

ORDINANCE #65486
Board Bill No. 303

AN ORDINANCE RECOMMENDED BY THE BOARD OF ESTIMATE AND APPORTIONMENT AUTHORIZING AND DIRECTING THE ISSUANCE AND DELIVERY OF NOT TO EXCEED \$2,250,000 PRINCIPAL AMOUNT OF TAX INCREMENT REVENUE NOTES (MLK PLAZA REDEVELOPMENT PROJECT), SERIES 2002, OF THE CITY OF ST. LOUIS, MISSOURI; PRESCRIBING THE FORM AND DETAILS OF THE TIF NOTES AND THE COVENANTS AND AGREEMENTS MADE BY THE CITY TO FACILITATE AND PROTECT THE PAYMENT THEREOF; AND PRESCRIBING OTHER MATTERS RELATING THERETO.

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 to 99.865, of the Revised Statutes of Missouri, as amended (the “Act”), authorizes the City to undertake redevelopment projects within designated areas of the City; and

WHEREAS, at the direction of the Board of Aldermen, staff and consultants have prepared a plan for redevelopment titled “MLK Plaza Tax Increment Financing Redevelopment Plan,” dated November 2, 2001 (the “Redevelopment Plan”), for City Blocks 1862 and 1864, which blocks are generally bounded by North Grand Boulevard on the east, North Spring Avenue on the west, Dr. Martin Luther King Drive on the north, and Page Avenue on the south (the “Redevelopment Area”), which Redevelopment Area is more fully described in the Redevelopment Plan; and

WHEREAS, on _____, 2002, the City adopted Ordinance No. _____ [Board Bill No. 301], which (a) approved the Redevelopment Plan and designated the Redevelopment Area as a “redevelopment area” as provided for in the Act, (b) adopted the redevelopment project described in the Redevelopment Plan (the “*Redevelopment Project*”), (c) adopted tax increment allocation financing within the Redevelopment Area and (d) established the “City of St. Louis, Missouri, Special Allocation Fund for the MLK Plaza Redevelopment Project (the “*Special Allocation Fund*”); and

WHEREAS, on _____, 2002, the City adopted Ordinance No. _____ [Board Bill No. 302], which authorized the City to enter into a Redevelopment Agreement with Page Partners, LLC, (collectively, the “*Developer*”); and

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

WHEREAS, the City desires to issue, from time to time, its Tax Increment Revenue Notes (MLK Plaza Redevelopment Project), Series 2002 (the “*TIF 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 TIF Notes from time to time at a private sale, without advertisement, to the Original Purchaser 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 TIF Notes be issued and secured in the form and manner as hereinafter provided to carry out the Redevelopment Project.

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

ARTICLE I.
DEFINITIONS

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, as amended.

“*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 corporation or enterprise with total assets in excess of \$50,000,000.

“*Approving Ordinances*” means Ordinance Nos. _____ and _____ [Board Bill Nos. 301 and 302] adopted by the City on _____, 2002, pertaining to the approval of the Redevelopment Plan and the Redevelopment Project, the designation of the Redevelopment Area, the adoption of tax increment financing and the execution of the Redevelopment Agreement.

“*Authorized Denominations*” means an initial amount of \$250,000 or any integral multiple of \$5,000 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, which TIF Note may be issued in any integral multiple of \$1,000, subject to the limitation provided in **Section 201** of this Ordinance.

“*Available Revenues*” means (a) all monies on deposit in the PILOTs Account of the Special Allocation Fund; (b) all monies on deposit in the Economic Activity Tax Account of the Special Allocation Fund 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 written notification from the Developer to the City in substantially the same form of Exhibit B to the Redevelopment Agreement, indicating that the Developer has satisfied the conditions set forth in Section 7(D)(i) of the Redevelopment Agreement.

“*Certificate of Reimbursable Redevelopment Project Costs*” means a document substantially in the form of Exhibit A to the Redevelopment Agreement provided by the Developer to the City evidencing Reimbursable Redevelopment Project Costs incurred by the Developer.

“*Certificate of Substantial Completion*” means a document substantially in the form of Exhibit C to the Redevelopment Agreement issued by the Developer to the City in accordance with the Redevelopment Agreement and evidencing the Developer’s satisfaction of all obligations and covenants to construct the Redevelopment Project in accordance with the Redevelopment Plan and the Redevelopment Agreement.

