 Property for the calendar year ending December 31, 2007, but excluding those personal property taxes, taxes imposed on sales or charges for sleeping rooms paid by transient guests of hotels and motels, taxes levied pursuant to Section 70.500 of the Revised Statutes of Missouri, taxes levied for the purpose of public transportation, or licenses, fees or special assessments identified as excluded in Section 99.845.3 of the TIF Act.

#### **6.3 Application of Available Revenues**

The City hereby agrees for the term of this Agreement to apply the Phase 2 Revenues and any taxes, fees or assessments subsequently enacted and imposed in substitution therefor and allocable to the Special Allocation Fund under the TIF Act or this Agreement to the repayment of Phase 2 TIF Notes issued under Article V of this Agreement as provided in the Note Ordinance and this Agreement.

Upon the payment in full of the principal of and interest on all Phase 2 TIF Notes and Phase 1 TIF Notes (or provision has been made for the payment thereof as specified in the Note Ordinance), payment in full of the fees and expenses of the Comptroller and the SLDC, and payment in full of any other amounts required to be paid under the Note Ordinance, all amounts remaining on deposit in the Revenue Fund shall be declared as surplus and distributed in the manner provided in the Act.

If monies available in Special Allocation Fund are insufficient to reimburse the City or the Developer as provided above

on any Payment Date, then the unpaid portion shall be carried forward to the next Payment Date, with interest thereon.

The City agrees that it will comply with the Charter of The City of St. Louis, Article XVI, Section 3 for each fiscal year that Phase 2 TIF Obligations are outstanding and the City will request an appropriation of all Available Revenues on deposit in the Special Allocation Fund for application to the payment of the principal of (including, but not limited to, payment of a premium, if any) and interest on the Phase 2 TIF Obligations.

**6.4 Cooperation in Determining Phase 2 Revenues.** The City and the Developer agree to cooperate and take all reasonable actions necessary to cause the Phase 2 Revenues to be paid into the Special Allocation Fund, including, but not limited to, the City's enforcement and collection of all such payments through all reasonable and ordinary legal means of enforcement.

**6.5 Obligation to Report Phase 2 Revenues.** The Developer shall cause any purchaser or transferee of real property located within the Phase 2 Property, and any lessee or other user of real property located within the Phase 2 Property to pay Phase 2 Revenues and shall use all reasonable efforts to timely fulfill such obligations as are required by **Section 6.4** of this Agreement. So long as any of the Phase 2 TIF Obligations are outstanding, the Developer shall cause such obligations to be covenants running with the land, which covenants shall be enforceable as if such purchaser, transferee, lessee or other user of such real property were originally a party to and bound by this Agreement.

**6.6 Notice to City of Transfer.** The Developer agrees to notify the City in writing of any sale, transfer or other disposition of the Phase 2 Property or any interest therein as permitted by **Section 7.3.2** of this Agreement at least fifteen (15) days prior to such sale, transfer or other disposition. Said notice shall specify the name and address of the person so acquiring any or all of the Phase 2 Property or any interest therein and shall identify the Phase 2 Property to be sold, transferred or otherwise disposed, whether by voluntary transfer or otherwise. Notwithstanding the foregoing, Developer shall not be required to notify the City of the lease or transfer of a residential unit, commercial unit or parking space in the ordinary course of business except as may be required by **Section 4.3**.

## ARTICLE 7. GENERAL PROVISIONS

**7.1 Developer's Right of Termination.** At any time prior to the delivery of a Certificate of Substantial Completion, the Developer may, by giving written notice to the City, abandon Phase 2 and terminate this Agreement and the Developer's obligations hereunder if the Developer determines, in its sole discretion, that Phase 2 is no longer economically feasible. Upon such termination, the City shall have no obligation to reimburse the Developer for any amounts advanced under this Agreement or costs otherwise incurred or paid by Developer.

**7.2 City's Right of Termination.** The City may terminate this Agreement if (i) the Developer fails to submit to the MBE/WBE Compliance Officer a copy of Developer's MBE/WBE Subcontractor's List and its MBE/WBE Utilization Statement within one hundred eighty (180) days of the date of this Agreement; provided, however, that termination under this Section 7.2(i) may be waived in the sole discretion of the MBE/WBE Compliance Officer; or (ii) the Developer fails to submit its Certificate of Substantial Completion, acceptable to the City, in accordance with **Section 3.8** of this Agreement and the schedule set forth in **Section 3.4** of this Agreement. Upon such termination, the City shall have no obligation to issue a Phase 2 TIF Note or to reimburse the Developer for any amounts advanced under this Agreement or costs otherwise incurred or paid by Developer.

### **7.3 Successors and Assigns.**

**7.3.1 Binding Effect.** This Agreement shall be binding on and shall inure to the benefit of the parties named herein and their respective heirs, administrators, executors, personal representatives, successors and assigns.

**7.3.2 Assignment or Sale.** Without limiting the generality of the foregoing, all or any part of the Property or any interest therein may be sold, transferred, encumbered, leased, or otherwise disposed of at any time, and the rights of the Developer named herein or any successors in interest under this Agreement or any part hereof may be assigned at any time before, during or after redevelopment of Phase 2, whereupon the party disposing of its interest in the Phase 2 Property or assigning its interest under this Agreement shall be thereafter released from further obligation under this Agreement (although any such Phase 2 Property so disposed of or to which such interest pertains shall remain subject to the terms and conditions of this Agreement), provided, however, that until substantial completion of Phase 2, the fee title to the Phase 2 Property shall not be sold, transferred or otherwise disposed of and the rights, duties and obligations of the Developer under this Agreement shall not be assigned in whole or in part without the prior written approval of the City, which approval shall not be unreasonably withheld or delayed upon a reasonable demonstration by the Developer of the proposed transferee's or assignee's experience and financial capability to undertake and complete such portions of the Work and perform the Developer's obligations under this Agreement, all in accordance with this

Agreement. Notwithstanding anything herein to the contrary, the City hereby approves, and no prior consent shall be required in connection with: (a) the right of the Developer to encumber or collaterally assign its interest in the Phase 2 Property or any portion thereof or its rights, duties and obligations under this Agreement to secure loans, advances or extensions of credit to finance or from time to time refinance all or any part of the Redevelopment Project Costs, or the right of the holder of any such encumbrance or transferee of any such collateral assignment (or trustee or agent on its behalf) to transfer such interest by foreclosure or transfer in lieu of foreclosure under such encumbrance or collateral assignment; and (b) the right of Developer to transfer the Phase 2 Property or to assign the Developer's rights, duties and obligations under this Agreement to any Related Entity; (c) the right of the Developer to sell, lease or transfer a residential unit, commercial unit or parking space in the ordinary course of business (including, but not limited to, through a sale-leaseback transaction involving an ultimate user of such property); provided that in each such event (i) the Developer named herein shall remain liable hereunder for the substantial completion of Phase 2, subject, however, to Developer's right of termination pursuant to **Section 7.1** of this Agreement, and shall be released from such liability hereunder only upon substantial completion of Phase 2; and (ii) the Developer provides to the City fifteen (15) days' advance written notice of the proposed assignment or transfer other than of the sale or lease of a residential unit, commercial unit or parking space in the ordinary course of business which shall require no notice except as may be required by **Section 4.3**.

**7.3.3 Assignment or Sale to Exempt Organization.** Prior to any sale, transfer or other disposition of all or any portion of the Phase 2 Property or any interest therein to an organization exempt from payment of ad valorem property taxes, such organization shall be required to agree not to apply for an exemption from payment of such property taxes for a period ending on the earlier of the date that all Phase 2 TIF Obligations are paid in full or twenty-three (23) years from the effective date that the Approving Ordinance. The Developer shall make this requirement a covenant running with the land, enforceable for such period as if such purchaser or other transferee or possessor thereof were originally a party to and bound by this Agreement.

**7.4 Remedies.** Except as otherwise provided in this Agreement and subject to the Developer's and the City's respective rights of termination, in the event of any default in or breach of any term or conditions of this Agreement by either party, or any successor, the defaulting or breaching party (or successor) shall, upon written notice from the other party specifying such default or breach, proceed immediately to cure or remedy such default or breach, and shall, in any event, within thirty (30) days after receipt of notice, cure or remedy such default or breach. In the event that the defaulting or breaching party (or successor) diligently and in good faith commences to cure or remedy such default or breach but is unable to cure or remedy such default or breach within thirty (30) days after receipt of notice, the defaulting or breaching party (or successor) shall, prior to the end of such thirty (30) days, provide notice to the other party that it has in good faith commenced to cure or remedy such default or breach, whereupon the defaulting or breaching party (or successor) shall have an additional thirty (30) days to cure or remedy such default or breach. In case such cure or remedy is not taken or not diligently pursued, or the default or breach shall not be cured or remedied prior to the end of the additional thirty (30) day period, the aggrieved party may institute such proceedings as may be necessary or desirable in its opinion to cure and remedy such default or breach, including without limitation proceedings to compel specific performance by the defaulting or breaching party.

**7.5 Force Majeure.** Neither the City nor the Developer nor any successor in interest shall be considered in breach or default of their respective obligations under this Agreement, and times for performance of obligations hereunder shall be extended in the event of any delay caused by force majeure (except as expressly limited in **Section 3.4**), including without limitation damage or destruction by fire or casualty; strike; lockout; civil disorder; war; restrictive government regulations; lack of issuance of any permits and/or legal authorization by the governmental entity necessary for the Developer to proceed with construction of the Work or any portion thereof; shortage or delay in shipment of material or fuel; acts of God; unusually adverse weather or wet soil conditions; or other like causes beyond the parties' reasonable control, including without limitation any litigation, court order or judgment resulting from any litigation affecting the validity of the Redevelopment Plan, t Phase 2 or the Phase 2 TIF Obligations or this Agreement; provided that (i) such event of force majeure shall not be deemed to exist as to any matter initiated or sustained by the Developer in bad faith, and (ii) the Developer notifies the City in writing within thirty (30) days of the commencement of such claimed event of force majeure.

**7.6 Notices.** All notices, demands, consents, approvals, certificates and other communications required by this Agreement to be given by either party hereunder shall be in writing and shall be hand delivered or sent by United States first class mail, postage prepaid, addressed to the appropriate party at its address set forth below, or at such other address as such party shall have last designated by notice to the other. Notices, demands, consents, approvals, certificates and other communications shall be deemed given when delivered or three days after mailing; provided, however, that if any such notice or other communication shall also be sent by telecopy or fax machine, such notice shall be deemed given at the time and on the date of machine transmittal if the sending party receives a written send verification on its machines and forwards a copy thereof with its mailed or courier delivered notice or communication.

- (i) In the case of the Developer, to:

Carondelet TIF, Inc.  
c/o Steins Broadway Inc  
7525 S. Broadway  
St. Louis, Missouri 63111  
Attention: Benjamin J. Simms  
Facsimile: 314-631-9918

- (ii) In the Case of the City, to:

City of St. Louis  
Office of the Mayor  
City Hall  
1200 Market Street, Room 200  
St. Louis, Missouri 63103  
Attention: Rodney Crim, St. Louis Development Corp.  
Facsimile: 314-622-3440

And

City of St. Louis  
Office of the Comptroller  
City Hall  
1200 Market Street, Room 212  
St. Louis, Missouri 63103  
Attention: Ivy Neyland-Pinkston, Deputy Comptroller  
Facsimile: 314-588-0550

With a copy to:

City of St. Louis  
City Counselor  
City Hall  
1200 Market Street, Room 314  
St. Louis, Missouri 63103  
Attention: Rebecca Wright, Assistant City Counselor  
Facsimile: 314-622-4956

And

Armstrong Teasdale LLP  
7700 Forsyth Blvd., Suite 1800  
St. Louis, Missouri 63105  
Attention: Thomas J. Ray, Esq.  
Facsimile: 314-621-5065

- (iii) In the case of the SLDC, to:

SLDC  
1015 Locust Street, Suite 1200  
St. Louis, Missouri 63101  
Attention: Dale Ruthsatz  
Facsimile: 314-231-2341

**7.7 Conflict of Interest.** No member of the Board of Aldermen, the TIF Commission, or any branch of the City's government who has any power of review or approval of any of the Developer's undertakings, or of the City's contracting for goods or services for the Redevelopment Area, shall participate in any decisions relating thereto which affect that member's personal interests or the interests of any corporation or partnership in which that member is directly or indirectly interested. Any person having

such interest shall immediately, upon knowledge of such possible conflict, disclose, in writing, to the Board of Aldermen the nature of such interest and seek a determination by the Board of Aldermen with respect to such interest and, in the meantime, shall not participate in any actions or discussions relating to the activities herein proscribed.

**7.8 Damage or Destruction of Phase 2.** In the event of total destruction or damage to Phase 2 by fire or other casualty, during construction or thereafter during the term of this Agreement so long as any Phase 2 TIF Notes are outstanding and the Developer or a Related Entity owns the Phase 2 Property, the Developer shall determine and advise the City in writing within one year of such destruction or damage whether to restore, reconstruct and repair any such destruction or damage so that Phase 2 will be completed or rebuilt in accordance with the Redevelopment Plan and this Agreement. Should the Developer determine not to restore, reconstruct and repair, all unaccrued liability of the City for any payments of principal of or interest on the Phase 2 TIF Notes shall immediately terminate and the Developer shall promptly surrender the Phase 2 TIF Notes to the City for cancellation. In the event of such total destruction or damage during the term of this Agreement and after any Phase 2 TIF Bonds are issued or the issuance of a Phase 2 TIF Note to a purchaser other than the Developer or a Related Entity, the Developer shall, at the City's option after consultation with the Developer, tender to the City that portion of the insurance proceeds, if any, to which Developer is entitled, after satisfaction of any terms or obligations of any deed of trust, promissory note or financing agreement entered into by the Developer for the financing of all or any part of Phase 2, from any fire or casualty insurance policy in an amount equal to the outstanding principal amount of the Phase 2 TIF Bonds or Phase 2 TIF Notes, plus accrued interest thereon to be deposited into the Special Allocation Fund.

**7.9 Inspection.** The City may conduct such periodic inspections of the Work as may be generally provided in the building code of the City. In addition, the Developer shall allow other authorized representatives of the City reasonable access to the Work site from time to time upon advance notice prior to the completion of the Work for inspection thereof. The Developer shall not unreasonably deny the City and its officers, employees, agents and independent contractors the right to inspect, upon request, all architectural, engineering, demolition, construction and other contracts and documents pertaining to the construction of the Work as the City determines is reasonable and necessary to verify the Developer's compliance with the terms of this Agreement.

**7.10 Choice of Law.** This Agreement shall be taken and deemed to have been fully executed, made by the parties in, and governed by the laws of State of Missouri for all purposes and intents.

**7.11 Entire Agreement; Amendment.** The parties agree that this Agreement constitutes the entire agreement between the parties and that no other agreements or representations other than those contained in this Agreement have been made by the parties. This Agreement shall be amended only in writing and effective when signed by the authorized agents of the parties.

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

**7.13 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.

**7.14 Representatives Not Personally Liable.** No elected or appointed official, agent, employee or representative of the City 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.

**7.15 Attorney's Fees.** In any dispute arising out of or relating to this Agreement, including any action to enforce this Agreement against a defaulting or breaching party pursuant to **Section 7.4**, the prevailing party shall recover from the non-prevailing party the prevailing party's attorney's fees, in addition to any other damages to which it is entitled.

**7.16 Actions Contesting the Validity and Enforceability of the Redevelopment Plan** In the event a third party brings an action against the City or the City's officials, agents, attorneys, employees or representatives contesting the validity or legality of the Redevelopment Area, the Redevelopment Plan, the Phase 2 TIF Obligations, or the ordinance approving this Agreement, Developer may, at its option, join the City in defense of such claim or action. The parties expressly agree that, so long as no conflicts of interest exist between them with regard to the handling of such litigation, the same attorney or attorneys may simultaneously represent the City and the Developer in any such proceeding. The Developer shall be responsible for all reasonable and necessary costs and expenses incurred by the City and by the Developer in connection with the defense of such claim or action, provided that if the City does not approve a settlement or compromise to which the Developer would agree, the Developer shall not be responsible for any costs or expenses incurred thereafter in the defense of such claim or action. All cost of any such defense, whether incurred by the City or the Developer, shall be deemed to be Reimbursable Redevelopment Project Costs and reimbursable from any amounts in the Special Allocation Fund, subject to Article IV of this Agreement.

**7.17 Release and Indemnification.** The indemnifications and covenants contained in this Section shall survive termination or expiration of this Agreement.

**7.17.1** The City and its governing body members, officers, agents, attorneys, employees and independent contractors shall not be liable to the Developer for damages or otherwise in the event that all or any part of the TIF Act, or any ordinance adopted in connection with either the TIF Act, this Agreement or the Redevelopment Plan, is declared invalid or unconstitutional in whole or in part by the final (as to which all rights of appeal have expired or have been exhausted) judgment of any court of competent jurisdiction, and by reason thereof either the City is prevented from performing any of the covenants and agreements herein or the Developer is prevented from enjoying the rights and privileges hereof.

**7.17.2** The Developer releases from and covenants and agrees that the City and its governing body members, officers, agents, attorneys, employees and independent contractors shall not be liable for, and agrees to indemnify and hold harmless the City, its governing body members, officers, agents, attorneys, employees and independent contractors against any and all claims, demands, liabilities and costs, including reasonable attorneys' fees, costs and expenses, arising from damage or injury, actual or claimed (excluding consequential and punitive damages), to persons or property occurring or allegedly occurring as a result of any negligent or malicious acts or omissions of the Developer, its governing body members, officers, agents, attorneys, employees and independent contractors, in connection with its or their activities conducted pursuant to this Agreement.

**7.17.3** The City and its governing body members, officers, agents, attorneys, employees and independent contractors shall not be liable for any damage or injury to the persons or property of the Developer or its officers, agents, employees, independent contractors or any other persons who may be about the Phase 2 Property or the Work except for matters arising out of the gross negligence or willful misconduct of the City and its governing body members, officers, agents, attorneys, employees and independent contractors.

**7.17.4** All covenants, stipulations, promises, agreements and obligations of the City contained herein shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the City and not of any of its governing body members, officers, agents, attorneys, employees or independent contractors in their individual capacities.

**7.17.5** No governing body members, officers, agents, attorneys, employees or independent contractors of the City shall be personally liable to the Developer (i) in the event of a default or breach by any party under this Agreement or (ii) for any amount or any Phase 2 TIF Notes which may become due to any party under the terms of this Agreement.

**7.17.6** The Developer releases from and covenants and agrees that the City, its governing body members, officers, agents, attorneys, employees and independent contractors shall not be liable for, and agrees to indemnify and hold the City, its governing body members, officers, agents, attorneys, employees and independent contractors, harmless from and against any and all third party suits, interest, claims and cost of reasonable attorneys fees incurred by any of them, resulting from, arising out of, or in any way connected with: (i) the enforcement of this Agreement, the validity of the Phase 2 TIF Obligations or the enforcement or validity of any other agreement or obligation made in connection therewith and their approvals (excluding opinions of counsel and of the City's financial advisors whenever such claim is based on such party's own negligence); (ii) the negligence or willful misconduct of the Developer or its officers, agents, employees or independent contractors in connection with the design, management, development, redevelopment and construction of the Work, or (iii) the compliance by the Developer with all applicable state, federal and local environmental laws, regulations and ordinances as applicable to the Property, to the extent such condition existed prior to the acquisition thereof by the Developer. The foregoing release and indemnification shall not apply in the case of such liability arising directly out of the negligence or malicious acts or omissions of the City or its governing body members, officers, agents, attorneys, employees and independent contractors in connection with its or their activities conducted pursuant to this Agreement or which arises out of matters undertaken by the City following termination of this Agreement as to the Redevelopment Project or any particular portion thereof.

**7.18 Survival.** Notwithstanding the expiration or termination or breach of this Agreement by either party, the agreements contained in **Section 2.2, clauses (iii)-(v), Article VI, Sections 7.10, 7.11, 7.12, 7.13, 7.14, 7.15, 7.16, 7.17 and Article VIII** of this Agreement shall, except as otherwise expressly set forth herein, survive such early expiration or early termination of this Agreement by either party.

**7.19 Maintenance of the Property.** The Developer shall remain in compliance with all provisions of the City's ordinances relating to maintenance and appearance of the Phase 2 Property during the construction of Phase 2 or any portion thereof. Upon substantial completion of Phase 2 and so long as any Phase 2 TIF Obligations are outstanding, the Developer or its successor(s) in interest, as owner or owners of the affected portion(s) of the Phase 2 Property, shall, during the remainder of the term of this Agreement (but subject to any delay caused by an event of force majeure as provided in **Section 7.5** of this Agreement), maintain or cause to be maintained the buildings and improvements within the Phase 2 Property which it owns in a good state of repair and

attractiveness and in conformity with applicable state and local laws, ordinances and regulations. If there are separately-owned or ground leased parcels of real estate on the Phase 2 Property during the term of this Agreement, each owner or lessee as a successor in interest to the Developer shall maintain or cause to be maintained the buildings and improvements on its parcel in a good state of repair and attractiveness and in conformity with applicable state and local laws, ordinances and regulations.

**7.20 Non-Discrimination.** The Developer agrees that, during the term of this Agreement and as an independent covenant running with the land, there shall be no discrimination upon the basis of race, creed, color, national origin, sex, age, marital status or physical handicap in the sale, lease, rental, occupancy or use of any of the facilities under its control within the Redevelopment Area or any portion thereof and said covenant may be enforced by the City or the United States of America or any of their respective agencies. The Developer further agrees that a provision containing the covenants of this paragraph shall be included in all agreements pertaining to the lease or conveyance or transfer (by any means) of all or a portion of Phase 2 and any of the facilities under its control in the Redevelopment Area. Except as provided in this Section, the Developer shall have no obligation to enforce the covenants made by any transferee or lessee, tenant, occupant or user of any of the facilities within the Phase 2 Property.

