ORDINANCE #65720
Board Bill No. 329
Committee Substitute

AN ORDINANCE RECOMMENDED BY THE BOARD OF ESTIMATE AND APPORTIONMENT AUTHORIZING AND DIRECTING THE ISSUANCE AND DELIVERY OF NOT TO EXCEED $3,264,200 PRINCIPAL AMOUNT OF TAX INCREMENT REVENUE NOTES (PAUL BROWN 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 through 99.865, as amended (the "Act"), authorizes the City to undertake redevelopment project 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 "Redevelopment Plan-Paul Brown/Arcade Redevelopment Area" dated August 14, 2002 (the "Redevelopment Plan"), for an area generally bounded by Olive Street on the North, 8th Street on the East, Pine Street on the South, and 9th Street on the West (the "Redevelopment Area"), which Redevelopment Area is more fully described in the Redevelopment Plan; and

WHEREAS, on _____, 2002 after due consideration of the TIF Commission's recommendations and after proper notice of certain amendments to the Redevelopment Plan that did not enlarge the exterior boundaries of the Redevelopment Area, did not substantially affect the general land uses established in the Redevelopment Plan or substantially change the nature of the Redevelopment Project, the Board of Aldermen adopted: (1) Ordinance No. [Board Bill No. 326] which (i) designated as a "redevelopment area" a certain portion of the City (the "Redevelopment Area"), (ii) approved the Redevelopment Plan, and (iii) approved the redevelopment project for redevelopment project area number 1 identified in the Redevelopment Plan (the "RPA 1 Project"); (2) Ordinance No. _____ [Board Bill No. 327] which (i) adopted tax increment allocation financing within RPA 1, and (ii) established the Special Allocation Fund; and (3) authorized the City to enter into a Redevelopment Agreement with Developer as defined herein; 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 (Paul Brown Redevelopment Project) Series 2002 (the "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 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.

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

ARTICLE I.
DEFINITIONS

SECTION 101 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, (d) any general business corporation or enterprise with total assets in excess of $50,000,000, (e) the United States Department of Housing and Urban Development ("HUD") or any instrumentality thereof, or the Federal Housing Administration ("FHA"), a divisional unit of HUD, or (f) the mortgagee (or its assignee) under any mortgage loan relating to the Revenue Bonds, whether FHA-insured or otherwise, so long as such mortgagee or its assignee meets the requirements of (a), (b), (c) or (d) above.

"*Approving Ordinance"* means Ordinance No. _____ [Board Bill No. 326] adopted by the City on _____, 2002, designating the Redevelopment Area, approving the Redevelopment Plan and approving the Paul Brown Redevelopment Project.

"*Authorized Denominations"* means an initial amount of $100,000 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 RPA 1 PILOTs Sub-Account of the PILOTs Account of the Special Allocation Fund; (b) all monies on deposit in the RPA 1 EATs Sub-Account of 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 Gilmore & Bell, P.C., 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 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 B 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 401** of this Ordinance.

"*Developer"* means Paul Brown Developer, L.P., a Missouri limited partnership, or its permitted successors or assigns in interest.

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

"*EATs Account"* means the Economic Activity Tax Account within the Special Allocation Fund.

"*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, $25,000, including but not limited to the fees and expenses of financial advisors and consultants, the City's attorneys (including Special TIF Counsel and Bond Counsel), the City's administrative fees and expenses (including fees and costs of planning consultants), underwriters' discounts and fees, if any, 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 Approving Ordinance.

"*Mortgage Rate*" means the rate of interest per annum borne by that certain mortgage, which secures the mortgage note evidencing the loan (whether FHA-insured or otherwise) made to the Developer in connection with the Revenue Bonds.

"*Original Purchaser*" means the Developer or a Related Entity, 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.

"*Paul Brown Redevelopment Project*" means ^(a) the renovation and adaptive reuse of the Property into approximately 222 apartments, which will consist of approximately 106 affordable one and two bedroom apartments that will be low income housing subject to Section 42 of the Internal Revenue Code and Section 135.350, et seq. of the Missouri Revised Statutes and approximately 116 market rate one and two bedroom apartments; (b) the construction of approximately 130 parking spaces; and (c) the renovation of approximately four street level commercial spaces.

"*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 Commencement of Construction 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.