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

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

“*Debt Service Reserve Fund*” means the fund by that name created in **Section** ____ of this Ordinance.

“*Developer*” means Page Partners, LLC, a Missouri limited liability company, or their permitted successors or assigns in interest.

“*Economic Activity Taxes*” or “*EATs*” means 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 Redevelopment Area over the amount of such taxes generated by economic activities within the Redevelopment Area in the calendar year ending December 31, 2001 (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, licenses, fees or special assessments, 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.

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

“*Government Obligations*” means direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America.

“*Issuance Costs*” means all costs reasonably incurred by the City in furtherance of the issuance of TIF Notes, not to exceed, in the aggregate, six thousand seven hundred fifty dollars (\$6,750.00), including but not limited to, the fees and expenses of financial advisors and consultants, the City’s attorneys (including issuer’s counsel and Bond Counsel), the City’s administrative fees and expenses (including fees and costs of planning consultants), underwriters’ discounts and fees, the costs of printing the 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 the TIF Notes.

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

“*Municipal Revenues*” means, subject to annual appropriation, one-half of the total additional revenues from the following EATs which are imposed by the City, which are not otherwise subject to allocation pursuant to Section 99.845.3 of the Act: (a) the general municipal sales tax levied pursuant to Ordinance No. 62884, or any successor thereto (currently 0.375%), (b) the general municipal sales tax levied pursuant to Ordinance No. 55497, as amended by Ordinance Nos. 57179 and 57979, or any successor thereto (currently 1.00%), (c) the transportation sales tax levied pursuant to Ordinance No. 56553, or any successor thereto (currently 50%) and (d) the capital improvements sales tax levied pursuant to Ordinance No. 62885, or any successor thereto (currently 0.50%), in each case less the costs of collection thereof. Municipal Revenues exclude (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.

“*Original Purchaser*” means the Developer or a Related Entity, as that term is defined in the Redevelopment Agreement, which Related Entity shall be designated by the Developer as the Original Purchaser.

“*Owner*” means, when used with respect to any TIF Note, the present holder of any of the TIF Notes.

“*Payment Date*” means, with respect to any TIF Note, each June 1 and December 1, commencing with the first June 1 or December 1 that immediately succeeds the City’s acceptance of the Certificate of Substantial Completion as provided in the Redevelopment Agreement.

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

“*Redevelopment Agreement*” means that certain Redevelopment Agreement dated as of _____, 2002, by and between the City and the Developer, as may be amended from time to time.

“*Redevelopment Area*” means the Redevelopment Area identified as such in the Redevelopment Agreement and more particularly described in **Exhibit A**, attached hereto and incorporated herein by reference.

“*Redevelopment Plan*” means the plan titled “MLK Plaza Tax Increment Financing Redevelopment Plan,” as approved by the City on _____, 2002, pursuant to Ordinance No. _____ [Board Bill No. _____], as such plan may from time to time be amended in accordance with the TIF Act.

“*Redevelopment Project*” means that redevelopment project contemplated by the Redevelopment Plan and the Redevelopment Agreement.

“*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 those Redevelopment Project Costs as described in Exhibit E to the Redevelopment Agreement for which the Developer is eligible for reimbursement in accordance with the Redevelopment Agreement.

“*Special Allocation Fund*” means the City of St. Louis, Missouri, Special Allocation Fund for the MLK Plaza Redevelopment Project, created by Ordinance No. _____ [Board Bill No. _____] adopted by the City on _____, 2002, and including the accounts into which TIF Revenues and Municipal Revenues are from time to time deposited in accordance with the TIF Act, the Redevelopment Agreement and this Ordinance, as ratified and further described in **Section 301** hereof.

“*Taxable TIF Notes*” means the City’s Taxable Tax Increment Revenue Notes (MLK Plaza Redevelopment Project), Series 2002, as further described in **Article II** hereof.

“*Tax-Exempt TIF Notes*” means the City’s Tax-Exempt Tax Increment Revenue Notes (MLK Plaza Redevelopment Project), Series 2002, as further described in **Article II** hereof.