**7.21 Fair Employment.** Without limiting any of the foregoing, the Developer voluntarily agrees to observe the Equal Opportunity and Nondiscrimination Guidelines set forth as **Exhibit F**, attached hereto and incorporated herein by reference. By execution of this Agreement, the Developer certifies and agrees that it is under no contractual or other disability that would materially impair its ability to observe the Guidelines set forth as **Exhibit F**, attached hereto and incorporated herein by reference.

**7.22 MBE/WBE Compliance.** The Developer shall comply with the Mayor’s Executive Order #28, as amended as of the date of this Agreement, during the design and construction of Phase 2 and with respect to ongoing services provided by third parties to the Developer in connection with Phase 2.

**ARTICLE 8.  
REPRESENTATIONS OF THE PARTIES**

**8.1 Representations of the City.** The City hereby represents and warrants that it has full constitutional and lawful right, power and authority, under current applicable law, to execute and deliver and perform the terms and obligations of this Agreement, including without limitation the right, power and authority to issue and sell the Phase 2 TIF Notes, and all of the foregoing have been or will be, upon adoption of ordinances authorizing the issuance of the Phase 2 TIF Notes, duly and validly authorized and approved by all necessary City proceedings, findings and actions. Accordingly, this Agreement constitutes the legal, valid and binding obligation of the City, enforceable in accordance with its terms.

**8.2 Representations of the Developer.** The Developer hereby represents and warrants it has full power to execute and deliver and perform the terms and obligations of this Agreement and all of the foregoing has been duly and validly authorized by all necessary corporate proceedings. This Agreement constitutes the legal, valid and binding obligation of the Developer, enforceable in accordance with its terms.

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

**IN WITNESS WHEREOF**, the City and the Developer have caused this Agreement to be executed in their respective names and the City has caused its seal to be affixed thereto, and attested as to the date first above written.

**CITY**

**CITY OF ST. LOUIS, MISSOURI**

By: \_\_\_\_\_  
Francis G. Slay, Mayor

By: \_\_\_\_\_  
Darlene Green, Comptroller

(SEAL)

Attest:

\_\_\_\_\_  
Parrie May, City Register

Approved as to Form:

\_\_\_\_\_  
Patricia Hageman, City Counselor

IN WITNESS WHEREOF, the City and the Developer have caused this Agreement to be executed in their respective names and the City has caused its seal to be affixed thereto, and attested as to the date first above written.

“DEVELOPER”

CARONDELET TIF, INC.  
a Missouri corporation

By: \_\_\_\_\_  
Name: Benjamin J. Simms  
Title: President

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

On this \_\_\_\_\_ day of \_\_\_\_\_, 2011, before me appeared Francis G. Slay, to me personally known, who, being by me duly sworn, did say that he is the Mayor of the CITY OF ST. LOUIS, MISSOURI, a political subdivision of the State of Missouri, and that the seal affixed to the foregoing instrument is the seal of said City, and said instrument was signed and sealed in behalf of said City by authority of its Board of Aldermen, and said individual acknowledged said instrument to be the free act and deed of said City.

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

\_\_\_\_\_  
Notary Public

My Commission Expires:

\_\_\_\_\_

STATE OF MISSOURI     )  
  )  
CITY OF ST. LOUIS     )

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_, before me appeared Darlene Green, to me personally known, who, being by me duly sworn, did say that she is the Comptroller of the CITY OF ST. LOUIS, MISSOURI, a political subdivision of the State of Missouri, and that the seal affixed to the foregoing instrument is the seal of said City, and said instrument was signed and sealed in behalf of said City by authority of its Board of Aldermen, and said individual acknowledged said instrument to be the free act and deed of said City.

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

\_\_\_\_\_  
Notary Public

My Commission Expires:

\_\_\_\_\_

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

On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_, before me appeared Benjamin J. Simms, to me personally known, who, being by me duly sworn, did say that he is the President of CARONDELET TIF, INC., a Missouri corporation, and that he is

authorized to sign the instrument on behalf of said corporation by authority of its directors, and acknowledged to me that he executed the within instrument as said corporation's free act and deed.

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

\_\_\_\_\_  
Notary Public

My Commission Expires:  
  
\_\_\_\_\_

**EXHIBIT A**

**Legal Description of the Redevelopment Area, Phase 2 Property and Phase 1 Property**

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

**LEGAL DESCRIPTION IS ON FILE IN THE REGISTER'S OFFICE.**

**Phase 2 Property**

**TO BE SUPPLEMENTED**

**Phase 1 Property**

**TO BE SUPPLEMENTED**

**EXHIBIT B**

**TIF Reimbursable Redevelopment Project Costs**

<b>CATEGORY</b>	
(a)	Acquisition Costs (as defined in Section 1.1 of this Agreement).
(b)	Demolition Costs (includes, but is not limited to, demolition of existing buildings and structures or parts thereof).
(c)	Site Preparation and Public Improvements Costs (includes, but is not limited to, street and sidewalk improvements, parking facilities, utility work and resetting of curbs and landscaping and lighting in the right of way areas).
(d)	Rehabilitation, renovation, or reconstruction of any existing structures or construction of new structures or improvements.
(e)	Financing Costs (includes, but is not limited to, loan fees, disbursing fees, lender's legal fees, loan appraisals, flood certificates, tax credit investor fees and any and all other costs incurred by the Developer in connection with obtaining financing for and a tax credit investor in the Redevelopment Project).
(f)	Environmental Testing, Remediation and/or Abatement Costs (includes, but is not limited to, the testing for and removal and disposal of toxic or hazardous substances or materials).
(g)	Professional Service Costs (includes, but is not limited to, architectural, engineering, legal, marketing, financial, planning, sales commissions or special services).
(h)	TIF Costs & Issuance Costs incurred by the Developer pursuant to TIF Costs & Issuance Costs incurred by the Developer pursuant to <b>Section 2.2(i) – 2.2.(v)</b> of this Agreement. of this Agreement.

<sup>1</sup> Subject to the limitations set forth in **Section 4.2** of this Agreement, provided that such costs shall not exceed the aggregate amount of \$1,356,7931 plus Issuance Costs as provided in the Agreement.

**EXHIBIT C**

**Form of Certificate of Commencement of Construction**

To:	City of St. Louis Office of Comptroller 1200 Market St., Room 212 St. Louis, MO 63103 Attention: Ivy Neyland-Pinkston, Deputy Comptroller	City of St. Louis St. Louis Development Corp 1015 Locust St., Ste. 1200 St. Louis, MO 63103 Attention: Dale Ruthsatz
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**DELIVERED BY**

Carondelet TIF, Inc.

The undersigned, Carondelet TIF, Inc. (the "Developer"), pursuant to that certain Redevelopment Agreement dated as of \_\_\_\_\_, 20\_\_, between the City of St. Louis, Missouri (the "City") and Developer (the "Agreement") hereby certifies to the City as follows:

1. All property within the Redevelopment Area necessary for Phase 2 (as legally described on Appendix A attached hereto and by this reference incorporated herein and made a part hereof), has been acquired by Developer or a Related Entity in accordance with the Agreement.
2. Developer has entered into an agreement with a contractor or contractors to construct Phase 2.
3. Developer has submitted to the MBE/WBE Compliance Officer a copy of Developer's MBE/WBE Subcontractor's List and MBE/WBE Utilization Statement, which are attached hereto as Appendix B.
4. Developer has obtained all necessary financing to complete Phase 2.
5. This Certificate of Commencement of Construction is being issued by Developer to the City in accordance with the Agreement to evidence Developer's satisfaction of all obligations and covenants with respect to commencement of construction of Phase 2.

Terms not otherwise defined herein shall have the meaning ascribed to such terms in the Agreement.

IN WITNESS WHEREOF, the undersigned has hereunto set his/her hand this day of \_\_\_\_\_, 20\_\_.

**CARONDELET TIF, INC.**

By: \_\_\_\_\_  
Name: Benjamin J. Simms  
Title: President

**EXHIBIT D**

**Form of Certificate of Reimbursable Redevelopment Project Costs**

TO:  
City of St. Louis  
Office of Comptroller  
1200 Market Street, Room 212  
St. Louis, Missouri 63103  
Attention: Ivy Neyland-Pinkston, Deputy Comptroller

**Re: City of St. Louis, Missouri, South Carondelet District #3 Redevelopment Project – Phase 2**

Terms not otherwise defined herein shall have the meaning ascribed to such terms in the Redevelopment Agreement dated as of \_\_\_\_\_, 20\_\_ (the "Agreement"), between Carondelet TIF, Inc., a Missouri corporation (the "Developer"). In

connection with said Agreement, the undersigned hereby states and certifies that:

1. Each item listed on **Schedule 1** hereto is a Reimbursable Redevelopment Project Cost and was incurred in connection with the construction of Phase 2.

2. These Reimbursable Redevelopment Project Costs have been have been paid by the Developer and are reimbursable under the Note Ordinance and the Agreement.

3. Each item listed on **Schedule 1** has not previously been paid or reimbursed from money derived from the Special Allocation Fund or any money derived from any project fund established pursuant to the Note Ordinance, and no part thereof has been included in any other certificate previously filed with the City.

4. There has not been filed with or served upon the Developer any notice of any lien, right of lien or attachment upon or claim affecting the right of any person, firm or corporation to receive payment of the amounts stated in this request, except to the extent any such lien is being contested in good faith.

5. All necessary permits and approvals required for the portion of the Work for which this certificate relates have been issued and are in full force and effect.

6. All Work for which payment or reimbursement is requested has been performed in a good and workmanlike manner and in accordance with the Redevelopment Plan and the Agreement.

7. If any cost item to be reimbursed under this Certificate is deemed not to constitute a "redevelopment project cost" within the meaning of the TIF Act and the Agreement, the Developer shall have the right to substitute other eligible Reimbursable Redevelopment Project Costs for payment hereunder.

8. The costs to be reimbursed under this Certificate constitute advances qualified for Tax-Exempt TIF Notes:

Yes: \_\_\_\_\_ No: \_\_\_\_\_

9. The Developer is not in default or breach of any material term or condition of the Agreement beyond the applicable cure period, if any.

Dated this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

**CARONDELET TIF, INC.**

By: \_\_\_\_\_  
Name: Benjamin J. Simms  
Title: President

Approved for payment this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**SLDC**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**Schedule 1**

The Developer has incurred the following Reimbursable Redevelopment Project Costs:

Payee:	Amount:	Description of Reimbursable Redevelopment Project Costs:
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**EXHIBIT E**  
**Form of Certificate of Substantial Completion**  
**CERTIFICATE OF SUBSTANTIAL COMPLETION**

The undersigned, Carondelet TIF, Inc., a Missouri corporation (the "Developer"), pursuant to that certain Redevelopment Agreement dated as of \_\_\_\_\_, 20\_\_, between the City of St. Louis, Missouri (the "City"), and the Developer (the "Agreement"), hereby certifies to the City as follows:

1. That as of \_\_\_\_\_, \_\_\_\_\_, the construction of Phase 1 (as that term is defined in the Agreement) has been substantially completed in accordance with the Agreement.
2. That the Work has been substantially completed or funded pursuant to Exhibit B to the Agreement.
3. The Work has been performed in a workmanlike manner and substantially in accordance with the Construction Plans (as those terms are defined in the Agreement).
4. This Certificate of Substantial Completion is accompanied by the project architect's or owner representative's certificate of substantial completion on AIA Form G-704 (or the substantial equivalent thereof), a copy of which is attached hereto as **Appendix A** and incorporated herein by reference, certifying that Phase 2 has been substantially completed in accordance with the Agreement.
5. Mechanics lien waivers for applicable portions of the Work in excess of Five Thousand Dollars (\$5,000) have been obtained.
6. This Certificate of Substantial Completion is being issued by the Developer to the SLDC and the City in accordance with the Agreement to evidence the Developer's satisfaction of all material obligations and covenants with respect to Phase 2.
7. The acceptance (below) or the failure of the SLDC and the Mayor or his designee to object in writing to this Certificate within thirty (30) days of the date of delivery of this Certificate to the SLDC and the City (which written objection, if any, must be delivered to the Developer prior to the end of such thirty (30) days) shall evidence the satisfaction of the Developer's agreements and covenants to perform the Work.

Upon such acceptance by the SLDC and the Mayor or his designee, the Developer may record this Certificate in the office of the City's Recorder of Deeds. This Certificate is given without prejudice to any rights against third parties which exist as of the date hereof or which may subsequently come into being. Terms not otherwise defined herein shall have the meaning ascribed to such terms in the Agreement.

(remainder of page intentionally left blank)

IN WITNESS WHEREOF, the undersigned has hereunto set his/her hand this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**CARONDELET TIF, INC.**

By: \_\_\_\_\_  
Name: Benjamin J. Simms  
Title: President

**ACCEPTED:**

**SLDC**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_




**EXHIBIT H**

**MBE/WBE Utilization Statement**

**Policy:** It is the policy of the City of St. Louis that minority and women-owned businesses, as defined in the Mayor’s Executive Order of July 24, 1997, as amended, shall have an opportunity to participate in the performance of contracts utilizing City funds, in whole or in part. Consequently, the requirements of the aforementioned Executive Order apply to this contract.

**Project and Bid Identification:**

Contracting Agency: \_\_\_\_\_  
 Project Name: \_\_\_\_\_  
 Letting Number: \_\_\_\_\_ Date: \_\_\_\_\_  
 Contract MBE/WBE Goal: 25% MBE and 5% WBE Participation  
 Total Dollar Amount of Prime Contract: \$ \_\_\_\_\_  
 Total Dollar Amount of Proposed MBE: \$ \_\_\_\_\_ Percent MBE \_\_\_\_\_  
 Total Dollar Amount of Proposed WBE: \$ \_\_\_\_\_ Percent WBE \_\_\_\_\_

**Obligation:** The undersigned certifies that (s)he has read, understands and agrees to be bound by the bid specifications, including the accompanying exhibits and other items and conditions of the request for proposals regarding minority and women business enterprise utilization. The undersigned further certifies that (s)he is legally authorized by the respondent to make the statements and representations in the M/WBE Forms and Exhibits and that said statements and representations are true and correct to the best of his/her knowledge and belief. The undersigned will enter into formal agreements with the minority/women business enterprises listed in the Subcontractor List, which are deemed by the City to be legitimate and responsible. The undersigned understands that if any of the statements and representations are made by the respondent knowing them to be false, or if there is a failure of the successful respondent to implement any of the stated agreements, intentions, objectives, goals and commitments set forth herein without prior approval of the City, then in any such events, the contractor’s act or failure to act, as the case may be, shall constitute a material breach of the contract, entitling the City to terminate the contract for default. The right to so terminate shall be in addition to, and not in lieu of, any other rights and remedies the City may have for other defaults under the contract. Additionally, the contractor may be subject to the penalties cited in Section Twelve of the Mayor’s Executive Order #28, as amended.

**[Remainder of page intentionally left blank.]**

**Assurance:** I, acting as an officer of the undersigned bidder or joint venture bidders, hereby assure the City that on this project my company will (check one):

- \_\_\_\_\_ Meet or exceed contract award goals and provide participation as shown above.
- \_\_\_\_\_ Fail to meet contract award goals but will demonstrate that good faith efforts were made to meet the goals and my company will provide participation as shown above.

Name of Prime Contractor(s): \_\_\_\_\_  
 \_\_\_\_\_

Prime Contractor Authorized Signature

By: \_\_\_\_\_

Name: \_\_\_\_\_

Date: \_\_\_\_\_

**Approved: July 20, 2011**

**ORDINANCE 68978**  
**Board Bill No. 116**

An Ordinance Recommended By The Board Of Estimate And Apportionment Amending Ordinance No. 68094; Authorizing And Directing The Issuance and Delivery Of Not to Exceed \$838,851 Plus Issuance Costs Principal Amount of Tax Increment Revenue Notes (South Carondelet District #3 Redevelopment Project – Phase 1) Series 201\_-A/B, Of The City Of St. Louis, Missouri And Not To Exceed \$1,356,793 Plus Issuance Costs Principal Amount of Tax Increment Revenue Notes (South Carondelet District #3 Redevelopment Project – Phase 2) Series 201\_-A/B, Of The City Of St. Louis, Missouri; Prescribing The Form And Details Of Such Notes And The Covenants And Agreements Made By The City To Facilitate And Protect The Payment Thereof; Prescribing Other Matters Relating Thereto, And Containing A Severability Clause.

**WHEREAS**, the City of St. Louis, Missouri (the “City”), is a body corporate and 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**, the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 through 99.865, Revised Statutes of Missouri, (the “TIF Act” or “Act”), authorizes the City to undertake redevelopment projects within designated areas of the City; and

**WHEREAS**, pursuant to the TIF Act, the City, by Ordinance No. 68092, adopted that certain South Carondelet District #3 TIF Redevelopment Plan dated April 18, 2008 (as amended, the “Redevelopment Plan”), and designated certain real property within the City of St. Louis as a “Redevelopment Area” pursuant to the TIF Act; and

**WHEREAS**, on June 4, 2008, the TIF Commission found that completion of the Redevelopment Project (as hereinafter defined) would provide a substantial and significant public benefit through the elimination of blighting conditions, the strengthening of the employment and economic base of the City, increased property values and tax revenues, stabilization of the Redevelopment Area, preservation of historic structures, facilitation of the economic stability of the City as a whole, and further found that without the assistance of tax increment financing in accordance with the TIF Act, the Redevelopment Project is not financially feasible and would not otherwise be completed; and

**WHEREAS**, the Board of Aldermen adopted Ordinance No. 68094 authorizing the issuance of not to exceed \$2,195,644 plus Issuance Costs principal amount of tax increment revenue notes with respect to the Redevelopment Project; and

**WHEREAS**, on \_\_\_\_\_, 2011, the Mayor signed Ordinance No. \_\_\_\_ [Board Bill No. \_\_\_\_] authorizing the City to enter into (a) a Redevelopment Agreement with Developer with respect to Phase 1 (as described in such agreement) of the Redevelopment Project (the “Phase 1 Agreement”), and (b) a Redevelopment Agreement with Developer with respect to Phase 2 (as described in such agreement) of the Redevelopment Project (the “Phase 2 Agreement” and together with the Phase 1 Agreement, the “Redevelopment Agreements”); and

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

**WHEREAS**, the City desires to issue, from time to time, its Tax Increment Revenue Notes (South Carondelet District #3 Redevelopment Project – Phase 1/2), Series 201\_-A/B, (the “TIF Notes” or “Notes”), to provide funds for the aforesaid purpose, said Notes being payable solely from certain proceeds deposited into the Special Allocation Fund; and

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

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

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

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

**ARTICLE I.  
DEFINITIONS**

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

"Act" or "TIF Act" means the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 through 99.865 of the Revised Statutes of Missouri.

"Approved Investors" means (a) the Developer or a Related Entity, (b) an "accredited investor" under Rule 501(a) of Regulation D promulgated under the Securities Act of 1933, (c) a "qualified institutional buyer" under Rule 144A promulgated under the Securities Act of 1933 or (d) any general business company or enterprise with total assets in excess of \$50,000,000.

"Approving Ordinance" means Ordinance No. 68092 [Board Bill No. 153] effective designating the Redevelopment Area, approving the Redevelopment Plan, approving the Redevelopment Project, adopting tax increment allocation financing within the Redevelopment Area, and establishing the Special Allocation Fund.

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

"Authorizing Ordinance" means Ordinance No. \_\_\_\_\_ [ Board Bill No. \_\_\_\_], signed by the Mayor on \_\_\_\_\_, 2011, affirming adoption of the Redevelopment Plan, Redevelopment Area, and Redevelopment Project, authorizing execution of the Redevelopment Agreements for the construction of the Redevelopment Project and making certain findings related thereto.

"Available Revenues" means all monies on deposit from time to time (including investment earnings thereon) in (a) the PILOTS Account, and (b) subject to annual appropriation, the EATS Account that have been appropriated to the repayment of the TIF Notes; excluding (i) any amount paid under protest until the protest is withdrawn or resolved against the taxpayer or (ii) any sum received by the City which is the subject of a suit or other claim communicated to the City which suit or claim challenges the collection of such sum.

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

"Certificate of Commencement of Construction" means a document substantially in the form of Exhibit C to the Redevelopment Agreement, delivered by the Developer to the City in accordance with either Redevelopment Agreement and evidencing commencement of construction of either Phase of the Redevelopment Project.

"Certificate of Reimbursable Redevelopment Project Costs" means a document substantially in the form of Exhibit D to either Redevelopment Agreement provided by the Developer to the City in accordance with such Redevelopment Agreement evidencing Reimbursable Redevelopment Project Costs incurred by the Developer with respect to the respective Phase of the Redevelopment Project.

"Certificate of Substantial Completion" means a document substantially in the form of Exhibit E to a Redevelopment Agreement issued by the Developer under Redevelopment Agreement to the City in accordance with such Redevelopment Agreement and evidencing such Developer's satisfaction of all obligations and covenants to construct the Phase to which such Redevelopment Agreement applies in accordance with the Redevelopment Plan and such Redevelopment Agreement.

"City" means the City of St. Louis, Missouri, a body corporate and political subdivision duly authorized and existing under its charter and the Constitution and laws of the State of Missouri.

"Debt Service Fund" means the Debt Service Fund, as created in **Section 4.1** of this Ordinance.

“Developer” means Carondelet TIF, Inc.

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

“Economic Activity Taxes” or “EATs” shall have the meaning ascribed to such term in Section 99.805(4) of the TIF Act.