"*PILOTs Account*" means the PILOTs Account within the Special Allocation Fund.

"*Redevelopment Agreement*" means that certain Redevelopment Agreement dated as of _____ , 200__, between the City and the Developer, as may be amended from time to time.

"*Redevelopment Area*" means the area described as "Paul Brown/Arcade Redevelopment Area Boundary Description" in Exhibit C to the Redevelopment Agreement.

"*Redevelopment Plan*" means the plan titled Redevelopment Plan - Paul Brown/Arcade Redevelopment Area as approved by the City on _____ ___, 2002, pursuant to Ordinance No. _____ [Bill Board No. 326], as such plan may from time to time be amended in accordance with the TIF Act.

"*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.

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

"*Revenue Bonds*" means the revenue bonds to be issued by The Industrial Development Authority of the City of St. Louis, Missouri, or other issuer, the proceeds of which will be used to pay costs of renovating the Property.

"*RPA 1*" means that portion of the Redevelopment Area legally described on **Exhibit A,** attached hereto and incorporated herein by reference.

"*RPA 2*" means that portion of the Redevelopment Area legally described on **Exhibit D,** attached hereto and incorporated

herein by reference.

"RPA 1 EATs Sub-Account" means the RPA 1 Sub-Account of the EATs Account of the Special Allocation Fund into which Available Revenues generated within RPA 1 are deposited from time to time.

"RPA 1 PILOTs Sub-Account" means the RPA 1 Sub-Account of the PILOTs Account of the Special Allocation Fund into which Available Revenues generated within RPA 1 are deposited from time to time.

"Special Allocation Fund" means the Paul Brown/Arcade Special Allocation Fund created by Ordinance No. _____ [Board Bill No. 327] adopted by the City on _____, 2002, and including the accounts and sub-accounts for the Paul Brown Redevelopment Project into which TIF 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 401** hereof.

"Special TIF Counsel" means the law firm of Armstrong Teasdale LLP, or an attorney at law or a firm of the attorneys acceptable to the City.

"Taxable TIF Notes" means the City's Taxable Tax Increment Revenue Notes (the Paul Brown 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 (the Paul Brown Redevelopment Project), Series 2002, as further described in **Article II** hereof.

"TIF Notes" means the not to exceed $3,264,200 Tax Increment Revenue Notes (the Paul Brown Redevelopment Project) Series 2002, issued by the City pursuant to and subject to this Ordinance in substantially the form set forth in **Exhibit B**, attached hereto and incorporated herein by reference.

"TIF Revenues" means: (1) Payments in Lieu of Taxes attributable to the increase in the current equalized assessed valuation of each taxable lot, block, tract, or parcel of real property located within the RPA 1 over and above the initial equalized assessed value (as that term is used and described in Section 99.845.1 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 Paul Brown Redevelopment Project, and (2) 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 RPA 1 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, all as provided in Section 99.845 of the TIF Act, as amended from time to time.

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 $3,264,200. 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 $3,264,200 authorized hereunder and one series of one or more Tax-Exempt TIF Notes in an aggregate principal amount not to exceed $3,264,200 less the aggregate principal amount of Taxable TIF Notes. The Taxable TIF Notes shall be designated "Taxable Tax Increment Revenue Notes (Paul Brown Redevelopment Project), Series 2002". The Tax-Exempt TIF Notes shall be designated "Tax-Exempt Tax Increment Revenue Notes (Paul Brown 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 the Approving Ordinance. Each TIF Note shall bear simple interest at a fixed rate per annum at an interest rate equal to (i) the Mortgage Rate if the interest on such TIF Note, in the opinion of Bond Counsel, is not exempt from Federal income taxation (the "Taxable Note Rate"); or (ii) the Mortgage Rate less one and one half percent (1½%) (determined as of the date of the issuance) if the interest on such TIF Note, in the opinion of Bond Counsel, is exempt from Federal income taxation. 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. 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. 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 an Approved Investor 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; *provided, however*, that no bond trustee in connection with the Revenue Bonds and no governmental department, unit or agency specifically named as an Approved Investor in **Section 101** of this Note Ordinance, nor any instrumentality of such governmental department, unit or agency, shall be required to execute the investment letter set forth in **Exhibit C**, attached hereto. 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), except with respect to the TIF Notes issued upon acceptance by the City of the final Certificate of Reimbursable Redevelopment Project Costs, 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.