“*TIF Notes*” means the not to exceed \$2,250,000 Tax Increment Revenue Notes (MLK Plaza Redevelopment Project), Series 2002, issued by the City pursuant to and subject to this Ordinance in substantially the form set forth in **Exhibit A**, attached hereto and incorporated herein by reference.

“*TIF Revenues*” means: (1) PILOTs, and (2) fifty percent (50%) of the EATs.

Section 102 Rules of Construction. For all purposes of this Ordinance, except as otherwise expressly provided or unless the context otherwise requires:

- (a) Words of masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders.
- (b) Words importing the singular number shall include the plural and vice versa and words importing person shall include firms, associations and corporations, including public bodies.
- (c) The headings and captions herein are not a part of this document.
- (d) Terms used in an accounting context and not otherwise defined shall have the meaning ascribed to them by generally accepted principles of accounting.
- (e) 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 201 Authorization of TIF Notes. There are hereby authorized and directed to be issued two series of the TIF Notes in an aggregate principal amount not to exceed \$2,250,000. The TIF Notes shall be in substantially the form of **Exhibit B**, attached hereto and incorporated herein by reference.

Section 202 Description of TIF Notes.

- (a) *Title of TIF Notes.* There shall be issued one series of one or more Taxable TIF Notes in an aggregate principal amount not to exceed \$2,250,000 authorized hereunder and one series of one or more Tax-Exempt TIF Notes in an aggregate principal amount not to exceed \$2,250,000 less the aggregate principal amount of Taxable TIF Notes. The Taxable TIF Notes shall be designated “Taxable Tax Increment Revenue Notes (MLK Plaza Redevelopment Project), Series 2002”. The Tax-Exempt TIF Notes shall be designated “Tax-Exempt Tax Increment Revenue Notes (MLK Plaza Redevelopment Project), Series 2002”. 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**, 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 date of adoption of this Ordinance. The Taxable TIF Notes and the Tax Exempt TIF Notes shall each bear interest at seven and one-half percent (7-1/2%) per annum. 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. Interest that accrues but remains unpaid on any Payment Date shall be compounded semi-annually.

(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 207**, 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 TIF Notes and the original **Schedule A** thereto shall be held by the Finance Officer in trust, unless otherwise directed in writing by the Owners thereof. If the TIF Notes are 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 207** of this Ordinance.

Section 203 Finance Officer to Serve as Paying Agent and Registrar. The Finance Officer 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 204 Security for TIF Notes. All TIF Notes shall be equally and ratably secured by Available Revenues and, as set forth in Section 406, the Municipal Revenues. 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 and, as set forth in Section 406, the Municipal 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. 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 205 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 at his/her offices on each Payment Date upon presentation of the applicable TIF Notes by a duly authorized representative of the Owner. Principal and interest shall be payable by check or draft at the office of the Finance Officer to the person in whose name such TIF Note is registered on the Register on each Payment Date.

Section 206 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 or transferred or assigned to Approved Investors 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 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 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 minimum denominations or multiples of Five Thousand Dollars (\$5,000) 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 207 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, the Comptroller and the Treasurer of the City, attested by the manual or facsimile signature of the Register of the City, 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, Comptroller, Treasurer and Register of the City 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 **Exhibit B** hereto, 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 shall be initially executed and authenticated by the City upon acceptance of the following (i) a Certificate of Commencement of Construction; (ii) a Certificate of Reimbursable Redevelopment Project Costs evidencing that the Developer has incurred Reimbursable Redevelopment Project Costs of at least \$250,000; and (iii) evidence of the Developer's lender's commitment to finance the Redevelopment Project containing reasonably attainable conditions precedent to lender's obligation to finance, or certification by the Developer that financing for the Redevelopment Project has been obtained; (iv) notice of the Developer's acquisition of all property necessary to construct the Redevelopment Project; and (v) payment of the City's Issuance Costs in connection with the TIF Notes.

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. Thereupon, pursuant to **Section 202(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 Notes.

Upon acceptance by the City of such a Certificate of Reimbursable Redevelopment Project Costs in accordance with the 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 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.

Section 208 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 209 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 canceled and destroyed, and shall file an executed counterpart of such certificate with the City.