“EATs Account” means the EATs Account of the Special Allocation Fund, and containing such funds or accounts as specified herein.

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

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

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

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

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

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

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

“Payment Date” means, with respect to any TIF Note, each March 1 and September 1, commencing on the first March 1 or September 1 that immediately succeeds the City’s acceptance of a Certificate of Substantial Completion for the Phase of the Redevelopment Project for which such TIF Note was issued.

“Payments in Lieu of Taxes” or “PILOTs” shall have the meaning ascribed to such term in Section 99.805(10) of the TIF Act.

“Phase” means, as the case may be, Phase 1 or Phase 2 of the Redevelopment Project, and the “Phases” means, collectively, both Phase 1 and Phase 2.

“Phase 1” means that portion of the Redevelopment Project which is described as Phase 1 thereof, as set forth in the Phase 1 Redevelopment Agreement.

“Phase 1 Available Revenues” means those Available Revenues comprised of Phase 1 Revenues.

“Phase 1 Debt Service Reserve Fund” means the fund by the name created in **Section 4.1** of this Ordinance.

“Phase 1 Debt Service Reserve Fund Requirement” means that amount as reasonably determined by the underwriter or placement agent for the Phase 1 TIF Notes with the reasonable concurrence of the City’s Financial Advisor.

“Phase 1 Property” means a portion of the Redevelopment Area, as described in the Phase 1 Redevelopment Agreement, incorporated herein by this reference.

“Phase 1 Redevelopment Agreement” or “Phase 1 Agreement” means that certain agreement by and between the City and

the Developer, as authorized by the Authorizing Ordinance, and as may be amended from time to time, with respect to Phase 1 of the Redevelopment Project.

“Phase 1 Revenues” means: (1) payments in lieu of taxes (as that term is defined in Section 99.805(10) of the TIF Act) attributable to the increase in the current equalized assessed valuation of each taxable lot, block, tract, or parcel of real property located within the Phase 1 Property over and above the initial equalized assessed value (as that term is used and described in Sections 99.845.1 and 99.855.1 of the TIF Act) of each such unit of property, as paid to the City Treasurer by the City Collector of Revenue during the term of the Redevelopment Plan and the Redevelopment Project, and (2) subject to annual appropriation by the Board of Aldermen, fifty percent (50%) of the total additional revenues from taxes which are imposed by the City or other taxing districts (as that term is defined in Section 99.805(16) of the TIF Act) and which are generated by economic activities within the Phase 1 Property over the amount of such taxes generated by economic activities within the Phase 1 Property in the calendar year ending December 31, 2007 (subject to annual appropriation by the City as provided in the TIF Act), as defined and described in Sections 99.805(4) and 99.845 of the TIF Act, but excluding therefrom personal property taxes, taxes imposed on sales or charges for sleeping rooms paid by transient guests of hotels and motels, taxes levied pursuant to Section 70.500 of the Revised Statutes of Missouri, as amended, taxes levied for the purpose of public transportation pursuant to Section 94.660 of the Revised Statutes of Missouri, as amended, and licenses, fees or special assessments other than payments in lieu of taxes and penalties and interest thereon, all as provided in Section 99.845 of the TIF Act. Notwithstanding the foregoing, Phase 1 Revenues shall not include the operating levy for school purposes imposed by or any sales tax imposed by the Transitional School District of the City of St. Louis.

“Phase 1 Series A Account” means the account by that name created in **Section 4.1** of this Ordinance.

“Phase 1 Series A Note(s)” means the [Taxable][Tax-Exempt] Tax Increment Revenue Note (South Carondelet District #3 Redevelopment Project – Phase 1), Series 201\_\_-A, issued pursuant to this Ordinance in an aggregate amount not to exceed \$838,851 plus Issuance Costs, in substantially the form set forth in **Exhibit B-1**, attached hereto and incorporated herein by reference.

“Phase 1 Series B Account” means the account by that name created in **Section 4.1** of this Ordinance.

“Phase 1 Series B Note” means the [Taxable][Tax-Exempt] Tax Increment Revenue Note (South Carondelet District #3 Redevelopment Project – Phase 1), Series 201\_\_-B, issued pursuant to this Ordinance in an aggregate amount not to exceed \$838,851 plus Issuance Costs, in substantially the form set forth in **Exhibit B-1**, attached hereto and incorporated herein by reference.

“Phase 1 TIF Notes” means any tax increment revenue notes issued by the City subject to the Phase 1 Redevelopment Agreement and this Note Ordinance, to evidence the City’s limited obligation to reimburse the Developer for certain costs incurred by the Developer with respect to Phase 1 on behalf of the City in accordance with the TIF Act.

“Phase 2” means that portion of the Redevelopment Project which is described as Phase 2 thereof, as set forth in the Phase 2 Redevelopment Agreement.

“Phase 2 Available Revenues” means those Available Revenues comprised of Phase 2 Revenues.

“Phase 2 Debt Service Reserve Fund” means the fund by the name created in **Section 4.1** of this Ordinance.

“Phase 2 Debt Service Reserve Fund Requirement” means that amount as reasonably determined by the underwriter or placement agent for the Phase 2 TIF Notes with the reasonable concurrence of the City’s Financial Advisor.

“Phase 2 Property” means a portion of the Redevelopment Area, as described in the Phase 2 Redevelopment Agreement, incorporated herein by this reference.

“Phase 2 Redevelopment Agreement” or “Phase 2 Agreement” means that certain agreement by and between the City and the Developer, as authorized by the Authorizing Ordinance, and as may be amended from time to time, with respect to Phase 2 of the Redevelopment Project.

“Phase 2 Revenues” means: (1) payments in lieu of taxes (as that term is defined in Section 99.805(10) of the TIF Act) attributable to the increase in the current equalized assessed valuation of each taxable lot, block, tract, or parcel of real property located within the Phase 2 Property over and above the initial equalized assessed value (as that term is used and described in Sections 99.845.1 and 99.855.1 of the TIF Act) of each such unit of property, as paid to the City Treasurer by the City Collector of Revenue during the term of the Redevelopment Plan and the Redevelopment Project, and (2) subject to annual appropriation by the Board of Aldermen, fifty percent (50%) of the total additional revenues from taxes which are imposed by the City or other taxing districts (as that term is defined in Section 99.805(16) of the TIF Act) and which are generated by economic activities within the

Phase 2 Property over the amount of such taxes generated by economic activities within the Phase 2 Property in the calendar year ending December 31, 2007 (subject to annual appropriation by the City as provided in the TIF Act), as defined and described in Sections 99.805(4) and 99.845 of the TIF Act, but excluding therefrom personal property taxes, taxes imposed on sales or charges for sleeping rooms paid by transient guests of hotels and motels, taxes levied pursuant to Section 70.500 of the Revised Statutes of Missouri, as amended, taxes levied for the purpose of public transportation pursuant to Section 94.660 of the Revised Statutes of Missouri, as amended, and licenses, fees or special assessments other than payments in lieu of taxes and penalties and interest thereon, all as provided in Section 99.845 of the TIF Act. Notwithstanding the foregoing, Phase 2 Revenues shall not include the operating levy for school purposes imposed by or any sales tax imposed by the Transitional School District of the City of St. Louis.

“Phase 2 Series A Account” means the account by that name created in **Section 4.1** of this Ordinance.

“Phase 2 Series A Note(s)” means the [Taxable][Tax-Exempt] Tax Increment Revenue Note (South Carondelet District #3 Redevelopment Project – Phase 2), Series 201\_\_-A, issued pursuant to this Ordinance in an aggregate amount not to exceed \$1,356,793 plus Issuance Costs, in substantially the form set forth in **Exhibit B-2**, attached hereto and incorporated herein by reference.

“Phase 2 Series B Account” means the account by that name created in **Section 4.1** of this Ordinance.

“Phase 2 Series B Note” means the [Taxable][Tax-Exempt] Tax Increment Revenue Note (South Carondelet District #3 Redevelopment Project – Phase 2), Series 201\_\_-B, issued pursuant to this Ordinance in an aggregate amount not to exceed \$1,356,793 plus Issuance Costs, in substantially the form set forth in **Exhibit B-2**, attached hereto and incorporated herein by reference.

“Phase 2 TIF Notes” means any tax increment revenue notes issued by the City subject to the Phase 2 Redevelopment Agreement and this Note Ordinance, to evidence the City’s limited obligation to reimburse the Developer for certain costs incurred by the Developer with respect to Phase 2 on behalf of the City in accordance with the TIF Act.

“PILOTs Account” means the PILOTs Account of the Special Allocation Fund, and containing such further accounts or funds as herein specified.

“Project Fund” means the Project Fund of the Special Allocation, created in **Section 4.1** of this Ordinance.

“Project Lender” means a commercial bank, savings bank, savings and loan association, credit union or other financial institution that has loaned funds to either Developer to be used for construction of either Phase the Redevelopment Project and has secured such loan with a mortgage or security interest in such Phase of the Redevelopment Project.

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

“Redevelopment Agreements” means collectively or individually, as the case may be, the Phase 1 Redevelopment Agreement and the Phase 2 Redevelopment Agreement.

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

“Redevelopment Plan” shall have the meaning set forth in the recitals hereto, as such plan may from time to time be amended in accordance with the TIF Act.

“Redevelopment Project” means the redevelopment project for the Redevelopment Area as identified by the Redevelopment Plan, which consists of Phase 1 and Phase 2.

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

“Reimbursable Redevelopment Project Costs” means, with respect to either Phase, those Redevelopment Project Costs for which the Developer is eligible for reimbursement in accordance with the TIF Act and in accordance with the Redevelopment Agreement.

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

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

“Special Allocation Fund” means the City of St. Louis, Missouri, South Carondelet District #3 Special Allocation Fund created pursuant to the Redevelopment Plan and including the accounts for the Redevelopment Project into which Phase 1 Revenues and Phase 2 Revenues are from time to time deposited in accordance with the TIF Act and this Ordinance, including a PILOTS Account and an EATS Account.

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

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

“TIF Notes” or “Notes” means, individually or collectively, as the case may be, the Phase 1 TIF Notes and the Phase 2 TIF Notes..

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

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

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

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

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

## ARTICLE II AUTHORIZATION OF TIF NOTES

**Section 2.1 Authorization of TIF Notes.** There are hereby authorized and directed to be issued by the City to the Original Purchaser one or more series of the Phase 1 TIF Notes in an aggregate principal amount not to exceed \$838,851 plus Issuance Costs, and one or more series of the Phase 2 TIF Notes in an aggregate principal amount not to exceed \$1,356,793 plus Issuance Costs. The Phase 1 TIF Notes shall be in substantially the form of **Exhibit B-1**, and the Phase 2 TIF Notes shall be in substantially the form of **Exhibit B-2**, attached hereto and incorporated herein by reference.

**Section 2.2 Description of TIF Notes.**

(a) Title of TIF Notes.

(i) There shall be issued one series of one or more Phase 1 Series A TIF Notes in an aggregate principal amount not to exceed \$838,851 plus Issuance Costs authorized hereunder and one series of one or more Phase 1 Series B TIF Notes in an aggregate principal amount not to exceed \$838,851 plus Issuance Costs less the aggregate principal amount of Phase 1 Series A TIF Notes. The Phase 1 Series A TIF Notes shall be designated “[Taxable]/[Tax-Exempt] Tax Increment Revenue Notes (South Carondelet District #3 Redevelopment Project- Phase 1), Series 201\_-A”. The Phase 1 Series B TIF Notes shall be designated “[Taxable]/[Tax-Exempt] Tax Increment Revenue Notes (South Carondelet District #3 Redevelopment Project – Phase 1), Series 201\_-B”. The TIF Notes may have such further appropriate particular designation added to or incorporated in such title for the TIF Notes of any particular series as the City may determine.

(ii) There shall be issued one series of one or more Phase 2 Series A TIF Notes in an aggregate principal amount not to exceed \$1,356,793 plus Issuance Costs authorized hereunder and one series of one or more Phase 2 Series B TIF Notes in an aggregate principal amount not to exceed \$1,356,793 plus Issuance Costs less the aggregate principal amount of Phase 2 Series A TIF Notes. The Phase 2 Series A TIF Notes shall be designated “[Taxable]/[Tax-Exempt] Tax Increment Revenue Notes (South Carondelet District #3

Redevelopment Project- Phase 2), Series 201\_-B". The Phase 2 Series B TIF Notes shall be designated "[Taxable]/[Tax-Exempt] Tax Increment Revenue Notes (South Carondelet District #3 Redevelopment Project – Phase 2), Series 201\_-B". The TIF Notes may have such further appropriate particular designation added to or incorporated in such title for the TIF Notes of any particular series as the City may determine.

(b) Form of TIF Notes. The TIF Notes shall be substantially in the form set forth in **Exhibit B-1** and **Exhibit B-2**, attached hereto and incorporated herein by reference, with such appropriate variations, omissions and insertions as are permitted or required by this Ordinance, and may have endorsed thereon such legends or text as may be necessary or appropriate to conform to any applicable rules and regulations of any governmental authority or any usage or requirement of law with respect thereto.

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

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

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

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

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

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

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

**Section 2.4 Security for TIF Notes.** The Phase 1 Series A TIF Notes shall be equally and ratably secured by Phase 1 Available Revenues. The Phase 1 Series B TIF Notes shall be equally and ratably secured by the Phase 1 Available Revenues on a subordinate basis to the Phase 1 Series A Notes. The Phase 2 Series A TIF Notes shall be equally and ratably secured by Phase 2 Available Revenues. The Phase 2 Series B TIF Notes shall be equally and ratably secured by the Phase 2 Available Revenues on a subordinate basis to the Phase 2 Series A Notes. The TIF Notes shall be special, limited obligations of the City payable solely from and secured as to the payment of principal and interest by a pledge of the Available Revenues. The taxing power of the City is not pledged to the payment of the TIF Notes either as to principal or interest. The TIF Notes shall not be or constitute a general obligation

of the City, nor shall they constitute an indebtedness of the City within the meaning of any constitutional, statutory or charter provision, limitation or restriction. TIF Notes for each Phase may be issued in two series, with one series subordinate to TIF Notes of the other series for that Phase issued hereunder (the "Subordinate Notes"), such that no payment of principal or interest on any such Subordinate Notes may be made while any TIF Notes are outstanding. **THE OBLIGATIONS OF THE CITY WITH RESPECT TO THE TIF NOTES SHALL TERMINATE ON THE FIRST TO OCCUR OF THE FULL PAYMENT AND DISCHARGE OF THE TIF NOTES OR THE MATURITY DATE (WHETHER OR NOT THE PRINCIPAL AMOUNT OR INTEREST HAS BEEN PAID IN FULL).**

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

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

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

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

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

The TIF Notes shall have endorsed thereon a certificate of authentication substantially in the form set forth in **Schedule A** of each TIF Note, which shall be manually executed by an authorized signatory of the Finance Officer, but it shall not be necessary that the same signatory sign the certificate of authentication on all of the TIF Notes that may be issued hereunder at any one time. No TIF Note shall be entitled to any security or benefit under this Ordinance or be valid or obligatory for any purpose until the certificate of authentication has been duly executed by the Finance Officer. Such executed certificate of authentication upon any TIF Note shall be conclusive evidence that such TIF Note has been duly authenticated and delivered under this Ordinance.

The TIF Notes for each Phase shall be initially executed and authenticated by the City upon the last to occur of the following: (i) acceptance or deemed acceptance of the Certificate of Substantial Completion with respect to such Phase; (ii) approval of a Certificate of Reimbursable Redevelopment Project Costs with respect to such Phase; (iii) receipt of an opinion of Bond Counsel regarding the taxable nature of the TIF Notes; (iv) the full payment of all advances required to be paid under Section 2.2 of the

Redevelopment Agreement with respect to such Phase; and (v) receipt of such other documentation as the City shall reasonably require of the Developer for such Phase and any Original Purchaser, in order for the City to obtain an opinion of Bond Counsel as required by this Section 5.1 of the Redevelopment Agreement for such Phase.

Upon the Developer's satisfaction of the foregoing conditions and upon approval of each Certificate of Reimbursable Redevelopment Project Costs, the Finance Officer shall either: (i) at the request of the City upon instructions of the Developer, endorse an outstanding TIF Note on Schedule A thereto to evidence an increase in the aggregate principal amount equal to such Reimbursable Redevelopment Project Costs, or (ii) at the request of the City upon instructions of the Developer issue a new TIF Note in a principal amount equal to such Reimbursable Redevelopment Project Costs, or any combination thereof. Each date of endorsement of each such TIF Note shall be the date of acceptance by the City of each Certificate of Reimbursable Redevelopment Project Costs except that the initial endorsement of each TIF Note shall be dated the Issuance Date of such TIF Note. Thereupon, pursuant to Section 2.2(h), the TIF Notes shall either be held or delivered to or upon the order of the party submitting the Certificate of Reimbursable Redevelopment Project Costs relating to such TIF Notes. Upon acceptance by the City of such a Certificate of Reimbursable Redevelopment Project Costs in accordance with a Redevelopment Agreement and upon execution and authentication of the TIF Notes as required by this Ordinance, the Developer shall be deemed to have advanced funds to the City in an amount equal to the purchase price of the TIF Notes, which shall be one hundred percent (100%) of the face amount of the TIF Notes, and, upon the issuance of an endorsement of the TIF Notes as provided in the preceding paragraph, the City shall be deemed to have reimbursed the Developer in full for such Reimbursable Redevelopment Project Costs with respect to such Phase.

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

**Section 2.9 Cancellation, Discharge and Abatement of TIF Notes.** All TIF Notes that have been paid or redeemed or that otherwise have been surrendered to the Finance Officer, either at or before the Maturity Date, shall be canceled and destroyed by the Finance Officer in accordance with existing security regulations upon the payment or redemption of such TIF Note and the surrender thereof to the Finance Officer. The Finance Officer shall execute a certificate in duplicate describing the TIF Notes so cancelled and destroyed, and shall file an executed counterpart of such certificate with the City.

**NOTWITHSTANDING ANY PROVISION HEREIN TO THE CONTRARY, THE TIF NOTES ARE SUBJECT TO CANCELLATION AND DISCHARGE BY THE CITY IN WHOLE OR IN PART WITHOUT PENALTY UNDER THE CONDITIONS SET FORTH IN THE REDEVELOPMENT AGREEMENT.**

### **ARTICLE III REDEMPTION AND PAYMENT OF PRINCIPAL AND INTEREST**

**Section 3.1 Optional Redemption.** The TIF Notes are subject to optional redemption by the City in whole at any time or in part on any Payment Date at a redemption price of 100% of the principal amount of the TIF Note to be redeemed, plus accrued interest thereon to the date fixed for redemption. The TIF Notes shall be called by the City for optional redemption pursuant to this Section without the necessity of any action by the City other than as provided in **Section 4.3** of this Ordinance. If only a partial redemption is to occur, then each TIF Note from within a Series shall be redeemed in the order of maturity designated by the City, and within any maturity the TIF Notes shall be redeemed in Authorized Denominations by the City in such manner as it may determine. In the event of an optional redemption of the Notes, unless waived by any Registered Owner of Notes to be redeemed, official notice of any redemption shall be given by the Finance Officer on behalf of the City by mailing a copy of an official redemption notice by first class mail, postage prepaid, at least thirty (30) days (five days if all of the Notes are owned by the Developer) and not more than sixty (60) days prior to the date fixed for redemption, to each Registered Owner of the Notes to be redeemed at the address shown on the Note Register.

All official notices of optional redemption shall be dated and shall contain the following information: (a) the redemption date; (b) the redemption price; (c) if less than all outstanding Notes are to be redeemed, the identification number and maturity date(s) (and, in the case of partial redemption of any Notes, the respective principal amounts) of the Notes to be redeemed; (d) a statement that on the redemption date the redemption price will become due and payable upon each Note or portion thereof called for

redemption and that interest thereon shall cease to accrue from and after the redemption date; and (e) the place where such Notes are to be surrendered for payment of the redemption price, which shall be the office of the Finance Officer. The failure of any Registered Owner to receive notice given as heretofore provided or an immaterial defect therein shall not invalidate any redemption.

**Section 3.2 Special Mandatory Redemption.** All TIF Notes are subject to special mandatory redemption by the City on each Payment Date, at a redemption price equal to 100% of the principal amount being redeemed, together with accrued interest thereon to the date fixed for redemption, which amount of principal being redeemed shall be an amount equal to Phase 1 Available Revenues (in the case of the Phase 1 TIF Notes) or Phase 2 Available Revenues (in the case of the Phase 2 TIF Notes) then on deposit in the applicable account of the Special Allocation Fund and which will not be required for the payment of interest on such Payment Date.

In the event of a special mandatory redemption of any Notes with a Registered Owner other than Developer or a Related Entity, unless waived by such Registered Owner of Notes to be redeemed, official notice of any redemption shall be given by the Finance Officer on behalf of the City by mailing a copy of an official redemption notice by first class mail, postage prepaid, at least thirty (30) days and not more than sixty (60) days prior to the date fixed for redemption, to each Registered Owner other than Developer or a Related Entity of the Notes to be redeemed at the address shown on the Note Register.

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

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

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

- (a) the redemption date;
- (b) the redemption price;
- (c) if less than all outstanding Notes are to be redeemed, the identification (and, in the case of partial redemption of any Notes, the respective principal amounts) of the Notes to be redeemed;
- (d) a statement that on the redemption date the redemption price will become due and payable upon each Note or portion thereof called for redemption and that interest thereon shall cease to accrue from and after the redemption date; and the place where such Notes are to be surrendered for payment of the redemption price, which shall be the office of the Finance Officer.