Notwithstanding anything herein to the contrary, the City hereby approves, and no prior consent shall be required in connection with (i) the right of the Developer to pledge its interest in any TIF Note or any portion thereof to secure any mortgage loan in connection with the Revenue Bonds, or any other loans, advances or extensions of credit to finance or from time to time refinance all or any part of the Paul Brown Redevelopment Project Costs, or (ii) the right of the holder of any such pledge, or transferee of any such pledge (or trustee or agent on its behalf) to transfer such interest due to foreclosure or transfer in lieu of foreclosure of the Property.

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 **Schedule A** of **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 Substantial Completion; (ii) a Certificate of Reimbursable Redevelopment Project Costs evidencing that the Developer has incurred Reimbursable Redevelopment Project Costs; and (iii) documentation establishing the cost of funds borrowed by Developer from a third party to advance all Redevelopment Project Costs necessary to complete the RPA 1 Project and the Work as set forth in the Redevelopment Agreement or to purchase such TIF Notes; (iv) an opinion of Bond Counsel regarding the taxable or tax-exempt nature of such TIF Notes; and (v) payment of the City's Issuance Costs in connection with the TIF Notes.

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. 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.

NOTWITHSTANDING ANY PROVISION IN THIS ORDINANCE OR IN THE TIF NOTES TO THE CONTRARY, THE TIF NOTES MAY BE SUBJECT TO CANCELLATION AND DISCHARGE BY THE CITY IN WHOLE WITHOUT PENALTY UNDER THE CONDITIONS SET FORTH IN SECTIONS 7.1 AND 7.2 OF THE REDEVELOPMENT AGREEMENT.

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 403** 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. 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 (5) 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 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, which amount of principal being redeemed shall be an amount equal to Available Revenues 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.

SECTION 303 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

(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. 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 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, (i) a PILOTs Account and within the PILOTs Account an RPA 1 PILOTs Sub-Account, and (ii) an EATs Account and within the EATs Account an RPA 1 EATs Sub-Account, into which all TIF Revenues shall be deposited;

(b) a Debt Service Fund; and

(c) a Project 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. 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 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 RPA 1 EATs Sub-Account of the EATs Account and then from the RPA 1 PILOTs Sub-Account of the PILOTs Account, for the purposes and in the amounts as follows:

First, to the Comptroller of the City and the St. Louis Development Corporation, an amount sufficient to pay all or any portion of the fees and expenses incurred by the Comptroller of the City and the St. Louis Development Corporation but not to exceed the lesser of Ten Thousand Four Hundred Eighty Eight Dollars ($12,800.00) or 0.4% of the Notes outstanding on January 1 of each calendar year, plus any accumulated deficiency from previous years, unless the City has incurred costs pursuant to Section 7.15 of the Redevelopment Agreement that have not otherwise been reimbursed to the City through the issuance of TIF Notes purchased by the Developer;

Second, 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;

Third, 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;

Fourth, 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;

Fifth, to the City all other remaining money to be declared as surplus and distributed in the manner provided in the Act, subject to **Section 403(c)** 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; provided, however, that if the City has (i) approved the projects in RPA 2, (ii) established RPA 2 sub-accounts of the Special Allocation Fund, (iii) designated a developer for projects in RPA 2 and (iv) received a fully executed redevelopment agreement pertaining to the projects in RPA 2, all amounts remaining on deposit in the Revenue Fund shall not be declared surplus and may be distributed in accordance with such redevelopment agreement and the Redevelopment Plan.

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.; *provided, however,* that if the City has (i) approved the projects in RPA 2, (ii) established RPA 2 EATs and PILOTs sub-accounts of the Special Allocation Fund, (iii) designated a developer for projects in RPA 2 and (iv) received a fully executed redevelopment agreement pertaining to the projects in RPA 2, all amounts remaining on deposit in the Revenue Fund shall not be declared surplus and may be distributed in accordance with the Redevelopment Plan.

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 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 four (4) 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 RPA 1 EATs Sub-Account of the EATs Account of 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 Pledge of Available Revenues. 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.

SECTION 703 Collection of Payments in Lieu of Taxes and Economic Activity Taxes. The City shall (a) take all lawful action within its control to cause the City Assessor to assess the real property and improvements within RPA 1 at the times and in the manner required by the Act, and (b) take such action as may be required to cause the City Collector and all other persons to pay all Economic Activity Taxes which are due to the City under the Act.