ARTICLE III. REDEMPTION AND PAYMENT OF PRINCIPAL AND INTEREST

Section 301 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 502** of this Ordinance. If only a partial redemption is to occur, then each TIF Note 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.

Section 302 Special Mandatory Redemption. The TIF Notes are subject to special mandatory redemption by the City on each Payment Date, at a redemption price equal to 100% of the principal amount being redeemed, together with accrued interest thereon to the date fixed for redemption, in an amount equal to Available Revenues on deposit in the applicable account of the Special Allocation Fund and which will not be required for the payment of interest on such Payment Date.

Section 303 Mandatory Redemption. The TIF Notes are subject to mandatory redemption by the City on each Payment Date in a principal amount equal to the amount that amortizes the aggregate principal amount of the outstanding TIF Notes, using substantially level debt service, over the period of time remaining from the date of the first mandatory redemption until the maturity date. Promptly following the acceptance by the City of the Certificate of Substantial Completion, the City's financial advisor shall prepare and deliver to the City, the Finance Officer and each Registered Owner a Schedule of Amortization, to be attached as **Schedule B** to the TIF Notes, which Schedule of Amortization, absent manifest error, shall be binding upon the City, the Finance Officer and each Registered Owner. In the event Available Revenues are deficient in the payment of scheduled principal and interest due on any Payment Date, the Finance Officer shall transfer from the Debt Service Reserve Account the amount of such deficiency.

ARTICLE IV. FUNDS AND REVENUES

Section 401 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 and within it the following separate funds and accounts:

- (a) a Revenue Fund and, within it, a PILOTs Account, an EATs Account and a Municipal Revenues Account, into which all TIF Revenues and Municipal Revenues shall be deposited;
- (b) a Debt Service Fund;
- (c) a Project Fund; and
- (d) a Debt Service Reserve Fund.

Section 402 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 and the Approving Ordinances so long as any TIF Notes remain outstanding hereunder.

Section 403 Revenue Fund.

(a) On or before 12:00 noon on the first business day of each calendar month while the TIF Notes remain outstanding, the City shall transfer all Available Revenues to the Finance Officer for deposit into the Revenue Fund.

(b) Moneys in the Revenue Fund shall be disbursed by the Finance Officer on each Payment Date, first from the EATs Account and then from the PILOTs Account, for the purposes and in the amounts as follows:

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

Second, to the Debt Service Fund, an amount sufficient to pay all or any portion of the scheduled interest becoming due and payable on any TIF Notes on such Payment Date;

Third, to the Debt Service Fund, an amount sufficient to pay past due principal owing as a result of prior deficiencies of moneys to redeem Outstanding Notes on each Payment;

Fourth, to the Debt Service Fund, an amount sufficient to pay all or any portion of scheduled principal of any TIF Notes which are subject to redemption on such Payment Date; and

Fifth, to the Debt Service Fund, an amount sufficient to pay the principal of any TIF Notes that are subject to redemption pursuant to **Section 302** of this Ordinance.

(c) 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 this Ordinance), payment in full of the fees and expenses of the Comptroller 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 404 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, 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 405 Project Fund. Upon the acceptance by the City of a Certificate of Reimbursable Redevelopment Project Costs and the issuance or endorsement of a TIF Note pursuant to **Section 207** of this Ordinance, 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 in full for such costs from the amounts deemed to be on deposit in the Project Fund.

Section 406 Debt Service Reserve Fund.

(a) On or before 12:00 noon on the first business day of each calendar month while the TIF Notes remain outstanding, the City shall transfer all Municipal Revenues to the Finance Officer for deposit into the Debt Service Reserve Fund.

(b) Amounts in the Debt Service Reserve Fund shall be used solely for the payment of scheduled principal of and interest on the TIF Notes if moneys otherwise available in the Debt Service Fund for such purpose are insufficient to pay the same as they become due and payable according to the Schedule of Amortization set forth on **Schedule B**. The Debt Service Reserve Fund will initially be funded from Municipal Revenues.

(c) In the event that funds in the Debt Service Fund are insufficient to provide for a scheduled payment according to the Schedule of Amortization set forth on **Schedule B**, the City hereby authorizes and directs the Finance Officer to withdraw sufficient moneys from the Debt Service Reserve Fund and deposit the funds in the Debt Service Fund to pay the scheduled 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 scheduled principal of and interest on the TIF Notes.