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

#### **ARTICLE IV FUNDS AND REVENUES**

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

- (a) PILOTS Account, and within it, (i) a Phase 1 PILOTS Account and (ii) a Phase 2 PILOTS Account;
- (b) an EATS Account, and within it, (i) a Phase 1 EATS Account and (ii) a Phase 2 EATS Account;
- (c) a Revenue Fund and, within it,

- (i) a PILOTs Fund, and within that:
    - (A) a Phase 1 PILOTs Fund; and
    - (B) a Phase 2 PILOTs Fund; and
  - (ii) an EATS Fund, and within that:
    - (A) a Phase 1 EATs Fund; and
    - (B) a Phase 2 EATs Fund;
- into which all Available Revenues shall be deposited;
- (d) a Debt Service Fund, and, within it:
    - (i) a Phase 1 Debt Service Fund, and within it:
      - (A) a Phase 1 Series A Account; and
      - (B) a Phase 1 Series B Account; and
    - (ii) a Phase 2 Debt Service Fund, and within it:
      - (A) a Phase 2 Series A Account; and
      - (B) a Phase 2 Series B Account; and
  - (e) a Phase 1 Debt Service Reserve Fund, if established on the Issuance Date; and
  - (f) a Phase 2 Debt Service Reserve Fund, if established on the Issuance Date; and
  - (g) a Project Fund.

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

**Section 4.3 Revenue Fund.**

- (a) On or before the date that is five (5) days prior to each Payment Date while the TIF Notes remain outstanding, the City shall transfer and deposit:
  - (i) Those Phase 1 Available Revenues attributable to PILOTs into the Phase 1 PILOTs Fund of the PILOTs Fund of the Revenue Fund; and
  - (ii) Those Phase 1 Available Revenues attributable to EATs into the Phase 1 EATs Fund of the EATs Fund of the Revenue Fund; and
  - (iii) Those Phase 2 Available Revenues attributable to PILOTs into the Phase 2 PILOTs Fund of the PILOTs Fund of the Revenue Fund; and
  - (iv) Those Phase 2 Available Revenues attributable to EATs into the Phase 2 EATs Fund of the EATs Fund of the Revenue Fund; and
- (b) Phase 1 Available Revenues in the Revenue Fund (and Phase 2 Available Revenues, if no Phase 2 TIF Notes are outstanding) shall be applied, first from the EATs Fund, and second from the PILOTs Fund for the purposes and in the amounts as follows:

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

*Second*, to the Finance Officer of the City and the St. Louis Development Corporation (which monies shall be paid one half to the Finance Officer and one half to the St. Louis Development Corporation), 0.2% of the Phase 1 TIF Notes outstanding on each Payment Date, plus any accumulated deficiency from previous years, plus an amount sufficient to pay all or any portion of the fees and expenses incurred by the City pursuant to Section 7.15 of the Phase 1 Redevelopment Agreement that have not otherwise been reimbursed to the City through the issuance of TIF Notes;

*Third*, to Phase 1 Series A Account of the Debt Service Fund, an amount sufficient to pay all or any portion of the past due interest owing as a result of prior deficiencies of moneys to pay interest due on any Phase 1 Series A TIF Notes on each Payment Date;

*Fourth*, to the Phase 1 Series A Account of the Debt Service Fund, an amount sufficient to pay all or any portion of the accrued interest becoming due and payable on any Phase 1 Series A TIF Notes on each Payment Date;

*Fifth*, to the Phase 1 Series A Account of the Debt Service Fund, an amount sufficient to pay the interest on the Phase 1 Series A TIF Notes on the next succeeding Payment Date;

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

*Seventh*, to the Phase 1 Series A Account of the Debt Service Fund, an amount sufficient to pay the principal of any Phase 1 Series A TIF Notes that are subject to redemption pursuant to the Note Ordinance on each Payment Date;

*Eighth*, if no Phase 1 Series A Notes are outstanding, to the Phase 1 Series B Account of the Debt Service Fund, an amount sufficient to pay all or any portion of the past due interest owing as a result of prior deficiencies of moneys to pay interest due on the Phase 1 Series B Note on each Payment Date;

*Ninth*, if no Phase 1 Series A Notes are outstanding, to the Phase 1 Series B Account of the Debt Service Fund, an amount sufficient to pay all or any portion of the accrued interest becoming due and payable on any Phase 1 Series B Note on each Payment Date;

*Tenth*, if no Phase 1 Series A Notes are outstanding, to the Phase 1 Series B Account of the Debt Service Fund, an amount sufficient to pay the interest on the Phase 1 Series B Notes on the next succeeding Payment Date;

*Eleventh*, if no Phase 1 Series A Notes are outstanding, to the Phase 1 Series B Account of the Debt Service Fund, an amount sufficient to pay the principal of any Phase 1 Series B Note that is subject to redemption pursuant to this Note Ordinance on each Payment Date; and

*Twelfth*, if no Phase 1 TIF Notes are outstanding, all Phase 1 Available Revenues shall be transferred to the corresponding account within the Revenue Fund for Phase 2, and shall be used to pay principal and interest on Phase 2 TIF Notes in the same manner as Phase 2 Available Revenues as set forth herein.

*Thirteenth*, all other remaining money in the Phase 1 PILOTs Fund and the Phase 1 EATs Fund of the Revenue Fund of the Special Allocation Fund shall annually be declared as surplus and distributed in the manner provided in the TIF Act, as applicable. Phase 2 Available Revenues in the Revenue Fund (and Phase 1 Available Revenues if no Phase 1 TIF Notes are then outstanding)

(c) shall be applied, first from the EATs Fund and second from the PILOTs Fund for the purposes and in the amounts as follows:

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

*Second*, to the Finance Officer of the City and the St. Louis Development Corporation (which monies shall be paid one half to the Finance Officer and one half to the St. Louis Development Corporation), 0.2% of the Phase 2 TIF Notes outstanding on each Payment Date, plus any accumulated deficiency from previous years, plus an amount sufficient to pay all or any portion of the fees and expenses incurred by the City pursuant to Section 7.15 of the Phase 2 Redevelopment Agreement that have not otherwise

been reimbursed to the City through the issuance of TIF Notes;

*Third*, to Phase 2 Series A Account of the Debt Service Fund, an amount sufficient to pay all or any portion of the past due interest owing as a result of prior deficiencies of moneys to pay interest due on any Phase 2 Series A TIF Notes on each Payment Date;

*Fourth*, to the Phase 2 Series A Account of the Debt Service Fund, an amount sufficient to pay all or any portion of the accrued interest becoming due and payable on any Phase 2 Series A TIF Notes on each Payment Date;

*Fifth*, to the Phase 2 Series A Account of the Debt Service Fund, an amount sufficient to pay the interest on the Phase 2 Series A TIF Notes on the next succeeding Payment Date;

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

*Seventh*, to the Phase 2 Series A Account of the Debt Service Fund, an amount sufficient to pay the principal of any Phase 2 Series A TIF Notes that are subject to redemption pursuant to the Note Ordinance on each Payment Date;

*Eighth*, if no Phase 2 Series A Notes are outstanding, to the Phase 2 Series B Account of the Debt Service Fund, an amount sufficient to pay all or any portion of the past due interest owing as a result of prior deficiencies of moneys to pay interest due on the Phase 2 Series B Note on each Payment Date;

*Ninth*, if no Phase 2 Series A Notes are outstanding, to the Phase 2 Series B Account of the Debt Service Fund, an amount sufficient to pay all or any portion of the accrued interest becoming due and payable on any Phase 2 Series B Note on each Payment Date;

*Tenth*, if no Phase 2 Series A Notes are outstanding, to the Phase 2 Series B Account of the Debt Service Fund, an amount sufficient to pay the interest on the Phase 2 Series B Notes on the next succeeding Payment Date;

*Eleventh*, if no Phase 2 Series A Notes are outstanding, to the Phase 2 Series B Account of the Debt Service Fund, an amount sufficient to pay the principal of any Phase 2 Series B Note that is subject to redemption pursuant to this Note Ordinance on each Payment Date; and

*Twelfth*, if no Phase 2 TIF Notes are outstanding, all Phase 2 Available Revenues shall be transferred to the corresponding account within the Revenue Fund for Phase 1, and shall be used to pay principal and interest on Phase 1 TIF Notes in the same manner as Phase 1 Available Revenues as set forth herein.

*Thirteenth*, all other remaining money in the Phase 2 PILOTs Fund and the Phase 2 EATs Fund of the Revenue Fund of the Special Allocation Fund shall annually be declared as surplus and distributed in the manner provided in the TIF Act, as applicable.

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

(d) Upon the payment in full of the principal of and interest on all TIF Notes (or provision has been made for the payment thereof as specified in the Note Ordinance), payment in full of the fees and expenses of the Finance Officer and the St. Louis Development Corporation, and payment in full of any other amounts required to be paid under this Ordinance, all amounts remaining on deposit in the Revenue Fund shall be declared as surplus and distributed in the manner provided in the Act.

#### **Section 4.4 Debt Service Fund.**

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

(b) The City hereby authorizes and directs the Finance Officer to withdraw sufficient moneys from the

Debt Service Fund to pay the principal of and interest on the TIF Notes as the same become due and payable, and to make said moneys so withdrawn available for the purpose of paying said principal of and interest on the TIF Notes.

(c) After payment in full of the principal of and interest on the TIF Notes (or provision has been made for the payment thereof as specified in this Ordinance), payment of the fees and expenses of the Finance Officer, and payment of any other amounts required to be paid under this Ordinance, all amounts remaining in the Debt Service Fund shall be declared as surplus and distributed in the manner provided in the Act.

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

**Section 4.6 Debt Service Reserve Fund.** Except as herein otherwise provided, funds on deposit in the Phase 1 Debt Service Reserve Fund shall be used and applied by the Finance Officer solely to prevent a default in the event moneys on deposit in the Phase 1 Debt Service Fund shall be insufficient to pay the principal of and interest on the Phase 1 Series A Notes as the same become due, and funds on deposit in the Phase 2 Debt Service Reserve Fund shall be used and applied by the Finance Officer solely to prevent a default in the event moneys on deposit in the Phase 2 Debt Service Fund shall be insufficient to pay the principal of and interest on the Phase 2 Series A Notes as the same become due. The Finance Officer may disburse and expend moneys from the Phase 1 Debt Service Reserve Fund and Phase 2 Debt Service Reserve Fund whether or not the amount therein equals the Phase 1 Debt Service Reserve Fund Requirement or Phase 2 Debt Service Reserve Requirement, as applicable. Moneys on deposit in the Phase 1 Debt Service Reserve Fund and Phase 2 Debt Service Reserve Fund may be used to pay Phase 1 Series A Notes or Phase 2 Series A Notes, respectively, called for redemption or to purchase such Notes in the open market, prior to the Maturity Date, provided all Notes at the time outstanding are called for redemption or purchased and sufficient funds are available therefore. Moneys on deposit in the Phase 1 Debt Service Reserve Fund or Phase 1 Debt Service Reserve Fund shall be used to pay and retire the Phase 1 Series A Notes or Phase 2 Series A Notes, respectively, last becoming due, unless such Notes and all interest thereon are otherwise paid.

So long as the sum on deposit in the Phase 1 Debt Service Reserve Fund or Phase 2 Debt Service Fund shall aggregate an amount equal to the Phase 1 Debt Service Reserve Fund Requirement or Phase 2 Debt Service Reserve Fund Requirement, investment earnings on funds on deposit in the such fund shall be deposited into the Phase 1 Series A Account or Phase 2 Series A Account, respectively of the Debt Service Fund; provided, however, that if no Phase 1 Series A Notes or Phase 2 Series B Notes, as applicable, are then outstanding, such investment earnings shall be deposited into the corresponding Series B Account for such Phase of the Debt Service Fund. If the sum on deposit in the Phase 1 Debt Service Reserve Fund or Phase 2 Debt Service Reserve Fund shall be less than the Phase 1 Debt Service Reserve Fund Requirement or Phase 2 Debt Service Reserve Fund Requirement, respectively, investment earnings on funds in such fund shall remain therein and be applied to reducing such deficiency.

So long as the sum on deposit in the Phase 1 Debt Service Reserve Fund or Phase 2 Debt Service Reserve Fund shall aggregate an amount equal to the Phase 1 Debt Service Reserve Fund Requirement or Phase 2 Debt Service Reserve Fund Requirement, respectively, on each Payment Date, no further deposits to said fund shall be required. Investments and moneys in the Phase 1 Debt Service Reserve Fund or Phase 2 Debt Service Reserve Fund shall be valued at the market value thereof, exclusive of accrued interest, by the Finance Officer on and the amount on deposit therein determined accordingly.

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

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

## ARTICLE V REMEDIES

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

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

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

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

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

**Section 5.3 Remedies Cumulative.** No remedy conferred herein upon the Owner is intended to be exclusive of any other remedy, but each such remedy shall be cumulative and in addition to every other remedy and may be exercised without exhausting and without regard to any other remedy conferred herein. No waiver of any default or breach of duty or contract by the Owner shall extend to or affect any subsequent default or breach of duty or contract or shall impair any rights or remedies thereon. No delay or omission of the Owner to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein. Every substantive right and every remedy conferred upon the Owner by this Ordinance may be enforced and exercised from time to time and as often as may be deemed expedient. If any suit, action or proceedings taken by the Owner on account of any default or to enforce any right or exercise any remedy has been discontinued or abandoned for any reason, or has been determined adversely to the Owner, then, and in every such case, the City and the Owner shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Owner shall continue as if no such suit, action or other proceedings had been brought or taken.

## ARTICLE VI DEPOSIT AND INVESTMENT OF MONEYS

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

**Section 6.2 Investment of Moneys.** Moneys held in any fund or account referred to in this Ordinance shall be invested by the City as set forth in Section 95.530 Revised Statutes of Missouri of Missouri, as amended. All earnings on any investments held in any fund shall accrue to and become a part of such fund or account, except the Phase 1 Debt Service Reserve Fund and Phase 2 Debt Service Reserve Fund, as provided in Section 4.6 herein.

## ARTICLE VII MISCELLANEOUS PROVISIONS

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

**Section 7.2 Tax Matters.** Neither the City nor the Developer shall use or permit the use of any proceeds of the Tax Exempt TIF Note to acquire any securities or obligations, and shall not take or permit to be taken any other action or actions, which would cause the Tax Exempt TIF Note to be an "arbitrage bond" within the meaning of Section 148(a) of the Code, or "federally guaranteed" within the meaning of Section 149(b) of the Code. The City (to the extent within its power or discretion) and the Developer shall not use or permit the use of any proceeds of the Tax Exempt TIF Note, and shall not take or permit to be taken any other action or actions, which would result in the Tax Exempt TIF Note being treated as other than an obligation described in Section

103(a) of the Code. The City (to the extent within its power or discretion) and the Developers shall not use any portion of the proceeds of the Tax Exempt TIF Note, including any investment income earned on such proceeds, in any manner that would cause the Tax Exempt TIF Note to be a "private activity bond" within the meaning of Section 141(a) of the Code. The officers of the City, including the Mayor, the Finance Officer and the City Register, shall be, and they hereby are, authorized and directed to execute all documents and take such actions as they may deem necessary or advisable in order to carry out and perform the purposes of this Section.

**Section 7.3 Payments Due on Saturdays, Sundays and Holidays.** In any case where the Payment Date is a Saturday, a Sunday or a legal holiday or other day that is not a business day, then payment of principal or interest need not be made on such date but may be made on the next succeeding business day with the same force and effect as if made on the Payment Date, and no interest shall accrue for the period after such date.

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

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

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

**Section 7.5 Execution of Documents; Further Authority.** The City is hereby authorized to enter into and the Mayor and the Finance Officer of the City are hereby authorized and directed to execute and deliver, for and on behalf of and as the act and deed of the City, the TIF Notes and such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance. The officers of the City, including without limitation the Mayor, the Finance Officer and the Register, are hereby authorized and directed to execute, and the City Register is hereby authorized and directed where appropriate to attest, all certificates, documents or other instruments, and take such actions as they may deem necessary or advisable in order to carry out and perform the purposes of this Ordinance and to make ministerial alterations, changes or additions in the foregoing agreements, statements, instrument and other documents herein approved, authorized and confirmed which they determine to be in the City's best interest, and the execution or taking of such action shall be conclusive evidence of such determination.

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

**Section 7.7 Governing Law.** This Ordinance shall be governed exclusively by and constructed in accordance with the applicable internal laws of the State of Missouri.

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

**Section 7.9 Termination.** After adoption of this Ordinance by the Board of Aldermen, this Ordinance shall become effective on the 30th day after its approval by the Mayor or adoption over his veto; provided that if, within ninety (90) days after the effective date of the Authorizing Ordinance, the Phase 1 Developer has not (i) executed the Redevelopment Agreement pertaining to Phase 1 of the Redevelopment Project and (ii) paid all fees due to the City in accordance with the terms of the Phase 1 Redevelopment Agreement, the provisions of this Ordinance shall be deemed null and void and of no effect and all rights conferred by this Ordinance on Developer, shall terminate, provided further, however, that prior to any such termination the Developer may seek an extension of time in which to execute the Phase 1 Redevelopment Agreement, which extension may be granted in the sole discretion of the Board of Estimate and Apportionment of the City of St. Louis.

**Section 7.10 Amendment.** This Ordinance is intended to amend, to the extent necessary to give effect to the provisions hereof, Ordinance No. 68094, and to the extent of any conflict between the two, the provisions of this Ordinance shall control.

**EXHIBIT A**  
**Legal Description of Redevelopment Area**

**Legal Description**

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Beginning at the intersection of the centerline of Steins Street and Water Street; thence southwest along the centerline of Water Street to the centerline of the extension of the east-west alley between Water Street and the Missouri Pacific railroad tracks; thence southeast along the centerline of the alley to the extension of the eastern property line of parcel 3093000130 ( 201-05 Schirmer Street); thence southwest along the eastern property line of parcel 3093000130 to the centerline of Schirmer Street; thence southwest along the centerline of Schirmer Street to the intersection with the extension of the eastern property line of parcel 3118000150 (7700 Water Street); thence southwest along the eastern property line of parcel 3118000150 to the southern property line of parcel 3118000150; thence northwest along the southern property line of parcel 3118000150 to the intersection with the centerline of Water Street; thence southwest along the centerline of Water Street to its intersection with the extension of the southern property line of parcel 3117000040 (7717 Water Street ); thence northwest along the southern property line of parcel 3117000040 to its intersection with the centerline of the north-south alley running between Schirmer Street and Courtois Street; thence southwest along the centerline of the alley to the extension of the southern property line of parcel 3117000145 (7712-18 S. Broadway); thence northwest along the southern property line of parcel 3117000145 to the centerline of S. Broadway; thence northeast along the centerline of S. Broadway to its intersection of the centerline of Schirmer Street; thence southeast along the centerline of Schirmer Street to its intersection with the extension of the centerline of the north-south alley running between Schirmer Street and Steins Street; thence northeast along the centerline of the alley to its intersection with the extension of the southern property line of parcel 3094000145 (7610-14 S. Broadway); thence northwest along the southern property line of parcel 3094000145 to its intersection with the centerline of S. Broadway; thence southwest along the centerline of S. Broadway to its intersection with the extension of the southern property line of parcel 3095000050 (7617-19 S. Broadway); thence northwest along the southern property line of parcel 3095000050 to its intersection with the centerline of the north-south alley between Schirmer Street and Steins Street; thence northeast along the centerline of the alley to its intersection with the southern right-of-way of Steins Street; thence northwest along the southern right-of-way of Steins Street to its intersection with the extension of the western property line of parcel 3083000060 (117 W. Steins); thence northeast along the western property line of parcel 3083000060 to its intersection with the southern property line of parcel 3083000100 (7518 Pennsylvania Avenue); thence north west along the southern property line of parcel 3080000100 to its intersection with the centerline of Pennsylvania Avenue; thence southwest along the centerline on Pennsylvania Avenue to its intersection with the centerline of Steins Street; thence northwest along the centerline of Steins Street to its intersection with the extension of the extension of the western property line of parcel 3082000060 (201 W. Steins Street); thence northeast along the western property line of parcel 3082000060 to its intersection with the centerline of the east-west alley running between Pennsylvania Avenue and Minnesota Avenue; thence southeast along the centerline of the alley to its intersection with the centerline of Pennsylvania Avenue; thence northeast along the centerline of Pennsylvania Avenue to its intersection with the extension of the northern property line of parcel 3083000100 (7518 Pennsylvania Avenue); thence southeast along the northern property line of parcel 3083000100 to its intersection with the eastern property line of parcel 3083000100; thence southwest along the eastern property lines of parcel 3083000100 and parcel 3083000060 (117 W. Steins Street) to the intersection with the northern right-of-way of Steins Street; thence southeast



tender for the payment of debts due the United States of America. The principal of or interest on this Phase 1 TIF Note shall be payable by check or draft or by wire transfer to the person in whose name this Phase 1 TIF Note is registered at the office of the Finance Officer to the Registered Owner on the Register on each Payment Date. Except as otherwise provided in Section 2.8 of the Note Ordinance with respect to mutilated, destroyed, lost or stolen TIF Notes, no principal on the Phase 1 TIF Notes is payable unless the Registered Owner thereof has surrendered such Phase 1 TIF Notes at the office of the Finance Officer.