SECTION 704 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 705 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 706 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 707 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 708 Severability. If any section or other part of this Ordinance, whether large or small, is for any reason be held invalid, the invalidity thereof shall not affect the validity of the other provisions of this Ordinance.

SECTION 709 Governing Law. This Ordinance shall be governed exclusively by and constructed in accordance with the applicable internal laws of the State of Missouri.

SECTION 710 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 711 Repeal of Conflicting Ordinances. All ordinances or parts of ordinances in conflict with the provisions of this Ordinance are hereby repealed.

SECTION 712 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.

EXHIBIT A
Legal Description of RPA 1

(Paul Brown Boundary Description)

A tract being part of Olive, Ninth and Pine Streets and part of City Block 192; being more particularly described as follows: beginning at the intersection of the center line of Olive Street, 60 feet wide, with the northern extension of the western line of Ninth Street, 60 feet wide, thence south along said western line of Ninth Street a distance of 323.33 feet to the intersection of the western line of Ninth Street with the southern line of Pine Street, 60 feet wide, said point being the northeastern corner of City Block 275; thence east along the southern line of Pine Street a distance of 168.10 feet; thence north and parallel with Ninth Street a distance of 176.76 feet to a point; thence east and parallel with Olive Street a distance of 19.53 feet; thence north and parallel with Ninth Street

a distance of 146.76 feet to the center line of Olive Street; thence west along the center line of Olive Street 187.63 feet to the point of beginning.

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 $3,264,200
(See Schedule A attached)

CITY OF ST. LOUIS, MISSOURI

[TAXABLE][TAX-EXEMPT] TAX INCREMENT REVENUE NOTE
(Paul Brown Redevelopment Project)
SERIES 2002

Rate of Interest:	Maturity Date:	Dated Date:	CUSIP Number:
[___%][___%]	_____, 2025	_____, 200__	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 Commencement of Construction in accordance with the Redevelopment Agreement between the City and Paul Brown Developer, L.P. (the *"Developer"*), dated as of _____, 200_ (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 *"Note 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 NOTE 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 Note 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 Note 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 (Paul Brown Redevelopment Project) Series 2002," issued in an aggregate principal amount of not to exceed $3,264,200 (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 Note 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 RPA 1 PILOTs Sub-Account of the PILOTs Account of the Special Allocation Fund; and (b) all monies on deposit in the RPA 1 EATs Sub-Account of 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 RPA 1 PILOTs Sub-Account of 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 RPA 1 (as described in Exhibit A to the Note 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 RPA 1, 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.

The monies on deposit in the RPA 1 EATs Sub-Account of 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 RPA 1 over the amount of such taxes generated by economic activities within RPA 1 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.

All TIF Notes shall be equally and ratably secured by Available 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. 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 RPA 1 EATs Sub-Account and then from the RPA 1 PILOTs Sub-Account, to payments on this TIF Note as follows:

First, to the Comptroller of the City and the St. Louis Development Corporation, an amount sufficient to pay all or any portion of the fees and expenses incurred by the Comptroller of the City and the St. Louis Development Corporation but not to exceed the lesser of Ten Thousand Four Hundred Eighty Eight Dollars ($12,800.00) or 0.4% of the Notes outstanding on January 1 of each calendar year, plus any accumulated deficiency from previous years, unless the City has incurred costs pursuant to Section 7.15 of the Redevelopment Agreement that have not otherwise been reimbursed to the

City through the issuance of TIF Notes purchased by the Developer;

Second, 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;

Third, 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;

Fourth, 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;

Fifth, to the City all other remaining money to be declared as surplus and distributed in the manner provided in the Act, subject to the provisions set forth herein.

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 the Note 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 the Note Ordinance, all amounts remaining on deposit in the Revenue Fund and the Debt Service Fund shall be declared as surplus and distributed in the manner provided in the Act; *provided, however,* that if the City has (i) approved the projects in RPA 2, (ii) established RPA 2 sub-accounts of the Special Allocation Fund, (iii) designated a developer for projects in RPA 2 and (iv) received a fully executed redevelopment agreement pertaining to the projects in RPA 2, all amounts remaining on deposit in the Revenue Fund shall not be declared surplus and may be distributed in accordance with such redevelopment agreement and the Redevelopment Plan.