(d) Should the funds in the Debt Service Reserve Fund exceed one year debt service as shown on **Schedule B**, the remaining funds shall remain in the Debt Service Reserve Fund to apply to the succeeding year(s) debt service.

(e) 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 Reserve Fund shall be declared as surplus and distributed in the manner provided in the Act.

Section 407 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 501 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 of enjoin any acts or things which may be unlawful or in violation of the rights of the Owner.

Section 502 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 503 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 601 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 602 Investment of Moneys. Moneys held in any fund or account referred to in this Ordinance shall be invested by the City in Government Obligations or in time or demand deposits or in certificates of deposit issued by any bank having combined capital, surplus and undivided profits of at least Fifty Million Dollars (\$50,000,000) but only to the extent such time or demand deposits or certificates of deposit are fully insured by the Federal Deposit Insurance Corporation; provided, however, that no such investment shall be made for a period extending longer than the date when the moneys invested may be needed for the purpose for which such fund was created. All earnings on any investments held in any fund shall accrue to and become a part of such fund or account.

ARTICLE VII. MISCELLANEOUS PROVISIONS

Section 701 Covenant to Request Appropriations. The City agrees that the officer of the City at any time charged with the responsibility of formulating budget proposals will be directed to include in the budget proposal submitted to the Board of Aldermen for each fiscal year that the TIF Notes are outstanding a request for 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 403** of this Ordinance.

Section 702 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 Developer 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 Comptroller, the Treasurer, the Register and the Finance Officer, 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 703 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 704 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 705 Execution of Documents; Further Authority. The City is hereby authorized to enter into and the Mayor, the Comptroller and the Treasurer 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 Comptroller, the Treasurer 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 706 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 707 Governing Law. This Ordinance shall be governed exclusively by and constructed in accordance with the applicable internal laws of the State of Missouri.

Section 708 Private Sale. The City Council 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 709 Effective Date. This Ordinance shall become effective upon adoption by the Board of Aldermen and approval by the Mayor or failure of the Mayor to so approve or disapprove within twenty (20) days after its presentation to the Mayor.

Clerk, Board of Aldermen

Vice President, Board of Aldermen

Approved: Date: _____

Mayor

Truly Engrossed and Enrolled

Chairman

**EXHIBIT A
Legal Description of Redevelopment Area**

Beginning at the point of intersection of the west line of North Spring Avenue, 56 feet wide, and the north line of Dr. Martin Luther King Drive, 80 feet wide, thence southeastward along the north line of Dr. Martin Luther King Drive to the intersection with the east line of North Grand Blvd., thence southward along the east line of North Grand Blvd., 80 feet wide, across all intervening streets and alleys to the intersection with south line of Page Blvd., thence eastward along the south line of Page Blvd. across all intervening alleys to the intersection with the west line of North Spring Avenue, thence northward along the west line of North Spring Avenue, across all intervening streets and alleys, to the point of beginning. Also being described as City Blocks 1862 and 1864, including all adjacent and intervening streets and alleys.

**EXHIBIT B
Form of Note**

THIS TIF NOTE OR ANY PORTION HEREOF MAY BE TRANSFERRED, ASSIGNED OR NEGOTIATED ONLY TO "APPROVED INVESTORS," AS DEFINED HEREIN, AND IN ACCORDANCE WITH THE PROVISIONS HEREOF.

**UNITED STATES OF AMERICA
STATE OF MISSOURI**

**Registered
No. R-__**

**Registered
Not to Exceed \$**

(See Schedule A attached)

CITY OF ST. LOUIS, MISSOURI

**[TAXABLE][TAX-EXEMPT] TAX INCREMENT REVENUE NOTE
(MLK PLAZA REDEVELOPMENT PROJECT)
SERIES 2002**

Rate of Interest: Maturity Date: Dated Date: CUSIP Number:
7-1/2% _____, 2025 _____, 2002 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 June 1 and December 1 (each, a "Payment Date"), commencing on the first June 1 or December 1 following the acceptance of the Certificate of Substantial Completion in accordance with the Redevelopment Agreement among the City, Mound City Group, LLC, and MLK Development, L.L.C. dated as of _____, 2002 (the "Redevelopment Agreement"), until the TIF Notes are paid in full. 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. Interest that accrues but remains unpaid on any Payment Date shall be compounded semi-annually.