This Phase 1 TIF Note is one of an authorized series of fully registered TIF Notes of the City designated "City of St. Louis, Missouri, [Taxable][Tax-Exempt] Tax Increment Revenue Notes (South Carondelet District #3 Redevelopment Project – Phase 1), Series 201\_\_-A/B," issued in an aggregate principal amount of not to exceed \$838,851 plus Issuance Costs (the "Phase 1 TIF Notes"). The Phase 1 TIF Notes are being issued for the purpose of paying a portion of the Redevelopment Project Costs in connection with that certain Phase 1 of the Redevelopment Project, under the authority of and in full compliance with the Redevelopment Plan, the Constitution and laws of the State of Missouri, including particularly the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 to 99.865, of the Revised Statutes of Missouri, as amended (the "Act"), and pursuant to the Note Ordinance. The Note Ordinance also contemplates that the City may issue certain notes designated "City of St. Louis, Missouri, [Taxable][Tax-Exempt] Tax Increment Revenue Notes (South Carondelet District #3 Redevelopment Project – Phase 2), Series 201\_\_-A/B," issued in an aggregate principal amount of not to exceed \$1,356,793 plus Issuance Costs (the "Phase 2 TIF Notes"; the Phase 1 TIF Notes and Phase 2 TIF Notes being collectively, the "TIF Notes" or "Notes") pursuant to the Note Ordinance to pay a portion of Redevelopment Project Costs in connection with the Phase 2 of the Redevelopment Project and Redevelopment Plan.

The Phase 1 TIF Notes and the interest thereon are and shall be special, limited obligations of the City payable solely from and secured as to the payment of principal and interest, by the Available Revenues and other moneys pledged thereto and held by the Finance Officer as provided herein. "Available Revenues" means all monies on deposit from time to time (including investment earnings thereon) in (a) the PILOTS Account and (b) subject to annual appropriation, the EATS Account that have been appropriated to the repayment of the TIF Notes; excluding (i) any amount paid under protest until the protest is withdrawn or resolved against the taxpayer or (ii) any sum received by the City which is the subject of a suit or other claim communicated to the City which suit or claim challenges the collection of such sum.

The monies on deposit in the PILOTS Account of the Special Allocation Fund are those payments in lieu of taxes ("PILOTS"), as defined in Sections 99.805(10) and 99.845 of the Act) attributable to the increase in the current equalized assessed valuation of each taxable lot, block, tract or parcel of real property in the Redevelopment Area (as described in Exhibit A to the Note Ordinance) and any applicable penalty and interest over and above the initial equalized assessed value (as provided for by Section 99.855 of the Act) of such unit of property in the Redevelopment Area, as allocated and paid to the City's Treasurer by the City's Collector of Revenue who shall deposit such PILOTS into the Special Allocation Fund while tax increment financing remains in effect.

The monies on deposit in the EATs Account of the Special Allocation Fund are those amounts, subject to annual appropriation by the Board of Aldermen, equal to fifty percent (50%) of the total additional revenues from taxes, penalties and interest which are imposed by the City or other taxing districts (as that term is defined in Section 99.805(16) of the Act) and which are generated by economic activities within the Redevelopment Area over the amount of such taxes generated by economic activities within the Redevelopment Area in the calendar year ending December 31, 2007 (subject to annual appropriation by the City as provided in the Act), while tax increment financing remains in effect, but excluding personal property taxes, taxes imposed on sales or charges for sleeping rooms paid by transient guests of hotels and motels, licenses, fees or special assessments other than payments in lieu of taxes and penalties and interest thereon, taxes levied pursuant to Section 70.500 of the Revised Statutes of Missouri, as amended, and taxes levied for the purpose of public transportation pursuant to Section 94.660 of the Revised Statutes of Missouri, as amended, all in accordance with Section 99.845.3 of the Act, as may be amended from time to time. Notwithstanding the foregoing, EATs shall not include the operating levy for school purposes imposed by or any sales tax imposed by the Transitional School District of the City of St. Louis.

The Phase 1 Series A TIF Notes shall be equally and ratably secured by Phase 1 Available Revenues, and, if no Phase 2 TIF Notes are outstanding, by Phase 2 Available Revenues. The Phase 1 Series B TIF Notes shall be equally and ratably secured by the Phase 1 Available Revenues, and, if no Phase 2 TIF Notes are outstanding, by Phase 2 Available Revenues, on a subordinate basis to the Phase 1 Series A Notes. The Phase 1 TIF Notes shall be special, limited obligations of the City payable solely from and secured as to the payment of principal and interest by a pledge of the Available Revenues. The taxing power of the City is not pledged to the payment of the Phase 1 TIF Notes either as to principal or interest. The Phase 1 TIF Notes shall not be or constitute a general obligation of the City, nor shall they constitute an indebtedness of the City within the meaning of any constitutional, statutory or charter provision, limitation or restriction. **THE OBLIGATIONS OF THE CITY WITH RESPECT TO THE PHASE 1 TIF NOTES SHALL TERMINATE ON THE FIRST TO OCCUR OF THE FULL PAYMENT AND DISCHARGE OF THE PHASE 1 TIF NOTES OR THE MATURITY DATE (WHETHER OR NOT THE PRINCIPAL AMOUNT OR INTEREST HAS BEEN PAID IN FULL).**

Phase 1 Available Revenues in the Revenue Fund (and Phase 2 Available Revenues, if no Phase 2 TIF Notes are outstanding) shall be applied, first from the EATs Fund, and second from the PILOTs Fund for the purposes and in the amounts as follows:

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

*Second*, to the Finance Officer of the City and the St. Louis Development Corporation (which monies shall be paid one half to the Finance Officer and one half to the St. Louis Development Corporation), 0.2% of the Phase 1 TIF Notes outstanding on each Payment Date, plus any accumulated deficiency from previous years, plus an amount sufficient to pay all or any portion of the fees and expenses incurred by the City pursuant to Section 7.15 of the Phase 1 Redevelopment Agreement that have not otherwise been reimbursed to the City through the issuance of TIF Notes;

*Third*, to Phase 1 Series A Account of the Debt Service Fund, an amount sufficient to pay all or any portion of the past due interest owing as a result of prior deficiencies of moneys to pay interest due on any Phase 1 Series A TIF Notes on each Payment Date;

*Fourth*, to the Phase 1 Series A Account of the Debt Service Fund, an amount sufficient to pay all or any portion of the accrued interest becoming due and payable on any Phase 1 Series A TIF Notes on each Payment Date;

*Fifth*, to the Phase 1 Series A Account of the Debt Service Fund, an amount sufficient to pay the interest on the Phase 1 Series A TIF Notes on the next succeeding Payment Date;

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

*Seventh*, to the Phase 1 Series A Account of the Debt Service Fund, an amount sufficient to pay the principal of any Phase 1 Series A TIF Notes that are subject to redemption pursuant to the Note Ordinance on each Payment Date;

*Eighth*, if no Phase 1 Series A Notes are outstanding, to the Phase 1 Series B Account of the Debt Service Fund, an amount sufficient to pay all or any portion of the past due interest owing as a result of prior deficiencies of moneys to pay interest due on the Phase 1 Series B Note on each Payment Date;

*Ninth*, if no Phase 1 Series A Notes are outstanding, to the Phase 1 Series B Account of the Debt Service Fund, an amount sufficient to pay all or any portion of the accrued interest becoming due and payable on any Phase 1 Series B Note on each Payment Date;

*Tenth*, if no Phase 1 Series A Notes are outstanding, to the Phase 1 Series B Account of the Debt Service Fund, an amount sufficient to pay the interest on the Phase 1 Series B Notes on the next succeeding Payment Date;

*Eleventh*, if no Phase 1 Series A Notes are outstanding, to the Phase 1 Series B Account of the Debt Service Fund, an amount sufficient to pay the principal of any Phase 1 Series B Note that is subject to redemption pursuant to this Note Ordinance on each Payment Date; and

*Twelfth*, if no Phase 1 TIF Notes are outstanding, all Phase 1 Available Revenues shall be transferred to the corresponding account within the Revenue Fund for Phase 2, and shall be used to pay principal and interest on Phase 2 TIF Notes in the same manner as Phase 2 Available Revenues as set forth herein.

*Thirteenth*, all other remaining money in the Phase 1 PILOTs Fund and the Phase 1 EATs Fund of the Revenue Fund of the Special Allocation Fund shall annually be declared as surplus and distributed in the manner provided in the TIF Act, as applicable.

Upon the payment in full of the principal of and interest on the Phase 1 TIF Notes (or provision has been made for the payment thereof as specified in the Note Ordinance), payment in full of the fees and expenses of the Finance Officer and the St. Louis Development Corporation, and payment in full of any other amounts required to be paid under the Note Ordinance, all amounts remaining on deposit in Phase 1 Debt Service Fund, the Phase 1 PILOTs Fund, and the Phase 1 EATs Fund shall be declared as surplus and distributed in the manner provided in the Act.

The City covenants that it shall comply with the Charter of the City of St. Louis, Article XVI, Section 3 for each fiscal year

that TIF Notes are outstanding and the City official(s) shall request an appropriation of all Available Revenues on deposit in the Special Allocation Fund for application to the payment of the principal of (including, but not limited to, payment of a premium, if any) and interest on the TIF Notes.

**NOTWITHSTANDING ANY PROVISION HEREIN OR IN THE NOTE ORDINANCE TO THE CONTRARY, THE PHASE 1 TIF NOTES ARE SUBJECT TO CANCELLATION AND DISCHARGE BY THE CITY IN WHOLE OR IN PART WITHOUT PENALTY UNDER THE CONDITIONS SET FORTH IN SECTION 7.8 OF THE REDEVELOPMENT AGREEMENT.**

**The Phase 1 TIF Notes are subject to optional redemption by the City in whole at any time or in part on any Payment Date at a redemption price of 100% of the principal amount of the Phase 1 TIF Note to be redeemed, plus accrued interest thereon to the date fixed for redemption.**

The Phase 1 TIF Notes are subject to special mandatory redemption by the City on each Payment Date, at a redemption price equal to 100% of the principal amount being redeemed, together with accrued interest thereon to the date fixed for redemption, in an amount equal to Phase 1 Available Revenues on deposit in the applicable accounts of the Special Allocation Fund and which are not required for the payment of accrued interest on such Payment Date.

The Phase 1 TIF Notes or portions of Phase 1 TIF Notes to be redeemed shall become due and payable on the redemption date, at the redemption price therein specified, and from and after the redemption date (unless the City defaults in the payment of the redemption price) such Phase 1 TIF Notes or portion of Phase 1 TIF Notes shall cease to bear interest. Upon surrender of such Phase 1 TIF Notes for redemption in accordance with such notice, the redemption price of such Phase 1 TIF Notes shall be paid by the Finance Officer. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Phase 1 TIF Note, there shall be prepared for the Registered Owner a new Phase 1 TIF Note or Phase 1 TIF Notes of the same maturity in the amount of the unpaid principal as provided herein. All Phase 1 TIF Notes that have been redeemed shall be cancelled and destroyed by the Finance Officer as provided herein and shall not be reissued.

Phase 1 TIF Notes shall be redeemed only in the principal amount of One Thousand Dollars (\$1,000) or any integral multiple thereof. When less than all of the outstanding Phase 1 TIF Notes are to be redeemed and paid prior to maturity, such Phase 1 TIF Notes shall be selected by the Finance Officer in One Thousand Dollar (\$1,000) units of face value in such equitable manner as the Finance Officer may determine.

The Phase 1 TIF Notes are issuable in the form of fully registered Notes without coupons in minimum denominations of One Hundred Thousand Dollars (\$100,000) or any integral multiple \$1,000 in excess thereof, except with respect to the Phase 1 TIF Notes issued upon acceptance by the City of the final Certificate of Reimbursable Redevelopment Project Costs, which Phase 1 TIF Notes may be issued in any denomination, subject to the limitation on the aggregate Principal Amount.

This Phase 1 TIF Note may be transferred or exchanged as provided in the Note Ordinance only upon the Register, upon surrender of this Phase 1 TIF Note together with a written instrument of transfer satisfactory to the Finance Officer duly executed by the Registered Owner or the Registered Owner's duly authorized agent.

**THE OWNER HEREOF EXPRESSLY AGREES, BY SUCH OWNER'S ACCEPTANCE HEREOF, THAT THE RIGHT TO PURCHASE, TRANSFER, ASSIGN OR NEGOTIATE THIS PHASE 1 TIF NOTE SHALL BE LIMITED TO PURCHASE, TRANSFER, ASSIGNMENT OR NEGOTIATION TO THE DEVELOPER, A RELATED ENTITY A QUALIFIED INSTITUTIONAL BUYER OR PROJECT LENDER, AS SUCH TERMS ARE DEFINED IN THE NOTE ORDINANCE, AND UPON THE EXECUTION BY THE PROPOSED PURCHASER OR TRANSFEREE OF AN INVESTMENT LETTER IN SUBSTANTIALLY THE FORM OF EXHIBIT C TO THE NOTE ORDINANCE, SIGNED BY THE PROPOSED PURCHASER OR TRANSFEREE, SHOWING THAT THE PROPOSED PURCHASER OR TRANSFEREE IS AN APPROVED INVESTOR. "Approved Investor" is defined in the Note Ordinance, and includes, among others, (a) the Developer or a Related Entity, (b) an "accredited investor" under Rule 501(a) of Regulation D promulgated under the Securities Act of 1933, (c) a "qualified institutional buyer" under Rule 144A promulgated under the Securities Act of 1933 or (d) any general business company or enterprise with total assets in excess of \$50,000,000.**

Subject to the limitations of the preceding paragraph, upon surrender thereof at the office of the Finance Officer, the Finance Officer shall transfer or exchange any Phase 1 TIF Note for a new Phase 1 TIF Note of the same maturity and in the same principal amount as the outstanding principal amount of the Phase 1 TIF Note that was presented for transfer or exchange. Any Phase 1 TIF Note presented for transfer or exchange shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in a form and with guarantee of signature satisfactory to the Finance Officer, duly executed by the Registered Owner thereof or by the Registered Owner's duly authorized agent.

This Phase 1 TIF Note shall not be valid or binding on the City or be entitled to any security or benefit under the Note Ordinance until the Certificate of Authentication hereon has been executed by the Finance Officer.

**IT IS HEREBY CERTIFIED AND DECLARED** that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of the Phase 1 TIF Notes have existed, happened and been performed in due time, form and manner as required by law.

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

**IN WITNESS WHEREOF, THE CITY OF ST. LOUIS, MISSOURI** has executed this Phase 1 TIF Note by causing it to be signed by the manual or facsimile signature of its Mayor and Finance Officer and attested by the manual or facsimile signature of its City Register, and its official seal to be affixed or imprinted hereon, and this Phase 1 TIF Note to be dated as of the effective date of registration as shown on Schedule A attached hereto.

**CITY OF ST. LOUIS, MISSOURI**

By: \_\_\_\_\_  
Mayor

By: \_\_\_\_\_  
Finance Officer

Attest:

(Seal)

\_\_\_\_\_  
City Register

Approved as to Form:

\_\_\_\_\_

**ASSIGNMENT**

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

\_\_\_\_\_  
(Print or Type Name, Address and Social Security Number or other Taxpayer Identification Number of Transferee)

the within TIF Note and all rights thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_ agent to transfer the within Note on the books kept by the Finance Officer for the registration thereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_.

\_\_\_\_\_  
NOTICE: The signature to this assignment must correspond with the name of the Registered Owner as it appears on the face of the within Note in every particular.

Signature Guaranteed By:

\_\_\_\_\_  
(Name of Eligible Guarantor Institution)

By: \_\_\_\_\_  
Title: \_\_\_\_\_

NOTICE: Signature(s) must be guaranteed by an eligible guarantor institution as defined by SEC Rule 17Ad-15 (17 CFR

240.17Ad-15).

SCHEDULE A
CERTIFICATE OF AUTHENTICATION

This Phase 1 TIF Note is one of the Series 201\_-A/B TIF Notes described in the within-mentioned Note Ordinance.

Table with 5 columns: Date(1), Additions to Principal Amount(2), Principal Amount Paid, Outstanding Principal Amount, Authorized Signatory of Finance Officer. The table contains several rows with dollar signs and blank lines for entries.

(1) Date of approval of each Certificate of Reimbursable Redevelopment Project Costs, as provided in Section 5.2 of the Redevelopment Agreement (which constitutes Date of Authentication with respect to such portion of the Note) or Payment Date.

(2) Limited to denominations of \$100,000 or any \$1,000 increment in excess thereof, except with respect to an advance pursuant to the final Certificate of Reimbursable Redevelopment Project Costs, which may be in any denomination, subject to the limitation on the aggregate principal amount provided for in the Note Ordinance.

EXHIBIT B-2
Form of Phase 2 Note

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

UNITED STATES OF AMERICA
STATE OF MISSOURI

Registered

Registered

No. R-\_\_

Not to Exceed \$1,356,793
plus Issuance Costs
(See Schedule A attached)

CITY OF ST. LOUIS, MISSOURI
[TAXABLE][TAX-EXEMPT] TAX INCREMENT REVENUE NOTE
(SOUTH CARONDELET DISTRICT #3 REDEVELOPMENT PROJECT - PHASE 2)

SERIES 201\_-A/B

Rate of Interest: \_\_\_\_\_ Maturity Date: \_\_\_\_\_ Dated Date: \_\_\_\_\_ CUSIP Number: \_\_\_\_\_  
 [\_\_\_%] \_\_\_\_\_, \_\_\_\_\_ None

REGISTERED OWNER:

PRINCIPAL AMOUNT: See SCHEDULE A attached hereto.

The CITY OF ST. LOUIS, MISSOURI, a body corporate and a political subdivision duly organized and validly existing under its charter and the Constitution and laws of the State of Missouri (the "City"), for value received, hereby promises to pay to the Registered Owner shown above, or registered assigns, the Principal Amount shown from time to time on Schedule A attached hereto on the Maturity Date shown above unless called for redemption prior to the Maturity Date, and to pay interest thereon from the effective date of registration shown from time to time on Schedule A attached hereto or from the most recent Payment Date to which interest has been paid or duly provided for, at the Rate of Interest shown above computed on the basis of a 360-day year of twelve 30-day months. Interest and principal shall be payable each March 1 and September 1 (each, a "Payment Date"), commencing on the first March 1 or September 1 following the City's acceptance or deemed acceptance of the Certificate of Substantial Completion in accordance with the Redevelopment Agreement between the City and Carondelet TIF, Inc. (the "Developer"), dated as of \_\_\_\_\_, 2011, with respect to Phase 2 of the Redevelopment Project (as defined therein) as amended (the "Phase 2 Redevelopment Agreement"), until all principal and interest accruing pursuant to this Phase 2 TIF Note is paid in full except as otherwise provided herein. The Phase 2 TIF Notes shall bear interest from their registration date or from the most recent Payment Date to which interest has been paid or duly provided for.

Except as otherwise provided herein, the capitalized terms herein shall have the meanings as provided in Ordinance No. \_\_\_\_\_ signed by the Mayor on \_\_\_\_\_, 2011 (the "Note Ordinance") or the Phase 2 Redevelopment Agreement.

**THE OBLIGATIONS OF THE CITY WITH RESPECT TO THIS TIF NOTE TERMINATE \_\_\_\_\_, WHICH IS TWENTY-THREE YEARS FROM THE EFFECTIVE DATE OF THE ORDINANCE APPROVING THE REDEVELOPMENT PROJECT (AS DEFINED IN THE NOTE ORDINANCE), WHETHER OR NOT THE PRINCIPAL AMOUNT OR INTEREST HEREON HAS BEEN PAID IN FULL. REFERENCE IS MADE TO THE NOTE ORDINANCE FOR A COMPLETE DESCRIPTION OF THE CITY'S OBLIGATIONS HEREUNDER.**

Subject to the preceding paragraph, the principal of and interest on this Phase 2 TIF Note shall be paid at maturity or upon earlier redemption as provided in Article III of the Note Ordinance to the person in whose name this Phase 2 TIF Note is registered at the maturity or redemption date hereof, upon presentation and surrender of this Phase 2 TIF Note at the payment office of the Finance Officer of the City or her authorized agent (the "Finance Officer"). The principal of and interest on the Phase 2 TIF Notes shall be payable in any coin or currency of the United States of America which, at the respective dates of payment thereof, is legal tender for the payment of debts due the United States of America. The principal of or interest on this Phase 2 TIF Note shall be payable by check or draft or by wire transfer to the person in whose name this Phase 2 TIF Note is registered at the office of the Finance Officer to the Registered Owner on the Register on each Payment Date. Except as otherwise provided in Section 2.8 of the Note Ordinance with respect to mutilated, destroyed, lost or stolen TIF Notes, no principal on the Phase 2 TIF Notes is payable unless the Registered Owner thereof has surrendered such Phase 2 TIF Notes at the office of the Finance Officer.

This Phase 2 TIF Note is one of an authorized series of fully registered TIF Notes of the City designated "City of St. Louis, Missouri, [Taxable][Tax-Exempt] Tax Increment Revenue Notes (South Carondelet District #3 Redevelopment Project – Phase 2), Series 201\_\_-A/B," issued in an aggregate principal amount of not to exceed \$1,356,793 plus Issuance Costs (the "Phase 2 TIF Notes"). The Phase 2 TIF Notes are being issued for the purpose of paying a portion of the Redevelopment Project Costs in connection with that certain Phase 2 of the Redevelopment Project, under the authority of and in full compliance with the Redevelopment Plan, the Constitution and laws of the State of Missouri, including particularly the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 to 99.865, of the Revised Statutes of Missouri, as amended (the "Act"), and pursuant to the Note Ordinance. The Note Ordinance also contemplates that the City may issue certain notes designated "City of St. Louis, Missouri, [Taxable][Tax-Exempt] Tax Increment Revenue Notes (South Carondelet District #3 Redevelopment Project – Phase 1), Series 201\_\_-A/B," issued in an aggregate principal amount of not to exceed \$838,851 plus Issuance Costs (the "Phase 1 TIF Notes"; the Phase 1 TIF Notes and Phase 2 TIF Notes being collectively, the "TIF Notes" or "Notes") pursuant to the Note Ordinance to pay a portion of Redevelopment Project Costs in connection with the Redevelopment Project and Redevelopment Plan.