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 RPA 1 EATs Sub-Account of the EATs Account of 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 Note Ordinance.

NOTWITHSTANDING ANY PROVISION IN THE NOTE ORDINANCE OR IN THE TIF NOTES TO THE CONTRARY, THE TIF NOTES MAY BE SUBJECT TO CANCELLATION AND DISCHARGE BY THE CITY IN WHOLE WITHOUT PENALTY UNDER THE CONDITIONS SET FORTH IN SECTIONS 7.1 and 7.2 OF THE REDEVELOPMENT AGREEMENT.

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 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 minimum denominations of One Hundred Thousand Dollars ($100,000) or any integral multiple $5,000 in excess thereof, except with respect to the Notes issued upon acceptance by the City of the final Certificate of Reimbursable Redevelopment Project Costs, which Notes may be issued in any denomination, subject to the limitation on the aggregate Principal Amount.

This TIF Note may be transferred or exchanged as provided in the Note 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 NOTE 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 or any party or entity related to the Developer by one of the relationships described in Section 267(b) of the Internal Revenue Code of 1986, as amended, (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, (d) any general business corporation or enterprise with total assets in excess of $50,000,000, (e) the United States Department of Housing and Urban Development ("HUD") or any instrumentality thereof, or the Federal Housing Administration ("FHA"), a divisional unit of HUD, or (f) the mortgagee under any mortgage loan (whether FHA-insured or otherwise), so long as such mortgagee or its assignee meets the requirements of (a), (b), (c) or (d) above, relating to the Revenue Bonds. NOTWITHSTANDING ANYTHING CONTAINED HEREIN TO THE CONTRARY, no bond trustee in connection with the Revenue Bonds and no governmental departments, units, or agencies specifically named in this paragraph as an Approved Investor, nor any instrumentality of such governmental department, unit or agency, shall be required to execute an investment letter.

Notwithstanding anything herein to the contrary, the City hereby approves, and no prior consent shall be required in connection with (i) the right of the Developer to pledge its interest any TIF Note or any portion thereof to secure any mortgage loan in connection with the Revenue Bonds, or any other loans, advances or extensions of credit to finance or from time to time refinance all or any part of the Paul Brown Redevelopment Project Costs, or (ii) the right of the holder of any such pledge, or transferee of any such pledge (or trustee or agent on its behalf) to transfer such interest due to foreclosure or transfer in lieu of foreclosure of the Property.

Subject to the limitations on transfer, exchange and assignment of this TIF Note as set forth herein, 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 200__ TIF Notes described in the within-mentioned Note Ordinance.

Date(1)	Additions to Principal Amount(2)	Principal Amount Paid	Outstanding Principal Amount	Authorized Signatory of Finance Officer
_____ __, ____	$	$	$	
_____ __, ____				
_____ __, ____				
_____ __, ____				
_____ __, ____				
_____ __, ____				
_____ __, ____				
_____ __, ____				
_____ __, ____				
_____ __, ____				
_____ __, ____				
_____ __, ____				
_____ __, ____				

_____

(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 $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 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 $3,264,200 City of St. Louis, Missouri, Tax Increment Revenue Notes, (Paul Brown 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 $3,264,200 aggregate principal amount of Tax Increment Revenue Notes, (Paul Brown 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 "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: _____

EXHIBIT D

Legal Description of RPA 2

(Arcade Boundary Description)

A tract being part of Pine, Eighth and Olive Streets and part of City Block 192; being more particularly described as beginning at the intersection of the center line of Olive Street, 60 feet wide, with the northern extension of the eastern line of Eighth Street; thence west along the center line of Olive Street a distance of 202.37 feet; thence south and parallel with Eighth Street a distance of 146.76 feet; thence west and parallel with Olive Street a distance of 19.53 feet; thence south and parallel with Ninth Street a distance of 176.76 feet to the south line of Pine Street, 60 feet wide; thence east along the south line of Pine Street a distance of 221.90 feet to a point being the intersection of the south line of Pine Street with the east line of Eighth Street, said point being the northwestern corner of City Block 183; thence north along the eastern line of Eighth Street a distance of 323.33 feet to the point of beginning.

Approved: December 10, 2002