Except as otherwise provided herein, the capitalized terms herein shall have the meanings as provided in Ordinance No. _____ [Board Bill _____] adopted by the Board of Aldermen on _____, 2002 (the "Ordinance") or the Redevelopment Agreement.

THE OBLIGATIONS OF THE CITY WITH RESPECT TO THIS TIF NOTE TERMINATE ON _____ 2025, WHETHER OR NOT THE PRINCIPAL AMOUNT OR INTEREST HEREON HAS BEEN PAID IN FULL. REFERENCE IS MADE TO THE ORDINANCE FOR A COMPLETE DESCRIPTION OF THE CITY'S OBLIGATIONS HEREUNDER.

Subject to the preceding paragraph, the principal of and interest on this TIF Note shall be paid at maturity or upon earlier redemption as provided in **Article III** of the Ordinance to the person in whose name this TIF Note is registered at the maturity or redemption date hereof, upon presentation and surrender of this TIF Note at the payment office of the Comptroller of the City or her authorized agent (the "Finance Officer"). The principal of and interest on the TIF Notes shall be payable in any coin or currency of the United States of America which, at the respective dates of payment thereof, is legal tender for the payment of debts due the United States of America. The principal of or interest on this TIF Note shall be payable by check or draft at the office of the Finance Officer to the person in whose name this TIF Note is registered on the Register on each Payment Date. Except as otherwise provided in Section 208 of the Ordinance with respect to mutilated, destroyed, lost or stolen TIF Notes, no principal on the TIF Notes is payable unless the Owner thereof has surrendered such TIF Notes at the office of the Finance Officer.

This TIF Note is one of an authorized series of fully registered Notes of the City designated "City of St. Louis, Missouri, [Taxable][Tax-Exempt] Tax Increment Revenue Notes (MLK Plaza Redevelopment Project), Series 2002," issued in an aggregate principal amount of not to exceed \$2,250,000 (the "Notes"). The TIF Notes are being issued for the purpose of paying a portion of the Redevelopment Project Costs in connection with the Redevelopment Plan, under the authority of and in full compliance with the Constitution and laws of the State of Missouri, including particularly the Real Property Tax Increment Allocation Redevelopment Act, Sections 99.800 to 99.865, of the Revised Statutes of Missouri, as amended (the "Act"), and pursuant to the Ordinance.

The TIF Notes and the interest thereon 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 (a) all monies on deposit in the PILOTs Account of the Special Allocation Fund; and (b) all monies on deposit in the Economic Activity Tax Account of the Special Allocation Fund 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 (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 Ordinance) over and above the initial equalized assessed valuation (as provided for by Section 99.855 of the Act) of each taxable lot, block, tract or parcel of real property in the Redevelopment Area, as paid to the City's Treasurer by the City's Collector of Revenue during the term of the Redevelopment Plan and the Redevelopment Project (herein referred to as "PILOTs").

The monies on deposit in the EATs Account of the Special Allocation Fund are those amounts equal to fifty percent (50%) of the total additional revenues from taxes which are imposed by the City or any other taxing district (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, 2001 (subject to annual appropriation by the City as provided in the Act), during the term of the Redevelopment Plan and Redevelopment Project, but excluding therefrom 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, 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 (herein referred to as "EATs").

All TIF Notes shall be equally and ratably secured by Available Revenues and, as set forth herein, the Municipal Revenues. 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 and, as set forth herein, the Municipal 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. **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).**

Available Revenues shall be applied, first from the EATs Account and then from the PILOTs Account, to payments on this TIF Note as follows:

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

Second, to the Debt Service Fund, an amount sufficient to pay all or any portion of the scheduled interest becoming due and payable on any TIF Notes on such Payment Date; and

Third, to the Debt Service Fund, an amount sufficient to pay past due principal owing as a result of prior deficiencies of moneys to redeem Outstanding Notes on each Payment.