The Phase 2 TIF Notes and the interest thereon are and shall be special, limited obligations of the City payable solely from and secured as to the payment of principal and interest, by the Available Revenues and other moneys pledged thereto and held by the Finance Officer as provided herein. "Available Revenues" means all monies on deposit from time to time (including investment earnings thereon) in (a) the PILOTS Account, and (b) subject to annual appropriation, the EATS Account that have been appropriated to the repayment of the TIF Notes; excluding (i) any amount paid under protest until the protest is withdrawn or resolved against the

taxpayer or (ii) any sum received by the City which is the subject of a suit or other claim communicated to the City which suit or claim challenges the collection of such sum.

The monies on deposit in the PILOTs Account of the Special Allocation Fund are those payments in lieu of taxes ("PILOTs"), as defined in Sections 99.805(10) and 99.845 of the Act) attributable to the increase in the current equalized assessed valuation of each taxable lot, block, tract or parcel of real property in the Redevelopment Area (as described in Exhibit A to the Note Ordinance) and any applicable penalty and interest over and above the initial equalized assessed value (as provided for by Section 99.855 of the Act) of such unit of property in the Redevelopment Area, as allocated and paid to the City's Treasurer by the City's Collector of Revenue who shall deposit such PILOTs into the Special Allocation Fund while tax increment financing remains in effect.

The monies on deposit in the EATs Account of the Special Allocation Fund are those amounts, subject to annual appropriation by the Board of Aldermen, equal to fifty percent (50%) of the total additional revenues from taxes, penalties and interest which are imposed by the City or other taxing districts (as that term is defined in Section 99.805(16) of the Act) and which are generated by economic activities within the Redevelopment Area over the amount of such taxes generated by economic activities within the Redevelopment Area in the calendar year ending December 31, 2007 (subject to annual appropriation by the City as provided in the Act), while tax increment financing remains in effect, but excluding personal property taxes, taxes imposed on sales or charges for sleeping rooms paid by transient guests of hotels and motels, licenses, fees or special assessments other than payments in lieu of taxes and penalties and interest thereon, taxes levied pursuant to Section 70.500 of the Revised Statutes of Missouri, as amended, and taxes levied for the purpose of public transportation pursuant to Section 94.660 of the Revised Statutes of Missouri, as amended, all in accordance with Section 99.845.3 of the Act, as may be amended from time to time. Notwithstanding the foregoing, EATs shall not include the operating levy for school purposes imposed by or any sales tax imposed by the Transitional School District of the City of St. Louis.

The Phase 2 Series A TIF Notes shall be equally and ratably secured by Phase 2 Available Revenues, and, if no Phase 1 TIF Notes are outstanding, by Phase 1 Available Revenues. The Phase 2 Series B TIF Notes shall be equally and ratably secured by the Phase 2 Available Revenues, and, if no Phase 1 TIF Notes are outstanding, by Phase 1 Available Revenues, on a subordinate basis to the Phase 2 Series A Notes. The Phase 2 TIF Notes shall be special, limited obligations of the City payable solely from and secured as to the payment of principal and interest by a pledge of the Available Revenues. The taxing power of the City is not pledged to the payment of the Phase 2 TIF Notes either as to principal or interest. The Phase 2 TIF Notes shall not be or constitute a general obligation of the City, nor shall they constitute an indebtedness of the City within the meaning of any constitutional, statutory or charter provision, limitation or restriction. **THE OBLIGATIONS OF THE CITY WITH RESPECT TO THE PHASE 2 TIF NOTES SHALL TERMINATE ON THE FIRST TO OCCUR OF THE FULL PAYMENT AND DISCHARGE OF THE PHASE 2 TIF NOTES OR THE MATURITY DATE (WHETHER OR NOT THE PRINCIPAL AMOUNT OR INTEREST HAS BEEN PAID IN FULL).**

Phase 2 Available Revenues in the Revenue Fund (and Phase 1 Available Revenues if no Phase 1 TIF Notes are then outstanding) shall be applied, first from the EATs Fund and second from the PILOTs Fund for the purposes and in the amounts as follows:

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

*Second*, to the Finance Officer of the City and the St. Louis Development Corporation (which monies shall be paid one half to the Finance Officer and one half to the St. Louis Development Corporation), 0.2% of the Phase 2 TIF Notes outstanding on each Payment Date, plus any accumulated deficiency from previous years, plus an amount sufficient to pay all or any portion of the fees and expenses incurred by the City pursuant to Section 7.15 of the Phase 2 Redevelopment Agreement that have not otherwise been reimbursed to the City through the issuance of TIF Notes;

*Third*, to Phase 2 Series A Account of the Debt Service Fund, an amount sufficient to pay all or any portion of the past due interest owing as a result of prior deficiencies of moneys to pay interest due on any Phase 2 Series A TIF Notes on each Payment Date;

*Fourth*, to the Phase 2 Series A Account of the Debt Service Fund, an amount sufficient to pay all or any portion of the accrued interest becoming due and payable on any Phase 2 Series A TIF Notes on each Payment Date;

*Fifth*, to the Phase 2 Series A Account of the Debt Service Fund, an amount sufficient to pay the interest on the Phase 2 Series A TIF Notes on the next succeeding Payment Date;

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

*Seventh*, to the Phase 2 Series A Account of the Debt Service Fund, an amount sufficient to pay the principal of any Phase 2 Series A TIF Notes that are subject to redemption pursuant to the Note Ordinance on each Payment Date;

*Eighth*, if no Phase 2 Series A Notes are outstanding, to the Phase 2 Series B Account of the Debt Service Fund, an amount sufficient to pay all or any portion of the past due interest owing as a result of prior deficiencies of moneys to pay interest due on the Phase 2 Series B Note on each Payment Date;

*Ninth*, if no Phase 2 Series A Notes are outstanding, to the Phase 2 Series B Account of the Debt Service Fund, an amount sufficient to pay all or any portion of the accrued interest becoming due and payable on any Phase 2 Series B Note on each Payment Date;

*Tenth*, if no Phase 2 Series A Notes are outstanding, to the Phase 2 Series B Account of the Debt Service Fund, an amount sufficient to pay the interest on the Phase 2 Series B Notes on the next succeeding Payment Date;

*Eleventh*, if no Phase 2 Series A Notes are outstanding, to the Phase 2 Series B Account of the Debt Service Fund, an amount sufficient to pay the principal of any Phase 2 Series B Note that is subject to redemption pursuant to this Note Ordinance on each Payment Date; and

*Twelfth*, if no Phase 2 TIF Notes are outstanding, all Phase 2 Available Revenues shall be transferred to the corresponding account within the Revenue Fund for Phase 1, and shall be used to pay principal and interest on Phase 1 TIF Notes in the same manner as Phase 1 Available Revenues as set forth herein.

*Thirteenth*, all other remaining money in the Phase 2 PILOTs Fund and the Phase 2 EATs Fund of the Revenue Fund of the Special Allocation Fund shall annually be declared as surplus and distributed in the manner provided in the TIF Act, as applicable.

Upon the payment in full of the principal of and interest on the Phase 2 TIF Notes (or provision has been made for the payment thereof as specified in the Note Ordinance), payment in full of the fees and expenses of the Finance Officer and the St. Louis Development Corporation, and payment in full of any other amounts required to be paid under the Note Ordinance, all amounts remaining on deposit in the Phase 2 Debt Service Fund, the Phase 2 PILOTs Fund, and the Phase 2 EATs Fund, shall be declared as surplus and distributed in the manner provided in the Act.

The City covenants that it shall comply with the Charter of the City of St. Louis, Article XVI, Section 3 for each fiscal year that TIF Notes are outstanding and the City official(s) shall request an appropriation of all Available Revenues on deposit in the Special Allocation Fund for application to the payment of the principal of (including, but not limited to, payment of a premium, if any) and interest on the TIF Notes.

**NOTWITHSTANDING ANY PROVISION HEREIN OR IN THE NOTE ORDINANCE TO THE CONTRARY, THE PHASE 2 TIF NOTES ARE SUBJECT TO CANCELLATION AND DISCHARGE BY THE CITY IN WHOLE OR IN PART WITHOUT PENALTY UNDER THE CONDITIONS SET FORTH IN SECTION 7.8 OF THE REDEVELOPMENT AGREEMENT.**

The Phase 2 TIF Notes are subject to optional redemption by the City in whole at any time or in part on any Payment Date at a redemption price of 100% of the principal amount of the Phase 2 TIF Note to be redeemed, plus accrued interest thereon to the date fixed for redemption.

The Phase 2 TIF Notes are subject to special mandatory redemption by the City on each Payment Date, at a redemption price equal to 100% of the principal amount being redeemed, together with accrued interest thereon to the date fixed for redemption, in an amount equal to Phase 2 Available Revenues on deposit in the applicable accounts of the Special Allocation Fund and which are not required for the payment of accrued interest on such Payment Date.

The Phase 2 TIF Notes or portions of Phase 2 TIF Notes to be redeemed shall become due and payable on the redemption date, at the redemption price therein specified, and from and after the redemption date (unless the City defaults in the payment of the redemption price) such Phase 2 TIF Notes or portion of Phase 2 TIF Notes shall cease to bear interest. Upon surrender of such Phase 2 TIF Notes for redemption in accordance with such notice, the redemption price of such Phase 2 TIF Notes shall be paid by the Finance Officer. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment

of interest. Upon surrender for any partial redemption of any Phase 2 TIF Note, there shall be prepared for the Registered Owner a new Phase 2 TIF Note or Phase 2 TIF Notes of the same maturity in the amount of the unpaid principal as provided herein. All Phase 2 TIF Notes that have been redeemed shall be cancelled and destroyed by the Finance Officer as provided herein and shall not be reissued.

Phase 2 TIF Notes shall be redeemed only in the principal amount of One Thousand Dollars (\$1,000) or any integral multiple thereof. When less than all of the outstanding Phase 2 TIF Notes are to be redeemed and paid prior to maturity, such Phase 2 TIF Notes shall be selected by the Finance Officer in One Thousand Dollar (\$1,000) units of face value in such equitable manner as the Finance Officer may determine.

The Phase 2 TIF Notes are issuable in the form of fully registered Notes without coupons in minimum denominations of One Hundred Thousand Dollars (\$100,000) or any integral multiple \$1,000 in excess thereof, except with respect to the Phase 2 TIF Notes issued upon acceptance by the City of the final Certificate of Reimbursable Redevelopment Project Costs, which Phase 2 TIF Notes may be issued in any denomination, subject to the limitation on the aggregate Principal Amount.

This Phase 2 TIF Note may be transferred or exchanged as provided in the Note Ordinance only upon the Register, upon surrender of this Phase 2 TIF Note together with a written instrument of transfer satisfactory to the Finance Officer duly executed by the Registered Owner or the Registered Owner's duly authorized agent.

**THE OWNER HEREOF EXPRESSLY AGREES, BY SUCH OWNER'S ACCEPTANCE HEREOF, THAT THE RIGHT TO PURCHASE, TRANSFER, ASSIGN OR NEGOTIATE THIS PHASE 2 TIF NOTE SHALL BE LIMITED TO PURCHASE, TRANSFER, ASSIGNMENT OR NEGOTIATION TO THE DEVELOPER, A RELATED ENTITY A QUALIFIED INSTITUTIONAL BUYER OR PROJECT LENDER, AS SUCH TERMS ARE DEFINED IN THE NOTE ORDINANCE, AND UPON THE EXECUTION BY THE PROPOSED PURCHASER OR TRANSFEREE OF AN INVESTMENT LETTER IN SUBSTANTIALLY THE FORM OF EXHIBIT C TO THE NOTE ORDINANCE, SIGNED BY THE PROPOSED PURCHASER OR TRANSFEREE, SHOWING THAT THE PROPOSED PURCHASER OR TRANSFEREE IS AN APPROVED INVESTOR. "Approved Investor" is defined in the Note Ordinance, and includes, among others, (a) the Developer or a Related Entity, (b) an "accredited investor" under Rule 501(a) of Regulation D promulgated under the Securities Act of 1933, (c) a "qualified institutional buyer" under Rule 144A promulgated under the Securities Act of 1933 or (d) any general business company or enterprise with total assets in excess of \$50,000,000.**

Subject to the limitations of the preceding paragraph, upon surrender thereof at the office of the Finance Officer, the Finance Officer shall transfer or exchange any Phase 2 TIF Note for a new Phase 2 TIF Note of the same maturity and in the same principal amount as the outstanding principal amount of the Phase 2 TIF Note that was presented for transfer or exchange. Any Phase 2 TIF Note presented for transfer or exchange shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in a form and with guarantee of signature satisfactory to the Finance Officer, duly executed by the Registered Owner thereof or by the Registered Owner's duly authorized agent.

This Phase 2 TIF Note shall not be valid or binding on the City or be entitled to any security or benefit under the Note Ordinance until the Certificate of Authentication hereon has been executed by the Finance Officer.

**IT IS HEREBY CERTIFIED AND DECLARED** that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of the Phase 2 TIF Notes have existed, happened and been performed in due time, form and manner as required by law.

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

**IN WITNESS WHEREOF, THE CITY OF ST. LOUIS, MISSOURI** has executed this Phase 2 TIF Note by causing it to be signed by the manual or facsimile signature of its Mayor and Finance Officer and attested by the manual or facsimile signature of its City Register, and its official seal to be affixed or imprinted hereon, and this Phase 2 TIF Note to be dated as of the effective date of registration as shown on Schedule A attached hereto.

**CITY OF ST. LOUIS, MISSOURI**

By: \_\_\_\_\_  
Mayor

By: \_\_\_\_\_  
Finance Officer

Attest:

(Seal)

\_\_\_\_\_  
City Register

Approved as to Form:  
\_\_\_\_\_

**ASSIGNMENT**

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

\_\_\_\_\_  
(Print or Type Name, Address and Social Security Number or other Taxpayer Identification Number of Transferee)

the within TIF Note and all rights thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_ agent to transfer the within Note on the books kept by the Finance Officer for the registration thereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_.

\_\_\_\_\_  
NOTICE: The signature to this assignment must correspond with the name of the Registered Owner as it appears on the face of the within Note in every particular.

Signature Guaranteed By:

\_\_\_\_\_  
(Name of Eligible Guarantor Institution)

By: \_\_\_\_\_

Title: \_\_\_\_\_

NOTICE: Signature(s) must be guaranteed by an eligible guarantor institution as defined by SEC Rule 17Ad-15 (17 CFR 240.17Ad-15).

**SCHEDULE A**

**CERTIFICATE OF AUTHENTICATION**

This Phase 2 TIF Note is one of the Series 201\_-A/B TIF Notes described in the within-mentioned Note Ordinance.

<u>Date<sup>(1)</sup></u>	<u>Additions to Principal Amount<sup>(2)</sup></u>	<u>Principal Amount Paid</u>	<u>Outstanding Principal Amount</u>	<u>Authorized Signatory of Finance Officer</u>
_____, ____	\$	\$	\$	
_____, ____				
_____, ____				
_____, ____				
_____, ____				
_____, ____				

\_\_\_\_\_, \_\_\_\_  
 \_\_\_\_\_, \_\_\_\_  
 \_\_\_\_\_, \_\_\_\_  
 \_\_\_\_\_, \_\_\_\_

<sup>(1)</sup> Date of approval of each Certificate of Reimbursable Redevelopment Project Costs, as provided in Section 5.2 of the Redevelopment Agreement (which constitutes Date of Authentication with respect to such portion of the Note) or Payment Date.

<sup>(2)</sup> Limited to denominations of \$100,000 or any \$1,000 increment in excess thereof, except with respect to an advance pursuant to the final Certificate of Reimbursable Redevelopment Project Costs, which may be in any denomination, subject to the limitation on the aggregate principal amount provided for in the Note Ordinance.

### EXHIBIT C

#### Form of Letter of Representations

\_\_\_\_\_, 20\_\_

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

Re: Not to Exceed \$\_\_\_\_\_ (plus Issuance Costs) City of St. Louis, Missouri, Tax Increment Revenue Notes, (South Carondelet District #3 Redevelopment Project – Phase 1/2), Series 201\_-A/B

Ladies and Gentlemen:

This letter is to provide you with certain representations and agreements with respect to the purchase by the undersigned of not to exceed \$\_\_\_\_\_ (plus Issuance Costs) aggregate principal amount of Tax Increment Revenue Notes, (South Carondelet District #3 Redevelopment Project – Phase 1/2), Series 201\_-A/B (the “TIF Notes”), issued by the City of St. Louis, Missouri (the “City”). The TIF Notes are secured in the manner set forth in Ordinance No. \_\_\_\_\_ [Board Bill No. \_\_\_\_\_] of the City adopted on \_\_\_\_\_, 2011 (the “Note Ordinance”). The undersigned hereby represents to each of you and agrees with each of you, as follows:

1. The undersigned is an Approved Investor (as defined in the Note Ordinance).
2. The undersigned acknowledges that the City has not made any representation or warranty concerning the accuracy or completeness of any information furnished in connection with the purchase by the undersigned of the TIF Notes. Accordingly, the undersigned has not relied upon the City as to the accuracy or completeness of such information. As a sophisticated investor, the undersigned has made its own decision to purchase the TIF Notes based solely upon its own inquiry and analysis.
3. The undersigned understands that the TIF Notes do not constitute an indebtedness of the City or a loan or credit thereof within the meaning of any constitutional or statutory debt limitation or restriction.
4. The undersigned is familiar with and has counsel who are familiar with the federal and state legislation, rules, regulations and case law pertaining to the transfer and distribution of securities, including, but not limited to, disclosure obligations of the seller incident to any such transfer or distribution. The undersigned hereby covenants and agrees that the undersigned will not sell, offer for sale, pledge, transfer, convey, hypothecate, mortgage or dispose of the TIF Notes or any interest therein in violation of applicable federal or state law or in violation of restrictions on sale, assignment, negotiation or transfer of the TIF Notes as set forth in paragraph 6 below.
5. The undersigned is purchasing the TIF Notes for its own account for investment (and not on behalf of another) and, other than a contemplated pledge of the TIF Notes, has no present intention of reselling the TIF Notes or dividing its interest therein. Notwithstanding the foregoing, the undersigned has the right to sell, offer for sale, pledge, transfer, convey, hypothecate,

mortgage or dispose of the TIF Notes at some future date determined by it, provided that such disposition is not in violation of restrictions on sale, assignment, negotiation or transfer of the TIF Notes as set forth in paragraph 6 below.

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

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

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

Sincerely,

\_\_\_\_\_  
as Purchaser

By: \_\_\_\_\_  
Title: \_\_\_\_\_

**Approved: July 20, 2011**

**ORDINANCE #68979**  
**Board Bill No. 117**

An ordinance approving a blighting study and plan dated June 21, 2011 for the Cass Ave./N. 1st St./Mullanphy St./N. 2nd St. Redevelopment Area (as further defined herein, the "Plan") after finding that said Redevelopment Area ("Area") is blighted as defined in Section 99.320 of the Revised Statutes of Missouri, as amended (the "Statute" being Sections 99.300 to 99.715 RSMo inclusive, as amended); containing a description of the boundaries of the Area in the City of St. Louis ("City"), attached hereto and incorporated herein as Attachment "A"; finding that redevelopment and rehabilitation of the Area is in the interest of the public health, safety, morals and general welfare of the people of the City; approving the Plan attached hereto and incorporated herein as Attachment "B", pursuant to Section 99.430 RSMo, as amended; finding that there is a feasible financial plan for the redevelopment of the Area which affords maximum opportunity for redevelopment of the Area by private enterprise; finding that no property in the Area may be acquired by the Land Clearance for Redevelopment Authority of the City of St. Louis ("LCRA"), a public body corporate and politic created under Missouri law, through the exercise of eminent domain; finding that none of the property within the Area is occupied, but if it should become occupied the Redeveloper(s) (as defined herein) shall be responsible for providing relocation assistance pursuant to the Plan to any eligible occupants displaced as a result of implementation of the Plan; finding that financial aid may be necessary to enable the Area to be redeveloped in accordance with the Plan; finding that there shall be available up to a fifteen (15) year real estate tax abatement; and pledging cooperation of this St. Louis Board of Aldermen ("Board") and requesting various officials, departments, boards and agencies of the City to cooperate and to exercise their respective powers in a manner consistent with the Plan; and containing a severability clause.

**WHEREAS**, the predominance of defective or inadequate street layout, insanitary or unsafe conditions, deterioration of site improvements, improper subdivision or obsolete platting, inadequate or outmoded design and conditions which endanger life or property by fire and other causes, or any combination of such factors, retards the provision of housing accommodations or constitutes an economic or social liability or a menace to the public health, safety, morals or welfare in the present condition and use of the Area and such conditions are beyond remedy and control solely by regulatory process in the exercise of the police power and cannot be dealt with effectively by ordinary private enterprise without the aids provided in the Statute; and

**WHEREAS**, this Board has considered the "Blighting Study and Plan for the Cass Ave./N. 1st St./Mullanphy St./N. 2nd St. Redevelopment Area" dated June 21, 2011, consisting of a Title Page; a Table of Contents Page, fifteen (15) numbered pages including Exhibits "A" – "F" attached hereto and incorporated herein as Attachment "B" ("Plan"); and based on the information in the Plan, specifically the Blighting Report in Exhibit "F" to the Plan, considered each parcel of property in the Area and found the preponderance of the Area to be blighted, and

**WHEREAS**, there is a need for the LCRA to undertake the redevelopment of the Area as a land clearance project under the Statute, pursuant to plans by or presented to the LCRA under Section 99.430.1 (4) RSMo, as amended; and

**WHEREAS**, the LCRA has, after considering each individual parcel of property in the Area and finding the Area to be blighted, approved the Plan and recommended approval of the Plan to the Planning Commission of the City of St. Louis ("Planning Commission") and to this Board; and

**WHEREAS**, it is desirable and in the public interest that a public body, the LCRA, undertake and administer the Plan; and

**WHEREAS**, the LCRA and the Planning Commission have made and presented to this Board the studies and statements required to be made and submitted by Section 99.430 RSMo, as amended, and this Board has been fully apprised by the LCRA and the Planning Commission of the facts and is fully aware of the conditions in the Area; and

**WHEREAS**, the Plan has been presented and recommended by LCRA and the Planning Commission to this Board for review and approval; and

**WHEREAS**, a general plan has been prepared and is recognized and used as a guide for the general development of the City and the Planning Commission has advised this Board that the Plan conforms to that general plan; and

**WHEREAS**, under the provisions of the Statute, it is required that this Board take such actions as may be required to approve the Plan; and

**WHEREAS**, this Board has duly considered the reports, recommendations and certifications of the LCRA and the Planning Commission; and

**WHEREAS**, the Plan prescribes land use and street and traffic patterns which may require, among other things, the vacation of public rights-of-way, the establishment of new street and sidewalk patterns or other public actions; and

**WHEREAS**, this Board is cognizant of the conditions which are imposed on the undertaking and carrying out of a redevelopment project, including those relating to prohibitions against discrimination because of race, color, creed, national origin, sex, marital status, age, sexual orientation or physical handicap; and

**WHEREAS**, in accordance with the requirements of Section 99.430 RSMo, as amended, this Board placed public notices in a newspaper of general circulation in the City that a public hearing would be held by this Board on the Plan, and a hearing was held at the time and place designated in those notices and all those who were interested in being heard were given a reasonable opportunity to express their views; and

**WHEREAS**, it is necessary that this Board take appropriate official action respecting the approval of the Plan.

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

**SECTION ONE.** There exists within the City of St. Louis ("City") a blighted area, as defined by Section 99.320 of the Revised Statutes of Missouri, as amended (the "Statute" being Sections 99.300 to 99.715 inclusive, as amended), described in Attachment "A", attached hereto and incorporated herein, known as the Cass Ave./N. 1st St./Mullanphy St./N. 2nd St. Area ("Area"). The existence of deteriorated property and other conditions constitutes an economic and social liability to the City and presents a menace to the health and welfare of its citizens. These conditions, therefore, qualify the Area as blighted within the meaning of Section 99.320(3) RSMo, as amended, and are evidenced by the Blighting Report attached as Exhibit "F" ("Blighting Report") to the Blighting Study and Plan for the Area dated June 21, 2011 which is attached hereto, and labeled Attachment "B" and incorporated herein by reference ("Plan").

**SECTION TWO.** The redevelopment of the Area, as provided by the Statute, is necessary and in the public interest, and is in the interest of the public health, safety, morals and general welfare of the people of the City.

**SECTION THREE.** The Area qualifies as a redevelopment area in need of redevelopment under the provision of the Statute, and the Area is blighted as defined in Section 99.320 of the Statute.

**SECTION FOUR.** The Plan (including the Blighting Report) having been duly reviewed and considered, is hereby approved and incorporated herein by reference, and the President or Clerk of this St. Louis Board of Aldermen ("Board") is hereby directed to file a copy of the Plan with the Minutes of this meeting.

**SECTION FIVE.** The Plan is feasible and conforms to the general plan for the City.

**SECTION SIX.** The financial aid provided and to be provided for financial assistance pertaining to the Area is necessary to enable the redevelopment activities to be undertaken in accordance with the Plan, and the proposed financing plan for the Area is feasible.

**SECTION SEVEN.** The Plan for the Area will afford maximum opportunity, consistent with the sound needs of the City as a whole, for the redevelopment of the Area by private enterprise, and private redevelopments to be sought pursuant to the requirements of the Statute.

**SECTION EIGHT.** The Plan provides that the Land Clearance for Redevelopment Authority of the City of St. Louis ("LCRA") may acquire no property in the Area by the exercise of eminent domain.

**SECTION NINE.** None of the property within the Area is currently occupied. If it should become occupied, all eligible occupants displaced by the Redeveloper(s)(as defined in Section Twelve, below) shall be given relocation assistance by the Redeveloper(s) at its expense, in accordance with all applicable federal, state and local laws, ordinances, regulations and policies.

**SECTION TEN.** The Plan gives due consideration to the provision of adequate public facilities.

**SECTION ELEVEN.** In order to implement and facilitate the effectuation of the Plan hereby approved, it is found and determined that certain official actions must be taken by this Board and accordingly this Board hereby:

- (a) Pledges its cooperation in helping to carry out the Plan;
- (b) Requests the various officials, departments, boards and agencies of the City, which have administrative responsibilities, likewise to cooperate to such end and to execute their respective functions and powers in a manner consistent with the Plan; and
- (c) Stands ready to consider and take appropriate action upon proposals and measures designed to effectuate the Plan.

**SECTION TWELVE.** All parties participating as owners or purchasers of property in the Area for redevelopment ("Redeveloper(s)") shall agree for themselves and their heirs, successors and assigns that they shall not discriminate on the basis of race, color, creed, national origin, sex, marital status, age, sexual orientation or physical handicap in the sale, lease, or rental of any property or improvements erected or to be erected in the Area or any part thereof and those covenants shall run with the land, shall remain in effect without limitation of time, shall be made part of every contract for sale, lease, or rental of property to which Redeveloper(s) is a party, and shall be enforceable by the LCRA, the City and the United States of America.

**SECTION THIRTEEN.** In all contracts with private and public parties for redevelopment of any portion of the Area, Redeveloper(s) shall agree:

- (a) To use the property in accordance with the provisions of the Plan, and be bound by the conditions and procedures set forth therein and in this Ordinance;
- (b) That in undertaking construction under the agreement with the LCRA and the Plan, bona fide Minority Business Enterprises (as further defined below, "MBEs") and Women's Business Enterprises ("as further defined below ("WBEs") will be solicited and fairly considered for contracts, subcontracts and purchase orders;
- (c) To be bound by the conditions and procedures regarding the utilization of MBEs and WBEs established by the City;
- (d) To adhere to the requirements of the Executive Order of the Mayor of the City, dated July 24, 1997, as has been extended.
- (e) To comply with applicable requirements of Ordinance No. 60275 of the City (First Source Jobs Policy, as codified at St. Louis City Revised Code Chapter 3.90);
- (f) To cooperate with those programs and methods supplied by the City with the purpose of accomplishing, pursuant to this paragraph, minority and women subcontractors and material supplier participation in the construction pursuant to the Plan. The Redeveloper(s) will report semi-annually during the construction period the results of its endeavors under this paragraph, to the Office of the Assistant Director-Certification and Compliance of the City and the President of this Board; and

(g) That the language of this Section Thirteen shall be included in its general construction contract and other construction contracts entered into directly by Redeveloper(s).

The term MBE shall mean a sole proprietorship, partnership, corporation, profit or non-profit organization owned, operated and controlled by Minority Group Member(s) (as defined below) who have at least fifty-one percent (51%) ownership therein. The Minority Group Member(s) must have operational and management control, interest in capital and earnings commensurate with their percentage of ownership. The term Minority Group Member(s) shall mean persons legally residing in the United States who are Black, Hispanic, Native American (American Indian, Eskimo, Aleut or Native Hawaiian), Asian Pacific American (persons with origins from Japan, China, the Philippines, Vietnam, Korea, Samoa, Guam, U.S. Trust Territory of the Pacific Islands, Laos, Cambodia or Taiwan) or Asian Indian American (persons with origins from India, Pakistan or Bangladesh). The term WBE shall mean a sole proprietorship, partnership, corporation, profit or non-profit organization owned, operated and controlled by a woman or women having at least fifty-one percent (51%) ownership. The woman or women must have operational and managerial control, interest in capital and earnings commensurate with their percentage of ownership.

The term "Redeveloper(s)" as used in this Section shall include heirs, successors in interest, and assigns.

**SECTION FOURTEEN.** A Redeveloper may seek ten (10) year real estate tax abatement pursuant to Sections 99.700 – 99.715, Revised Statutes of Missouri 2000, as amended, upon applications as provided therein. Such real estate tax abatement shall not include any Special Business District, Neighborhood Improvement District, Commercial Improvement District, or any other similar local taxing district created in accordance with Missouri law, whether now existing or later created.

In lieu of the ten (10) year abatement outlined above, and if a low-income tax credit program is implemented to finance any portion of the redevelopment, a Redeveloper which is an urban redevelopment corporation formed pursuant to Chapter 353 of the Missouri Statutes shall hereby be entitled to real property ad valorem tax abatement, which shall not include any Special Business District, Neighborhood Improvement District, Commercial Improvement District, or any other similar local taxing district created in accordance with Missouri law, whether now existing or later created, for a total period of up to fifteen (15) years from the commencement of such tax abatement, in accordance with the following provisions of this Plan. If no low income tax credit program has been implemented to finance any portion of the redevelopment, then the redevelopment shall only be eligible to receive tax abatement for a period of up to ten (10) years.

If property in the Area is sold by the LCRA to an urban redevelopment corporation formed pursuant to Chapter 353 of the Missouri Statutes, or if any such corporation shall own property within the Area, then for up to the first ten (10) years after the date the redevelopment corporation shall acquire title to such property, taxes on such property shall be based upon the assessment of land, exclusive of any improvements thereon, during the calendar year prior to the calendar year during which such corporation shall have acquired title to such property. In addition to such taxes, any such corporation shall for up to the same ten (10) year period make a payment in lieu of taxes to the Collector of Revenue of the City of St. Louis in an amount based upon the assessment on the improvements located on the property during the calendar year prior to the calendar year during which such corporation shall have acquired title to such property. If property shall be taxexempt because it is owned by the LCRA and leased to any such corporation, then such corporation for up to the first ten (10) years of such lease shall make payments in lieu of taxes to the Collector of Revenue of the City in an amount based upon the assessment on the property, including land and improvements, during the calendar year prior to the calendar year during which such corporation shall lease such property.

For the ensuing period of up to five (5) years following the original period stated above, any such corporation shall pay taxes and payments in lieu of taxes as provided above in an amount based upon fifty percent (50%) of the true value of the land and improvements, as determined by the City Assessor. This provision shall only apply if the redevelopment is financed in part by low income tax credit programs. Thereafter any such corporation shall pay the full amount of taxes.

All payments in lieu of taxes shall be a lien upon the real property and, when paid to the Collector of Revenue of the City shall be distributed as all other property taxes. These partial tax relief and payment in lieu of taxes provisions, during up to said fifteen (15) year period, shall inure to the benefit of all successors in interest in the property of the redevelopment corporation, so long as such successors shall continue to use such property as provided in this Plan and in any contract with the LCRA. In no event shall such benefits extend beyond fifteen (15) years after the redevelopment corporation shall have acquired title to the property.

**SECTION FIFTEEN.** Any proposed modification which will substantially change the Plan must be approved by this Board in the same manner as the Plan was first approved. Modifications which will substantially change the Plan include, but are not necessarily limited to, modifications on the use of eminent domain, to the length of tax abatement, to the boundaries of the Area, or to other items which alter the nature or intent of the Plan.

The Plan may be otherwise modified (e.g. urban design regulations, development schedule) by the LCRA, provided that

such revisions shall be effective only upon the consent of the Planning Commission of the City.

**SECTION SIXTEEN.** The sections of this Ordinance shall be severable. In the event that any section of this Ordinance is found by a court of competent jurisdiction to be invalid, the remaining sections of this Ordinance are valid, unless the court finds the valid sections of the Ordinance are so essential and inseparably connected with and dependent upon the void section that it cannot be presumed that this Board would have enacted the valid sections without the void ones, or unless the court finds that the valid sections standing alone are incomplete and are incapable of being executed in accordance with the legislative intent.

**EXHIBIT "A"**

**101-217 CASS AVE. REDEVELOPMENT AREA  
LEGAL DESCRIPTION**

C. B. 243 CASS AVE.  
441 FT 9 IN X 203 FT / 203 FT 10 IN  
CLARKS ADDN.  
LOT WHOLE BLOCK

**PARCEL # 02430000100**

C.B. 689 SECOND  
140 FT 5 3/4 IN / 139 FT 8 5/8 IN X 88 F  
BATES ADDN FT 6 IN / 87 FT 9 IN  
BND N-CASS E-2ND ST S-BARDENHEIER W-ALLE

**PARCEL # 06890000800**

C. B. 242 2ND ST  
130 FT X 320 FT 0 3/4 IN  
0.958 ACRES  
PAYNES ADDN  
BOUNDED S-FLORIDA

**PARCEL # 02420000400**

C. B. 242 2ND ST.  
75 FT / 130 FT X 140 FT / 60 FT 6 IN  
PAYNES ADDN.  
BOUNDED S-ALLEY

**PARCEL # 02420000500**

C. B. 242 2ND ST  
55 FT X 80 FT  
GIBBS ADDN  
BND W-2ND ST

**PARCEL # 02420000600**

C. B. 242 MULLANPHY ST.  
65 FT X 130 FT  
PAYNES ADDN.BOUNDARIES  
N-MULLANPHY ST. E-ALLEY  
S-ALLEY W-NIEDRINGHAUS

**PARCEL # 02420000100**

ATTACHMENT "B"  
Form: 6/16/11

BLIGHTING STUDY AND PLAN  
FOR THE  
CASS AVE./N. 1ST ST./MULLANPHY ST./N 2ND ST. REDEVELOPMENT AREA  
PROJECT #1565  
LAND CLEARANCE FOR REDEVELOPMENT AUTHORITY  
OF THE CITY OF ST. LOUIS  
June 21, 2011

MAYOR  
FRANCIS G. SLAY

BLIGHTING STUDY AND PLAN FOR  
101-217 CASS AVE. REDEVELOPMENT AREA

	<u>PAGE</u>
<b>A. EXISTING CONDITIONS AND FINDING OF BLIGHT</b> .....	1
1. DELINEATION OF BOUNDARIES .....	1
2. GENERAL CONDITION OF THE AREA .....	1
3. PRESENT LAND USE OF THE AREA .....	1
4. PRESENT LAND USE AND DENSITY OF SURROUNDING PROPERTIES .....	1
5. CURRENT ZONING .....	1
6. FINDING OF BLIGHT .....	2
<b>B. PROPOSED DEVELOPMENT AND REGULATIONS</b> .....	2
1. DEVELOPMENT OBJECTIVES .....	2
2. PROPOSED LAND USE OF THE AREA .....	2
3. PROPOSED ZONING .....	2
4. RELATIONSHIP TO LOCAL OBJECTIVES .....	2
5. PROPOSED EMPLOYMENT FOR THIS AREA .....	2
6. CIRCULATION .....	3
7. BUILDING AND SITE REGULATIONS .....	3
8. URBAN DESIGN .....	3
9. PARKING REGULATIONS .....	4
10. SIGN REGULATIONS .....	4
11. BUILDING, CONDITIONAL USE AND SIGN PERMITS .....	5
12. PUBLIC IMPROVEMENTS .....	5
<b>C. PROPOSED SCHEDULE OF DEVELOPMENT</b> .....	5
<b>D. EXECUTION OF PROJECT</b> .....	5
1. ADMINISTRATION AND FINANCING .....	5
2. PROPERTY ACQUISITION .....	6
3. PROPERTY DISPOSITION .....	6
4. RELOCATION ASSISTANCE .....	6
<b>E. COOPERATION OF THE CITY</b> .....	6
<b>F. TAX ABATEMENT</b> .....	6
<b>G. COMPLIANCE WITH AFFIRMATIVE ACTION AND NONDISCRIMINATION LAWS AND REGULATIONS</b> .....	7

1. LAND USE ..... 7  
 2. CONSTRUCTION AND OPERATIONS ..... 8  
 3. LAWS AND REGULATIONS ..... 8  
 4. ENFORCEMENT ..... 8

**H. MODIFICATIONS OF THIS PLAN ..... 8**

**I. DURATION OF REGULATION AND CONTROLS ..... 8**

**J. EXHIBITS ..... 9**

**K. SEVERABILITY ..... 9**

**EXHIBITS**

- "A" LEGAL DESCRIPTION
- "B" PROJECT AREA PLAN - EXISTING USES AND CONDITIONS
- "C" PROJECT AREA PLAN - PROPOSED LAND USES
- "D" PROJECT AREA PLAN - ACQUISITION MAP
- "E" EQUAL OPPORTUNITY AND NON-DISCRIMINATION GUIDELINES
- "F" BLIGHTING REPORT

**A. EXISTING CONDITIONS AND FINDINGS OF BLIGHT**

1. DELINEATION OF BOUNDARIES

The 101-217 Cass Ave. Redevelopment Area ("Area") encompasses approximately 4.5 acres in the Near North Riverfront neighborhood of the City of St. Louis ("City") and is generally bounded on the north by Florida St., Mullanphy St. and 102-108 Mullanphy St.; on the east by N. 1st St., N. 2nd St. and 102-108 Mullanphy St.; on the south by Cass Ave. and 1441-45 N. 2nd St., and on the west by Collins St., N. 2nd St. and 1458 Collins St.

The legal description of the Area is attached and labeled Exhibit "A". The boundaries of the Area are delineated on Exhibits "B", "C" and "D" ("Project Area Plan").

2. GENERAL CONDITION OF THE AREA

The Area comprises all of City Block 243, the majority of City Block 242, and a parcel of City Block 689. The Area is in poor condition. The parcel by parcel physical conditions within the Area are shown on Exhibit "B" ("Project Area Plan-Existing Uses and Conditions") and enumerated in Exhibit "F" "Blighting Report".

Unemployment figures, computed by the Missouri Economic Research and Information Center, Missouri Department of Economic Development, indicate a 10.7% unemployment rate for the City for the month of April, 2011. It is estimated that this rate is applicable to residents of the neighborhoods surrounding the Area.

There are currently no jobs within the Area.

3. PRESENT LAND USE OF THE AREA

Existing land uses within the Area include vacant lots and seven unoccupied commercial buildings.

The land uses within the Area, including the location of public and private uses, streets and other rights-of-way, is shown on Exhibit "B".

4. PRESENT LAND USE AND DENSITY OF SURROUNDING PROPERTIES

The properties surrounding the Area are used primarily for commercial purposes.

Residential density for the surrounding neighborhoods is approximately .47 persons per acre.

5. CURRENT ZONING

The Area is currently zoned “K” Unrestricted District pursuant to the Zoning Code of the City, which is incorporated in this Blighting Study and Redevelopment Plan (“Plan”) by reference.

6. FINDING OF BLIGHT

None of the property within the Area is occupied. The Area is in the conditions described in Exhibit “F”. The existence of deteriorated property constitutes an economic and social liability to the City and presents a menace to the health and welfare of its citizens. The preponderance of properties in the Area has been determined to be blighted within the meaning of Section 99.300 *et seq.* RSMo, as amended (the “Land Clearance for Redevelopment Authority Law”) as evidenced by the Blighting Report attached hereto, labeled Exhibit “F” and incorporated herein by this reference.

**B. PROPOSED REDEVELOPMENT AND REGULATIONS**

1. REDEVELOPMENT OBJECTIVES

The primary objectives of this Plan are to eliminate blight within the Area and to facilitate the redevelopment of the Area into productive residential and commercial uses.

2. PROPOSED LAND USE OF THE AREA

The proposed land uses for the Area are commercial uses permitted in zones designated “K” Unrestricted District by the City of St. Louis Zoning Code. Redeveloper(s) authorized by the Land Clearance for Redevelopment Authority of the City of St. Louis (“LCRA”) to redevelop property in the Area (hereafter referred to as “Redeveloper(s)”) shall not be permitted to use the property within the Area for any of the following:

pawn shops, adult bookstores, X-rated movie houses, massage parlors or health spas, auto and truck dealers (new or used), pinball arcades, pool halls, secondhand or junk shops, tattoo parlors, truck or other equipment rentals requiring outside storage, blood donor facilities, free standing package liquor stores, check cashing centers, any use (except for financial institutions or pharmacies) that utilizes a sales or service window or facility for customers who are in cars, or restaurants that sell products to customers who are in cars or who consume the sold products in cars parked on the restaurant premises, or sell products through a sales window to customers who are in cars or to pedestrians outside the building for immediate consumption by the customer either on or off the premises, automobile service or stations.

Exhibit “C” (Project Area Plan-Proposed Land Use) shows the proposed uses for the Area. The General Plan for the City, which includes the “Strategic Land Use Plan” (as amended 2010) designates the Area as a Specialty Mixed Use Area.

3. PROPOSED ZONING

The zoning for the Area may remain “K” Unrestricted District. All land coverage and building intensities shall be governed thereby.

4. RELATIONSHIP TO LOCAL OBJECTIVES

The proposed land uses, zoning, public facilities and utility plans are appropriate and consistent with local objectives as defined by the General Plan of the City which includes the “Strategic Land Use Plan” (as amended 2010). Any specific proposal to the LCRA for redevelopment of the Area or any portion of the Area shall contain, among other things, adequate provisions for traffic, vehicular parking, safety from fire, light and air, sound design and arrangement, and improved employment opportunities.

5. PROPOSED EMPLOYMENT FOR THE AREA

Approximately 70 permanent full time equivalent jobs are expected to be created if the Area is redeveloped in accordance with this Plan.

6. CIRCULATION

The Project Area Plan-Proposed Land Use Plan (Exhibit "C") indicates the proposed circulation system for the Area. The layouts, levels and grades of all public rights-of-way may remain unchanged.

Rights-of-way changes will be subject to the review and approval of the City Department of Streets, and all vacations of rights-of-way are subject to approval by City ordinance.