Fourth, to the Debt Service Fund, an amount sufficient to pay all or any portion of scheduled principal of any TIF Notes which are subject to redemption on such Payment Date.

Fifth, to the Debt Service Fund, an amount sufficient to pay the principal of any TIF Notes that are subject to redemption pursuant to **Section 302** of this Ordinance.

Upon the payment in full of the principal of and interest on the TIF Notes (or provision has been made for the payment thereof as specified in this Ordinance), payment in full of the fees and expenses of the Comptroller 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, the Debt Service Fund and the Debt Service Reserve Fund shall be declared as surplus and distributed in the manner provided in the Act.

The City covenants that the officer of the City at any time charged with the responsibility of formulating budget proposals will be directed to include in the budget proposal submitted to the Board of Aldermen of the City for each fiscal year that the TIF Notes are outstanding a request for 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 403** of the Ordinance.

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

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

The TIF Notes are subject to mandatory redemption by the City on each Payment Date in a principal amount equal to the amount that amortizes the aggregate principal amount of the outstanding TIF Notes, using substantially level debt service, over the period of time remaining from the date of the first mandatory redemption until the maturity date. Promptly following the acceptance by the City of the Certificate of Substantial Completion, the City's financial advisor shall prepare and deliver to the City, the Finance Officer and each Registered Owner a Schedule of Amortization, to be attached as **Schedule B** to the TIF Notes, which Schedule of Amortization, absent manifest error, shall be binding upon the City, the Finance Officer and each Registered Owner. In the event Available Revenues are deficient in the payment of scheduled principal and interest due on any Payment Date, the Finance Officer shall transfer from the Debt Service Reserve Account the amount of such deficiency.

"Municipal Revenues" means, subject to annual appropriation, one-half of the fifty percent (50%) of the total additional revenues from the following EATs which are imposed by the City, which are not otherwise subject to allocation pursuant to Section 99.845.3 of the Act, including: (a) the general municipal sales tax levied pursuant to Ordinance No. 62884, or any successor thereto (currently 0.375%), (b) the general municipal sales tax levied pursuant to Ordinance No. 55497, as amended by Ordinance Nos. 57179 and 57979, or any successor thereto (currently 1.00%), (c) the transportation sales tax levied pursuant to Ordinance No. 56553, or any successor thereto (currently 50%) and (d) the capital improvements sales tax levied pursuant to Ordinance No. 62885, or any successor thereto (currently 0.50%), in each case less the costs of collection thereof, but 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, shall be allocated to and deposited into the Debt Service Reserve Account for redemption of the TIF Notes.

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

TIF Notes shall be redeemed only in the principal amount of Five Thousand Dollars (\$5,000) or any integral multiple thereof. When less than all of the outstanding TIF Notes are to be redeemed and paid prior to maturity, such TIF Notes shall be selected by the Finance Officer in Five Thousand Dollar (\$5,000) units of face value in such equitable manner as the Finance Officer may determine.

The TIF Notes are issuable in the form of fully registered Notes without coupons in an initial denomination of Two Hundred

Fifty Thousand Dollars (\$250,000) or any integral multiple Five Thousand Dollars (\$5,000) in excess thereof, except with respect to the Note issued upon acceptance by the City of the final Certificate of Reimbursable Redevelopment Project Costs, which Note may be issued in the denomination of One Thousand Dollars (\$1,000) or any integral multiple thereof, subject to the limitation on the aggregate Principal Amount.

This TIF Note may be transferred or exchanged as provided in the Ordinance only upon the Register, upon surrender of this TIF Note together with a written instrument of transfer satisfactory to the Finance Officer duly executed by the Registered Owner or the Registered Owner's duly authorized agent.

THE OWNER HEREOF EXPRESSLY AGREES, BY SUCH OWNER'S ACCEPTANCE HEREOF, THAT THE RIGHT TO PURCHASE, TRANSFER, ASSIGN OR NEGOTIATE THIS TIF NOTE SHALL BE LIMITED TO PURCHASE, TRANSFER, ASSIGNMENT OR NEGOTIATION TO APPROVED INVESTORS AND UPON THE EXECUTION BY THE PROPOSED PURCHASER OR TRANSFEREE OF AN INVESTMENT LETTER IN SUBSTANTIALLY THE FORM OF EXHIBIT C TO THE ORDINANCE, SIGNED BY THE PROPOSED PURCHASER OR TRANSFEREE, SHOWING THAT THE PROPOSED PURCHASER OR TRANSFEREE IS AN APPROVED INVESTOR. "Approved Investor" means (a) the Developer, (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 corporation or enterprise with total assets in excess of \$25,000,000.

Subject to the limitations of the preceding paragraph, upon surrender thereof at the office of the Finance Officer, the Finance Officer shall transfer or exchange any TIF Note for a new TIF Note of the same maturity and in the same principal amount as the Outstanding principal amount of the TIF Note that was presented for transfer or exchange. Any TIF Note presented for transfer or exchange shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in a form and with guarantee of signature satisfactory to the Finance Officer, duly executed by the Registered Owner thereof or by the Registered Owner's duly authorized agent.

This TIF Note shall not be valid or binding on the City or be entitled to any security or benefit under the Indenture until the Certificate of Authentication hereon has been executed by the Finance Officer.

IT IS HEREBY CERTIFIED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of the TIF Notes have existed, happened and been performed in due time, form and manner as required by law.

IN WITNESS WHEREOF, the **CITY OF ST. LOUIS, MISSOURI** has executed this TIF Note by causing it to be signed by the manual or facsimile signature of its Mayor, Comptroller and Treasurer and attested by the manual or facsimile signature of its City Register, and its official seal to be affixed or imprinted hereon, and this TIF Note to be dated as of the effective date of registration as shown on **Schedule A** attached hereto.

CITY OF ST. LOUIS, MISSOURI

By: _____
Mayor

By: _____
Comptroller

By: _____
Treasurer

Attest:

(Seal)

City Register

Approved as to Form:

City Counselor

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

(Print or Type Name, Address and Social Security Number or other Taxpayer Identification Number of Transferee)

the within TIF Note and all rights thereunder, and hereby irrevocably constitutes and appoints _____ agent to transfer the within Note on the books kept by the Finance Officer for the registration thereof, with full power of substitution in the premises.

Dated: _____.

NOTICE: The signature to this assignment must correspond with the name of the Registered Owner as it appears on the face of the within Note in every particular.

Signature Guaranteed By:

(Name of Eligible Guarantor Institution)

By: _____
Title: _____

NOTICE: Signature(s) must be guaranteed by an eligible guarantor institution as defined by SEC Rule 17Ad-15 (17 CFR 240.17Ad-15).

SCHEDULE A

CERTIFICATE OF AUTHENTICATION

This TIF Note is one of the Series 2002 TIF Notes described in the within-mentioned Ordinance.

<u>Date⁽¹⁾</u>	<u>Additions to Principal Amount⁽²⁾</u>	<u>Principal Amount Paid</u>	<u>Outstanding Principal Amount</u>	<u>Authorized Signatory of Finance Officer</u>
_____, ____	\$	\$	\$	
_____, ____				
_____, ____				
_____, ____				
_____, ____				
_____, ____				
_____, ____				
_____, ____				
_____, ____				
_____, ____				
_____, ____				

_____,
_____,

- (1) Date of approval of each Certificate of Reimbursable Redevelopment Project Costs, as provided in Section 7 of the Redevelopment Agreement (which constitutes Date of Authentication with respect to such portion of the Note) or Payment Date. Limited to once every other calendar month.
- (2) Limited to Advances of \$250,000 or any \$5,000 increment in excess thereof, except with respect to an advance pursuant to the final Certificate of Reimbursable Redevelopment Project Costs, which may be in the denomination of \$1,000 or any integral multiple thereof.

SCHEDULE C

SCHEDULE OF AMORTIZATION

(To be provided upon approval of Certificate of Substantial Completion.)

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 \$2,250,000 City of St. Louis, Missouri, Tax Increment Revenue Notes, (MLK Plaza Redevelopment Project), Series 2002

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 \$2,250,000 aggregate principal amount of Tax Increment Revenue Notes, (MLK Plaza Redevelopment Project), Series 2002 (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. ____ of the City adopted on _____, 2002 (the "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 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 7 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 7 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 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: April 1, 2002