7. BUILDING AND SITE REGULATIONS

The Area shall be subject to all applicable federal, state and local laws, ordinances, regulations and codes, including but not limited to, the City Building Code, Zoning District Regulations, and stipulations of the Planning and Urban Design Agency ("PDA") of the City. The population densities, land coverage, and building intensities of redevelopment shall be governed by the Zoning Code. No changes in the building codes or ordinances are required.

The Redeveloper(s) shall redevelop the Area in accordance with this Plan and the redevelopment agreement ("Agreement") (if any), and shall maintain all structures, equipment, paved areas, and landscaped areas controlled by the Redeveloper(s) in good and safe order both inside and outside, structurally and otherwise, including necessary and proper painting. Failure to meet this requirement may result in suspension of tax abatement.

8. URBAN DESIGN

**a. Urban Design Objectives**

Rehabilitation and new construction should be of a scale and material that is consistent with the surrounding structures.

**b. Urban Design Regulations**

Retail buildings should address the street and sidewalks with storefront windows.

**c. Landscaping**

The Area shall be well-landscaped. Perimeter street trees of a minimum caliper of 2-1/2 inches and generally 30-35 feet on center, as determined by the Parks Department of the City depending upon tree type, utilities, curb cuts, etc., shall be provided along all public or private streets - preferably in tree lawns along the curb. Existing, healthy trees and shrubs shall be retained, if feasible.

**d. Fencing**

New fencing may be ornamental metal, chain link or a good quality, privacy fence provided it is not wood stockade style. In no case shall the fencing have razor or brushed wire on top if it is visible from any street. In residential or commercial zoning districts and fencing across from residential uses in any zoning district new fencing in front yards or along streets shall be limited to ornamental metal or good quality privacy fencing provided it is not wood stockade style.

9. PARKING REGULATIONS

Parking shall be provided in accordance with the applicable zoning and building code requirements of the City, including PDA standards. This will provide adequate vehicular parking for the Area.

10. SIGN REGULATIONS

All new signs shall be limited as set out in the City Code, PDA stipulations, this Plan and agreements between the LCRA and the Redeveloper(s). A uniform signage plan must be prepared by the Redeveloper(s) for the entire Area. All new signs shall be restricted to those identifying the names and/or business of the person or firm occupying the premises.

New wall signs shall not obstruct any architectural building elements, and shall project no more than eighteen (18) inches from the face of the building: Upper Level signage shall be located just below or above the top floor windows facing in any direction regardless of street orientation, shall not exceed 2% of the area of the façade on which it appears nor have letters more than one foot in height for each ten foot (10') of building height provided that the maximum shall be ten foot (10') high letters (i.e. maximum sign letter height on a fifty foot (50') high building shall be five feet (5')). Pedestrian level signage shall be below the second floor window sill of a structure and/or above the store front windows or on the sides of building perpendicular to the street. The total pedestrian level signage per business per façade shall be the lessor of fifty (50) sq. ft. on ten percent (10%) of the ground floor façade area.

Projecting signs shall be governed by the City Code, but may not obscure an architectural building element.

Canvas awnings with signs are permitted, provided they are compatible with the overall design and architectural details of the building upon which they are to be placed and are placed neatly within the window or door opening. Signage on awnings may be located on the sloping portion of the canvas awning, on the front of a canopy or on the awning valance. In no case shall signage be allowed on both an awning and a building for the same business. Logos and graphic elements may be up to ten (10) sq. ft. in size (depending on the size of the awning), while names or brand copy shall be in proportion to the size of the awning, but in no case shall lettering be more than twelve inches (12") high.

Businesses having more than 40,000 square feet of ground floor area may have signs proportionately larger than the maximum size set out in this section, provided that the LCRA confirms that there is need based upon the use, location, or siting of the building.

Painted wall signs, roof signs, pole signs, moving signs, monument signs, animated or flashing signs, or permanent or portable message board signs shall not be permitted in the Area, and no regular or mini billboards (free standing or mounted on structures) shall be erected or maintained in the area, except that construction and leasing signs may be maintained during construction and for a period of one (1) year after completion of improvements on any respective parcel of the Area or part thereof.

11. BUILDING, CONDITIONAL USE AND SIGN PERMITS

No building, conditional use, or sign permits shall be issued by the City without the prior written recommendation of the LCRA.

12. PUBLIC IMPROVEMENTS

No additional schools, parks, recreational and community facilities or other public facilities will be required. Additional water, sewage or other public utilities may be required depending on redevelopment. The cost of such utility improvements will be borne by the Redeveloper(s).

If funds are available to the LCRA, it may provide public improvements including, but not limited to, measures for the control of traffic, improvements to street lighting, street trees, and any other improvements which may further the objectives of this Plan.

When redeveloped in accordance with this Plan, the Area will comprise a coordinated, adjusted and harmonious redevelopment that promotes the health, safety, morals, order, convenience, prosperity, general welfare, efficiency and economy of the City.

**C. PROPOSED SCHEDULE OF REDEVELOPMENT**

It is estimated that the implementation of this Plan will take place in multiple phases initiated within approximately one (1) year of approval of this Plan by City ordinance and completed within approximately four (4) years of approval of this Plan by City ordinance.

The LCRA may alter the above schedule as economic conditions warrant.

**D. EXECUTION OF PROJECT**1. ADMINISTRATION AND FINANCING

The LCRA is empowered by Missouri law to administer redevelopment of all types pursuant to this Plan and can do so to the extent and in the manner prescribed by the Land Clearance for Redevelopment Authority Law.

All costs associated with the redevelopment of the Area will be borne by the Redeveloper(s).

Implementation of this Plan may be financed by funds obtained from private and/or public sources, including, without limitation, revenue bonds, bank loans, and equity funds provided by the Redeveloper(s).

2. PROPERTY ACQUISITION

The Project Area Plan-Acquisition Map, Exhibit "D" attached, identifies all the property located in the Area. The LCRA may not acquire any property in the Area by the exercise of eminent domain.

3. PROPERTY DISPOSITION

If the LCRA acquires property in the Area, it may sell or lease the property to a Redeveloper(s) who shall agree to redevelop such property in accordance with this Plan and the agreement between such Redeveloper(s) and the LCRA. Any property acquired by the LCRA and sold to a Redeveloper(s) will be sold at not less than its fair value, taking into account and giving consideration to those factors enumerated in Section 99.450, R.S.Mo. as amended, for uses in accordance with this Plan.

4. RELOCATION ASSISTANCE

None of the property within the Area is currently occupied. If it should become occupied, all eligible occupants displaced as a result of the implementation of this Plan shall be given relocation assistance in accordance with all applicable federal, state and local laws, ordinances, regulations and policies.

**E. COOPERATION OF THE CITY**

The City and its Board of Aldermen, by enacting an ordinance approving this Plan, pledges the cooperation of the City to enable the project to be carried out in a timely manner and in accordance with this Plan.

**F. TAX ABATEMENT**

A Redeveloper may seek ten (10) year real estate tax abatement pursuant to Sections 99.700 – 99.715, Revised Statutes of Missouri 2000, as amended, upon applications as provided therein. Such real estate tax abatement shall not include any Special Business District, Neighborhood Improvement District, Commercial Improvement District, or any other similar local taxing district created in accordance with Missouri law, whether now existing or later created.

In lieu of the ten (10) year abatement outlined above, and if a low-income tax credit program is implemented to finance any portion of the redevelopment, a Redeveloper which is an urban redevelopment corporation formed pursuant to Chapter 353 of the Missouri Statutes shall hereby be entitled to real property ad valorem tax abatement, which shall not include any Special Business District, Neighborhood Improvement District, Commercial Improvement District, or any other single local taxing district created in accordance with Missouri law, whether now existing or later created, for a total period of up to fifteen (15) years from the commencement of such tax abatement, in accordance with the following provisions of this Plan. If no low income tax credit program has been implemented to finance any portion of the redevelopment, then the redevelopment shall only be eligible to receive tax abatement for a period of up to ten (10) years.

If property in the Area is sold by the LCRA to an urban redevelopment corporation formed pursuant to Chapter 353 of the Missouri Statutes, or if any such corporation shall own property within the Area, then for up to the first ten (10) years after the date the redevelopment corporation shall acquire title to such property, taxes on such property shall be based upon the assessment of land, exclusive of any improvements thereon, during the calendar year prior to the calendar year during which such corporation shall have acquired title to such property. In addition to such taxes, any such corporation shall for up to the same ten (10) year period make a payment in lieu of taxes to the Collector of Revenue of the City of St. Louis in an amount based upon the assessment on the improvements located on the property during the calendar year prior to the

calendar year during which such corporation shall have acquired title to such property. If property shall be taxexempt because it is owned by the LCRA and leased to any such corporation, then such corporation for up to the first ten (10) years of such lease shall make payments in lieu of taxes to the Collector of Revenue of the City in an amount based upon the assessment on the property, including land and improvements, during the calendar year prior to the calendar year during which such corporation shall lease such property.

For the ensuing period of up to five (5) years following the original period stated above, any such corporation shall pay taxes and payments in lieu of taxes as provided above in an amount based upon fifty percent (50%) of the true value of the land and improvements, as determined by the City Assessor. This provision shall only apply if the redevelopment is financed in part by low income tax credit programs. Thereafter any such corporation shall pay the full amount of taxes.

All payments in lieu of taxes shall be a lien upon the property and, when paid to the Collector of Revenue of the City shall be distributed as all other property taxes. These partial tax relief and payment in lieu of taxes provisions, during up to said fifteen (15) year period, shall inure to the benefit of all successors in interest in the property of the redevelopment corporation, so long as such successors shall continue to use such property as provided in this Plan and in any contract with the LCRA. In no event shall such benefits extend beyond fifteen (15) years after the redevelopment corporation shall have acquired title to the property.

#### **G. COMPLIANCE WITH AFFIRMATIVE ACTION AND NONDISCRIMINATION LAWS AND REGULATIONS**

##### **1. LAND USE**

A Redeveloper(s) shall not discriminate on the basis of race, color, creed, national origin, marital status, sex, age, sexual orientation or physical handicap in the lease, sale, rental or occupancy of any property, or any improvements erected or to be erected in the Area, or any part thereof.

##### **2. CONSTRUCTION AND OPERATIONS**

A Redeveloper(s) shall not discriminate on the basis of race, color, creed, national origin, marital status, sex, age, sexual orientation or physical handicap in the construction and operation of any project in the Area and shall take such affirmative action as may be appropriate to afford opportunities to everyone in all activities of the project, including enforcement, contracting, operating and purchasing.

##### **3. LAWS AND REGULATIONS**

A Redeveloper(s) shall comply with all applicable federal, state and local laws, ordinances, executive orders and regulations regarding nondiscrimination and affirmative action, including the City Guidelines for Maximum Utilization of Minority Enterprises dated January 1, 1981, as may be amended, and the "Equal Opportunity and Nondiscrimination Guidelines" in Exhibit "E", attached.

##### **4. ENFORCEMENT**

All of the provisions of this Section G shall be incorporated in an Agreement between the LCRA and a Redeveloper(s), which Agreement shall be recorded in the office of the Recorder of Deeds. The provisions of G (1) and G (3) shall be covenants running with the land, without limitation as to time, and the provisions of G (2) shall be for the duration of this Plan and any extension thereof.

All of the provisions of Section G shall be enforceable against the Redeveloper(s), its heirs, successors or assigns, by the LCRA, the City, any state having jurisdiction or the United States of America.

#### **H. MODIFICATIONS OF THIS PLAN**

Any proposed modification which will substantially change this Plan shall be approved by the St. Louis Board of Aldermen in the same manner as this Plan was first approved. Modifications which will substantially change this Plan include, but are not necessarily limited to, modifications on the use of eminent domain, to the length of tax abatement, to the boundaries of the Area, or other items which alter the nature or intent of this Plan.

This Plan may be otherwise modified (e.g. urban design regulations, redevelopment schedule) by the LCRA, provided that such revisions shall be effective only upon the consent of the PDA.

**I. DURATION OF REGULATION AND CONTROLS**

The regulation and controls set forth in this Plan shall be in full force and effect for twenty-five years commencing with the effective date of approval of this Plan by City ordinance, and for additional ten (10) year periods unless before the commencement of any such ten (10) year period the St. Louis Board of Aldermen shall terminate this Plan at the end of the term then in effect, except as provided in Section G (4) of this Plan.

**J. EXHIBITS**

All attached exhibits are hereby incorporated by reference into this Plan and made a part hereof.

**K. SEVERABILITY**

The elements of this Plan satisfy all requirements of state and local laws. Should any provisions of this Plan be held invalid by a final determination of a court of law, the remainder of the provisions hereof shall not be affected thereby, and shall remain in full force and effect.

**EXHIBIT "A"****101-217 CASS AVE. REDEVELOPMENT AREA  
LEGAL DESCRIPTION**

C. B. 243 CASS AVE.  
441 FT 9 IN X 203 FT / 203 FT 10 IN  
CLARKS ADDN.  
LOT WHOLE BLOCK

**PARCEL # 02430000100**

C.B. 689 SECOND  
140 FT 5 3/4 IN / 139 FT 8 5/8 IN X 88 F  
BATES ADDN FT 6 IN / 87 FT 9 IN  
BND N-CASS E-2ND ST S-BARDENHEIER W-ALLE

**PARCEL # 06890000800**

C. B. 242 2ND ST  
130 FT X 320 FT 0 3/4 IN  
0.958 ACRES  
PAYNES ADDN  
BOUNDED S-FLORIDA

**PARCEL # 02420000400**

C. B. 242 2ND ST.  
75 FT / 130 FT X 140 FT / 60 FT 6 IN  
PAYNES ADDN.  
BOUNDED S-ALLEY

**PARCEL # 02420000500**

C. B. 242 2ND ST  
55 FT X 80 FT  
GIBBS ADDN  
BND W-2ND ST

**PARCEL # 02420000600**

C. B. 242 MULLANPHY ST.

65 FT X 130 FT  
PAYNES ADDN.BOUNDARIES  
N-MULLANPHY ST. E-ALLEY  
S-ALLEY W-NIEDRINGHAUS

PARCEL # 02420000100

See attached Exhibits B, C & D

**EXHIBIT "E"**  
**FORM: 03/10/08**

**EQUAL OPPORTUNITY AND NONDISCRIMINATION GUIDELINES**

In any contract for work in connection with the redevelopment of any property in the Area, the Redeveloper(s) (which term shall include Redeveloper(s), any designees, successors and assigns thereof, any entity formed to implement the project of which the Redeveloper(s) is affiliated), its contractors and subcontractors shall comply with all federal, state and local laws, ordinances, or regulations governing equal opportunity and nondiscrimination (Laws). Moreover, the Redeveloper(s) shall contractually require its contractors and subcontractors to comply with such laws.

The Redeveloper(s) and its contractors will not contract or subcontract with any party known to have been found in violation of any such laws, ordinances, regulations or these guidelines.

The Redeveloper(s) shall fully comply with Executive Order #28 dated July 24, 1997 (as may be extended) relating to minority and women-owned business participation in City contracts.

The Redeveloper(s) agrees for itself and its successors and assigns, that there shall be covenants to ensure that there shall be no discrimination on the part of the Redeveloper(s), its successors or assigns upon the basis of race, color, creed, national origin, sex, marital status, age, sexual orientation or physical handicap in the sale, lease, rental, use or occupancy of any property, or any improvements erected or to be erected in the Area or any part thereof, and those covenants shall run with the land and shall be enforceable by the LCRA, the City, and the United States of America, as their interests may appear in the project.

The Redeveloper(s) shall fully comply (and ensure compliance by "anchor tenants") with the provisions of St. Louis City Ordinance #60275 (First Source Jobs Policy) which is codified at Chapter 3.90 of the Revised Ordinances of the City of St. Louis.

**EXHIBIT "F"**

**Blighting Report for the 101-217 Cass Ave.  
Redevelopment Area**

As outlined below, the Area suffers from a multitude of physical and economic deficiencies including defective and inadequate streets, insanitary or unsafe conditions, deteriorating or inadequate site improvements, improper subdivision or obsolete platting and conditions which endanger life or property by fire or other causes.

As a result of these factors the preponderance of the property in the Area is an economic liability for the City, its residents and the taxing districts that depend upon it as a revenue source, as well as a public, health and safety liability. It, therefore, qualifies as a "blighted area" as such time is defined in Section 99.320(3) of the Missouri Revised Statute (2000) as amended.

**Subject Property is:**  vacant land  unoccupied/occupied residential  
 unoccupied commercial

**Subject Property is:**  secured  unsecured

The subject property  has  has not a predominance of defective or inadequate streets  
If answer is yes, explain: \_\_\_\_\_

The subject property  has  has not insanitary or unsafe conditions  
If answer is yes, explain: There are six large unoccupied commercial/industrial buildings in the area. Unoccupied buildings are subject to illegal dumping, rat infestation, use by transients, and fire.

The subject property  has \_\_\_\_\_ has not deterioration of site conditions

If answer is yes, explain: The unoccupied buildings are significantly deteriorated, with rotten wood, broken and cracked steps, missing mortar, missing windows, damaged roofs, damaged walls, flaking paint, fire damage and missing systems.

The subject property \_\_\_\_\_ has  has not improper subdivision or absolute platting

If answer is yes, explain: \_\_\_\_\_

The subject property  has \_\_\_\_\_ has not conditions which endanger life or property by fire or other cause. If answer is yes, explain: There are six unoccupied buildings in the area which are subject to illegal dumping and use by transients, which combined make them a significant risk for fire.

The subject property \_\_\_\_\_ does  does not retard the provision of housing accommodations

If answer is yes, explain: \_\_\_\_\_

The subject property  does \_\_\_\_\_ does not constitute an economic liability

If answer is yes, explain: The unoccupied buildings drag down the values of the surrounding properties.

The subject property  does \_\_\_\_\_ does not constitute a social liability

If answer is yes, explain: The conditions that endanger life or property by fire or other causes constitute a social liability.

The subject property  is \_\_\_\_\_ is not a menace to the public health, safety, morals or welfare in its present condition and use. If answer is yes, explain: The unoccupied building and vacant lots are subject to illegal dumping, rat infestation, and fire.

The subject property  is \_\_\_\_\_ is not detrimental because of dilapidation, deterioration, age or obsolescence. If answer is yes, explain: The buildings in the area are significantly deteriorated, with rotten wood, broken and cracked steps, missing mortar, missing windows, damaged missing roofs, damaged walls, flaking paint, fire damage and missing systems.

The subject property \_\_\_\_\_ is  is not detrimental because of lack of air sanitation or open space If answer is yes, explain: \_\_\_\_\_

The subject property \_\_\_\_\_ is  is not detrimental because of high density of population.

If answer is yes, explain: \_\_\_\_\_

The subject property \_\_\_\_\_ is  is not detrimental because of overcrowding of buildings, overcrowding of land. If answer is yes, explain: \_\_\_\_\_

The subject property  has \_\_\_\_\_ has not a combination of factors that are conducive to ill health, transmission of disease, infant mortality, and juvenile delinquency. If answer is yes, explain: The unoccupied buildings are subject to illegal dumping, rat infestation, use by transients, and fire.

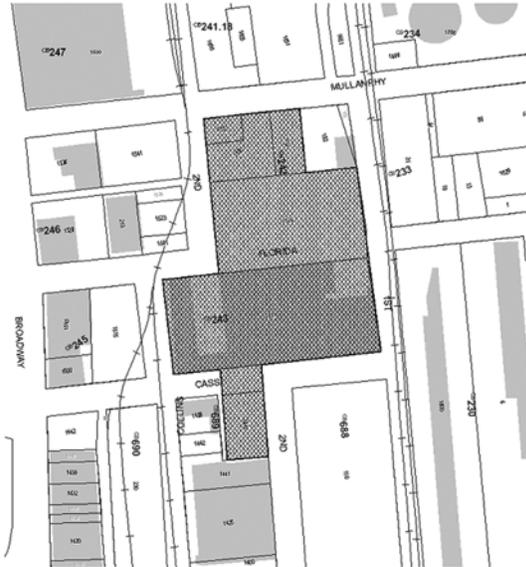
**Approved: July 20, 2011**

ORDINANCE NO. 68979 - EXHIBITS B, C & D



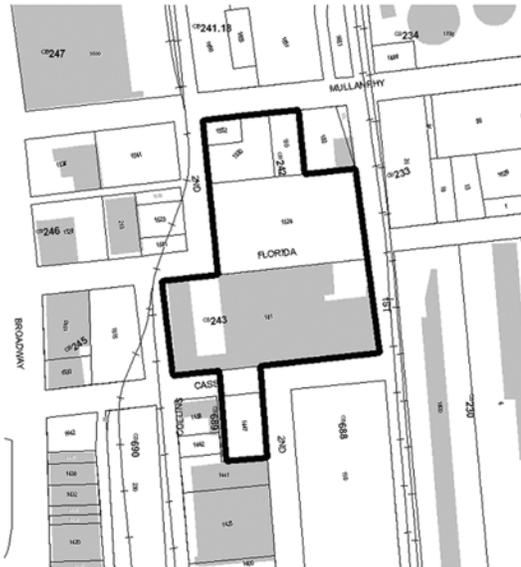
**Exhibit B**  
**Project Area Plan**  
 Cass Ave./N. 1st St./Mullanphy St./N. 2nd St.  
 Existing Uses and Conditions

- Unoccupied Commercial and Vacant Lots, Poor Condition
- Buildings
- Project Area Boundary
- City Block Number



**Exhibit C**  
**Project Area Plan**  
 Cass Ave./N. 1st St./Mullanphy St./N. 2nd St.  
 Proposed Land Uses

- Residential and Commercial Uses
- Project Area Boundary
- Buildings
- City Block Number



**Exhibit D**  
**Project Area Plan**  
 Cass Ave./N. 1st St./Mullanphy St./N. 2nd St.  
 Acquisition Map

- Project Area Boundary
- Buildings
- City Block Number

